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# HEALTHY LIVING HEALTHY OCEANS



56-1 ONE REPORT  
2021

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# Company Profile

## Company Profile

Thai Union Group Public Company Limited  
Registration No. 0107537000891

## Type of Business

Processor and exporter of frozen  
and canned seafood

## Head Office

72/1 Moo 7, Sethakit 1 Road,  
Tarsai Sub-District,  
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## Website

[www.thaiunion.com](http://www.thaiunion.com)

Listed on The Stock Exchange of Thailand  
Since November 22, 1994

As of December 31, 2021  
Registered capital THB 1,492,953,874  
(5,971,815,496 shares)

Paid-up capital THB 1,192,953,874  
(4,771,815,496 shares)

Par value THB 0.25 per share



## Message from Our Chairman

Thai Union is proud to be a leader in the seafood industry. With such leadership comes great responsibility and the Company continues to maintain a firm eye on the future, securing important investments that will be important for the ongoing growth of the business. These opportunities are possible thanks to our robust financial position, which has been driven by our strong leadership team.



Another important element in our future growth is innovation, which is being led by our Global Innovation Center (GIC). Over the past 12 months, the GIC pushed the boundaries in exploring and developing new products that will be essential well into the future, from supplements to alternative proteins. At the same time, they are also working to develop new packaging solutions for our products to help address concerns around their sustainability.

Our sustainability efforts remained at the forefront of the business and formed an important part of Thai Union living by its corporate goal of Healthy Living, Healthy Oceans. As with innovation, our sustainability team continues to explore new opportunities to bring sustainable solutions not just to our own operations but the wider industry. During the year, Thai Union also paved the way for Blue Finance in Thailand, with Sustainability-Linked Loans and a Sustainability-Linked Bond, which help support the preservation of our oceans.

I would like to congratulate our Thai Union Feedmill subsidiary for its successful listing on The Stock Exchange of Thailand. TFM is a manufacturer and distributor of aquaculture and commercial animal feeds, and with ambitions to expand its overseas presence, it will be an important growth opportunity for the Group.

The communities where Thai Union operates also play a key role in our success and we work in partnership with them, helping them to thrive and grow. Importantly, we also support them in time of need. Since the COVID-19 pandemic began in 2020, Thai Union has donated almost four million servings of human and pet food globally as part of our Thai Union Cares program. This is something I am particularly proud of, and we will continue to provide for those who need assistance.

There's no doubt that 2021 was a year of immense challenges. For the second consecutive year, the world was confronted with the threat of COVID-19 as new variants spread rapidly around the world. The impact was widespread – affecting the health of millions of people, and for many, changing their way of life.

At Thai Union, we faced some daunting risks as we worked through numerous setbacks as we worked to bring our healthy and nutritious products to consumers globally. But I'm proud to say that we not only met those challenges, we overcame them through great determination and the unwavering commitment of the Thai Union family to deliver one of our most successful years yet.

I am incredibly grateful to so many people for our continued success. Our 40,000-plus workforce, from Asia to Africa and Europe to North America, demonstrated yet again why they are our most important asset. Their health and safety are paramount, and I want to thank our management team for implementing a plan to ensure our workers were protected.

We learned many lessons from 2020 when COVID-19 first appeared, and those lessons ensured we were well positioned to manage the continued spread of the virus in 2021. This ensured we were able to continue stocking shelves around the world with our products, which I'm pleased to say consumers continued to show great trust in. Demand for our pet food products – an important and growing segment – also showed further growth.

As Thai Union continues to expand its global footprint, I often reflect on the early days of the business, looking at how we began and where we are today. I frequently talk about Thai Union being humble, and I do so because I firmly believe this has been essential to our success, now and in the years ahead. Also critical to that has been the long-standing support of so many people – our staff, customers, consumers, shareholders, and our stakeholders. So, I want to thank them for their loyalty and their trust and assure them that we will continue to work hard to repay that trust.

**MR. KRAISORN CHANSIRI**  
CHAIRMAN



# Message from Our President and CEO

Thai Union Group delivered its best financial performance ever in 2021, with revenue and net profit both reaching all-time highs as our global portfolio of healthy and nutritious products attracted a growing customer base.

Across Asia, Europe and North America, Thai Union's frozen and chilled business recovered strongly from the impact of COVID-19, while demand for our pet food products remained strong. The Company's performance also validated the Group's long-term strategies, financial discipline and focus on profitability.

Sales in 2021 increased 6.5 percent year-on-year to a record THB 141 billion, helping push the Group to a net profit of THB 8 billion, a remarkable result given the disruptions and challenges presented by the global pandemic. Operating profit for the year was THB 8.26 billion, a 5.6 percent increase from 2020, while the gross profit margin was 18.2 percent.

I was delighted that we were also able to announce a final full year dividend of THB 0.95 per share.

Our financial results were driven by the Group's long-term strategy of strengthening our core businesses while building value-enhancing new operations, combined with financial discipline as well as a focus on profitability and sustainability. Our management team worked incredibly hard during the year to achieve strong business momentum and drive business diversification despite the ongoing pandemic.

Of course, 2021 was not without its challenges. COVID-19 continued to place pressure on our entire operation, including our supply chains as freight costs continued to rise throughout the year



and we faced a shipping container shortage. However, Thai Union's inventory management, coupled with the benefit of large-scale production, helped to mitigate the impact, along with pricing negotiations with suppliers, customers and retailers.

As always, Thai Union continues to look towards the future as we push to deliver on our 2025 goals, including strengthening our core business and building new value-enhancing businesses. In Thailand, the Company is consolidating three factories into one modern plant for culinary products, a new plant with more automation and increased production efficiency; our Thai Union Ingredients subsidiary is building a new protein hydrolysate and collagen peptide plant to serve fast-growing markets in Asia such as China and Japan; and Thai Union is expanding its portfolio across key businesses with innovation-driven products, focused on profitability and healthy consumer trends. Also supporting our growth goals, Thai Union completed strategic investments and partnership opportunities in Europe and Southeast Asia, in areas like biotechnology, cell-based protein, insect-based treats, food ingredients and tuna oil encapsulation. Over the year we acquired the remaining 49 percent of shares in Rügen Fisch AG, the leading shelf-stable seafood brand in Germany; we finalized partnership agreements that will help us expand our plant-based business, including a memorandum of understand with V Foods (Thailand) Co., Ltd.; and entered a joint venture on flexible packaging to support our sustainability and packaging goals. The Company also established Thai Union Lifescience to distribute supplements to consumers under the ZEA Vita brand.

We also continued to drive change within our operations, with Thai Union Feedmill successfully listing on The Stock Exchange of Thailand and poised to expand across Asia, while Songkla Canning Public Company Limited (SCC) became i-Tail Corporation Public Company Limited (ITC) and is now the official business of Thai Union's fast-growing pet-related operations.

Sustainability remains at the heart of the Thai Union business and our ongoing work to drive positive change across the global seafood industry was recognized when the Company was named to the Dow Jones Sustainability Indices (DJSI) for the eighth consecutive year and ranked second in the world

on the Food Products Industry Index. We were also ranked number one on the Seafood Stewardship Index (SSI) for the second consecutive time for our performance delivering towards the United Nations Sustainable Development Goals (UN SDGs).

Thai Union last year also led the way for Blue Finance in Thailand, launching our first Sustainability-Linked Loans (SLLs) and Sustainability-Linked Bonds (SLBs) totalling THB 27 billion. By the end of 2025, 75 percent of our long-term financing will be in Blue Finance, which has sustainability targets to benefit the oceans and where interest rates are linked to key performance indicators and sustainability performance targets.

The strength of our business was acknowledged by the Japan Credit Rating Agency, Ltd. (JCR), which assigned Thai Union an A- rating with a stable outlook - a foreign currency long-term issuer credit rating that is the same as Thailand's sovereign credit rating.

Good corporate governance is a cornerstone of our Thai Union values and, in 2021, the Company received a 5 Star Ranking - or "Excellent" level - by the Thai Institute of Directors for the sixth consecutive year.

After two years navigating our way through COVID-19, we are hopeful that we will continue returning to a more normalized situation in 2022 and beyond. What will remain unchanged, however, is our commitment to our colleagues and their health and safety, and to continue delivering healthy and nutritious products to consumers around the world so we maintain their trust and exceed their expectations.

While challenges remain - from inflation to the ongoing pandemic, and from supply chain issues to container shortages - in 2022 we will continue to build on the financial successes and record performance we delivered in 2021. I remain optimistic about the future and remain focused on living by - and delivering on - our core corporate goal of Healthy Living, Healthy Oceans for all.

**THIRAPHONG CHANSIRI**  
President and CEO

## 1. Group Structure and Operations

### Business Overview

## Business Operations and Performance



# Thai Union's Footprint



Brands	
1 Chicken of the Sea®, USA	10 FiSHO, Thailand
2 GENOVA, USA	11 Monori, Thailand
3 JOHN WEST, UK	12 Qfresh, Thailand
4 PARMENTIER, France	13 Bellotta, Thailand
5 PETIT NAVIRE, France	14 Marvo, Thailand
6 KING OSCAR, Norway	15 Thammachart Seafood, Thailand
7 RÜGEN FISCH & Hawesta, Germany	16 OMG Meat, Thailand
8 Mareblu, Italy	17 ZEAvita, Thailand
9 SEAELECT, Thailand	18 ZEA Tuna Essence, Thailand

Strategic Partnership/ Key Joint Venture
1 Red Lobster, USA
2 Avanti Frozen Foods, India
3 Avanti Feeds Ltd., India
4 Food and Beverage United Company
5 Interpharma-ZEAvita Co. Ltd.



Production Location
1 Lyons, GA, USA
2 Douarnenez and Quimper, France
3 Peniche, Portugal
4 Tema, Ghana
5 Svolvær, Norway
6 Gniewino, Poland
7 Mahe', Seychelles
8 Long An, Vietnam
9 Samut Sakhon, Thailand
10 Songkhla, Thailand
11 Lübeck-Schlutup, Germany
12 Sassnitz, Germany
13 Kretinga, Lithuania

Innovation Center/ R&D Center
1 Douarnenez, France
2 Bangkok, Thailand

Corporate Office/Sales
1 El Segundo, CA, USA
2 Lake Success, NY, USA
3 Portsmouth, NA, USA
4 Milan, Italy
5 Paris, France
6 Liverpool, UK
7 Bergen, Norway
8 Bangkok, Thailand
9 Shanghai, China

## Our Vision

To be the world's most trusted seafood leader, caring for our resources to nurture generations to come.

## Our Mission

To be the seafood industry's leading agent of change, making a real positive difference to our consumers, our customers and the way the category is managed.

## Our Goal

We are committed to **“Healthy Living, Healthy Oceans”**. With a focus on health and wellbeing across our group's portfolio, we will strengthen the growth and profitability of our core businesses and expand into new, attractive areas. We will continue to lead the industry on sustainability while attracting and retaining talent.

# Thai Union Strategy

## 2021 Was Challenging, But We Continued To Deliver

2021 was a challenging year for our business and our people, as COVID-19 continued to impact supply chains around the world. Thai Union's learning from previous years dictated that we stay the course and continue to execute the strategy towards 2025 (Strategy 2025). We continued our crisis management protocols around the world, to ensure employee safety and deliver value to our stakeholders. These protocols include comprehensive health & safety measures, planning for operational resilience as well as strict cash management and cost controls. During these times of “new normal”, we continue to track and address

key trends, while our experience from the previous year has further strengthened our belief in and commitment to our Strategy 2025.

Thai Union's Strategy 2025 builds on our determination to provide healthy and tasty products to consumers and on our commitment to industry-leading sustainability, and we continue to focus on “Healthy Living, Healthy Oceans”.

Our strategy remains unchanged through the pandemic, and consists of six elements to create long-term value, which will help us fuel and sustain profitable, organic growth and shift and future-proof our Group portfolio.





### Growing The Core

Firstly, we aim to achieve moderate but profitable growth in our core business, with a relentless focus on managing costs. There are still substantial opportunities to grow in terms of both volume and value. We will achieve this via a three-pronged approach: tapping into existing and emerging white spaces through expanding our product ranges and optimizing our customer and geography mix; by selectively entering attractive adjacent categories; and by further developing and differentiating our value proposition especially in health and wellbeing. At the same time, we will continue the comprehensive agenda to continuously improve operations and reduce SG&A in our operations.

### Diversifying Along Our Value Chains

Secondly, we will continue to diversify our Group portfolio by expanding into attractive businesses along our value chains. We are focused on further growing our pet care and feed businesses, as well as continuing to invest in research and development of alternative protein and supplements. Our feed business, Thai Union Feedmill (TFM) was spun-off and listed on The Stock Exchange of Thailand (SET) on October 2021, with the funds being utilized towards overseas expansion projects and to unlock the firm's hidden value. In pet care, for example, i-Tail Corporation (ITC) launched new products (i.e. cat & dog drink, hamburger, pet purée treat) in key markets globally, and the Global PetCare Innovation Center (GPCI) continues to work closely with customers to co-develop new, innovative products, with the ultimate goal to bring health and longevity to the pets we serve.

### Exploring New Horizons

Thai Union continues to build out new businesses that tap on the large opportunity to valorize our co-products and create high-margin and high-growth businesses. We have a unique strategic position in these businesses through our raw material access and innovation capabilities. Within this mandate, we will continue to expand our Thai Union Ingredients business, which produces a branded range of marine

ingredients, including UniQ™DHA, and UniQ™BONE products. We will invest to grow into other ingredients and specialized products, including commissioning a new protein processing factory which started construction in June 2021. Thai Union also launched its supplements brand “ZEAvita” in Thailand in September 2021, focused on collagen, calcium and fish oil products. In addition to ingredients and supplements, Thai Union is exploring entering into other related businesses such as through partnerships with R&B Food Supply.

At Thai Union, we recognize that not all innovations can be developed internally, especially as the food-tech space has become increasingly dynamic. As a result, we continue to engage with, and support, global food-tech startups through our role as one of the founding members of SPACE-F, Thailand's first food tech incubator/accelerator, as well as through Thai Union's Corporate Venture Capital (CVC) fund.

### Future-proofing Our Operations

We continue our efforts to strengthen our supply chain and operations, while increasing productivity and reducing our structural costs. We are investing in automation and artificial intelligence in order to further drive efficiency, increase quality, and improve decision-making with data digitalization. These initiatives have strengthened the resilience of our supply chain and ensured that we are well-positioned for the future. Additionally, we continue our programs to drive continuous improvement across our operations with detailed plans and clear line of sight on annual reduction of conversion costs.

### Continuing Our Sustainability Leadership

We are proud to be recognized for our efforts in sustainability, not only in our own operations, but in the industry as a whole. Thai Union has been listed on the Food Products Industry Index of the Dow Jones Sustainability Indices (DJSI) for the past eight years and was ranked number one in the world in 2018 and 2019, and number two in 2020 and 2021. Thai Union was also ranked number one on the Seafood Stewardship Index (SSI) for the second

year, which assessed the contribution of the world's 30 largest seafood companies to the United Nations Sustainable Development Goals. We continue to be focused on operationalizing SeaChange®, our global, industry-leading sustainability strategy, across all parts of our business, and integrating sustainability within our “Healthy Living, Healthy Oceans” strategy. At the same time, we are driving the next stage of our sustainability strategy by expanding our work on ocean stewardship and developing our climate change response. Thai Union has also been paving the way for Blue Finance in Thailand by launching its inaugural Sustainability-Linked Loan which was followed by the successful pricing of its Sustainability-Linked Bond (SLB) for institutional investors – the first SLB in Thailand. With these efforts, we expect Thai Union to continue to be a sustainability leader.

### Wellbeing And Capability Of Our Employees

At Thai Union, we are focused on improving employees' wellbeing, productivity and capability. As COVID-19 continues in many regions, we continue to support our employees in this challenging situation, and have adapted the work environment across our offices and manufacturing locations to dynamically react to the respective local situation and requirements. We have also deployed initiatives to ensure employees are able to balance their personal and professional responsibilities, while prioritizing their emotional, mental and physical wellbeing.

In addition, we will continue to focus on talent development and strengthening our people capabilities, such as through the Thai Union Academy which focuses on upskilling and reskilling in high demand curriculums. In addition, we will continue our drive to increase employee engagement across all our businesses and employee demographics.

We will allocate our resources in a disciplined fashion in line with the above priorities. As we continue to deliver efficiencies in our core business, we are freeing up resources to provide fuel for growth, both for core product innovation, as well as for investment into new strategic growth areas.



We continue to actively manage our Group portfolio, investing in higher-growth and higher-margin businesses and are determined to fix underperforming businesses. We continue to be prepared to take decisive actions to improve or exit underperforming businesses. Any such actions are taken with full consideration and due diligence and in such a way as to minimize disruption and unlock the full potential of existing businesses.

While we primarily focus on investing in driving profitable growth organically, we continue to selectively look at acquisitions and partnerships to further our strategic priorities. For potential acquisitions we will focus on areas of high strategic interest, particularly in high-growth categories and regions.

With the above strategy we are balancing a focus on top-and bottom-line growth with building the foundations for the future. In a rapidly changing environment, we believe the key to Thai Union's success is to continue building on our strengths; our access to naturally healthy and nutritious seafood, and our ability to lead the industry on innovation and sustainability. Thai Union will maintain an unwavering commitment to “Healthy Living, Healthy Oceans”.

# Corporate History and Development

## 1977

- Thai Union Group was originally founded under Thai Union Manufacturing Company Limited, as a processor and exporter of canned tuna.



## 1988

- Thai Union Frozen Products PCL. was founded. It operated frozen seafood production and exports.

## 1992

- Mitsubishi Corporation, a leading food distributor in Japan and Hagoromo Foods Corporation, a major seafood producer, became our business partners in Japan. They played a significant role in developing Thai Union's products to meet international standards and become competitive in markets around the world.

## 1994

- Thai Union went public with a listing on The Stock Exchange of Thailand on November 22, 1994 as Thai Union Frozen Products PCL. (TUF)

## 1997

- First overseas investment with the acquisition of Chicken of the Sea®, which had the third-highest market share of canned tuna brands in the U.S.

## 2003

- Acquired Empress International Ltd., a frozen seafood importer and distributor in the U.S.

## 2006

- Established Tri-Union Frozen Products, Inc. (Chicken of the Sea Frozen Foods) to market frozen seafood in the U.S. Chicken of the Sea Frozen Foods was later merged with Empress International.
- Acquired a majority stake in PT Jui Fa International Food, a canned tuna producer and exporter based in Indonesia.

## 2008

- Acquired a majority stake in Yueh Chyang Canned Food, a canned seafood producer and exporter based in Vietnam.

## 2009

- Invested in Avanti Feeds Limited, a shrimp feed and frozen shrimp producer based in India.

## 2010



- Expanded into Europe with the acquisition of MW Brands SAS (now Thai Union Europe), a producer and distributor of shelf-stable tuna and other seafood with leading European brands such as John West, Petit Navire, Parmentier and Mareblu.
- Founded US Pet Nutrition, LLC to produce and market pet care in the U.S.

## 2014

- Further expansion into Europe with the acquisition of MerAlliance SAS, Europe's number four smoked salmon producer and number one in France.



- Acquired King Oscar AS of Norway, the number one premium shelf-stable sardine brand in Norway, the U.S. and Australia and with over 140 years of heritage.

## 2015

- Completed acquisition of Orion Seafood International, the U.S.- based leading global supplier of lobsters, by Chicken of the Sea Frozen Foods.
- Thai Union Frozen was renamed Thai Union Group. MW Brands SAS was changed to Thai Union Europe and Thai Union International Inc. was changed to Thai Union North America Inc.



## 2016

- Completed acquisition of majority stake in RÜGEN FISCH, the leading seafood Company in Germany.
- Acquired a 40 percent equity stake of Avanti Feeds Limited's shrimp processing unit Avanti Frozen Foods Private Limited.

- Made a USD 575 million strategic investment in Red Lobster Seafood Co., the world's largest seafood restaurant Company.

## 2017

- Fully established Thai Union China, with offices in Shanghai and Beijing.
- Bought out the minority investors in Pakfood in Thailand as well as in YCC in Vietnam, with both now fully owned Thai Union subsidiaries\*

## 2018

- Acquired a 25.1 percent stake in Thammachart Seafood Retail Co., Ltd. (TSR).
- Acquired a 45 percent stake in TUMD Luxembourg S.a.r.l., which wholly-owns three Russian retail focused fish and seafood businesses.
- Increased our shareholding in Thai Union Feedmill Co., Ltd., a Thai Union Group subsidiary, to 66.9 percent.
- Thai Union Feedmill set up a joint venture company, a manufacturer of aqua feed, particularly shrimp feed, based in the Indonesian city of Surabaya.

## 2019

- Increased our shareholding in TSR to 65 percent to expand our footprint in Thailand's domestic seafood retail business.
- Invested in the foundation of a corporate venture fund as part of our continuous investment in innovation.

## 2020

- The COVID-19 pandemic posed challenges to businesses and communities globally. Thai Union set up a globally cascading crisis management structure, from the corporate center down to each of our locations, to develop and implement our pandemic response to keep our employees safe and our operations running.
- Increased our holding in TUMD Luxembourg S.a.r.l., the joint-venture vehicle in three Russian seafood companies, to 90 percent, giving us operational control of our Russian business.
- Further expanded our work with, and investments in, innovative food-tech startups. Our Corporate Venture Capital (CVC) fund has grown to six investments in the areas of alternative protein, functional nutrition and value chain technology.
- Tri-Union Seafood LLC reached an agreement in principle to settle antitrust litigation cases in the U.S.
- Invested in a new joint venture, Food and Beverage United Company Limited, with Thai Beverage PLC., to collaborate on product development, production and distribution of food and beverage products.
- Repurchased 117 million shares for THB 1.5 billion to help manage the Company's excess liquidity.

Remark: \* 99.7 percent in Pakfood, 100 percent in YCC.



# 2021 Year of Pride and Success

- The pandemic remained a key challenge to people and business globally. Thai Union Group performed strongly throughout 2021 thanks to the efforts of the Company's crisis management team, our safety policies, and our Thai Union Cares program, including vaccination arrangements for all employees at our global factories.

Given the ongoing global supply chain challenges, we prudently managed the situation in 2021, resulting in a solid financial performance.



- Thai Union managed the global supply chain challenges in many areas, such as container shortages, higher freight costs, higher logistic costs, as well as a higher costs for packaging and edible oils. However, the impact of the increased costs was mitigated by robust inventory management and the benefits from large-scale production. We also benefited from having some FOB contracts, cost sharing, and pricing negotiation with our suppliers, customers, and retailers.

- Our subsidiary, Thai Union Feedmill PCL., or TFM, a manufacturer and distributor of aquaculture and commercial animal feeds, was listed on The Stock Exchange of Thailand. Determined to be the leader in the aquaculture and commercial animal feed business, TFM aims to grow in overseas markets through cooperative agreements, joint ventures with trading partners, and direct exports in order to support food security for Asia's future.



- Thai Union acquired the remaining 49 percent of shares of RÜGEN FISCH AG (RÜGEN FISCH), bringing its holding to 100 percent. RÜGEN FISCH currently generates revenues in excess of €140 million and is Germany's shelf-stable seafood leader.



- Thai Union Ingredients (TUI) made a strategic minority investment of 10 percent of shares in Clover Corporation, the world's leading tuna oil encapsulation company, in Australia. As TU's long-term strategic customer, together, we are well-positioned to serve growing demand for DHA-rich products in Australia, Asia and Europe.



- Thai Union announced a 10 percent strategic investment valued at about THB 3 billion in R&B Food Supply PCL (RBF), Thailand's leading food ingredients company specializing in flavors, colors and coating. This investment follows a multi-year relationship between Thai Union and RBF in which RBF has been supplying high quality food ingredients for Thai Union products.



## Interpharma

- Inter Pharma PLC. and Thai Union Ingredients, a subsidiary of Thai Union Group, announced a joint investment in Interpharma-ZEAvita Co., Ltd. The newly established company will focus on research and development as well as the manufacturing and distribution of healthy products, responding to consumer trends that focus more on wellbeing. Two products were launched in 2021, "Tuna Bone Calcium+" and "Lisa DHA Shot" under the ZEAvita by Interpharma brand.



- Thai Union Graphic Co., Ltd., a subsidiary of Thai Union Group, signed an MOU to launch a new joint venture with Starflex PCL, an industry leader in manufacturing and distributing high quality flexible packaging.



- Invested in a new joint venture, Food and Beverage United Co., Ltd. with Thai Beverage PLC., to collaborate on product development, production and distribution of food and beverage products. In 2021, the new joint venture launched the first-ever tuna essence under the ZEA Essence brand, which is available in retail stores in Thailand



- Thai Union Group expanded its work with, and investments in, innovative food-tech startups. Our Corporate Venture Capital (CVC) fund has grown to eight investments in the areas of alternative protein, functional nutrition and value chain technology. In addition, SPACE-F, the global FoodTech startup Incubator and Accelerator Program, headquartered in Bangkok, Thailand, announced Batch III of its FoodTech program. Established through cooperation between the National Innovation Agency (Public Organization), or NIA, Thai Union Group, and Mahidol University, SPACE-F runs an innovative curriculum based on networking and mentorship meant to pioneer DeepTech innovation with FoodTech startups – responding to the trends of the food industry.



# Our Brand Portfolio

Thai Union’s vast selection of shelf-stable, chilled, and frozen foods and related products makes mealtimes delicious, dynamic, easy, and healthy for millions of families worldwide. Our portfolio of consumer-favored brands across North America, Europe, Asia and the Pacific has a global reach, with product developments informed by local insights and market preferences.

Through strategic mergers and acquisitions, our family of brands is expanding its market share around the world. Our commitment to innovation, sustainable growth, quality, and consistency facilitates our competitive advantages.



## Chicken of the Sea® and Chicken of the Sea Frozen Foods

In 1914, Chicken of the Sea® began as a California-based fish canning Company. Over the decades, its iconic mermaid image and reputation for quality have made it a household name. More than a century later, Chicken of the Sea® is synonymous with health, nutrition, and convenience; with a variety of products that, in addition to tuna, include sardines, shrimp, lobster, salmon and crab. Ensuring a healthy supply of seafood for future generations is imperative to Chicken of the Sea®. The Company has pioneered responsible sourcing initiatives including the Dolphin-Safe Policy, Shark Finning Ban, and a partnership with the Marine Stewardship Council (MSC) and the International Seafood Sustainability Foundation (ISSF).



## GENOVA

In 1992, Thai Union’s GENOVA brand of tuna was launched for customers seeking a high-quality, great tasting product. Genova uses wild-caught, hand-selected, premium yellowfin and albacore tuna, with its quality embodied in its slogan, “Simply Fulfilling.” The growth of the premium tuna market is outpacing mainstream tuna products, and GENOVA is taking advantage of consumer trends by building awareness and expanding its distribution channels.



## JOHN WEST

Since 1857, JOHN WEST has distinguished itself with its rich heritage and ongoing commitment to serving the highest-quality seafood products. The JOHN WEST brand’s commitment to quality is matched by its emphasis on product and packaging innovation. In 1952, JOHN WEST introduced its canned tuna for the very first time – a product that would soon become a staple in kitchens everywhere. In 2014, JOHN WEST and Thai Union Europe committed to improving the sustainability of its seafood. The changes made, which now extend across all of Thai Union’s global business, include implementing fishery improvement projects, meeting the standards of the MSC, improving management of fish aggregating devices in tuna fisheries, and protecting workers’ rights with a code of conduct for all supply chain vessels. Over the years, JOHN WEST’s portfolio has expanded across new product categories, not only offering products that come in convenient packaging to meet consumer’s busy lifestyles, but also developing new ranges of products with enhanced functional benefits for healthy living.





## PETIT NAVIRE



Founded in 1932, PETIT NAVIRE has established itself as the most famous French tuna brand. In 1982, its first television campaign etched the brand in French consumers' minds with the slogan "Le bon goût du large" ("The good taste of the sea"). PETIT NAVIRE has seen continuous operational growth throughout its history, and is a model of modernity for the entire industry.



## PARMENTIER



Since 1883, PARMENTIER has perfected the craft of canning to offer gourmets real moments of pleasure. PARMENTIER's sardines are carefully selected and prepared with quality ingredients, creating tasty recipes that stand the test of time. Preserving its heritage of quality, PARMENTIER sardines are only fished during the ideal season; typically, between June and December. PARMENTIER selects only the best fish, carefully controls its curing process, and prepares them by hand.

## KING OSCAR



The KING OSCAR brand was born from a royal's love of fine sardines. In 1902, KING OSCAR II, ruler of Norway and Sweden, granted special royal permission to the Christian Bjelland Company – one of Norway's leading seafood canning companies – to use his name and portrait on their Norwegian sardines. Since its founding, KING OSCAR has offered discerning consumers the finest premium seafood, sourced from the pristine waters of the Norwegian Sea. KING OSCAR is the number one premium sardine brand in the U.S., Norway, and Australia, while its mackerel line is number one in Poland. KING OSCAR's cod liver and mackerel lines are focused on premium, niche, and healthy sectors.



## Mareblu



Mareblu, founded in the early 1970s, has developed as a strong, profitable, and attractive alternative to leading competitors in Italy. Thanks to its focus on quality and innovation, Mareblu is known as the only tuna brand in Italy that markets a complete range of NoDrain products where most of the oil has been removed in order to offer a lighter, healthier and more eco-friendly product, still delivering all taste and tenderness. This fully integrated process results in a product of the highest standards in taste, quality, and nutrition.



## RÜGEN FISCH



Since 1949, RÜGEN FISCH has grown its business to become the leading seafood company in Germany, representing a powerful line of ambient and chilled seafood brands. These include brands for shelf-stable canned seafood products such as RÜGEN FISCH and Hawesta, a historic brand founded in 1909, along with brands for chilled products such as Ostsee Fisch (smoked salmon products) and Lysell (canned premium seafood).

## SEAELECT



In 1982, Thai Union established the SEAELECT brand to introduce Thailand to canned tuna produced at a global standard. SEAELECT has established itself as the leading tuna brand in Thailand, while also exporting to some surrounding countries. SEAELECT continues to diversify its line of products, all of which represent quality and value for money. SEAELECT's mission is to help consumers get the most out of seafood through new varieties, nutritional information, and recipes. We are open to new product development opportunities through local or global strategic partnership, to fulfil and meet the market demand. We want to ensure that our consumers can enjoy their favorite tuna menu, that comes with both nutritional health benefits and delicious taste, in order to drive future growth of the overall tuna consumption.





FISHO



Created in 1996, FISHO was Thai Union's first snack brand for the Thai market, created from a perfect blend of premium-quality fish and richly-flavored seasonings. FISHO, with a mission to provide healthy snack foods in a wide variety, is available in strips, sheets, and sticks. It's popular among teens and young adults, who can enjoy its taste while knowing they're snacking guilt-free.



Qfresh

Qfresh offers "Fresh Quality" frozen seafood products through a wide range of culinary products that are ready-to-cook and ready-to-eat, available in both offline and online channels. Qfresh products are sustainably sourced, in combination with innovative processing and storage technology to ensure that freshness and nutritional content are maintained. Qfresh consumers enjoy seafood that is affordable, convenient, and nutritious. Qfresh also focuses on modern delivery methods, to ensure it delivers to the highest standards of freshness, original flavor, and safety. In 2019, Qfresh was rebranded, with new brand logo and product packaging design, to establish brand uniqueness and increase consumer's awareness.



MONORI



MONORI sea-snack products are one of Thai Union's first seafood snacks. They're fun, flavorful, and nutritious – made from the finest seafood ingredients, and cooked until perfectly crunchy. MONORI snacks are a healthier alternative to many other snacks. MONORI's shrimp snacks are available in Seaweed and Tom Yum flavors, and its salmon skin crisps in Egg Yolk and Original flavors. Like all of Thai Union's businesses, MONORI is committed to sourcing its ingredients for the highest quality and the best taste.



Bellotta and Marvo



Bellotta and Marvo pet food brands offer a wide array of products, for both cats and dogs. Our pet food products come in a variety of formats and flavors, and are made with high quality ingredients selected from Thai Union's own supply chain, as well as our strategic suppliers. Recognizing the growing trend of humanization and diverse demand from consumers, we are constantly expanding our product portfolio to offer appetizing and meticulously prepared meals with full nutritional benefits for beloved furry family members.



ZEAVITA

ZEAVITA

To support Thai Union's commitment to "Healthy Living, Healthy Oceans", and the growing popularity in consumer healthy living trend, Thai Union Lifescience, a new subsidiary of Thai Union Group was established in 2021. Leveraging Thai Union's strengths in the sourcing of tuna raw materials and the Global Innovation Center (GIC), Thai Union Lifescience focuses on the manufacturing, trade, distribution and development of supplements, health care and biotechnology products, commercialized under the ZEA vita brand. ZEA vita's core supplement products consist of collagen, calcium and fish oil. ZEA vita's products are available exclusively at Watsons and the top 100 pharmacies nationwide in Thailand, as well as online.



OMG Meat

In 2021, Thai Union launched OMG Meat, a plant-based protein brand, in the Thai market, to support our Group's commitment to "Healthy Living, Healthy Oceans", as well as to meet surging demand in Asia for healthy, environmentally-conscious and innovative protein products. OMG Meat's products not only have zero cholesterol, but they come with delicious taste and a high protein content. OMG Meat offers a variety of plant-based seafood e.g. crab meat, crab shumai, fish nugget, hoi jor as well as plant-based meat e.g. chicken nuggets and BBQ pork bun, and is available nationwide at leading Thai supermarkets and online.





### RED LOBSTER



RED LOBSTER, the world's largest seafood restaurant company, has grown to become an iconic casual dining brand since its first location opened in Florida in 1968. RED LOBSTER has more than 700 locations in the U.S., Canada and around the world. In 2016, Thai Union made a strategic investment in RED LOBSTER after supplying the brand for more than 20 years. The investment not only marked a strategic step for Thai Union to build a direct-to-consumer channel, but also allowed Thai Union to leverage the restaurant industry expertise from the RED LOBSTER management team and increased synergies with Thai Union's core businesses through product development and expansion of suppliers.

### Thammachart Seafood



Managing more than 195 seafood counters in Thailand. Thai Union entered a strategic partnership with Thammachart Seafood in 2018, and increased its stake to 65 percent in 2019. The partnership has expanded Thai Union's business portfolio into seafood counter service, food service and F&B concepts totaling 18 outlets, which include The Dock Seafood Bar, The Lobster Lab, Seafood Mahanakorn and the management of Ocean Bar.



### Food and Beverage United



In 2020, Thai Union Ingredients established Food and Beverage United, a new joint venture with BevTech Company, a subsidiary of Thai Beverage to produce and distribute functional food and beverage products. The joint venture combines Thai Union's strength in R&D and marine ingredients, with Thai Beverage's strength in beverage marketing, sales and distribution. The first product, ZEA Tuna Essence, launched in Thailand across 7-11 and other modern trade channels in Q4 2021. ZEA Tuna Essence is a functional beverage enriched with Vitamin B, Zinc, Selenium and Omega-3. The product comes in two flavors, Original and Passion Fruit.



ZEAVITA by Interpharma

### Interpharma-ZEAvita

In 2021 Inter Pharma and Thai Union Ingredients, a subsidiary of Thai Union Group, set up Interpharma-ZEAvita, a new joint venture focusing on research and development, as well as the manufacturing and distribution of healthy products that promote wellbeing. Thai Union Ingredients currently holds a 49 percent stake in the new joint venture. The investment combines together Thai Union's strength in R&D and marine ingredients, with Inter Pharma's strength in supplement sales and distribution, particularly in the medical channel. The products already launched under this joint venture include Lisa DHA shot and Tuna calcium.



# Selected Brand Share in 2021

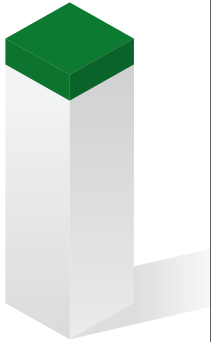
## Thailand



Market Share (Value) of "SEALECT" in Thailand<sup>1</sup>

10.0%

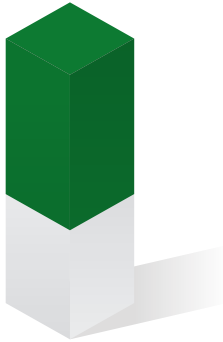
SEALECT Others



Market Share (Value) of "SEALECT Tuna" in Thailand (Canned Tuna Market)

58.8%

SEALECT Tuna Others



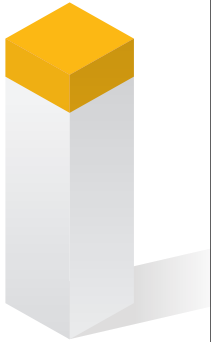
## USA



Market Share (Value) of "Chicken of the Sea" in the U.S.<sup>1</sup>

14.4%

Chicken of the Sea® Others



Market Share (Value) of "KING OSCAR" in the U.S. (Premium Sardines)

67.3%

KING OSCAR Others



<sup>1</sup> of total canned seafood market  
Source: AC Nielsen and IRI

## Europe



Market Share (Value) of "JOHN WEST" in the UK<sup>1</sup>

33.7%

JOHN WEST Others



Market Share (Value) of "PETIT NAVIRE" in France<sup>1</sup>

28.8%

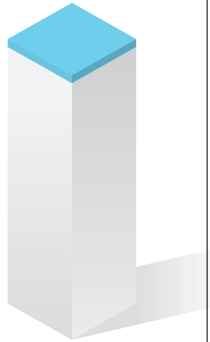
PETIT NAVIRE Others



Market Share (Value) of "PARMENTIER" in France<sup>1</sup>

3.1%

PARMENTIER Others



Market Share (Value) of "KING OSCAR" in Norway<sup>1</sup>

12.7%

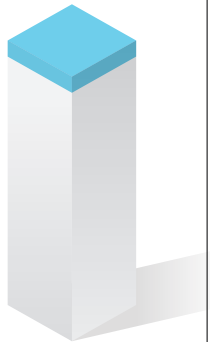
KING OSCAR Others



Market Share (Value) of "Mareblu" in Italy<sup>1</sup>

5.8%

Mareblu Others



Market Share (Value) of "RÜGEN FISCH" and "Hawesta" in Germany<sup>1</sup>

19.6%

RÜGEN FISCH and Hawesta Others



<sup>1</sup> of total canned seafood market  
Source: AC Nielsen and IRI



# Financial Highlights

## Amount (Billion Baht)

	Year				
	2021	2020	2019	2018	2017*
Sales	141.0	132.4	126.3	133.3	134.9
EBITDA	14.9	13.0	10.2	9.5	11.6
Net Profit attributable to owners of the parent	8.0	6.2	3.8	3.3	6.0
Total Assets	166.6	144.6	141.9	141.9	146.1
Total Liabilities	104.4	88.8	90.1	95.4	98.0
Shareholders' Equity	62.2	55.7	51.8	46.5	48.1
Net Interest-bearing debt (net of cash and cash equivalents)	61.3	52.1	55.2	62.9	66.4
Net Cash from Operating Activities	6.3	13.4	11.8	12.9	6.8
Annual Dividend	4.4	3.4	2.2	1.9	3.1

\* The Company has changed the accounting policy regarding to the recognition in inventory cost.

## Financial Ratio

	Year				
	2021	2020	2019	2018	2017*
Total Liabilities to Equity (Times)	1.7	1.6	1.7	2.1	2.0
Gross Profit Margin (%)	18.2	17.7	15.9	14.2	14.3
Return on Capital Employed (%)	10.1	9.2	6.5	7.7	9.2
Return on Average Equity (%)	16.1	14.1	9.0	11.9	13.7

## Per Share Data (Baht)

	Year				
	2021	2020	2019	2018	2017*
Basic Earnings per share	1.66	1.26	0.80	0.68	1.25
Diluted Earnings per share	1.66	1.26	0.80	0.68	1.25
Dividend per share	0.95	0.72	0.47	0.40	0.66
Par Value	0.25	0.25	0.25	0.25	0.25

\* The Company has changed the accounting policy regarding to the recognition in inventory cost.

# 2021 Awards and Recognitions



## Executives:

### 1. Ranked No. 1 in the Intrafish Seafood Power 100: Mr. Thiraphong Chansiri, CEO

The IntraFish Seafood Power 100 ranks the most influential executives in the global seafood industry. Chansiri was recognized for the integral role he played in Thailand's move towards a sustainable and ethically sound seafood industry.

### 2. Multiple awards at the 2021 Global Banking & Finance Awards® by Global Banking & Finance Review® magazine

- Best Group CEO in Asia:  
Mr. Thiraphong Chansiri,  
President and CEO
- Best New Group CFO in Thailand:  
Mr. Ludovic Garnier, Group CFO

The Global Banking & Finance Awards® recognize companies which demonstrate excellence in financial performance, strategy, innovation, achievements, and progressive and inspirational changes within their sectors. The awards were hosted by Global Banking & Finance Review®, a leading, regional financial portal and online/print magazine for institutional investors, financial analysts, and senior management across Asia and in Fortune 500 companies.



### 3. Best Group CEO Thailand Food Industry in Finance Derivative Awards 2021 by Finance Derivative Magazine: Mr. Thiraphong Chansiri, CEO

Finance Derivative is a global finance and business analysis magazine based in the Netherlands, providing coverage and analysis of the finance industry, international business and the global economy. The awards honor the excellence in performance and reward companies across different domains of the business & financial world who have performed extraordinarily well and who strive for fineness.

### 4. Best CFO Food Processor and Exporter in the International Finance Awards 2021: Mr. Ludovic Garnier, Group CFO

International Finance is a premium business and finance magazine published by UK's International Finance Publications Limited. The annual awards recognize industry talent, leadership skills, industry net worth and capability on an international platform.

## Corporate:

### 5. Rated "Excellent" and received a 5-star rating from the Corporate Governance Report of Thai Listed Companies 2021 by the Thai Institute of Directors Association (IOD)

This marked the sixth consecutive year which Thai Union has received the highest level of CG Scoring.

### 6. Product of the Year Award by Business+ Magazine and the College of Management, Mahidol University

Thai Union was recognized for its leadership in Blue Finance. The awards are given for outstanding products and services developed to meet the needs of today's consumers.

### 7. Best Supply Chain Solution Award in Thailand at The Asset Triple A Awards by the Asset Magazine

The annual awards recognize companies and financial institutions that have launched or helped implement initiatives in corporate treasury management, trade finance, supply chain and/or risk management across Asia Pacific, the Middle East, Europe and North America.

### 8. New Code of Work Award 2021 for Leadership by PeopleStrong

The New Code of Work Award is an annual event that highlights the future of work, of workplaces, and of talent, with more than 100 companies worldwide participating. PeopleStrong is an organization that recognizes outstanding contributions in engagement and adaptability when dealing with change.





**9. Winner of the Gold Award for Excellence in Corporate Social Responsibility Strategy in the HR Excellence Awards 2021**

This category honors organizations that demonstrate leadership, sincerity, and ongoing commitment in incorporating ethical values into their business model.

Thai Union was also recognized as a finalist in the following categories:

- Excellence in Employer Branding
- Excellence in Employee Engagement
- Excellence in Workplace Culture

**10. Human Rights Award 2021 by the Rights and Liberties Protection Department, Thai Ministry of Justice**

Thai Union was recognized as a role model organization for best practices on human rights for the second consecutive year in the private sector category by the Rights and Liberties Protection Department, Thai Ministry of Justice.

**11. Thailand Labour Management Excellence Award 2021 by the Department of Labour Protection and Welfare, Thai Ministry of Labour**

Thai Union and subsidiaries, Thai Union Manufacturing, Thai Union Feedmill, Okeanos, and Pakfood, were presented the award for excellent performance in managing Thai labor standards in the category of Labour Relations and Labour Welfare and Benefits. This marked the ninth consecutive year which Thai Union has been recognized by the Ministry of Labour.

**12. Most Attractive Corporate Award in the Techsauce Corporate Award 2021 by TechSauce**

Thai Union ranked no. 6 among more than 60 Thai startups. Techsauce is the leading source of tech and business news in Thailand and Southeast Asia.

**13. Finalist in Best Crisis Management Award at the IR Magazine – South East Asia Awards 2021 by IR Magazine**

IR Magazine is a renowned media publication originally launched by The Economist Group. Its awards have been the definitive hallmark of IR excellence and best practice for over 20 years.

**14. Finalist in the LinkedIn Talent Awards 2021, for the category of “Best Employer Brand”**

This category recognizes companies that have focused strong efforts on engaging with their audience in meaningful ways, helping to share experiences driven by purpose.



### Sustainability:

**15. Rated No. 2 Company in the world in the Food Products Industry Index of the Dow Jones Sustainability Indices (DJSI)**

This marked the eighth consecutive year Thai Union has been named to the DJSI, ranking number one in the Food Products Industry in 2018 and 2019 and number two in 2020 and 2021.

**16. Ranked No. 1 Company in the Seafood Stewardship Index (SSI) by the World Benchmarking Alliance (WBA) for the second consecutive time**

Thai Union topped the benchmark in three areas: governance and strategy, traceability and social responsibility, and also topped the rankings on the inaugural index in 2019. The SSI assessed the contribution of the world's 30 largest seafood companies to the sustainable management of the oceans and coastal ecosystems and the United Nations Sustainable Development Goals (SDGs).

**17. Best Sustainability Excellence Award at the SET Awards 2021 by The Stock Exchange of Thailand (SET) and Money & Banking Magazine**

The Stock Exchange of Thailand (SET) presented Thai Union with the award in the category of Thai-listed companies with market capitalization of THB 30 - 100 billion for its outstanding performance in sustainability, particularly exhibiting ethical recruitment and legal labor through its global sustainability strategy, SeaChange®. Thai Union was also named to the SET's 2021 Thailand Sustainability Investment Index (THSI).

**18. Gold Class Distinction in the S&P Global Sustainability Yearbook 2021**

Thai Union was ranked No. 1 in the food industry for Social criteria, which assesses human rights and occupational health and safety. The Company came in second for both Environmental - covering climate strategy, operational eco-efficiency, packaging and raw material sourcing - and Governance and Economic, which includes health and nutrition, innovation management and supply chain management. Thai Union was one of only two companies to receive a Gold Class distinction in the food products industry following S&P's Global Corporate Sustainability Assessments of more than 7,000 companies from 61 industries around the world.

#### 19. Inclusion in the FTSE4Good Emerging Index for the sixth consecutive year

The FTSE4Good Emerging Index, which is an extension of the FTSE4Good Index Series, helps investors integrate environmental, social and governance (ESG) factors into their investment decisions and serves as a framework for corporate engagement and stewardship. The FTSE4Good Emerging Index was launched in December 2016 and covers more than 20 emerging nations.

#### 20. Sustainable Development Excellence Award at the Thailand Corporate Excellence Awards 2021 by the Thailand Management Association (TMA)

Thai Union received the Sustainable Development Excellence Award at the Thailand Corporate Excellence Awards 2021 hosted by the Thailand Management Association (TMA), for its outstanding efforts in sustainability.

#### 21. Most Committed to Environmental Stewardship in Thailand by FinanceAsia's 21st Best Companies in Asia Poll

This recognition is underpinned by significant and actionable feedback from over 200 portfolio managers and buy-side analysts on the region's top corporations.

#### 22. Sustainability Disclosure Award and Inclusion in ESG100 Rating by Thaipat Institute

Thai Union received the Sustainability Disclosure Award 2021 from Thaipat Institute and was recognized as a top 100 performing publicly-listed company for Environmental, Social and Governance (ESG), which assessed 824 Thai publicly-listed companies.

#### 23. Finalist in the Human Rights Award at the World Sustainability Awards 2021 by Sustainable Leaders

Thai Union was one of the three finalists for the Human Rights Award. The annual World Sustainability Awards celebrate corporate and social sustainability excellence and highlight the critical role that organizations must play in securing a more sustainable future.

#### 24. SDG Pioneers by the United Nations Global Compact

Dr. Darian McBain, former Thai Union. Group Director of Sustainability, was recognized as one of 10 SDG Pioneers by the United Nations Global Compact. SDG Pioneers are business leaders selected by the UN Global Compact for doing an exceptional job to advance the Sustainable Development Goals (SDGs) through the implementation of the UN Global Compact Ten Principles on human rights, environment, labor and anti-corruption.

#### 25. Sustainability Leader Award at the World Sustainability Awards 2021 by Sustainable Leaders

Dr. Darian McBain, former Thai Union. Group Director of Sustainability, was the winner of the award for driving positive change in the seafood industry.

### Corporate, Social, Responsibility (CSR):

#### 26. CSR Award: Leading Company in Building Community Resilience in Thailand in the 2021 Global Banking & Finance Awards® by Global Banking & Finance Review® magazine

Thai Union was recognized for continued support to local communities that were impacted by COVID-19, under the "Thai Union Cares" program, providing humanitarian and animal assistance in regions where Thai Union operates globally.

#### 27. CSR-DIW Award 2021 by the Department of Industry Works, Ministry of Industry

Thai Union and subsidiaries, Okeanos, Pakfood, and Thai Union Feedmill were presented the award in the category of standard corporate social responsibility and sustainable development, which recognizes industrial business operators who are committed to corporate social responsibility and sustainable development, as well as supporting people and local communities while driving sustainability forward.





## Innovation:

### 28. Outstanding Organisation in Innovation at the National Innovation Awards 2021 by the National Innovation Agency (NIA)

Thai Union was recognized under the category for large organizations, for outstanding innovation with great efficiency in all operational aspects - from laying out strategies, conducting business, developing human resources, fostering knowledge, establishing corporate culture, managing resources and supply chain, improving production and using innovation to efficiently enhance productivity.

### 29. Innovation Excellence Award at the Thailand Corporate Excellence Awards 2021 by the Thailand Management Association (TMA)

Thai Union was recognized for its outstanding industry innovation and technology. The award is given to companies that optimize their business models to take advantage of technological advancement, resulting in operational resilience and new growth engines.

### 30. Best Innovative Company Award at the SET Awards 2021 by The Stock Exchange of Thailand (SET) and Money & Banking Magazine

The Stock Exchange of Thailand (SET) presented Thai Union with the award in the category of Thai-listed companies with market capitalization of THB 30 billion - THB 100 billion for its innovation with a deep-sea products platform, showing the Company's long-term growth in sustainability.



### 31. One of the Winners of the Global Most Innovative Knowledge Enterprise (MIKE) Awards 2021

This award recognizes excellence in enterprise innovation, and the cultivating and converting of enterprise knowledge into superior products, services, and solutions. Thai Union was also recognized as one of the Gold winners of the "Thailand MIKE Awards 2021", organized by The Institute for Knowledge and Innovation Southeast Asia (IKI-SEA), a Bangkok University Center of Excellence organization.

### 32. Product Category Award at the International Innovation Awards 2021 by Enterprise Asia

Thammachart Seafood was recognized for its innovative product, "Salmon Bacon". The annual awards regional recognition programme recognizes outstanding innovations in the categories of Product, Service and Solution, and Organization and Culture, with the aim to encourage organizations to continue investing in innovation.



## Investor Relations:

### 33. Outstanding Investor Relations Award at the SET Awards 2021 by The Stock Exchange of Thailand (SET) and Money & Banking magazine

Thai Union was recognized in the category of listed companies with market capitalization of between THB 30 billion - THB 100 billion, for its outstanding performance in engaging with investor relations activities.

### 34. Multiple awards in the 2021 Global Banking & Finance Awards® by the Global Banking & Finance Review® magazine

- Best Investor Relations Company in Asia
- Group Head of IR Newcomer of the Year in Thailand: Ms. Kalvalee Thongsomaung, Head of Investor Relations

The Global Banking & Finance Awards® recognize companies which demonstrate excellence in financial performance, strategy, innovation, achievements, and progressive and inspirational changes within their sectors. The awards were hosted by Global Banking & Finance Review®, a leading, regional financial portal and online/print magazine for institutional investors, financial analysts, and senior management across Asia and in Fortune 500 companies.



### 35. Best Investor Event Award at the IR Magazine Awards 2021 - South East Asia by IR Magazine

Thai Union was recognized for excellence in investor relations and its efforts in actively engaging with investors. IR Magazine is a renowned media publication originally launched by The Economist Group. Its awards have been the definitive hallmark of IR excellence and best practice for over 20 years.

### 36. Most Outstanding Company in Thailand: Agriculture Sector by Asiamoney Asia's Outstanding Companies Poll 2021

This recognition is underpinned by significant and actionable feedback from over 1,071 investors, which resulted in over 5,787 votes for publicly listed companies across 13 Asian markets.

### 37. Best Investor Relations Team - Food Processor and Exporter in the International Finance Awards 2021

International Finance is a premium business and finance magazine published by UK's International Finance Publications Limited. The annual awards recognize industry talent, leadership skills, industry net worth and capability on an international platform.

# Innovation at Thai Union

## Healthy Living / Healthy Oceans

2021 saw a changed world with nations grappling with the disruptive nature of a pandemic. Unparalleled human encroachment resulting in ecological dislocation has also altered interactions between pathogens and hosts, possibly heightening the chances of pathogen mutation and, corollary to it, the chances of new pandemics. The urgency thus of safeguarding our environment has never been more paramount and the corresponding requirement to safeguard the health of the population never been more vital. At Thai Union, this responsibility is taken very seriously and is realized in the direction of where the Company is investing in.

## Supplements

ZEAvita, Thai Union’s flagship supplement brand, launched Collagen and Calcium in July followed by an Immune and Fish Oil supplement in September across 700 selected premium outlets, securing notable market share. The supplements platform itself, borne out of the vision for full responsible utilization of all viable materials that can be derived from every single tuna harvested from the ocean, testifies to Thai Union’s full commitment to sustainability.

Clinicals conducted have shown numerous benefits from tuna by-products; from better bioavailability of the hydroxyapatite calcium format derived from tuna bone, to the anti-inflammatory effect achieved with the DHA-rich tuna oil.

Another value-added product, Tuna Essence was formulated based on unique co-product characteristics preserved during Thai Union’s patented tuna fileting process. Analysis has revealed several tuna-derived polypeptides present in the Essence and for which there are various anecdotal testaments on its benefits, including a 200-person consumer test that indicated better sleep.

At the other side of the range, potentials for clinically provable therapeutics are also being explored. Areas of interest for by-product application include emotional/cognitive health, vascular wellbeing, renal health and cancer cachexia prevention among others.



## Alternative Protein

Alternative Protein as a category was launched under the ‘OMG Meat’ brand in Thailand in March 2021. With this launch we embarked on a journey to build the ‘alternative seafood’ category, globally. We have started with plant-based Tuna and Crab, and Shrimp is soon to follow.

As more consumers seek alternative protein sources, for sustainability/ environmental/ health reasons, Thai Union wants to support them in this shift in consumption behavior.

Besides the ‘OMG Meat’ brand, several partnerships have resulted in the presence of Thai Union-made Alternative Seafood solutions across Asia and Europe and ongoing negotiations are targeting even wider geographies. Realizing the size of the challenge and opportunity, Thai Union seeks partnerships to make an impact and grow the alternative seafood category, which today is in a nascent stage.

Under Thai Union’s goal of Healthy Living, Healthy Oceans, environmental sustainability and the achievement of optimal quality of life is not just a vision, but rather a business strategy that makes economic sense.

## Sustainable Packaging for Healthy Oceans

As part of its SeaChange® goals, Thai Union has committed to achieve 100 percent reusability, recyclability, or compostability of our branded packaging by 2025. To support this initiative, the Global Innovation Center (GIC) is focusing its developments on addressing packaging sustainability concerns, not just looking at individual components but on total packaging solutions. This approach spans all packaging formats from flexibles and pouches to rigid containers such as plastic cups, and metal and aluminum cans and applications (retortable to frozen product lines) in both human and pet categories.

Recyclability is being ensured through the research of mono-material solutions for replacing multi-layer or aluminum containing materials currently utilized for flexible packaging. A key focus is on developing barrier technology that embraces sustainability objectives without compromising on food safety and shelf-life targets.

In the case of John West fridge pots, the cups and caps are currently recyclable utilizing PP plastic material, but aluminum is used for the lidding film and PET for the shrink film. The various materials need to go to different recycling streams upon



disposal and the challenge of separating these components could inhibit overall recyclability. Understanding that a key challenge of recyclability is the post-consumer processing chain, Thai Union is researching solutions that focus on utilizing a single pathway for recycling to achieve real impact to both the environment and society. The packaging design must facilitate the effective collection and fit the recycling infrastructures in the target markets.

While metal and aluminum cans are widely recycled globally, Thai Union is exploring options for reducing the carbon footprint for both production and logistics associated with these packaging formats. Through GIC packaging innovations, Thai Union ensures that sustainability solutions not only deliver on sustainability commitments but deliver real impact for ensuring healthy oceans for generations to come.

### SPACE-F

Thai Union continues to support SPACE-F, Thailand's first dedicated food-tech startup incubator and accelerator program, as a key resource of our open innovation activities. SPACE-F was established in 2019 to grow a startup ecosystem dedicated to deep food-tech through the cooperation of Thai Union, Thailand's National Innovation Agency and Mahidol University's Faculty of Science.

SPACE-F, Batch 2 startups successfully conducted proof of concept trials, launched products into the market and received investment in 2021. The Batch 2 cohort consisted of 19 startups, including 10 Incubator and 9 Accelerator teams. Teams joined from around the world, comprising of eight domestic startups and 11 international startups. The Accelerator demo day was held in April with nine startups pitching to an audience of 170 participants. The Incubator demo day was held virtually in August with 10 startups pitching to over 200 participants.

Thai Union also saw the success of the Green Giving project 2 in collaboration with Trash Lucky, a SPACE-F Batch 2 alumni, to donate 1,000 personal protective equipment made from recycled PET bottles to front line medical workers. In November, Thai Union announced an investment in Orgafeed, a leading insect-based pet treat producer and alumni of SPACE-F Batch 1.

Also in November, Thai Beverage Public Company Limited (a leading beverage producer in ASEAN) and Deloitte (one of the largest professional services networks in the world) committed to continue their support of the SPACE-F program as corporate and supporting partners respectively. The SPACE-F Batch 3 cohort was launched in January 2022 with high expectations and the continued success of startups participating in the program.



## Thai Union Ingredients

In 2017, to meet a growing market demand for natural, seafood-derived ingredients for human nutrition, Thai Union invested in a global business unit focusing on producing and selling ingredients produced from fish processing co-products. Thai Union Ingredients (TUI) commercializes innovations identified by Thai Union's cutting-edge Global Innovation Center, while creating a sustainable future for the tuna industry by maximizing the valorization of the whole fish processed by Thai Union.

TUI started its business with a tuna oil extraction plant in Samut Sakhon, Thailand, close to Thai Union's main tuna processing plants, which allows the extraction plant to have fresh raw material supplied straight from the factories. With fresh raw material passing through a low temperature extraction process, natural functionality is preserved to get the highest quality tuna crude oil, containing the highest DHA content available in the market. DHA is a critical component for infant brain development and human health in general. This high-quality crude oil will be refined at TUI's refinery plant in Germany. **UniQ<sup>®</sup>DHA**

In 2021, TUI started up its oil refinery in Rostock, Germany, thereby completing its end-to-end tuna oil supply chain and allowing it to produce its tuna oil product range under the UniQ<sup>®</sup>DHA brand. Since this factory will not only refine Thai Union's tuna oil, it will also refine other Omega 3 oils. Therefore, there are several new business initiatives happening in Germany this year, with TUI fully utilizing the factory to produce many products for manufacturers of nutrient-dense products including infant formula, dietary supplements, clinical nutrition, and functional foods. Furthermore, TUI also began operating a new oil extraction plant in the Seychelles in mid-2021 to further strengthen our supply chain for the European region.



TUI also opened its new bone powder production facility at Songkla Canning Ltd. in southern Thailand. A new product was launched under the UniQ<sup>®</sup>BONE brand. This new product is produced by micronizing fresh tuna bone into a fine, off-white powder with a neutral taste and smell. UniQ<sup>®</sup>BONE contains calcium and phosphorus in a ratio of 2:1, in its natural hydroxyapatite form - the same structure that is also present in human bones and teeth. It also contains, typically, 17 percent naturally-occurring collagen. With its very fine particle size, UniQ<sup>®</sup>BONE can be incorporated in products without changing their sensory attributes and mouthfeel, delivering a range of nutrients for bone health. It is selected from fresh, food-grade raw material and produced without adding any additives, using a gentle manufacturing process to retain all-natural nutrients. UniQ<sup>®</sup>BONE can be easily used for various types of food, capsules, tablets and as an additive for pet food and pet nutrition.

Year 2021 was another crucial year to expand our product portfolio into functional protein. TUI has been working intensively on numerous activities such as in-depth market research, route to market, final product development, factory construction, regulatory compliance and many more.

By valorizing the full potential of fish, TUI aims to contribute to Thai Union's commitment to "Healthy Living, Healthy Oceans", with fully traceable products, starting with sustainable sourcing, preserving its natural functionality through gentle manufacturing processes and supplying these ingredients to customers who process it into a wide range of healthy consumer products.

# Quality and Food Safety

## Our Commitment to Consumers

**Product Quality and Safety for Our Consumers is Thai Union's Top Priority, Forming The Foundation of All We Do.**

### Thai Union Quality Policy

Our actions to ensure food quality and safety are guided by the Company's quality policy:

**Thai Union is dedicated to manufacturing high-quality processed seafood that is safe, wholesome, and achieves excellent customer satisfaction. We continuously work to advance our products in these areas.**

Our assurance is that our products comply with that policy and also meet all external regulatory requirements on safety and quality.

### Quality Management System: Food Safety and Hygiene

Our Quality Management System is the platform that we use globally to ensure consistent food safety, compliance with quality standards and to create value for consumers. Our internal Quality Management System is audited and verified by independent certification bodies to prove conformity to internal standards, international standards, and applicable laws and regulatory requirements. The Quality Management System begins with the control of processes for externally provided materials. We work with our suppliers to help them improve the quality of their products. The system reflects key global food safety demands and addresses quality, integrity, environmental and social issues.

Thai Union's appreciation of the demands of consumers regarding quality and safety means we work with suppliers to help them create a quality product that can be delivered to market with little or no alteration.

To ensure the safety, quality and integrity of products through every stage of the supply chain, Thai Union regularly sends its representatives to conduct on-site audits, scrutinizing production line practices and standards. Our oversight of supplier standards involves the delivery of regular reports, as well as audits upon request or at specified times throughout the term of the contract. These risk management and auditing tools greatly increase the likelihood of suppliers meeting Thai Union's standards and initiatives on food safety.

The Company operates its own food testing laboratory with ISO/IEC 17025 accredited by the Department of Medical Science, Ministry of Public Health, Thailand.

The laboratory was awarded as the most outstanding laboratory in 2010 by the Ministry of Agriculture and Cooperatives' National Bureau of Agricultural Commodity and Food Standards.

We continuously strive for excellence in food safety, food integrity, environmental protection, and the energy management systems, which are reflected in numerous national and international accreditations including: GMP, HACCP, BRC, ISO 9001: Quality Management System, ISO 14001: Environmental Management System, Kosher, Halal, and Best Aquaculture Practices (BAP).

Our products include information for consumers to ensure that they are consumed safely. The products meet the highest level of quality as we implemented a Combating Food Fraud and Food Defense Strategy to protect our food supply chains from any risk of intentional and unintentional contaminations.

### Thai Union's Food Quality & Safety Accreditations

- Certified ISO 9001: Quality Management System by the Lloyd's Register International (Thailand) Limited.
- Certified ISO 14001: Environmental Management System by Lloyd's Register International (Thailand) Limited.
- Accredited with ISO/IEC 17025: Testing and Calibration Laboratory by the Department of Medical Sciences, Ministry of Public Health and by the National Bureau of Agricultural Commodity and Food Standards (ACFS), Ministry of Agriculture and Cooperatives, Thailand.
- Certified with BRC Global Standard for Food Safety by Lloyd's Register International (Thailand) Limited.
- Certified MSC Chain of Custody from Marine Stewardship Council by SGS.
- Certified Best Aquaculture Practices (BAP) by NSF.
- Complied with U.S. Food and Drug Administration (FDA) requirements, audited by USFDA agency in charge of inspecting the quality of imported food.
- Complied with the Canadian Food Inspection Agency (CFIA), a Canadian agency in charge of monitoring quality of imported food.
- Certified Good Manufacturing Practices (GMP) for food manufacturing operations by the Department of Fisheries and Department of Livestock Development, Ministry of Agriculture and Cooperatives, Thailand.
- Certified Hazard Analysis Critical Control Points (HACCP) by the Department of Fisheries, Ministry of Agriculture and Cooperatives, Thailand.
- Certified with Halal standard by the Central Islamic Committee of Thailand.
- Certified with Kosher Certificate by the Union of Orthodox Jewish Congregations of America for tuna and sardine plants.



# Safety, Occupational Health, and Environment

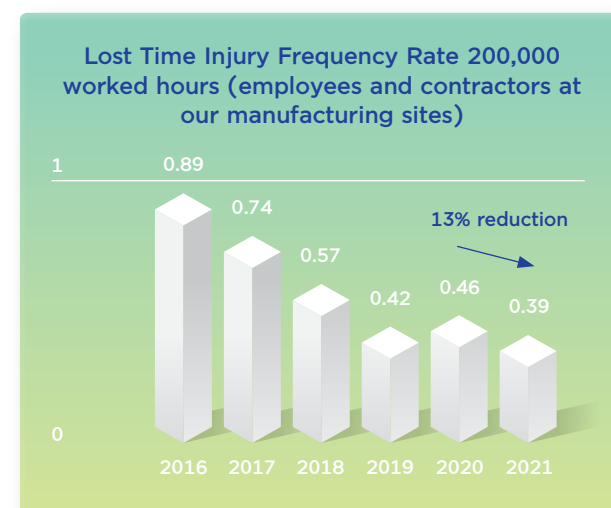


## Safety and Occupational Health

Building a safe workplace to reduce the risks of injuries and fatalities. In 2021, we reduced our Lost Time Injury Frequency Rate – LITFR<sup>1</sup> by 13 percent compared to 2020. We have strengthened our accident management program which includes our accident reporting and escalation to ensure proper investigation as well as knowledge sharing and implementation of preventive measures across our sites. We also maintained our occupational illness frequency rate for employees at zero.

We continue our focus on fire risk at our factories. In 2020, we assessed our factories in order to identify gaps and needed risk controls. In 2021, we initiated risk controls which include, but were not limited to, improvement of our fire protection system, strengthening our electrical inspection and maintenance, and setting minimum safety requirements of our new projects. We are spending more than THB 200 million over the next five years to improve fire protection facilities at our factories.

<sup>1</sup>Number of lost time injuries per 200,000 worked hours.



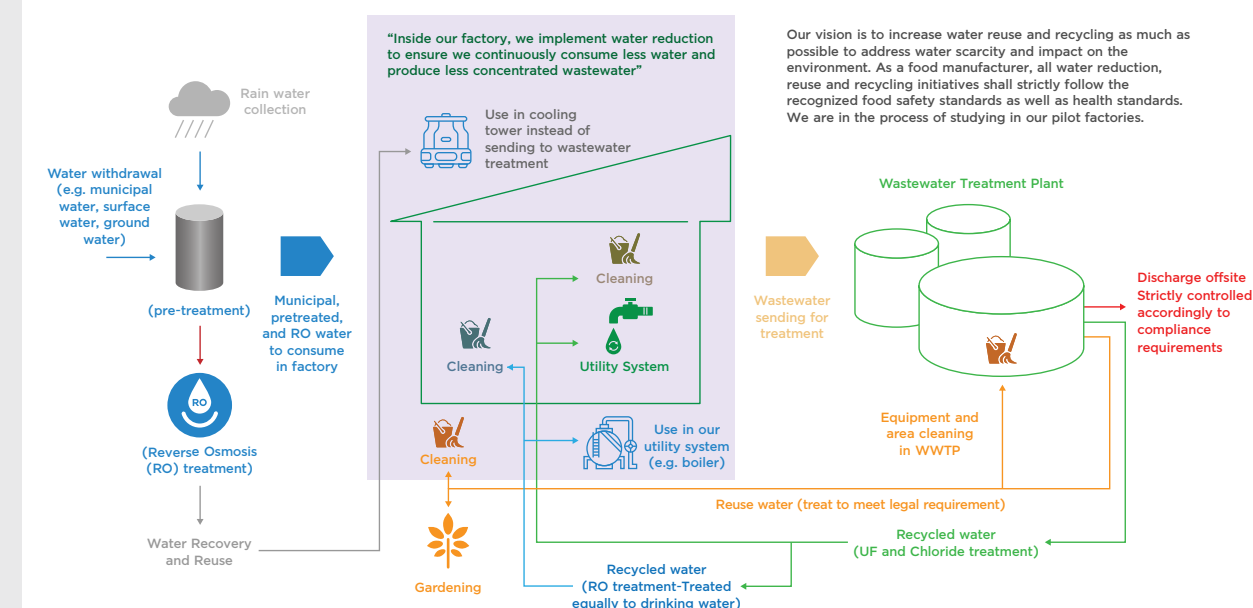
Remark: See detailed coverage in our 2021 Sustainability Report

## COVID-19

Thai Union has always placed our top priority on the health, safety, and wellbeing of all employees, partners, suppliers, customers, and local communities. We are working closely with local authorities, community leaders, and NGOs to ensure the safety of our employees and community.

We have implemented comprehensive measures to prevent infections inside our factories since 2020. These include social distancing, wearing of personal protective equipment (PPE) as well as workforce clustering. The Company also has comprehensive protocols in place for those who test positive, including taking care of the affected employees while isolating them according to government guidelines, identifying and testing close contacts and deep cleaning of visited work areas. In addition, we have also arranged for employees to be vaccinated against COVID-19, including under the national vaccination program and through self-funded vaccinations for employees.

## Water Management Diagram



## Environmental Protection and Climate Change

It has always been our commitment to protect the environment by exploring innovations and initiatives in order to keep minimizing our consumption of natural resources and adverse impacts on the environment. We continue our focus on improving our greenhouse gas intensity, our water withdrawal intensity and waste-to-landfill intensity.

## Comparing 2021 to 2020

- Our greenhouse intensity has reduced by 0.7 percent. In 2021, we continued to expand our solar energy at our factory. Additional installation of 7 Mega Watts of solar energy was either completed or installed in 2021.
- Our water withdrawal intensity has reduced by 7 percent. In addition to improvement of water consumption efficiency, we are focusing on water reuse and recycling to reduce the water withdrawal. As a food processing manufacturer, food safety and quality cannot be compromised. We are working closely between our production department, quality

control department and engineering department to ensure we achieve both quality control and reduce our water withdrawal and discharge.

- Our waste-to-landfill intensity has increase by 2 percent. We focus on waste segregation and waste utilization in order to divert the waste from disposal (landfill or not). As result, we have diverted an estimated amount of 142,963 tons of waste from disposal. Key initiatives include reduction of sludge by using a bio-gas incinerator, converting sludge to soil fertilizer, strenghtening our packaging (of raw material) collection for recycling.



## Our Business

# Our Core Product Categories

“Food has become a key part of health and wellbeing. It’s not just about getting enough calories: it’s about food’s impact on how we feel, look and stay healthy in the long term.

As we take Thai Union into the coming decade, we’re ready to commit to “Healthy Living, Healthy Oceans”.

## Ambient Seafood



The ambient seafood category is mainly composed of shelf-stable items that are primarily sold to consumers through retail channels and occasionally wholesalers. The key seafood species include tuna, sardine, salmon, mackerel and herring. The business dynamics and margin trends of these items share some similarities. There is a higher brand awareness from consumers towards these types of items. Consumer brands in this category generally command a price premium over their private label peers thanks to consumer preference or brand loyalty. The degree of the price premium will depend on the market position of the brand, the competitive nature of the product category, uniqueness of the brand’s offerings and consumers’ emotional attachment towards the brand.

In 2021, sales of this category amounted to THB 58.95 billion, representing 42 percent of the Group’s total sales and were led by tuna products, which remain the largest product category for Thai Union Group. About 59 percent of these sales came from our own brands, while private label or contract manufacturing sales and food service sales accounted for the balance. Key customers in this category are supermarket chains, discount stores, club stores, convenient and drug stores, and other modern trade outlets. The most typical packaging is a can format. Most products are of ready-to-eat type.



## Frozen and Chilled Seafood and Related Business



The frozen and chilled seafood and related business category is mainly composed of seafood items that are normally sold directly to restaurants, hotels, and food catering units as ingredients for further processing (cooking) at kitchens where they are prepared into dishes for final consumption. However, these items are also sold through retail channels to consumers. The products generally need to be refrigerated all the time to maintain their shelf-life. Since aquafeed (for shrimp and fish) is part of the supply chain of the shrimp business, it is also included in this category as a related business.

In 2021, sales of this category amounted to THB 58.42 billion, representing 41 percent of the Group's total. Shrimp is the most important species in this category, followed by lobster and salmon. Sales from our own brands (including industrial or non-consumer brands) accounted for about 38 percent of this category with the balance from private label and food service orders. Most products are not immediately ready for consumption by final consumers. The typical shelf life of these items is much shorter than that of ambient seafood, ranging from a few days to a year.

## PetCare, Value-Added and Other Business



The PetCare, value-added and other business category is a mix of many different items that include PetCare, seafood and non-seafood as well as sub-materials, packaging and sales of scrap. Examples of these items are surimi-based fish snacks, wet seafood-based dog foods, dog food, microwave oven ready meals, Chinese-style dim sum, packaged cooking sauce, scrap from fish and shrimp processing lines (to be further processed for fish meal and fish oil), bakery products (namely, pies, soft cake and butter bread), empty cans for ambient seafood, printing service for can labels and other purposes, etc. Due to the great diversity of this category, there is no common pattern demonstrated among these items in terms of sourcing, distribution and consumption.

In 2021, sales of this category amounted to THB 23.7 billion, representing 17 percent of the Group's total. PetCare contributed to the largest share. Sales from our own brands only accounted for about 6 percent of this category. In other words, almost all of the products are produced for our clients' own trademarks or distributed through their own channels. Despite a lack of any common pattern or characteristics between these items, they generally command higher margins due to the multiple production processes involved, customized features, and high product standards. There is no fixed format of packaging due to the variety of this category.

Thai Union has established three new subsidiary companies under the value-added product business segment - Thai Union Ingredients Co., Ltd., Thai Union Alternative Protein Co., Ltd., and Thai Union Lifescience Co., Ltd. The details are as follows:

**Thai Union Ingredients** maximizes by-products utilization in our processing facilities and is a key contributor to Thai Union's growth strategy. To meet a growing demand for natural, seafood-derived by-products that are beneficial to human nutrition (e.g. marine Omega3- fatty acids), we continued to monetize in our global business unit focusing on ingredients, which was set up in 2017. In January 2021, our tuna oil refinery in Rostock, Germany was completed and ready for commercial operations. With this plant, Thai Union became the refiner of high-grade tuna oil with complete end-to-end supply chain and production management.

Thai Union Ingredients will commercialize an exciting new B2B line of high-value ingredients identified by Thai Union's cutting-edge Global Innovation Center. We will control the entire production chain, working with high-quality by-products, such as fish skin and fish bone, from our own seafood production facilities. The valuable nutrients derived from these by-products will be used by manufacturers of nutrient-dense consumer goods such as infant formula, cosmetics, dietary supplements and clinical nutrition.

**Thai Union Alternative Protein** is a new business set up in 2021, after the successful launch of several plant-based protein products developed by the Global Innovation Center. This is aligned with consumers increasingly adopting a more flexitarian eating style - eating a mixture of plant-based foods and meats in a more flexible manner, as well as innovative protein and environmentally-conscious products.

Thai Union Alternative Protein operates mostly through the private label business. It also owns the OMG Meat brand, which offers alternative protein products that not only have zero cholesterol, but come with delicious taste and high protein content. OMG Meat has created different food offerings for consumers to choose from, including dim sum, crab dumpling, crab meat, red-pork bun, fish nuggets and chicken nuggets, which are available in retail stores in Thailand.

**Thai Union Lifescience** is another new business established in 2021. It aims to develop, operate, distribute, and research and develop food, drinks and supplements. This is aligned with the current consumer trend that is very health conscious and cares about product quality. Thai Union Lifescience launched its own brand, ZEAvida, with a focus of four key products during the initial phase - Collagen, Calcium, Tuna Oil, and Vitamin IMMU +8 (Vitamin C + D3 + Zinc + other vital vitamins). ZEAvida products are available in retail stores and online in Thailand.

# Sales Breakdown

Sales Breakdown by Catagory and Production Base	Year					
	2021		2020		2019	
	Baht Billion	%	Baht Billion	%	Baht Billion	%
1. Ambient Seafood	59.0	42%	62.7	48%	55.1	43%
• ASIA	18.5	13%	20.7	16%	18.8	14%
• EUROPE & AFRICA	27.8	20%	27.5	21%	25.2	20%
• USA	12.7	9%	14.5	11%	11.2	9%
2. Frozen, Chilled Seafood and Related Business	58.4	41%	49.6	37%	52.4	42%
• ASIA	17.0	12%	15.1	11%	17.1	14%
• EUROPE & AFRICA	5.6	4%	5.3	4%	5.6	4%
• USA	35.8	25%	29.2	22%	29.7	24%
3. Pet Food, Value-Added and Other Business	23.7	17%	20.1	15%	18.6	15%
• ASIA	18.0	13%	15.9	12%	15.1	12%
• EUROPE & AFRICA	2.4	2%	2.2	2%	2.0	2%
• USA	3.3	2%	1.9	1%	1.6	1%
Total	141.0	100%	132.4	100%	126.2	100%
• ASIA	53.5	38%	51.7	39%	50.9	40%
• EUROPE & AFRICA	35.8	25%	35.1	27%	32.8	26%
• USA	51.8	37%	45.6	34%	42.5	34%

Sales Breakdown by Channel	Year		
	2021	2020	2019
Branded	37%	38%	34%
Private Label	54%	54%	54%
Food Services	9%	8%	12%
Total	100%	100%	100%


Sales Breakdown by Market	Year		
	2021	2020	2019
USA	43%	42%	40%
Europe	28%	29%	28%
Thailand	10%	10%	12%
Japan	5%	5%	5%
Others	14%	14%	15%
Total	100%	100%	100%

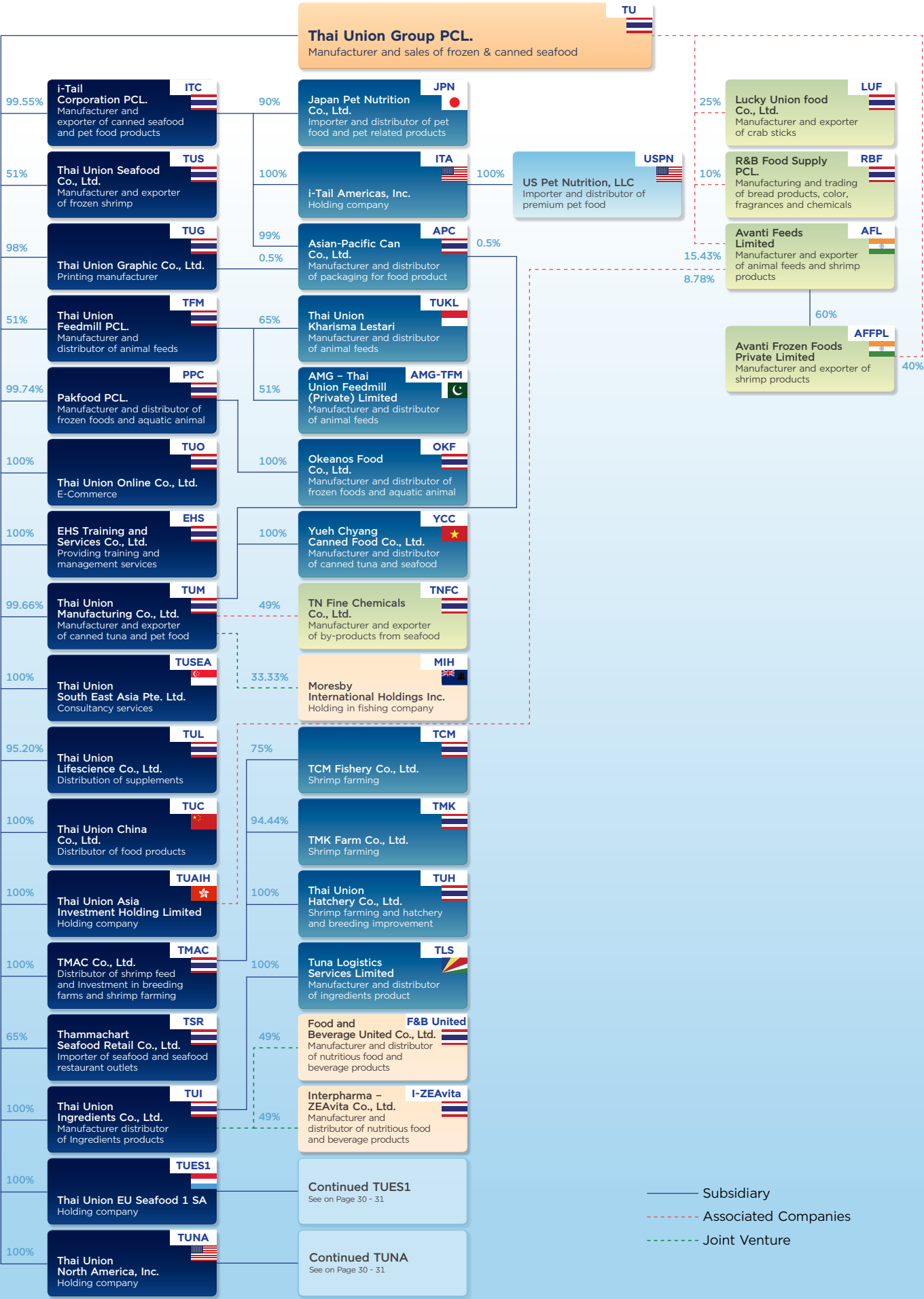


# Group Business Structure

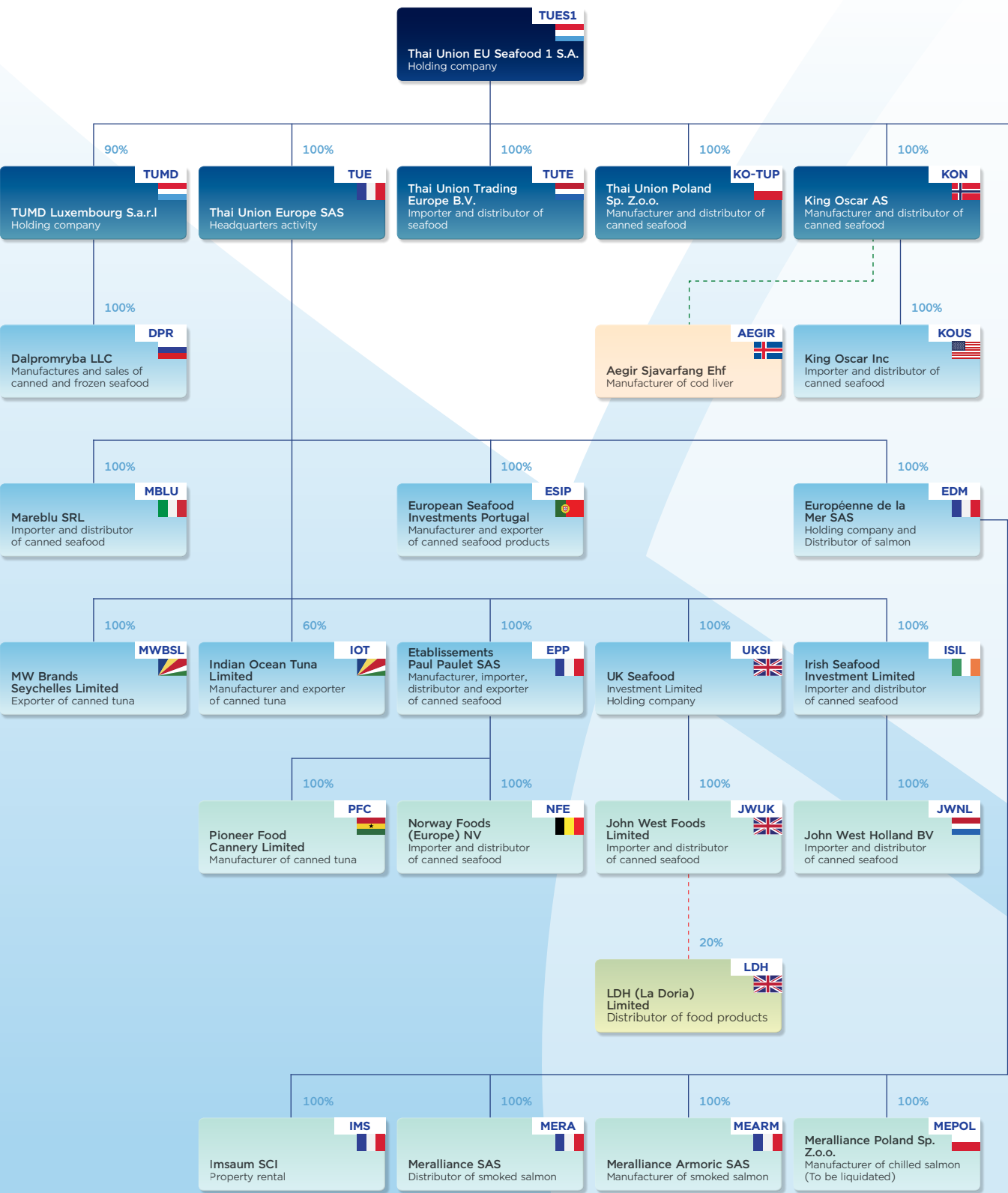
## Company policy on the management of the operations of the Group

Thai Union Group manages the operations of the Group by dividing reporting lines by region i.e. Asia, Europe & Africa and North America. The structure of the companies within the Group is illustrated below:

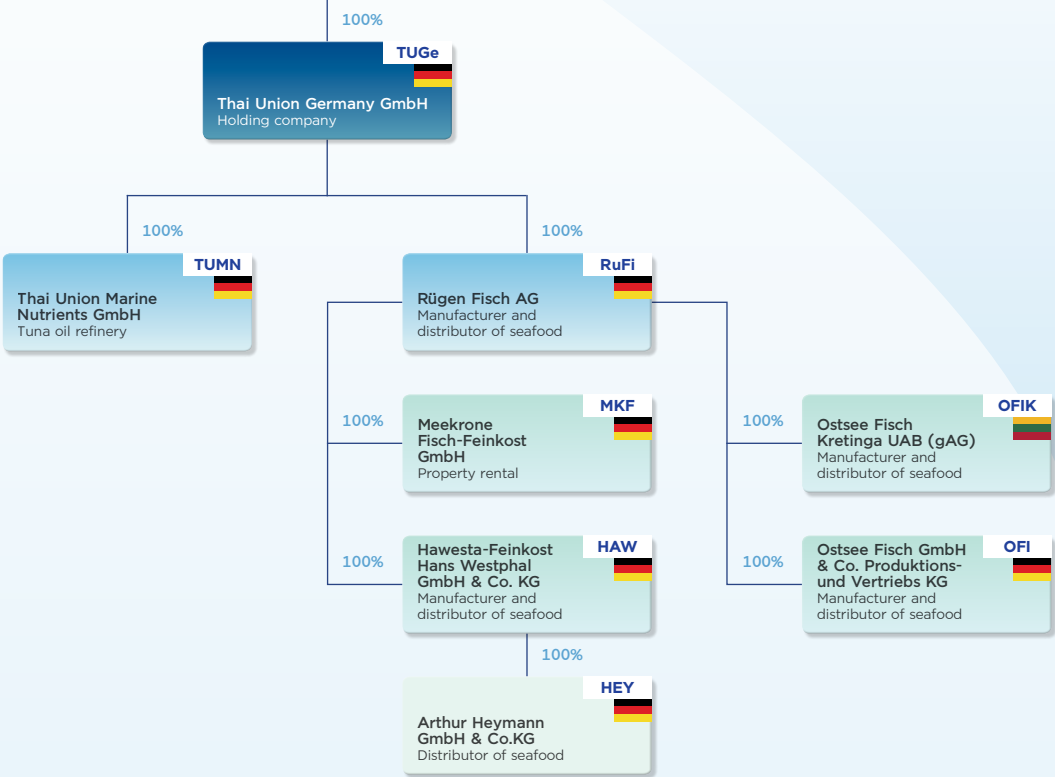
 Belgium	 Ireland	 Russia
 British Virgin Islands	 Iceland	 Scotland
 Canada	 Italy	 Seychelles
 China	 Japan	 Singapore
 France	 Lithuania	 Thailand
 Germany	 Luxembourg	 United Kingdom
 Ghana	 Mauritius	 United States of America
 Netherlands	 Norway	 Vietnam
 Hong Kong	 Poland	
 India	 Portugal	
 Indonesia	 Pakistan	



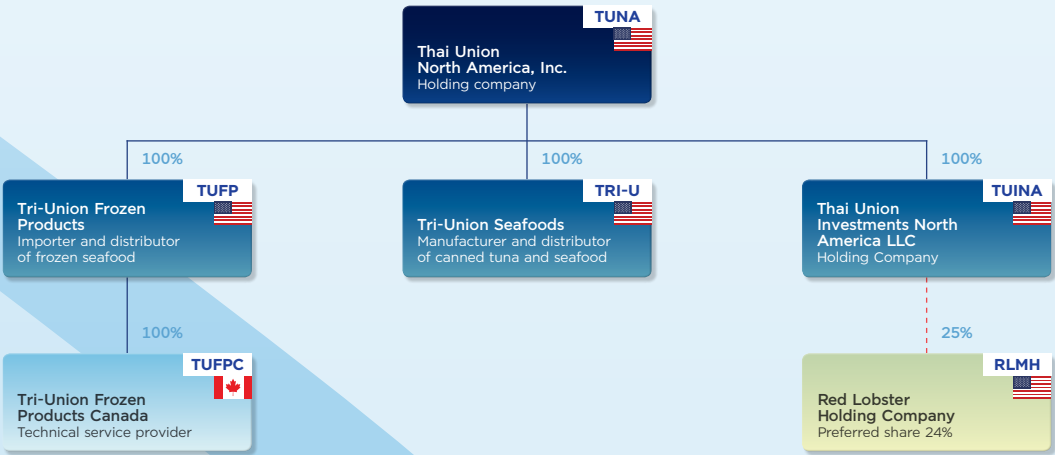
Thai Union EU Seafood 1 S.A.  
Group Structure



— Subsidiary  
- - - Associated Companies  
- - - Joint Venture



Thai Union North America  
Group Structure





# Details of the Company, Its Subsidiaries and Associated Companies and Joint Ventures

	Name	Type of business	Authorized capital	Paid up Capital	Number of Issued Shares	% of holding
1.	Thai Union Group PCL (TU)	Manufacture and sales of frozen & canned seafood	THB 1,492,953,874	THB 1,192,953,874	4,771,815,496	-
Subsidiary companies						
Thailand						
2.	Thai Union Manufacturing Co., Ltd. (TUM)	Manufacturer and exporter of canned tuna and pet food	THB 300,000,000	THB 300,000,000	30,000,000	99.66% held by TU
3.	i-Tail Corporation PCL. (ITC)	Manufacturer and exporter of canned seafood and pet food products	THB 360,000,000	THB 360,000,000	36,000,000	99.55% held by TU
4.	Thai Union Graphic Co., Ltd. (TUG)	Printing manufacturer	THB 40,000,000	THB 40,000,000	4,000,000	98% held by TU
5.	EHS Training and Services Co., Ltd. (EHS)	Providing training and management services	THB 70,000,000	THB 70,000,000	7,000,000	100% held by TU
6.	Thai Union Feedmill PCL. (TFM)	Manufacturer and distributor of animal feeds	THB 1,000,000,000	THB 1,000,000,000	500,000,000	51% held by TU
7.	Pakfood PCL. (PPC)	Manufacturer and distributor of frozen foods and aquatic animal	THB 329,999,790	THB 329,999,790	32,999,979	99.74% held by TU

	Name	Type of business	Authorized capital	Paid up Capital	Number of Issued Shares	% of holding
8.	Thai Union Seafood Co., Ltd. (TUS)	Manufacturer and exporter of frozen shrimp	THB 300,000,000	THB 300,000,000	30,000,000	51% held by TU
9.	Thai Union Online Shop Co., Ltd. (TUU)	E-Commerce	THB 1,000,000	THB 1,000,000	100,000	100% held by TU
10.	Asian-Pacific Can Co., Ltd. (APC)	Manufacturer and distributor of packaging for food products	THB 80,000,000	THB 80,000,000	200	99% held by ITC, 0.5% held by TUM and 0.5% held by TUG
11.	Okeanos Food Co., Ltd. (OKF)	Manufacturer and distributor of frozen foods and aquatic animal	THB 380,000,000	THB 380,000,000	3,800,000	100% held by PPC
12.	Thai Union Ingredients Co., Ltd. (TUI)	Manufacturer distributor of Ingredients products	THB 450,000,000	THB 450,000,000	45,000,000	100% held by TU
13.	Thammachart Seafood Retail Co., Ltd. (TSR)	Importer of seafood and seafood restaurant outlets	THB 6,000,000	THB 6,000,000	60,000	65% held by TU
14.	TMAC Co., Ltd. (TMAC)	Distributor of shrimp feed and investment in breeding farms and shrimp farming	THB 1,130,000,000	THB 1,130,000,000	113,000,000	100% held by TU
15.	Thai Union Hatchery Co., Ltd. (TUH)	Shrimp farming and hatchery and breeding improvement	THB 510,000,000	THB 510,000,000	51,000,000	100% held by TMAC
16.	TCM Fishery Co., Ltd. (TCM)	Shrimp farming	THB 70,000,000	THB 70,000,000	7,000,000	75% held by TMAC
17.	TMK Farm Co., Ltd. (TMK)	Shrimp farming	THB 270,000,000	THB 270,000,000	27,000,000	94.44% held by TMAC
18.	Thai Union Lifescience Co., Ltd. (TUL)	Distribution of supplements	THB 300,000,000	THB 75,000,000	3,000,000	95.20% held by TU

Name	Type of business	Authorized capital	Paid up Capital	Number of Issued Shares	% of holding
Asia					
19. Thai Union China Co., Ltd. (TUC)	Distributor of food products	RMB 109,737,881	RMB 109,737,881	- 100% held by TU	
20. Thai Union Asia Investment Holding Limited. (TUAIH)	Holding company	USD 20,000	USD 20,000	20,000	100% held by TU
21. Yueh Chyang Canned Food Co., Ltd. (YCC)	Manufacturer and distributor of canned tuna and seafood	VND 27,233,525,395	VND 27,233,525,395	- 100% held by TUM	
22. PT Thai Union Kharisma Lestari (TUKL)	Manufacturer and distributor of animal feeds	IDR 199,920,000,000	IDR 199,920,000,000	1,999,200	65% held by TFM
23. Thai Union South East Asia Pte. Ltd. (TUSEA)	Consultancy services	SGD 100	SGD 100	100	100% held by TU
24. Japan Pet Nutrition Co., Ltd. (JPN)	Importer and distributor of pet food and pet related products	JPY 5,000,000	JPY 5,000,000	50,000	90% held by ITC
25. AMG – Thai Union Feedmill (Private) Limited (AMG-TFM)	Manufacturer and distributor of animal feeds	PKR 340,000,000	PKR 300,000,000	3,400,000	51% held by TFM
Europe					
26. Thai Union EU Seafood 1 S.A. (TUES1)	Holding company	EUR 212,250,690	EUR 212,250,690	212,250,690	100% held by TU
27. Thai Union Europe (TUE)	Headquarters activity	EUR 153,468,098	EUR 153,468,098	153,468,098	100% held by TUES1
28. Thai Union Trading Europe B.V. (TUTE)	Importer and distributor of seafood	EUR 10	EUR 10	10	100% held by TUES1
29. Mareblu SRL (MBLU)	Importer and distributor of canned seafood	EUR 10,100,000	EUR 10,100,000	200,000	100% held by TUE

Name	Type of business	Authorized capital	Paid up Capital	Number of Issued Shares	% of holding
30. European Seafood Investment Portugal (ESIP)	Manufacturer and exporter of canned seafood products	EUR 50,000	EUR 50,000	10,000 100% held by TUE	
31. Etablissements Paul Paulet SAS (EPP)	Manufacturer, importer, distributor and exporter of canned seafood	EUR 12,736,220	EUR 12,736,220	636,811 100% held by TUE	
32. UK Seafood Investments Limited (UKSI)	Holding company	GBP 100	GBP 100	100 100% held by TUE	
33. Irish Seafood Investments Limited (ISIL)	Importer and distributor of canned seafood	EUR 1,000	EUR 1,000	1,000 100% held by TUE	
34. John West Foods Limited (JWUK)	Importer and distributor of canned seafood	GBP 250,000	GBP 250,000	250,000 100% held by UKSI	
35. John West Holland BV (JWNL)	Importer and distributor of canned seafood	EUR 90,000	EUR 18,000	18,000 100% held by ISIL	
36. Européenne de la Mer SAS (EDM)	Holding company and distributor of salmon	EUR 31,782,446	EUR 31,782,446	31,782,446 100% held by TUE	
37. Meralliance Armoric SAS (MEARM)	Manufacturer of smoked salmon	EUR 3,434,697	EUR 3,434,697	225,226 100% held by EDM	
38. Meralliance SAS (MERA)	Distributor of smoked salmon	EUR 500,000	EUR 500,000	50,000 100% held by EDM	
39. Imsaum SCI (IMS)	Property rental	EUR 1,524	EUR 1,524	100 100% held by EDM	
40. Meralliance Poland Sp. Z.o.o. (MEPOL)	Manufacturer of chilled salmon (To be liquidated)	PLN 4,500,000	PLN 4,500,000	45,000 100% held by EDM	
41. Thai Union Poland Sp. Z.o.o. (KO-TUP)	Manufacturer and distributor of canned seafood	PLN 50,005,000	PLN 50,005,000	1,000,100 100% held by TUES1	
42. King Oscar AS (KON)	Manufacturer and distributor of canned seafood	NOK 35,100,000	NOK 35,100,000	55,100 100% held by TUES1	



Name	Type of business	Authorized capital	Paid up Capital	Number of Issued Shares	% of holding
43. Norway Foods (Europe) NV (NFE)	Importer and distributor of canned seafood	EUR 62,000	EUR 62,000	62,000	100% held by EPP
44. Thai Union Germany GmbH (TUGe)	Holding company	EUR 25,000	EUR 25,000	25,000	100% held by TUES1
45. Thai Union Marine Nutrients GmbH (TUMN)	Tuna oil refinery	EUR 25,000	EUR 25,000	25,000	100% held by TUGe
46. Rügen Fisch AG (RuFi)	Manufacturer and distributor of seafood	EUR 2,827,840	EUR 2,827,840	2,827,840	100% held by TUGe
47. Hawesta-Feinkost Hans Westphal GmbH & Co. KG (HAW)	Manufacturer and distributor of seafood	EUR 4,000,000	EUR 4,000,000	4,000,000	100% held by RuFi
48. Artur Heymann GmbH & Co.KG (HEY)	Distributor of seafood	EUR 1,250,000	EUR 1,250,000	1,250,000	100% held by HAW
49. Meekrone Fisch-Feinkost GmbH (MKF)	Property rental	EUR 25,600	EUR 25,600	25,600	100% held by RuFi
50. Ostsee Fisch GmbH & Co. Produktions- und Vertriebs KG (OFI)	Manufacturer and distributor of seafood	EUR 4,150,000	EUR 4,150,000	4,150,000	100% held by RuFi
51. Ostsee Fisch Kretinga UAB (gAG) (OFIK)	Manufacturer and distributor of seafood	EUR 1,781,214	EUR 1,781,214	1,781,214	100% held by RuFi
52. TUMD Luxembourg S.a.r.l (TUMD)	Holding company	EUR 552,583	EUR 552,583	-	90% held by TUES1
53. Dalpromryba LLC (DPR)	Manufactures and sales of canned and frozen seafood	RUB 25,000,000	RUB 25,000,000	-	100% held by TUMD

Name	Type of business	Authorized capital	Paid up Capital	Number of Issued Shares	% of holding
Africa					
54. MW Brands Seychelles Limited (MWBSL)	Exporter of canned tuna	EUR 84,924	EUR 84,924	100	100% held by TUE
55. Indian Ocean Tuna Limited (IOT)	Manufacturer and exporter of canned tuna	EUR 9,273,000	EUR 7,192,589	41,500	60% held by TUE
56. Pioneer Food Cannery Limited (PFC)	Manufacturer of canned tuna	USD 28,476,740	USD 28,476,740	28,476,740	100% held by EPP
57. Tuna Logistics Services Limited (TLS)	Manufacturer and distributor of ingredients product	EUR 3,000,000	EUR 1	3,000	100% held by TUI
America					
58. King Oscar Inc. (KOUS)	Importer and distributor of canned seafood	USD 100,000	USD 50,000	500	100% held by KON
59. Thai Union North America, Inc. (TUNA)	Holding company	USD 12,000,000	USD 329,068,225	10,050,000	100% held by TU
60. Tri-Union Seafoods, LLC (TRI-U)	Manufacturer and distributor of canned tuna and seafood	USD 54,738,979	USD 54,738,979	-	100% held by TUNA
61. Tri-Union Frozen Products, Inc. (TUFPP)	Importer and distributor of frozen seafood	USD 10	USD 29,097,898	10,000	100% held by TUNA
62. Tri-Union Frozen Products Canada, ULC (TUFPC)	Technical service provider	USD 640,000	USD 640,000	9,999	100% held by TUFPP
63. US Pet Nutrition, LLC (USPN)	Importer and distributor of premium pet food	USD 64,000,000	USD 64,000,000	-	100% held by ITA

Name	Type of business	Authorized capital	Paid up Capital	Number of Issued Shares	% of holding
64. Thai Union Investments North America, LLC (TUINA)	Holding company	USD 200,000,000	USD 200,000,000	-	100% held by TUNA
65. i-Tail Americas, Inc. (ITA)	Holding company	USD 5,000,000	USD 5,000,000	5,000	100% held by ITC
Associated companies					
Thailand					
1. Lucky Union Foods Co., Ltd. (LUF)	Manufacturer and exporter of crab sticks	THB 150,000,000	THB 150,000,000	1,500,000	25% held by TU
2. TN Fine Chemicals Co., Ltd. (TNFC)	Manufacturer and exporter of by-products from seafood	THB 90,000,000	THB 90,000,000	9,000	49% held by TUM
3. R&B Food Supply PCL. (RBF)	Manufacturing and trading of bread products, colour, fragrances and chemicals, which are used in food, beverage, consumer product industries and hotel business	THB 3,000,549,500	THB 3,000,549,500	-	10% held by TU
Asia					
4. Avanti Feeds Ltd. (AFL)	Manufacturer and exporter of animal feeds and shrimp products	INR 136,245,630	INR 136,245,630	136,245,630	15.43% held by TU and 8.78% held by TUAIH
5. Avanti Frozen Foods PVT Ltd. (AFFPL)	Manufacturer and exporter of shrimp products	INR 101,000,000	INR 101,000,000	10,100,000	60% held by AFL and 40% held by TU
Europe					
6. LDH (La Doria) Ltd. (LDH)	Distributor of food products	GBP 1,000,000	GBP 1,000,000	200,000	20% held by JWUK

Name	Type of business	Authorized capital	Paid up Capital	Number of Issued Shares	% of holding
America					
7. Red Lobster Group (RL)	Restaurants	USD 230,000,000	USD 230,000,000	7,600,000	25% held by TUINA
Joint Ventures					
Thailand					
1. Food and Beverage United Co., Ltd. (F&B United)	Manufacturing and distributor of nutritious food and beverage products	THB 16,150,000	THB 16,150,000	4,590,000	49% held by TUI
2. Interpharma - ZEAvida Co., Ltd. (I - ZEAvida)	Manufacturer and distributor of nutritious food and beverage products	THB 9,800,000	THB 9,800,000	980,000	49% held by TUI
Europe					
3. Aegir Sjavarfang Ehf (AEGIR)	Manufacturer of cod liver	EUR -	EUR -	-	held by KON
America					
4. Moresby International Holdings, Inc. (MIH)	Holding in fishing company	USD 9,327,699	USD 9,327,699	10,000,000	33.33% held by TUM



# Shareholding Structure and Management

Shareholders		Shares	%
1.	CHANSIRI FAMILY	935,296,296	19.60
2.	THAI NVDR CO., LTD.	632,685,519	13.26
3.	MITSUBISHI CORPORATION	347,745,120	7.29
4.	NIRUTTINANON FAMILY	327,942,084	6.87
5.	SOCIAL SECURITY OFFICE	216,707,008	4.54
6.	MS. JARUNEE CHINWONGWORAKUL	152,421,200	3.19
7.	STATE STREET EUROPE LIMITED	118,776,424	2.49
8.	THAI UNION GROUP PCL.	116,682,800	2.45
9.	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	99,471,038	2.08
10.	BOONMECHOTE FAMILY	84,254,980	1.77

Remark : Register book on December 30, 2021 and based on total number of shares of 4,771,815,496

Shareholders		Shares	%
1.	CHANSIRI FAMILY	935,296,296	19.60
(1)	MR. THIRAPHONG CHANSIRI	416,236,164	8.72
(2)	MR. KRAISORN CHANSIRI	174,804,288	3.66
(3)	MR. DISAPOL CHANSIRI	123,349,308	2.58
(4)	MS. PORNNAPA CHANSIRI	109,329,048	2.29
(5)	MS. BUSSAKORN CHANSIRI	56,330,432	1.18
(6)	MR. DEJPHON CHANSIRI	40,240,000	0.84
(7)	MS. TIPPARAT CHANSIRI	15,007,056	0.31
2.	NIRUTTINANON FAMILY	327,942,084	6.87
(1)	MR. CHENG NIRUTTINANON	200,442,084	4.20
(2)	MS. CHINTANA NIRUTTINANON	65,500,032	1.37
(3)	MR. NARIN NIRUTTINANON	31,999,968	0.67
(4)	MR. NAKORN NIRUTTINANON	30,000,000	0.63
3.	BOONMECHOTE FAMILY	84,254,980	1.77
(1)	MR. RITTIRONG BOONMECHOTE	63,442,980	1.33
(2)	MR. PRASERT BOONMECHOTE	19,200,000	0.40
(3)	MS. RUNGTIWA BOONMECHOTE	1,600,000	0.04
(4)	MR. PREERASAK BOONMECHOTE	12,000	0.00

Nationality	Juristic Persons			Natural Persons			Total		
	No. of persons	No. of shares	%	No. of persons	No. of shares	%	No. of persons	No. of shares	%
Thai	597	1,536,515,872	55.19	28,835	1,859,318,426	93.54	29,432	3,395,834,298	71.16
Foreign	223	1,247,539,730	44.81	43	128,441,468	6.46	266	1,375,981,198	28.84
Total	820	2,784,055,602	58.34	28,878	1,987,759,894	41.66	29,698	4,771,815,496	100.00

# Sales Structure of Thai Union and Subsidiaries

Unit: THB Billion

Companies and Groups of Companies		% HOLD-ING BY TU	2021		2020		2019	
			Sales	%	Sales	%	Sales	%
1. ASIA								
Thai Union Group PCL.	TU	-	12.8	9.1	12.8	9.6	13.0	10.3
Thai Union Manufacturing Co., Ltd.	TUM	99.66	21.1	15.0	20.0	15.1	18.3	14.5
i-Tail Corporation PCL. (formerly known as “Songkla Canning PCL.”)	ITC	99.55	3.6	2.6	5.0	3.8	4.9	3.9
Asian-Pacific Can Co., Ltd.	APC	99.54*	1.8	1.3	1.1	0.8	0.8	0.6
Yueh Chyang Canned Food Co., Ltd.	YCC	99.55*	0.5	0.3	0.5	0.4	0.3	0.3
Thai Union Seafood Co., Ltd.	TUS	51.00	1.3	0.9	1.8	1.3	3.0	2.4
Pakfood Group	PPC	99.74	5.8	4.1	4.8	3.6	4.8	3.8
EHS Training and Services Co., Ltd. (formerly known as “T-Holding Co., Ltd.”)	EHS	100.00	0.0	0.0	0.0	0.0	0.0	0.0
Thai Union Feedmill PCL. (formerly known as “Thai Union Feedmill Co., Ltd.”)	TFM	51.00***	4.5	3.2	4.1	3.1	4.8	3.8
PT Thaiunion Kharisma Lestari	TUKL	33.15*	0.0	0.0	-	-	-	-
AMG – Thai Union Feedmill (private) Ltd.	AMG-TFM	26.01*	0.2	0.1	-	-	-	-
Thai Union Graphic Co., Ltd.	TUG	98.00	0.1	0.0	0.1	0.1	0.1	0.1
Seafood International One FZCO	SIC1	60.00**	-	-	-	-	0.2	0.2
Thai Union Online Shop Co., Ltd.	TUO	100.00	0.1	0.1	0.1	0.0	0.0	0.0
Thai Union China Co., Ltd.	TUC	100.00	0.8	0.5	0.4	0.3	0.4	0.3
TMAC Group	TMAC	100.00	0.1	0.1	0.1	0.1	0.1	0.1
Thai Union Ingredients Co., Ltd	TUI	100.00	0.3	0.2	0.3	0.2	0.1	0.1
Thammachart Seafood Retail Co., Ltd.	TSR	65.00	0.6	0.5	0.7	0.5	0.1	0.1
Thai Union Lifescience Co., Ltd.	TUL	95.20	0.0	0.0	-	-	-	-
Japan Pet Nutrition Co., Ltd.	JPN	90.00*	-	-	-	-	-	-
Total Asia			53.6	38.0	51.7	39.0	50.9	40.3
2. EUROPE & AFRICA								
Thai Union Europe 1 Group	TUE1	100.00*	22.3	15.9	21.4	16.2	19.8	15.7
Thai Union Trading Europe B.V.	TUTE	100.00*	1.6	1.1	2.2	1.7	2.1	1.6
Meralliance Group	MA	100.00*	5.4	3.9	4.6	3.5	4.7	3.8
King Oscar Group	KO	100.00*	1.6	1.1	1.5	1.1	1.2	1.0
Thai Union Germany Group	TUGe	100.00*	4.5	3.2	5.0	3.7	4.6	3.7
Thai Union Canada Inc.	TUCa	100.00*	0.0	0.0	0.3	0.2	0.3	0.2
TUMD group	TUMD	90.00*	0.3	0.2	0.2	0.1	-	-
Tuna Logistics Services Ltd.	TLS	100.00*	-	-	-	-	-	-
Total Europe & Africa			35.7	25.4	35.1	26.5	32.8	26.0
3. USA								
Tri-Union Seafoods, LLC	Tri-U	100.00*	12.7	9.0	14.6	11.0	11.2	8.9
Tri-Union Frozen Products, Inc.	TUFP	100.00*	35.8	25.4	29.2	22.1	29.8	23.6
US Pet Nutrition, LLC	USPN	100.00*	3.2	2.2	1.8	1.4	1.5	1.2
Total USA			51.7	36.6	45.6	34.5	42.5	33.7
GRAND TOTAL			141.0	100.0	132.4	100.0	126.3	100.0

Remarks:  
The above data refers to sales structure after exclusion of intercompany transactions.  
\* Owned by Subsidiaries of TU  
\*\* SIC1 was restructured to joint venture starting May 2019  
\*\*\* Thai Union disposed of the investment in TFM in October 2021, TU’s shareholders percentage changed from 66.90% to 51.00%

# Investment Promotion Act

## Benefits from Receiving Promotional Privilege Certificates

Company/ Certificate No.	Location	Exemption from Corporate Income Tax Period		Promoted Activities
		From	To	
1. Thai Union Group PCL.				
1.1 No. 2289(2)/2557 dated October 10, 2014	Samut Sakhon	01/08/2018	31/07/2026	Produce instant food products in sealed packages, frozen aqua animals and frozen convenience food, and frozen ready-to-eat products
1.2 No. 1493(2)/2558 dated April 10, 2015	Samut Sakhon	02/08/2018	31/07/2026	Produce frozen aqua animals and frozen convenience food, froze ready-to-eat products
1.3 No. 59-0781-1-00-0-0 dated June 16, 2016	Samut Sakhon	Corporate income tax is not exempted		For promoted activity of “International Headquarters”, which supervise at least one branch or associated enterprise outside Thailand with scope of activities as follows: 1.3.1 General management, business planning, and business coordination 1.3.2 Procurement of raw materials and parts 1.3.3 Financial management by Treasury Center : Certificate No. TC255801
1.4 No. 64-0707-1-00-1-0 Dated July 9, 2021	Samut Sakhon	No income generated yet		Steamed Fish Condensate
2. Thai Union Manufacturing Co., Ltd.				
2.1 No. 1755(3)/2555 dated June 19, 2012	Samut Sakhon	03/08/2015	02/08/2023	Produce frozen instant or convenience food products
2.2 No. 2578(2)/2555 dated October 22, 2012	Samut Sakhon	02/10/2017	01/10/2025	Produce instant food or convenience food in sealed packages, ready-to-eat food and animal food in sealed packages
2.3 No. 2871(2)/2555 dated December 14, 2012	Samut Sakhon	06/09/2016	05/09/2024	Produce steamed fish sauce extract and purified fish oil
2.4 No. 61-1315-1-00-1-0 dated November 7, 2015	Samut Sakhon	No income generated yet		Apply modern technology to produce food products or food preservation, beverage, food additive or food ingredient
2.5 No. 64-1346-1-00-1-0 dated December 9, 2021	Samut Sakhon	No income generated yet		Animal product production ( in process of transferring to ITC)

Company/ Certificate No.	Location	Exemption from Corporate Income Tax Period		Promoted Activities
		From	To	
3. i-Tail Corporation PCL.				
3.1 No. 58-2085-0-00-1-0 dated August 24, 2015	Songkhla	26/07/2019	25/07/2027	Produce instant and convenience food in sealed packages and animal food
3.2 No. 64-1409-0-00-1-2 dated December 21, 2021	Samut Sakhon	02/10/2017	01/10/2025	Animal food in sealed packages (Transferred from TUM)
4. Thai Union Feedmill PCL.				
4.1 No. 1042(2)/2554 dated January 11, 2011	Songkhla	16/07/2016	15/07/2024	Animal product production
4.2 No. 2259(2)/2555 dated September 5, 2012	Samut Sakhon	22/05/2014	21/05/2022	Animal product production
4.3 No. 58-1973-0-00-1-0 dated July 28, 2015	Samut Sakhon	02/09/2016	01/09/2024	Animal product production
4.4 No. 64-0158-1-05-1-0 dated February 15, 2021	Samut Sakhon	No income generated yet		Animal product production
4.5 No. 64-1257-1-00-1-0 dated November 19, 2021	Samut Sakhon	No income generated yet		Animal product production
5. Thai Union Seafood Co., Ltd.				
5.1 No. 1009(2)/2558 dated January 6, 2015	Songkhla	04/07/2017	03/07/2025	Aqua animal product production
6. Okeanos Co., Ltd.				
6.1 No. 59-0340-0-00-1-0 dated March 7, 2016	Samut Sakhon	16/08/2016	15/08/2024	Frozen aqua animals and frozen instant product production
7. Pakfood PCL.				
7.1 No. 60-0565-0-00-3-0 dated May 19, 2017	Samut Sakhon	14/08/2017	13/08/2025	Frozen aqua animals and frozen convenience product production
7.2 No. 61-0698-0-00-1-0 dated June 15, 2018	Samut Sakhon	No income generated yet		Frozen aqua animals products Frozen semi-instant products Production
7.3 No. 61-0699-0-00-1-0 dated June 15, 2018	Samut Sakhon	No income generated yet		Frozen ready-to-eat products, Frozen instant products and semi-instant products Production
8. Thai Union Ingredients Co., Ltd.				
8.1 No. 62-0989-1-00-1-2 dated September 9, 2019	Samut Sakhon	04/06/2021	03/06/2026	Fish crude oil productions
8.2 No. 64-1121-1-00-1-0 dated October 25, 2021	Samut Sakhon	No income generated yet		Hydrolyzed Fish Collagen



# Industry Overview

Although 2021 continued to be hindered by COVID-19, the most severe restrictions on borders and businesses were gradually lifted. Positive supply growth is forecast for both wild fisheries and the aquaculture sector; total output for 2021 is anticipated to be on par with 2019, signalling a recovery from the trough. Nevertheless, the aquaculture rate of increase is still below the long-term trend of 4 - 5 percent as COVID-19 resurgences impacted our businesses. For fishing fleets, the food service re-openings and renewed demand increased fishing efforts, though supply remained tight for some species.

After a decline in 2020, fish trade revenues rebounded in 2021 with the Food and Agriculture Organization (FAO) of the United Nations forecasting an increase of 12 percent year-over-year. While food service re-openings boosted demand, new behaviors driven by COVID-19 such as home cooking and food delivery services also continued to be popular.

At the same time, however, challenges for the industry remained, with high shipping rates and logistical delays due to container shortages, new border procedures and port backlogs. The emergence of new virus strains also threatened the return to normalcy. In addition, several geopolitical issues



such as the persistent tensions between China and the U.S. disrupted traditional trade routes. As a result of the supply constraints and renewed demand, sector prices overall increased and continued upward pressure is expected.

From a demand perspective, the pandemic boosted consumer awareness and a preference for healthy, nutritious food. Seafood, in all formats, is considered a source of natural protein, Omega 3s and a healthier alternative to other animal meats. Apart from health and wellness benefits, consumers today look for high quality products and sourcing transparency while consuming seafood, to which Thai Union and the industry have responded to by being more open about their sourcing and labor practices.

Similar to other consumer goods, e-commerce is a key trend in the seafood space and will become a key channel going forward. As per the Norwegian Seafood Council, roughly 15 percent of U.S. consumers buy their seafood online, and this proportion goes up to about 20 percent for the UK, and 45 percent in China. Lastly, there is a growing preference for convenient, easy to cook seafood options, e.g. pre-marinated, ready-to-eat, meal kits, etc.

## Key Segments And Regions

The processed seafood market can be categorized into three key segments: chilled, frozen and shelf-stable. In terms of consumption, chilled and shelf-stable categories dominate the global processed seafood market, followed by frozen seafood. While the chilled seafood category is expected to continue to lead the market, demand growth is expected to remain flat to single-digit growth over the next few years. In comparison, shelf-stable is the fastest-growing category, followed by frozen fish and seafood. Growth in these two categories is expected to outpace the chilled products category, driven by increased in-home consumption, product and packaging innovations, and rising consumption in emerging markets.

The Asia Pacific region continues to be the largest market for global processed seafood consumption, followed by Western Europe. By market, the top three key countries in APAC are Japan, China, and South Korea. According to a report by the Canadian agriculture department, over 90 percent of Japan's domestic production is consumed domestically. For China, the world's largest seafood producer, Japan is the largest export market, followed by the U.S. South Korea is a net importer of seafood, as growing demand overtakes domestic production stagnation due to bilateral and multilateral fishing accords, depleted fish sources and environmental changes.

In the U.S., retail seafood sales achieved an all-time high in 2020, driven by COVID-19 pandemic buying, a boost in e-commerce and in-home cooking. 2021, however, outpaced 2020, driven by continued robust demand and inflation. According to IRI, for the first 11 months of 2021, U.S. fresh seafood and frozen seafood sales rose 5 percent and 2 percent respectively, compared to 2020. On a volume level, however, both categories declined slightly by 1 percent. Within fresh seafood, the top growth performers by value were salmon, crab, shrimp and lobster. Within frozen food, frozen fish was the largest category, but frozen raw shrimp displayed the highest growth rate.



## Competitive Landscape and Pricing Trends of Our Main Raw Materials: Tuna, Shrimp and Salmon

### Tuna

In Q3 2021, tuna catches worldwide remained low, but prices remained under pressure due to a lack of end-product demand. Major fishing grounds saw lower tuna landings, driven by scheduled fishing closures in the Western and Central Pacific Ocean (WCPO), and Eastern Pacific Ocean (EPO). The Indian and Atlantic Oceans reported moderate catches, but to canneries which already have adequate raw materials.



# TUNA

#### Non-canned Tuna Trade

Consumer demand for non-canned tuna in 2021 was boosted by an increase in outdoor activities over the summer period. Although fresh and air-flown tuna trade was hindered by a lack of international flights and high freight costs, the import of sashimi and non-sashimi grade tuna still increased in many markets.

Japan's fresh and frozen tuna imports grew 9 percent in H1 2021 (vs. H1 2020) driven by activities related to the Tokyo Summer Olympics. In the U.S., non-canned tuna also saw growth of 12 percent in H1 2021, with a 25 percent increase in fresh tuna imports, driven by the sashimi/sushi trade. In the EU, the reopening of the HORECA sector also induced non-canned imports; fresh tuna imports rose 31 percent in H1 2021 (vs. H1 2020) and frozen tuna fillet imports rose 8 percent in the same period, driven by Russia, the U.S. and Switzerland.

#### Canned Tuna Trade

While canned tuna saw increased demand through 2020 driven by COVID-19 panic buying, the trend reversed in 2021. As the HORECA sector opened up, home consumption slowed down significantly, disrupting sales of retail packs in most markets.

U.S. and Europe imports of canned and processed tuna were at a 3-year low due to weakened demand in the retail trade. Within Europe, the UK, Switzerland and Russia all experienced a decline in processed tuna imports. In Asia, weaker demand for canned tuna also occurred in Japan and other Southeast Asia markets; Thailand was the exception, with imports, mostly cooked loins for reprocessing, increased 2.5 percent in H1 2021 (vs. H1 2020). In the Middle East and North Africa (MENA) region, which remains an important market for Thailand exporters, results were mixed depending on the country.

#### Prices and Outlook

Frozen skipjack prices decreased 13 percent in Q1 2021, compared with the same period in 2020, to USD 1,300 per ton driven by a lack of demand from Thai canners. Ecuador skipjack prices were higher than Bangkok prices, shifting supplies to Eastern Pacific canneries. However, frozen yellowfin prices for canning remained stable.

Canned tuna's retail demand is expected to remain weak until inventories are reduced. Demand from food service is also likely to slow down from the summer peak.

In the non-canned sector, sashimi consumption in Japan and China in the holiday months is expected to drive demand. In the U.S. and EU, consumption in food service is expected to remain strong, but retail demand may remain depressed.

### Shrimp

#### Demand and Supply Trends

Global shrimp demand increased in 2021, driven by steady retail demand and the reopening of the food service sector in the U.S. and EU. In the U.S., the world's largest market for shrimp, imports increased 31 percent in H1 2021 (vs. H1 2020), consisting primarily of peeled and shell-on shrimp. The U.S. primarily imports from India, Ecuador, Indonesia and Vietnam. Similarly, shrimp imports in Europe reached a five-year high with a 16 percent increase in H1 2021, driven by the reopening of restaurants combined with other food service activities in the summer months. China, on the other hand, saw shrimp imports decline for the first time in three years by 9 percent in H1 2021, due to Chinese import regulations and high existing stocks; the FAO expects HORECA demand to improve in the near-term.

On the supply side, shrimp exports increased for most countries, with the exception of Vietnam and Thailand due to COVID-19 restrictive measures and raw material shortages. The top exporter is Ecuador, with sales growth in H1 2021 driven by demand from the U.S. and EU, offsetting shortfalls to China which

is its largest end market. For Thailand, to offset lower local supply of large shrimps, frozen shrimp imports increased 165 percent in H1 2021 (vs. H1 2020) for export processing.

#### Prices and Outlook

Shrimp prices remained stable during the year up until July, but started to increase in August due to lower supplies in Asia. In Ecuador, the average export price has risen to USD 6 per kg, which is the highest since December 2018, driven by strong demand from the U.S. and EU. International freight costs increased significantly due to a shortage of frozen food containers and transportation disruptions. These additional costs have been passed on to distributors and customers.







# SALMON

## Salmon

### Demand and Supply Trends

Global demand for salmon strengthened in 2021 as vaccination coverage expanded, reducing COVID-19 disruptions. Salmon is a versatile fish benefiting from both food service reopening and a rise of at-home cooking via meal kits or other convenient products. In the U.S., the salmon market fully recovered in the summer of 2021, boosted by marketing and product development efforts during the pandemic. The cruise line sector reopening also contributed to demand. Similar trends are seen in the EU, Russia, Japan and Brazil.

Although global demand has recovered, exporters have faced logistical challenges including new border procedures, port backlogs and container shortages. These issues have led to an increase in freight costs. Even air routes for fresh salmon, such as from Scotland to China, have been stretched to capacity.

On the supply side, production growth in H1 2021 is projected to be 2-3 percent (vs. H1 2020). While this growth signals a recovery, it is slower than long-term trends. Norway’s salmon production in H1 2021 declined 1 percent compared to H1 2020, as a slowdown in Q2 2021 offset a 6 percent growth in Q1 2021. The sector grappled with the impact of COVID-19 on transportation and logis-

tics, but solutions to increase production such as land-based farming is under consideration. Similarly, Chile had a 1 percent decrease in production in H1 2021; a contraction in Q2 2021 offset an early year harvesting rush. Smolt stocking was reduced last year amidst market uncertainty and COVID-19 challenges, resulting in negative supply growth for 2021.

In other markets, supply volumes of new producer regions are increasing to serve the rapid demand growth. Scotland’s harvest volumes bounced back in 2021 after a slowdown last year. Russia, Australia, China and Iceland experienced production growth.

### Prices and Outlook

In early 2021, farmed Atlantic salmon prices were low due to higher harvest volumes in both Norway and Chile. However, as biomasses reduced and markets reopened, salmon prices trended upwards. The NASDAQ salmon index rose from USD 5.20 per kg in January to above USD 7.90 per kg in Q2. Similarly, for Chilean fresh fillets arriving in the U.S., market prices increased from USD 11.30 per kg in January to USD 13.50 by mid-year, which is a four-year high. The FAO expects upward pressure to continue if reopening continues at the current pace.

Sources: FAO, GlobeFish, IRI, USDA, Canadian agriculture department



### Competition and Industry Trends

The FAO estimates that 10 percent of the global population relies on fisheries for their livelihood, which makes aquaculture a critical industry. The fish and seafood industry is a highly competitive and constantly-evolving market. Thai Union, as one of the world’s largest seafood producers, is well adept at navigating the challenges and adapting to changing market conditions. We continue to face strong competition in our core categories of tuna, shrimp and salmon, as well as forex impact (as the Thai baht continues to appreciate) and inflation. The seafood processing industry in our key markets (U.S., EU, Thailand, Japan and other emerging nations) continues to be fragmented – see brand share section in this annual report.

Sources: FAO, GlobeFish

Over the last few years, seafood industry growth has been fuelled by rising disposable incomes leading to higher spends on healthier protein sources, increased demand from emerging economies (e.g., Middle East and North Africa) and the launch of innovative products and packaging formats (e.g., ready to eat, pouches). Consumers in developed economies are increasingly looking for grab-and-go snacks and meal kits without having to sacrifice nutritional value.

Key challenges faced by seafood players include volatility in raw material pricing, inflation, forex and demand, coupled with geopolitical tensions, changing consumer preferences (e.g. plant-based diets), overfishing, and other sustainability concerns. Alternative protein is expected to be a growing part of consumers’ diets going forward.

# Factories and Capacity



## List of entities with operating factories in Thai Union Group

### Asia 11 Companies

- Thai Union Group PCL.
- Thai Union Manufacturing Co., Ltd.
- i-Tail Corporation PCL.
- Thai Union Seafood Co., Ltd.
- Pakfood PCL.
- Okeanos Food Co., Ltd.
- Thai Union Feedmill PLC.
- Asian-Pacific Can Co., Ltd.
- Thai Union Graphic Co., Ltd.
- Thai Union Ingredients Co., Ltd.
- Yueh Chyang Canned Food Co., Ltd.

### Europe & Africa 13 Companies

- Etablissements Paul Paulet SAS
- European Seafood Investment Portugal S.A.
- Pioneer Food Cannery Limited
- Indian Ocean Tuna Limited
- Meralliance Armoric SAS
- Meralliance Poland Sp. Z.o.o.
- Rügen Fisch AG
- Ostsee Fisch GmbH & Co. Produktions-und Vertriebs KG
- Hawesta-Feinkost Hans Westphal GmbH & Co. KG
- Ostsee Fisch Kretinga UAB
- Thai Union Marine Nutrients GmbH
- King Oscar AS
- Thai Union Poland Sp. Z.o.o.

### North America 1 Company

- Tri-Union Seafoods, LLC

Thai Union and its major affiliates worldwide are seafood processors with combined production capacity (metric ton of raw material) of 850,000 tons per year. The production capacity for tuna, frozen shrimp, sardine, salmon and pet care is roughly 570,000, 60,000, 150,000, 20,000 and 50,000 tons respectively.

In this regard, Thai Union Group has 25 entities with operating factories which can be divided by region as following:

# Pending for Delivery Note

Given the nature of Thai Union Group’s business, it does not operate a high value project.

# Dividend Policy

## Company Policy

Thai Union Group PCL.’s dividend policy is to pay at a rate of not less than 50 percent of net profit each year. From 2002 onwards, the Company has been dividing dividends twice a year and due to careful management and the ability to adapt to the changing business environment. Therefore, the Company has been able to maintain a good level of net profit all along and in 2021 the Company paid a dividend at the rate of THB 0.95 per share.

Details of Dividend Payment	2021	2020	2019
1. Net Profit (Million Baht)	7,713.00*	5,945.27*	3,815.88
2. Earnings per shares	1.66	1.26	0.80
3. Total Dividend Payment per share (Baht: Share)	0.95	0.72	0.47
4. Total Dividend Amount (Million Baht)	4,422.38	3,351.70	2,242.75
5. Dividend Payout Ratio (%)	57.34	56.38	58.77

\* Net profit after interest paid on perpetual debentures

## Subsidiary Policy

As for the subsidiary, the dividend payment will depend on the operating results and the need to use capital to expand the business in the future. However, if the subsidiary has profits and there is no need to reserve capital for business expansion in that year, it will pay dividends at a rate of not less than 50 percent of net profit each year.

In all cases, dividend payments shall depend on cash flow, investment plans including any other future obligations of the Company and/or subsidiaries. Such dividends shall not exceed the retained earnings of the Company financial statements nor significantly affect the Company and subsidiaries’ ongoing operations.



# Debentures of Thai Union Group Public Company Limited

Debentures Name	Amount (THB Million)	Tenor (Year)	Maturity Date	Coupon
Year 2011				
Debentures of Thai Union Group Public Company Limited No. 1/2011 Series 1 Due B.E. 2014*	3,300	3	27/7/2014	4.51
Debentures of Thai Union Group Public Company Limited No. 1/2011 Series 2 Due B.E. 2016*	1,950	5	27/7/2016	4.70
Debentures of Thai Union Group Public Company Limited No. 1/2011 Series 3 Due B.E. 2021*	1,500	10	27/7/2021	5.02
Year 2014				
Debentures of Thai Union Group Public Company Limited No. 1/2014 Series 1 Due B.E. 2017*	2,500	3	6/2/2017	3.58
Debentures of Thai Union Group Public Company Limited No. 1/2014 Series 2 Due B.E. 2019*	3,150	5	6/2/2019	4.21
Debentures of Thai Union Group Public Company Limited No. 1/2014 Series 3 Due B.E. 2021*	1,550	7	6/2/2021	4.69
Debentures of Thai Union Group Public Company Limited No. 1/2014 Series 4 Due B.E. 2024	1,050	10	6/2/2024	5.18
Debentures of Thai Union Group Public Company Limited No. 2/2014 Series 1 Due B.E. 2021*	1,000	7	9/10/2021	4.21
Debentures of Thai Union Group Public Company Limited No. 2/2014 Series 2 Due B.E. 2024	3,500	10	9/10/2024	4.58
Year 2016				
U.S. Dollar Denominated Debentures of Thai Union Group Public Company Limited No. 1/2016 Due B.E. 2026	75 Million U.S. Dollar	10	11/4/2026	3.66
Debentures of Thai Union Group Public Company Limited No. 2/2016 Series 1 Due B.E. 2019*	6,000	3	20/7/2019	2.03
Debentures of Thai Union Group Public Company Limited No. 2/2016 Series 2 Due B.E. 2021*	2,000	5	20/7/2021	2.32
Debentures of Thai Union Group Public Company Limited No. 2/2016 Series 3 Due B.E. 2023	2,000	7	20/7/2023	2.79

Debentures Name	Amount (THB Million)	Tenor (Year)	Maturity Date	Coupon
Year 2017				
Debentures of Thai Union Group Public Company Limited No. 1/2017 Series 1 Due B.E. 2020*	3,500	3	19/1/2020	2.49
Debentures of Thai Union Group Public Company Limited No. 1/2017 Series 2 Due B.E. 2022	2,000	5	19/1/2022	2.91
Debentures of Thai Union Group Public Company Limited No. 1/2017 Series 3 Due B.E. 2024	2,500	7	19/1/2024	3.58
Debentures of Thai Union Group Public Company Limited No. 1/2017 Series 4 Due B.E. 2027	4,000	10	19/1/2027	3.94
Year 2019				
Debentures of Thai Union Group Public Company Limited No. 1/2019 Series 1 Due B.E. 2026	2,000	7	6/11/2026	2.78
Debentures of Thai Union Group Public Company Limited No. 1/2019 Series 2 Due B.E. 2029	4,000	10	6/11/2029	3.00
** Subordinated Perpetual Debentures of Thai Union Group Public Company Limited No. 2/2019 Payable upon Liquidation With The Issuer's Call Option and Unconditional Interest Deferral	6,000	-	Liquidation	**Coupon rate details
Year 2021				
Sustainability-Linked Bond of Thai Union Group Public Company Limited No. 1/2564 Due B.E. 2028	5,000	7	20/7/2028	***Coupon rate details
Sustainability-Linked Bonds of Thai Union Group Public Company Limited No. 2/2564 Series 1 Due B.E. 2026	4,500	5	10/11/2026	****Coupon rate details
Sustainability-Linked Bonds of Thai Union Group Public Company Limited No. 2/2564 Series 2 Due B.E. 2031	1,500	10	10/11/2031	*****Coupon rate details

\* Debentures that have been redeemed

\*\* Coupon rate details:

- For the first five years: fixed interest rate of 5.00 percent per annum
- For Year 6 to Year 25, at an interest rate equal to the sum of (a) Reference Rate (b) Initial Credit Spread; and (c) a rate of 0.25 percent per annum
- For Year 26 to Year 50, at an interest rate equal to the sum of (a) Reference Rate (b) Initial Credit Spread; and (c) a rate of 1.00 percent per annum
- For Year 51 onwards, at an interest rate equal to the sum of (a) Reference Rate (b) Initial Credit Spread; and (c) a rate of 2.00 percent per annum

The interest rate shall be adjusted to reflect the Reference Rate being adjusted every five years by reference to an Interpolated 5-year Government Bond Yield curve.

\*\*\* Coupon rate details:

- From (and including) the Issue Date until (but excluding) July 20, 2024: 2.47 percent per annum
- From (and including) July 20, 2024 , the Interest Rate will be as adjusted in accordance with Condition 8.3 of the Conditions.

\*\*\*\* Coupon rate details:

- From (and including) the Issue Date until (but excluding) November 10, 2024: 2.27 percent per annum
- From (and including) November 10, 2024, the Interest Rate will be as adjusted in accordance with Condition 8.3 of the Conditions.

\*\*\*\*\* Coupon rate details:

- From (and including) the Issue Date until (but excluding) November 10, 2024: 3.36 percent per annum
- From (and including) November 10, 2024, the Interest Rate will be as adjusted in accordance with Condition 8.3 of the Conditions.

## 2. Risk Management

### Risk Management Policy and Plans

#### Risk Management Culture and Policy

Thai Union Group was listed on the Dow Jones Sustainability Indices (DJSI) for the eighth straight year in 2021. Our world-class standards for Risk and Crisis Management received a score in the 100<sup>th</sup> percentile for the second straight year.

The Company continues to embed risk culture in our business strategy and operations at all levels. Starting from the Company's leadership, the Board of Directors (BoD) promotes and enforces consistent and effective risk management, making it part of our organizational culture. The policy, framework, guidelines and structure of risk management demonstrate formal communication.

Employees are encouraged to have a positive attitude towards proper risk management from their first day with Thai Union. This is consistently reinforced throughout their time with the organization, such as through the new joiner program, risk management training, ongoing activities and internal news updates. In addition, risk management is embedded in business planning, decisions and execution. Examples of key areas include:

- Strategic risks are considered in the strategy planning process and during the implementation of initiatives complying with the decided strategy.
- New strategic investments, including M&A, new types of business investment, and large capital expenditure are embedded in risk management. The risk profile will be reviewed by the Risk Management Committee (RMC) for suggestions on the adequacy and appropriateness of the risk response.
- Financial strategy and risks were taken care of closely and driven by Group Treasury and the Finance Shared Services function and comply with Group Financial Risk Management and Treasury Policy. The framework parameters and the acceptable risks are approved by the BoD and used as the key communication and control tools for the management and treasury team, globally.
- Sustainable strategy and risk management were taken care of closely and driven by the Sustainable Development Committee lead by the President and CEO as the Chairman of the Committee.
- IT security strategy and risk management were taken care of closely and driven by the IT Security Committee lead by the President and CEO as the Chairman of the Committee.



### Risk Management Framework

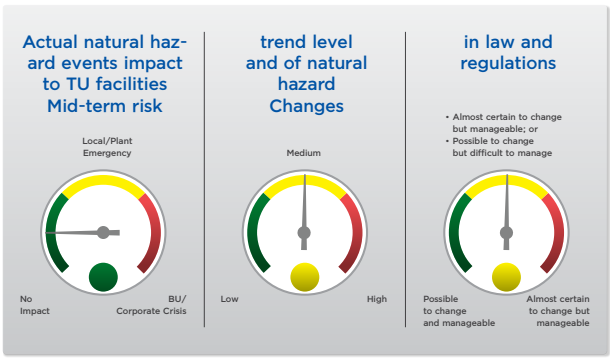
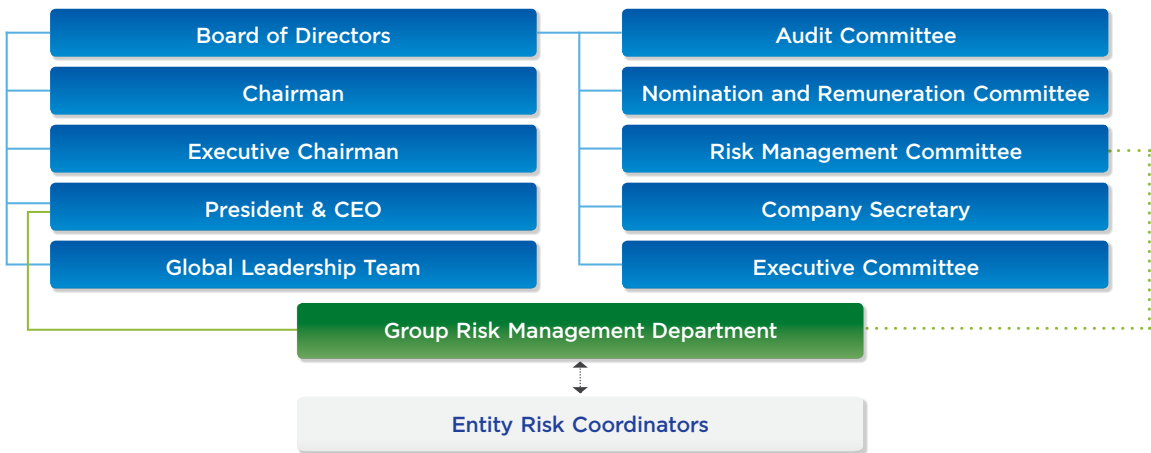
The Company's risk management framework is in accordance with the international standards of COSO ERM and ISO 31000: Risk Management. It is a guideline for management and employees to operate consistently. The framework is designed to identify, assess, manage, monitor and communicate systematically and consistently in order to minimize the probability of risks occurring and limit their potential impact on Company business. Thai Union Group processes risk management at Group level, business segment level and entity level.

#### Acceptable Risk Level

Acceptable risk level is an important factor to consider when Thai Union Group sets strategies and determines the direction of risk management. High and Medium-High are considered to exceed the acceptable level and require the immediate actions or mitigation plans.

#### Risk Management Organization

Risk management structure, roles and responsibilities are clearly established. The BoD provides important oversight to enterprise risk management, and is aware of and concurs with the entity's risk acceptable level. The RMC oversees risk management implementation and regularly reports risks, mitigations. The President and CEO is to ensure the appropriate and effective implementation of risk management throughout the organization. The Risk Management function directly reports to the President and CEO and leads the implementation of risk management and provides guidance, the framework and process to subsidiaries. Management and employees are responsible for managing risks in their areas of responsibility. For additional information on roles and responsibilities, see the Corporate Governance Report.



#### Key Risk Indicators (KRIs)

For materiality risks, Key Risk Indicators, or KRIs, are set up and closely monitor movement. KRIs provide an early signal of increasing risk exposures in various areas of the enterprise and can be lagging and leading indicators. For example, the Company monitors actual and trend of natural hazard events as well as potential change or new laws and regulations of the countries where we operate to monitor climate change risk.

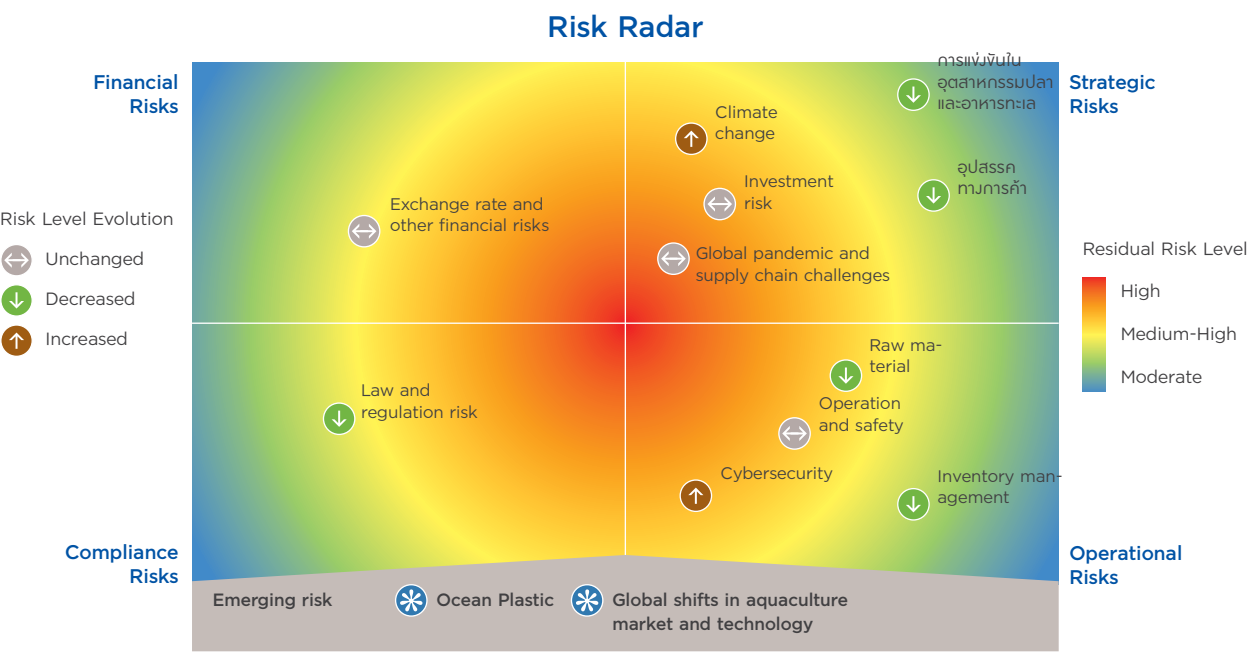


Risk Factors on Business Operations

Thai Union Group is a global seafood processing company, and its operating and financial results are subject to a variety of risks inherent in the seafood industry. The Company can prepare for many of the risks to mitigate any impact and/or minimize likelihood, however many of them are not within our control and could impact the Company’s operations, financial position or reputation.

Current and Emerging Risks

The risk radar below provides an overview of key business risk factors to our Group at the end of 2021 and risk level evolution compared to 2020.



The tables in the following pages provide descriptions of key risks and their potential impacts, management and mitigation plans, linked to Thai Union’s strategy which management and mitigation plans aim to achieve. Six elements of Thai Union’s strategy are shown below.

Global Pandemic and Supply Chain Challenges

Growing the Core

Diversifying Along the Value Chain

Exploring New Horizons

Future-proofing Our Operations

Continuing Our Sustainability Leadership

Developing Our Employees

Global Pandemic and Supply Chain Challenges

Description and Impact

The ongoing spread of COVID-19 and the measures to contain it continued to have a dramatic impact on human lives, businesses and the global economy, including Thai Union Group, which has production plants, offices, customers and consumers around the globe.

Highlighted risks that continued to present challenges in 2021 included:

- 1. Employee health, especially the development of new COVID-19 variants over time
- 2. Production capacity challenges due to labor shortages and some factories having short closures
- 3. Supply chain challenges have been increasing, especially rising freight costs, container shortages and longer shipment lead time
- 4. Rising costs from packaging and edible oils, which resulted in some higher cost of goods sold

Fortunately, COVID-19 has not only brought us risks but also opportunities including:

- 1. Increasing demand for healthy and nutritious human and pet food products from consumers
- 2. Opportunities to enhance stakeholders’ trust in our business resilience and capability to supply products in a challenging situation
- 3. Providing humanitarian assistance to communities in which we operate.

Management and Mitigation Plan

We continue to implement comprehensive safety measures across the full range of activities associated with the Company’s operations and activities outside the work environment, and comply with all measures required by authorities in order to ensure the health and safety of employees, suppliers, customers and communities.

Additionally, to ensure business continuity and our ability to continue supplying products to customers, we adapted quickly to the rapidly evolving situation and carefully managed our 15 global brands, more than 10 production locations and corporate offices in 16 countries, and supply chains around the world.

Regarding production and supply chains, the business continuity plans include, for example: increasing production on critical items, increasing inventory for critical supplies, reviewing and updating our supplier management in order to reduce supplier risk such as high dependency on specific suppliers, and developing scenarios of alternative production plant.

For logistics, packaging and edible oils, we put in place the policy including FOB contracts, sharing costs with our suppliers, customers and retailers, and inventory management to mitigate the industry-wide impact from rising costs.

Overall, we continued to deliver a healthy performance with strong growth and net profit, despite short-term supply chain disruptions and the impact of the pandemic.

Element of Thai Union Strategy that management and mitigation plans aim to achieve

Future-proofing Our Operations

Continuing Our Sustainability Leadership

Developing Our Employees

Improves of ESG-related factors below

Environment

Social

Governance

Investment Risk

Description and Impact

From our strategy which aims to create long term value, we not only continuously grow core businesses, but also seek opportunities to diversify our Group portfolio by expanding into attractive businesses along our value chains; focusing on PetCare, the feed business and alternative protein.

Moreover, we also explore new businesses that tap into the large opportunity to valorize our co-product and create high-margin and high-growth businesses; focusing on ingredients, supplements, and alternative protein businesses as well as innovative food-tech startups.

Doing so not only brings us numerous opportunities but also exposes us to risks of lower-than-targeted returns on investment, laws and regulations technology selection, resource management, and other sustainability-related issues.

Management and Mitigation Plan

We have implemented the following risk management measures to minimize risks as well as provide a balance with business opportunities:

- Prioritize projects and consider investment approaches that generate sales and net profit growth opportunities in line with our corporate goal of “Heathy Living, Healthy Oceans”, while maintaining a healthy financial position and cash flow.
- Implement a clear process for investment and budget screening, decision making, monitoring investment which is steered by the Executive Committee (EXCOM) comprised of executives who have expertise and experience in the food & beverage sector and investments. Any business acquisitions or investments requiring high capital investment or with significant risks must be presented to the RMC to review the adequacy and effectiveness of the risk assessment and mitigation measures in order to provide recommendations to management and report to the BOD for consideration.
- Once the investments have been approved by EXCOM or the BOD, project and risk monitoring takes place by management and the Group Risk Management department and reported to the RMC every quarter to ensure they progress as planned, with efficient capital and effective risk management.



Raw Material

Description and Impact

Tuna

In 2021, Skipjack tuna prices in the Western and Central Pacific Ocean saw less volatility compared with previous years due to pandemic-induced soft demand and a strong increase in ocean freight costs. The Bangkok market fluctuated in a narrower range throughout the year. During the first half of 2021, good fishing and

soft demand kept Skipjack prices at low levels. Catching slowed down in the 3<sup>rd</sup> quarter due to the annual FAD closure and the La Nina weather pattern. On the other hand, high ocean freight costs further softened market demand. As a result, Skipjack prices saw a moderate increase in Q3. Catching and supply conditions aggravated in the 4<sup>th</sup> quarter, caused by multiple tropical storms affecting the fishing ground. The prolonged poor catching, and tight supply pushed up the fish price throughout Q4. Supply and prices for Yellowfin and Albacore tuna have been stable in the Bangkok market and stayed within the normal range throughout 2021.

Shrimp

Thai shrimp raw material prices in 2021 were generally lower than 2020, though local supply was still constrained because farms were busy containing consistent disease outbreaks (white feces, white spot, EHP, EMS, etc.), forcing them to delay cultivation and harvesting. The global COVID-19 pandemic still negatively affected the food industry as a whole, but the food service sectors in major export and local markets rebounded due to the easing of lockdowns and social distancing requirements during the year. The general weakness of the local currency (Thai Baht), relative to other major shrimp exporting countries, provided a boost to Thai exports in 2021. When raw material prices were low in U.S. dollar terms, Thai processors and exporters in general benefited from the development; however, the disruption in shipping caused by container shortages and port congestion has been a major cost burden and a risk factor to the industry. Our U.S. based frozen seafood unit (Tri-Union Frozen Products, Inc.) is vulnerable to raw material price fluctuations caused by supply and demand imbalances in major producing countries and its own costs of inventory. But it reduces these risks by developing highly diversified supplier and customer bases.

Salmon

The global 3 - 6 kg salmon price annual average in 2021 was back to pre COVID-19 levels.

In terms of supply, there were few supply shortages except in the last week of 2021 from Scotland due to weather and biology.

Management and Mitigation Plan

Tuna

The Company has a global fish procurement organization with a team of experts to enhance our strategic sourcing capability and supply chain management of fish. With centralized sourcing, the Company is able to leverage our global scale and build best-in-class sourcing capabilities. On the operational level, the team closely monitors and mitigates challenges around prices and supply that are common in our business today. This improvement has increased communication and information transparency throughout the supply chain of all Thai Union factories.

The Company was able to diversify the supply sources and procured more raw materials from various oceans to mitigate the challenges of tight supply.

Shrimp

To differentiate ourselves from the competition, reduce cost pressure and secure profitability, we actively invest in new processes and equipment in order to meet new customer standards and requirements. We also do it through obtaining globally recognized certificates, launching new and innovative products, and initiating industry-leading sustainability programs. Strategic raw material procurement (in respect of source, timing, and volume), which is derived from our inhouse view and intelligence on the supply and demand balance within

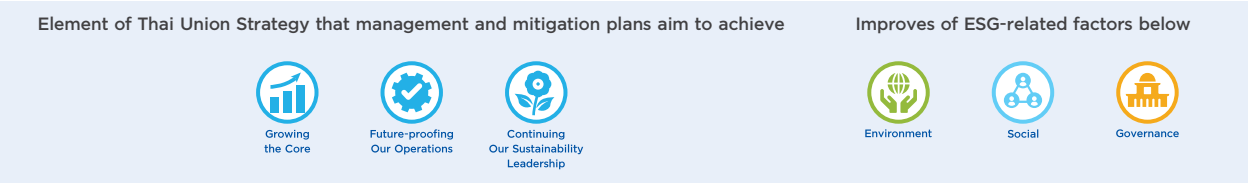


Thailand and overseas, helps keep our pricing competitive. Also, programs of process automation, with an aim to reduce reliance on labor and improve productivity and consistency in product quality, were implemented. These actions will also help offset the negative impact of volatility of raw material, exchange rates and supply chain disruption to our product costs.

To reduce an over-dependence on certain markets, we diversify into new export destinations, such as Asian countries, in addition to the Thai market. We also partner with major customers through exclusive supply contracts over an extended period of time to ensure stable pricing and business volume.

Salmon

We keep following our strategy which allows us to react faster according to the trends through hedging together with keeping good flexibility. Moreover, we apply a tracking tool to follow the main drivers in order to adapt our strategy if needed.



Operation and Safety

Description and Impact

In every production facility, the Company faces various potential risks, starting from sourcing raw seafood materials to processing and manufacturing finished products. These risks involve, for instance, the health and safety of employees, major damage to a plant, food quality, cost control and inventory management. These risks could directly or indirectly affect production, sales targets and ultimate corporate goals.

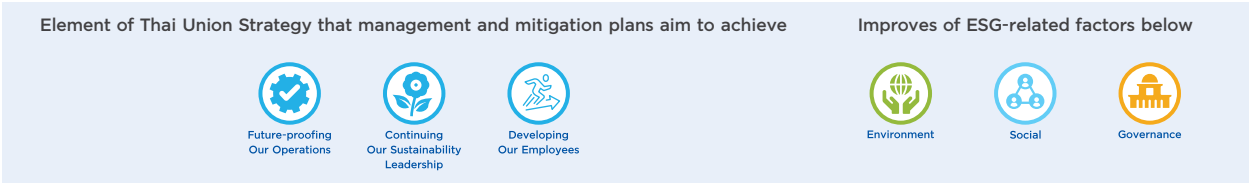
Key areas for continuous improvement include:

- Safety at plants
- Cost productivity
- Food safety
- Food quality to meet the increasing sophistication of consumer demand in quality and nutritional requirements.

Management and Mitigation Plan

Thai Union Group focuses on operational excellence and recognizes the importance of Continuous Improvement discipline. Regarding safety risks, we regularly conduct a risk assessment for each production plant as risk profiles change over time (both man-made and natural disaster), as well as constantly assess the gap against our safety standards. Several management engineering and management mitigation programs were put in place, for example the development of a master plan which includes standardized practices and needed investment, especially risk reduction programs for fire and ammonia. Moreover, we have strengthened our new-project investment and changes in plant design, construction, equipment, machinery and others that could create Safety, Health and Environment (SHE) risks, to ensure proper integration of SHE considerations before investment approval. In terms of cost productivity, we put in place structured programs and dedicated CAPEX to increase productivity across the Group.

For example: automation process, Total Productive Maintenance program, Labor Optimization Continuous Improvement program, increasing the percentage of RFT (Right First Time) in our production. For food safety and quality, our Quality Management System is the platform which we deploy globally to ensure consistent food safety, compliance with quality standards and to create value for consumers. Our internal Quality Management System is constantly being audited and verified by independent certification bodies to strictly conform to internal, and international standards, laws and regulatory requirements. Several of the food quality and safety accreditations or certifications the Company has obtained are, for example: ISO 9001, ISO 14001, TIS 18001, BRC, BAP, GMP, HACCP, Halal, Kosher.



Cybersecurity

Description and Impact

The changing dynamics of work brought on by environmental factors such as COVID-19 have forced our business to increasingly rely more on technology and collaboration and this has a net impact on cybersecurity as the threat landscape becomes more sophisticated and attacks become opportunistic. Cybersecurity risks can manifest themselves by making critical infrastructure and software unavailable. At worst, unauthorized access or misuse of data could compromise highly sensitive and confidential data. The risk could result in a financial impact where we are unable to fulfil customer orders, increase our cost of operation and incur fines and penalties from regulatory bodies. This could result in loss of reputation and confidence from our stakeholders.

Management and Mitigation Plan

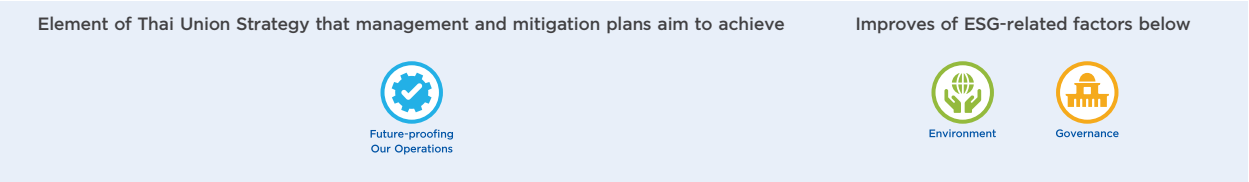
At Thai Union, we give importance to Cybersecurity Governance and IT security across all layers – from governance, structure, policy, technology, to people and processes. We use industry defined frameworks to operationalize our response to security threats. We have a robust follow the sun IT security monitoring operation and our risk management team and our IT department constantly work to strengthen our cybersecurity posture and management of risk from cybersecurity attacks.

We have our Group IT department that is responsible for implementing our IT policy. The department has put in place measures which it enforces strictly across the business in order to protect the Company's assets and personal data. We invest in IT security at various levels – endpoint security at the device level, at the application level and at the network level. All our lines of defense are well covered.

In recent years, we have a team set up to look at the governing and information security strategic decision-making, system and data protection, IT risk management program, and improving Thai Union Group's overall security and robustness of infrastructure, reporting directly to a committee chaired by the President and CEO. This team also supports operation teams and relevant functions to implement cybersecurity activities, as well as promote awareness and preventive measures to reduce risks in cyber threats.

- In 2021 we took several important steps forward to mitigate cybersecurity-related risks. these include:
- We performed an ERP SAP system security assessment to review and revise user authorization and standardized the authorizations/ roles across the Group.

- We have subcontracted a cybersecurity consulting firm to help us develop an incident response plan, a comprehensive approach to IT BCP for our main businesses.
- We implemented advanced email filtering solutions to safeguard against unsolicited email.
- We implemented brand exploit protection to protect stakeholders from phishing campaigns using domains similar to Thaiunion.com.
- We have implemented VIP impersonation protection to prevent phishing campaigns using similar email addresses of our VIPs.
- We completed the implementation of Multi-Factor Authentication (MFA) to further secure our passwords.
- We performed an Active Directory Hardening to reduce credential exposure.
- We have put in place a Disaster Recovery plan for key applications and successfully conducted a DR drill.
- We strive to continuously create user awareness of cybersecurity through training, road shows and top-down communication of the importance of security in the Company.



Climate Change

Description and Impact

Climate change presents a global risk as the planet continues to warm, including the threat of increasing extreme weather events. A warming planet is also impacting the world’s oceans, which pose a risk to marine species and aquaculture production on which Thai Union depends. Severe weather and natural disasters which are associated with climate change include floods, droughts and tsunamis, as well as ocean warming and acidification, which could all impact our production, raw material supply and human resources. The topic of climate change again gained global attention in 2021 as world leaders met in Glasgow for the COP26 climate summit, where they were warned that immediate action was needed to keep global warming to 1.5 degrees Celsius or face potentially even more disastrous climate risks.

Management and Mitigation Plan

Thai Union operates with a strong commitment to respect and responsibility, showing a duty of care to our workers through responsible operations. We have a number of initiatives in place that contribute to water reduction, waste to landfill reduction, greenhouse gas emission reduction and monitoring natural disaster hazards and water risk management. We want everyone that works at Thai Union to play an active role in delivering against our environmental and safety goals. We see safety and environmental protection as everyone’s business.

In 2021, we implemented a number of initiatives, including:

- Launched Sustainability-Linked Loans and Sustainability-Linked Bonds - financing that has sustainability targets to benefit the oceans, with interest rates linked to key performance indicators and sustainability performance targets.
- Introduced a new Commitment on Food Loss and Waste Reduction, aiming to eliminate all food loss and waste, which has an impact on climate change.
- Continued initiatives: Project Sunseeker, which looks to place solar panels on our factories, solar rooftops at plants, reusing and recycling of water in our production processes, using fertilizer made from wastewater sludge for planting trees, and recycling contaminated plastic that previously would have gone to landfill.

In 2022, Thai Union will establish Science Based Targets (SBT) as the Company explores more meaningful goals and addresses the threats that climate change presents. We also aim to increase our energy efficiency.



Exchange Rate and Other Financial Risks

Description and Impact

With a presence in a large number of countries, the Company is exposed to a variety of financial risks coming from foreign exchange, interest rates, liquidity, trade receivables, counterparty risks, investment and borrowing activities.

The risks are primarily:

1. Foreign exchange risks on commercial flows, financing/investing activities, net investments in foreign subsidiaries and raw materials, purchasing in a foreign currency
2. Interest rate risks on borrowings
3. Credit risks on financial and commercial activities

In 2021, there were still significant uncertainties from the COVID-19 pandemic, global trends in monetary policy, global impacts from Evergrande – one of the world’s most indebted property developers and China’s largest defaulter, trade tensions and geopolitical risks, and political unrest in Thailand. These events created financial risks, especially foreign exchange fluctuations.

A new contagious COVID-19 variant influenced currencies when countries were hit by COVID-19, which could change relative expectations of the country’s future economic recovery. There were also impacts due to the pandemic effecting the core financial risks e.g., credit risk, market risk, operational risk, and liquidity risk.

In addition, the uncertainties of fiscal and monetary policies as well as the foreign policies of the U.S. administration had a significant impact on foreign exchange and led to volatility of the USD against all other key currencies that the Company has businesses in i.e., EUR, GBP, JPY and THB.

Apart from the impacts of the COVID-19 pandemic and the financial risks, the replacement of benchmark interest rates, namely the London Inter-Bank Offered Rate (LIBOR) and other impacted interbank-offered rates (together with LIBOR, the ‘IBORs’) has become a priority for global regulators, financial institutions, and corporates.

The IBORs are being replaced by Risk Free Rates (RFRs) which provide robust and credible overnight reference rates and are well suited for many purposes and market needs. Several financial products including cash, loans, bonds and derivatives markets transit to utilize RFRs as primary benchmarks. The UK Financial Conduct Authority (FCA) confirmed on March 5, 2021 that all LIBOR settings will either cease to be provided by any administrator or no longer be representative. In the case of all Pound Sterling, Euro, Swiss Franc and Japanese Yen settings, and the 1-week and 2-month USD settings, the replacements ended on December 31, 2021. However, in the case of remaining USD settings, namely USD Overnight, 1-month, 3-month, 6-month and 12-month tenors, the replacement is expected to be completed by June 30, 2023.



Management and Mitigation Plan



The Group’s overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group’s financial performance. The Group uses derivative financial instruments to hedge certain exposures to stabilize future earnings.

The Financial Risk Management Policy is carried out by the Group Executive Committee. The Group’s policy includes areas such as foreign exchange risk, interest rate risk, liquidity risk, counterparty credit risk, raw material risk and operational risk. The framework parameters are approved.

- 1. For foreign exchange risk, the Company’s policy and strategy to manage risks are as follows:
  - For trading activities, the Company uses natural hedging and enters into forward contracts to cover a certain percentage of risks, which is dependent on the profile of the risks in different businesses
  - For all borrowing, lending, or placing deposits in foreign currencies where those currencies will be used, 100 percent hedging on foreign exchange risks is a must.
  - For equity investments where the returns can be expected from dividend payments or recapitalization, the decision of hedging on equity investments will be centralized and decided by the Group Executive Committee.
- 2. For interest rate risks, the Company manages or caps portions of borrowing by using interest rate derivatives to achieve an acceptable targeted level of fixed/floating rate net borrowing.
- 3. For counter party credit risk, the Company has policies, procedures and controls to minimize the risks, while trade insurance and credit limits have been bought for most customers.

In addition, the Company has implemented a contingency funding plan and account receivable monitoring and AR risk mitigation plan through AR insurance or AR factoring. This is led by the Cash Preservation Team so that the Company will be able to follow up and closely monitor situations during the COVID-19 pandemic.

The transition of IBORs is an ongoing process that the Company is aware of. The changes are limited to the IBORs and may impact the Company depending on the reference rates used in the loan instruments, lease contracts, bonds, derivatives, and hedge accounting. As a result, the Company has considered transitioning the financial instruments and the hedging derivatives to the relevant replacement benchmark at the same time, as well as to adhere to the ISDA 2020 IBOR Fallbacks Protocol to be applied for the existing derivative contracts. In doing so, we believe that the Company’s financial statements will be best reflected the economic effects of the IBORs reform.

Element of Thai Union Strategy that management and mitigation plans aim to achieve	Improves of ESG-related factors below
	

Law and Regulation Risk

Description and Impact

Our business is subject to a wide variety of laws and regulations across all the countries in which we do business, including those pertaining to intellectual property, product liability, procurement of raw materials, marketing, food safety, traceability, nutrition, labelling, antitrust, trade competition, climate and the environment, employment and labor, occupational health and safety, anti-bribery or anti-corruption, personal data protection, tax etc.

Failure to comply with or lack of awareness of the changing laws and regulations may cause an adverse impact on the various aspects of our business, from sourcing and production to sales and distribution. It could also potentially lead to substantial fines and penalties, and import bans of our products in certain markets, all of which could have a negative impact on Thai Union’s financial performance and reputation.

Examples of new and proposed laws and regulations that could have an impact on Thai Union’s business now and in the future include Personal Data Protection, laws and regulations under the European Green Deal, U.S. laws and regulations relating to food safety, traceability, and fisheries.




Management and Mitigation Plan

The Company has a global legal and compliance function to manage legal activities related to business operations and investment and provides regular updates and training on the development of laws and regulations, provides counsel on legal issues and ensures preparation for any requirements related to laws and regulations.

Regarding data privacy or data protection laws, we put in place several measures to ensure compliance including established data protection policies and procedures, inventoried and assessed collected personal and sensitive information, implemented a system and process to ensure information security and developed an emergency response strategy and plans.

Regarding the European Green Deal, we closely monitor the new and proposed regulations and measures under the Green Deal, assess the potential impact, and make plans to ensure that our process and products will meet any new requirements.

As we expect to see new climate-related regulations across key markets in the coming years, including as part of the European Green Deal, we have been implementing several measures in our factories to cut greenhouse gases for many years. We will set new science-based climate targets in 2022 and continue to strive to further reduce GHG both in our operations and supply chains. Our actions include improving operational efficiency; investing in more energy efficient equipment; developing and deploying innovations in new technologies; promoting renewable energy; and working with our seafood and non-seafood suppliers to reduce scope 3 emissions.

Element of Thai Union Strategy that management and mitigation plans aim to achieve	Improves of ESG-related factors below
 Growing the Core	 Continuing Our Sustainability Leadership
	 Governance

Emerging Risk: Ocean Plastic

Description and Potential Impact

Ocean plastic is a global issue which has been growing in prominence in recent years, raising concerns among not only our stakeholders, but customers and consumers globally. Ocean plastics can have a significant impact on the health and resilience of the oceans, thereby impacting the livelihoods and potentially the health of those people who depend on them.

For Thai Union’s operations, ocean plastic may cause both negative and positive impacts including:

- Negative impact on marine ecosystems, which could disturb marine habitats and result in potential reduction of global fish stocks and seafood supply as well as volatility in raw material pricing.
- Impact on product: Significant harm can be caused to marine animals when they feed on ocean plastics or are caught in lost and discarded fishing gears. If a seafood company does not take actions to address this problem, its brand and reputation could be affected.
- Impact on sales & customers: Increasing consumers’ concerns with the impacts of ocean plastics on the safety of seafood products could impact their confidence in and demand for seafood products, and hence our revenue.
- Impact on sales & customers: Positive impact to Thai Union’s reputation as the trusted seafood leader as we can proactively respond to the concerns of consumers and other stakeholders on ocean plastics by working with suppliers and partners to remove existing ghost gear and prevent new ghost gear.

**Risk Category:** Environmental  
**Source of Risk:** Macroeconomic (Plastic waste and Ghost fishing gear)  
**Timeframe of Impact:** Three-five years


Management and Mitigation Plan


Thai Union has continuously implemented a number of initiatives to reduce marine litter and ALDFG, including joining forces with the Global Ghost Gear Initiative (GGGI). We are currently looking at ways to make our product packaging more environmentally friendly and have committed to ensuring 100 percent of the branded packaging produced in our facilities is reusable, recyclable or compostable and 30 percent average recycled content in our branded packaging by 2025. We also regularly engage our staff and communities on waste minimization, recycling and appropriate disposal of waste.


In 2021, Thai Union completed the Thailand Commercial Fishing Sector Survey and Assessment of Abandoned, Lost and Discarded Fishing Gear which allowed Thai Union to better understand how they operate, how gear is lost, how much gear they lose over time and what happens to end-of-life gear with outlines for next steps and key intervention points. Please visit [www.seachangesustainability.org](http://www.seachangesustainability.org) for the full report.

Additionally, Thai Union joined a global international coastal cleanup program by the Seafood Business for Ocean Stewardship (SeaBOS) and Ocean Conservancy as part of our commitment to improving the health of the world’s oceans. A total of 1,306 kilograms of trash was collected at the cleanup in Thailand’s Samut Sakhon province.


Element of Thai Union Strategy that management and mitigation plans aim to achieve


  
Growing the Core


  
Continuing Our Sustainability Leadership

  
Developing Our Employees

Improves of ESG-related factors below

  
Environment

  
Social

  
Governance

Emerging Risk: Global Shifts in Aquaculture Market and Technology

Description and Potential Impact

Aquaculture was largely viewed as a sustainable way to relieve pressure on wild stocks of fish and provide protein to the world’s population.

For Thai Union Group, changes in aquaculture market demand and competitiveness may possibly impact our business, especially for the frozen and chilled seafood and related segments. An example includes:

- Impact on sales & reputation due to sustainability concerns. Consumers demand more sustainable aquaculture products throughout the supply chain. This includes the desire for more sustainable aquaculture feed production that uses less marine, wild caught ingredients. There is also growing demand for certified aquaculture products and farms, such as ASC, BAP as well as customers’ own standards. Thai Union needs to respond to these concerns by promoting more sustainable aquaculture farms and feed production, including through research, innovation and smart farm technology. Failure to do so could lead to customers switching to other more sustainable aquaculture products, impacting our revenue and brand.
- Impact on sales due to the potential growth of freshwater aquaculture consumption from developing countries especially white fish as they are a cheap source of protein. As currently our key frozen seafood are shrimp, salmon and other fish, therefore, failure to respond to the market change could have a possible impact on sales by losing customers to other freshwater aquaculture processors.


**Risk Category:** Technological and Economic  
**Source of Risk:** Macroeconomic (New technologies, regulations, market trends)  
**Timeframe of Impact:** Three-five years

Management and Mitigation Plan

Thai Union manages with global shifts in aquaculture through several functions, using a mix of adaptation measures and internal command and control.

- Adaptive measures:
- The Company is aware of this emerging risk and will further conduct analysis in 2022 in order to better evaluate the risks; the Company also has governance and processes in place to understand up-to-date market trends, short- and long-term strategy planning review, robust strategic initiatives settings and risk management reviews to capture opportunities and mitigate risks
  - The Company continues to be focused on operationalizing SeaChange®, our global, industry-leading sustainability strategy, across all parts of our business which including our aquaculture sources. At the same time, we also focus on innovation through our Global Innovation Center and continue to invest though our corporate venture fund to enhanced consumer satisfaction, shared value, and sustainability.
  - The Company has a well-diversified product portfolio and strong footprint in every key region. We work closely with the local team in each country and market in order to prepare a step ahead of issues which may arise.

Element of Thai Union Strategy that management and mitigation plans aim to achieve

  
Growing the Core

  
Exploring New Horizons

  
Continuing Our Sustainability Leadership

Improves of ESG-related factors below

  
Environment

  
Governance



## Investment risks imposed on the securities holders

### Risks of uncertain share price and returns on investment for shareholders

Thai Union's share price may rise or fall in a volatile fashion subject to several factors including business performance and factors beyond its control, including:

- Key risks which could affect business performance described in section in 2.1.1
- Economic situation, inflation, crisis, or abnormal situation
- Geopolitical issues, trade conflict or change of trade barrier
- Changes in various policies, regulations or requirements affecting the industry

These factors could depress the share price below what investors paid for or higher than their sold portions, or both, thus putting investors at risk from uncertain returns on investment.

### Foreign Securities Investment Risk (in case the issuer is a foreign company)

None of significant risk.



### 3. Sustainability at Thai Union

#### Overview of SeaChange® Sustainability Strategy: Objectives, Programs and Key Progress

Sustainable development is essential to the future of Thai Union’s business and our growth; it is fundamental to being a responsible corporate citizen for both our employees and our global community. Being transparent, not only showcasing our achievements, but highlighting the areas we have identified for improvement, is fundamental to our vision of being the world’s most trusted seafood leader.

Climate change is now, more than ever, front and center of Thai Union’s sustainability strategy. We know that significant change is necessary as the world confronts the risks associated with a warming planet. At the COP26 climate summit in Glasgow last year, there were stark warnings about the future if action was not taken immediately to tackle climate change and work to keep global warming to 1.5 degrees Celsius. In 2022, Thai Union will announce new science-based targets as we seek to pursue more meaningful goals and address the threats that climate change present.

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 the introduction in 2016 of 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. We are also committed to “Healthy Living, Healthy Oceans”, recognizing the role that the oceans and seafood play in combating ongoing challenges such as climate change, as well as providing healthy, nutritious diets for consumers. “Healthy Living, Healthy Oceans” will allow us to continue to evolve SeaChange®. Thai Union will announce a major update to SeaChange® in 2022.

Thai Union’s commitment to sustainability is also demonstrated through the Company’s Sustainable Development Committee, which is chaired by Thai Union CEO Thiraphong Chansiri, with Adam Brennan, Group Director, Sustainability, as Co-Chair. The high-level decision-making committee brings together key senior executives throughout the year to consider emerging issues and new policy proposals, and make strategic decisions to drive Thai Union’s sustainability programs. The decisions of the SD Committee are communicated to relevant business units and functions for implementation in collaboration with our global Sustainable Development team. Importantly, sustainability is also represented at the highest level of the business, with Mr. Brennan a member of the Global Leadership Team.



While COVID-19 continued to cause significant disruption to businesses around the world in 2021, including Thai Union, we did not stand still. We maintained our focus on pursuing our sustainability goals and setting the standards for the rest of the industry to follow. We continued to implement programs and policies to further progress on sustainable development. We also continued to work with the broader seafood industry and civil society, and where COVID-19 prevented us from meeting stakeholders face-to-face, we remained engaged by participating in a series of webinars and panels in markets around the world.

In recognition of our efforts to drive positive change across its business and the wider seafood sector, Thai Union was ranked number two in the world on the Food Products Industry Index of the Dow Jones Sustainability Indices, a family of indices evaluating the sustainability performance of thousands of companies trading publicly around the world. Thai Union has been listed on the index for eight consecutive years. The Company was also ranked number one for the second consecutive time on the Seafood Stewardship Index (SSI) of the World Benchmarking Alliance, which assessed the contribution of the world’s 30 largest seafood companies to the United Nations Sustainable Development Goals.

We think of SeaChange® as a journey that covers every aspect of the seafood business, transparently. This ranges from how we look after the oceans to how we manage our waste; from the responsibility we take for our workers to building brighter futures for the communities around our key sites.

The backbone of our sustainability strategy is the ability to fully trace our seafood—from catch to consumption. With full traceability in place, we will be able to identify, investigate and improve our performance on key issues such as labor and responsible sourcing. This is why Thai Union has been active in advancing the development and implementation of the Global Dialogue for Seafood Traceability (GDST) standards.

As one of the world’s largest seafood companies, we recognize that we have both the responsibility and the capacity to be a leader for positive change. We are also committed to our corporate goal of “Healthy Living, Healthy Oceans”, as we understand how critical ocean-based solutions are to climate change and reducing global greenhouse gas emissions. The oceans are, of course, the foundation of our business and healthy oceans are critical for the future of the planet and in combating climate change.



# 2021 In Brief

Member of  
**Dow Jones  
Sustainability Indices**  
Powered by the S&P Global CSA

Listed on the Dow Jones Sustainability Indices (DJSI) for the eighth straight year, and ranked second in the world in the Food Products Industry; received Gold Class Sustainability Award in the S&P Global Sustainability Yearbook 2021, one of just two companies to receive the Gold Class in the food products industry



Introduced a Policy on No Deforestation & Policy for Responsible Sourcing of Palm Oil

Introduced a new Commitment on Food Loss and Waste Reduction, aiming to eliminate all food loss and waste

Published our Anti-discrimination & Anti-harassment Policy



Thai Union took part in the Ocean Disclosure Project as part of its ongoing commitment to transparency, publicly sharing details on the sourcing of our seafood



Ranked number one on the Seafood Stewardship Index (SSI) of the World Benchmarking Alliance for the second consecutive time, in recognition of our contribution to the United Nations Sustainable Development Goals



Received the Best Sustainability Award at The Stock Exchange of Thailand Awards 2021

Began transitioning to the Employer Pays Principle, as an extension of the Ethical Migrant Recruitment Policy, to ensure that no worker should pay for a job, with full implementation starting on January 1, 2022

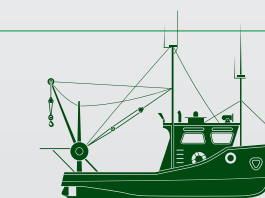


Sustainability Disclosure Award 2021 from Thaipat Institute

## THAI UNION CARES

1,

Donated nearly 1 million servings of food along with other COVID-19 supplies globally, as part of the Thai Union Cares Program, bringing to 4 million the number of donations since the pandemic began



Pioneering commitment with The Nature Conservancy to full supply-chain transparency in our global tuna supply chains, including electronic monitoring/human observers onboard tuna vessels

Launched Sustainability-Linked Loans of THB 12 Bln equivalent and Sustainability-Linked Bonds, the first in Thailand, of THB 5 Bln and THB 6 Bln; the financing has sustainability targets to benefit the oceans, with interest rates linked to key performance indicators and sustainability performance targets



Tried a new 'Comic Contract' for fishers working on Thai vessels to help them understand their terms and worker rights

Introduced our Tuna Commitment up to 2025, including new commitments to addressing illegal, unreported and unregulated fishing and modern slavery





OUR OVERARCHING OBJECTIVES

**Sustainable seas,**  
now and for future  
generations

**Workers are safe,**  
legally employed and  
empowered

**Combating climate  
change and promoting  
healthy diets through  
sustainable  
seafood**

OUR PROGRAMS

**Safe  
& Legal Labor**

Providing safe, legal and freely-chosen employment in our own facilities and in supply chains is critically important to Thai Union.

**Safe and Legal Labor Roadmap**

**Responsible Sourcing**

Traceability is the key to improving the transparency and operational practices of the entire seafood supply chain.

**Responsible Sourcing Goals and Roadmap**

**Responsible Operations**

The way we operate must be environmentally responsible and show a duty of care for our workers.

**Responsible Operations Goals and Roadmap**

**People & Communities**

At Thai Union we take responsibility for improving the lives of those living and working in the regions in which we operate.

**People and Communities Goals and Roadmap**

SeaChange® is an integrated plan of initiatives, organized into four programs, to drive meaningful improvements across the entire global seafood industry

OUR OPERATING PRINCIPLES

**Good Governance**

Robust leadership, policies and processes ensure our business is focused on delivering our sustainability objectives and is ethical across all our operations.

**Transparency**

We will remain transparent in all communications with stakeholders, customers and the industry, sharing our learnings and providing regular updates on our progress.

**Partnerships and Collaboration**

We have and will continue to actively seek out NGOs, governments and industry partners to work with us on initiatives designed to deliver against our overarching objectives. We will continue to share our findings so the entire industry can benefit from our experience and findings.

UN Sustainable Development Goals and UN Global Compact

While our work is primarily designed to have a positive impact on the seafood industry, the milestones we achieve under our programs will also deliver against the United Nations Sustainable Development Goals (UN SDGs) and are guided by our commitment to the UN Global Compact (UNGC). This report, together with the 2021 Sustainability Report to be published, serve as Thai Union’s annual Communication on Progress (COP) to stakeholders. In line with SeaChange®, Thai Union is focused on delivering across all the SDGs but is focused on four contributing to broad societal change in areas where we can have direct influence, including:



Aside from the four SDGs mentioned above, our work also contributes to the realization of other UN SDGs, such as Goal 17 on Partnerships and Goal 12 on Responsible Consumption and Production.

Human Rights

- Thai Union will support and respect the protection of internationally proclaimed human rights; and 1
- Make sure that they are not complicit in human rights abuses 2

Labor Standards

- Thai Union will uphold the freedom of association and the effective recognition of the right to collective bargaining; 3
- The elimination of all forms of forced and compulsory labor; 4
- The effective abolition of child labor; and 5
- The elimination of discrimination in respect of employment and occupation. 6

Environment

- Thai Union will support a precautionary approach to environmental challenges; 7
- Undertake initiative to promote greater environmental responsibility; and 8
- Encourage the development and diffusion of environmentally friendly technologies. 9

Anti-Corruption

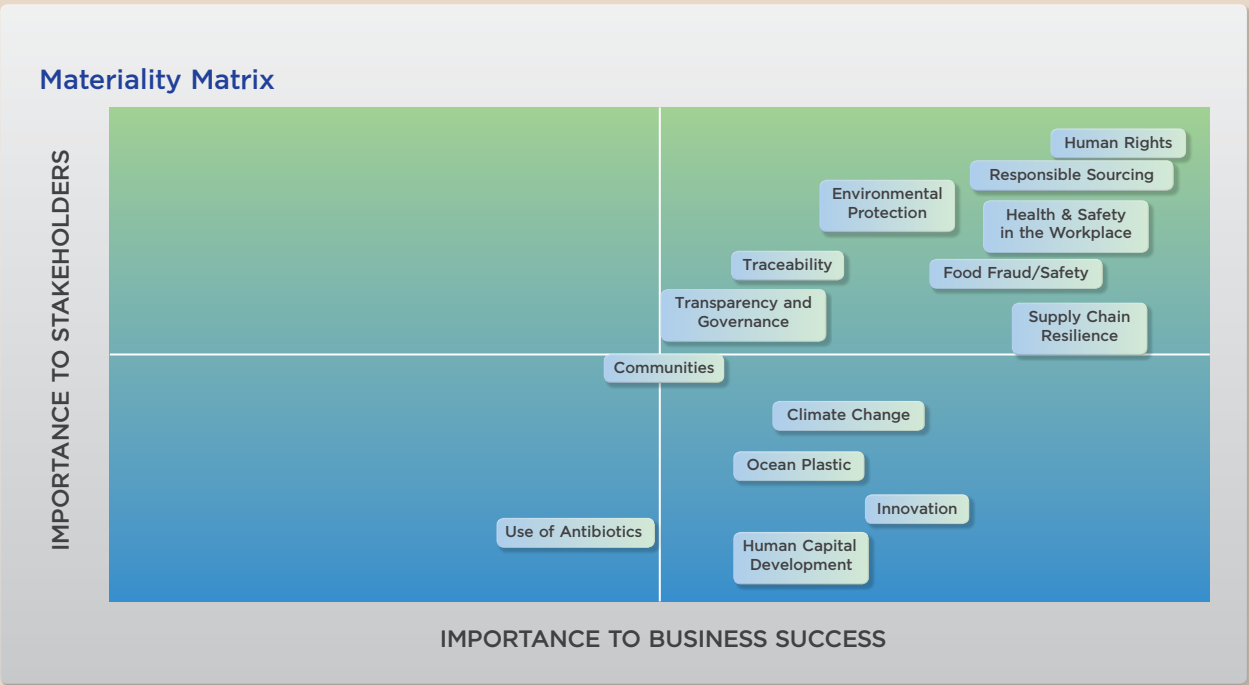
- Thai Union will work against corruption in all its forms, including extortion and bribery. 10



Material Issues and Stakeholders Engagement

Materiality in Risk Assessment

One way Thai Union assesses its materiality is through our risk management procedure. Through reviewing activities and partnerships, assessing forthcoming legislation and the implementation of regulations, customer preference and feedback, as well as media profile and risk, Thai Union continuously monitors the materiality of issues and the impact they have on our internal risk profile and those risks are then presented quarterly to the Risk Management Committee. It is important to us that we not only address the issues that we understand are important to us as a global seafood leader, but that we are also tackling the issues that are of greatest importance to our stakeholders and partners around the world.



On our previous Environmental Matrix, the top issues followed the pillars of Thai Union’s SeaChange® strategy, with Human Rights and Environmental Protection and Responsible Sourcing the top priority. Thai Union is also continuing to work to address these material issues with academia, with the nine other largest seafood companies in the world through the Seafood Business for Ocean Stewardship (SeaBOS), and with external organizations such as the Global Ghost Gear Initiative (GGGI) to tackle the growing problem of ocean plastics. We are also constantly working towards an improved environmental performance, including reducing our carbon footprint and greenhouse gas (GHG) emissions. These issues will remain key priorities for Thai Union for the next decade and beyond of SeaChange®.

Thai Union is committed to listening to customers and better understanding their needs. As part of this, the Company is working with independent consultants Key Traceability to conduct a review of our customers’ sustainability commitments, so that we can respond and provide support so they are able to achieve them. This is part of Thai Union’s collaborative approach to the way we operate. As part of efforts to work with customers and other stakeholders, Thai Union will also conduct a new survey and Materiality Index in 2022.

Given Thai Union’s global scale of operations, our material issues and impacts are complex and transcontinental. Through a materiality assessment, we have analyzed our worldwide operations to identify and prioritize the most important issues to our stakeholders and our business as a whole. Thai Union regularly engages with our key stakeholders, allowing us to understand and prioritize our sustainability risks and define appropriate responses to emerging corporate challenges. This includes conducting a stakeholder engagement process to review and input on our 2025 SeaChange® goals, the outcome of which is outlined below:

Feedback From Thai Union’s Stakeholders Along The Value Chain And Our Responses.

Feedback from Thai Union’ Stakeholders		
Our stake-holders	Issues	Thai Union Responses
Investors	<ul style="list-style-type: none"><li>Improvement of business</li><li>Good governance</li><li>Transparency of information</li></ul>	<ul style="list-style-type: none"><li>Transparency and governance (anti-corruption, data disclosure, tax policy and reporting)</li><li>Investor Relations Communications team, quarterly face-to-face investor updates with sustainability briefing</li></ul>
	<ul style="list-style-type: none"><li>Social and environmental responsibilities</li></ul>	<ul style="list-style-type: none"><li>Climate change and environmental protection</li></ul>
Suppliers	<ul style="list-style-type: none"><li>Fair trade</li><li>Consistency expectation</li><li>Increasing orders</li></ul>	<ul style="list-style-type: none"><li>Responsible sourcing (traceability, viability)</li><li>Vessel Code of Conduct</li><li>Supplier audits and capacity building</li></ul>
Customers	<ul style="list-style-type: none"><li>Product quality (health and nutrition)</li><li>Eco-labelling (e.g. MSC, dolphin safe, ASC, BAP, carbon footprint of products)</li></ul>	<ul style="list-style-type: none"><li>Innovation and product responsibility (quality, food safety)</li><li>Increased customer communication and face-to-face or virtual meetings on sustainability held globally</li><li>Offering more sustainable alternatives to meet customer demand</li></ul>
		<ul style="list-style-type: none"><li>Responsible sourcing</li><li>Climate change and environmental protection</li><li>Updates on GGGI partnership, our Tuna Commitment, Sourcing Transparency report with WWF</li></ul>
End Consumers	<ul style="list-style-type: none"><li>Eco labelling</li><li>Competitive pricing</li><li>Food safety</li><li>Product quality (health and nutrition)</li></ul>	<ul style="list-style-type: none"><li>Innovation and product responsibility (quality, food safety)</li></ul>
	<ul style="list-style-type: none"><li>Social and environmental responsibilities</li><li>Eco labelling (e.g. MSC, dolphin safe, ASC, BAP, carbon footprint of products)</li></ul>	<ul style="list-style-type: none"><li>Responsible sourcing</li><li>Can trackers and traceability data as well as product information</li></ul>

Feedback from Thai Union' Stakeholders		
Our stake-holders	Issues	Thai Union Responses
Employees	<ul style="list-style-type: none"><li>Fair compensation and benefits</li><li>Fair labor practices</li><li>Safety and wellness</li><li>Career development and opportunity</li><li>Work-life balance</li></ul>	<ul style="list-style-type: none"><li>Human rights and fair labor practices</li><li>Human capital development</li><li>Management program</li><li>Global program of harmonization of work standards</li><li>Brand ambassador program and Thai Union Global rollout</li></ul>
Daily/Migrant workers	<ul style="list-style-type: none"><li>Fair compensation and benefits</li><li>Fair labor practices</li><li>Safety and wellness</li></ul>	<ul style="list-style-type: none"><li>Human rights and fair labor practices</li><li>Human capital development</li></ul>
Communities	<ul style="list-style-type: none"><li>Legal compliance</li></ul>	<ul style="list-style-type: none"><li>Transparency and governance (anti-corruption, data disclosure, tax policy and reporting)</li></ul>
	<ul style="list-style-type: none"><li>Social and environmental responsibilities</li><li>Partnership in community development</li><li>Socioeconomic development</li></ul>	<ul style="list-style-type: none"><li>Nutritional information</li><li>Communities</li></ul>
Government	<ul style="list-style-type: none"><li>Legal compliance</li><li>Participation in government programs</li></ul>	<ul style="list-style-type: none"><li>Transparency and governance (anti-corruption, data disclosure, tax policy and reporting)</li></ul>
NGOs	<ul style="list-style-type: none"><li>Social and environmental responsibilities</li><li>Marine conservation</li><li>Participation in social and environmental programs</li></ul>	<ul style="list-style-type: none"><li>Climate change and environmental protection</li><li>WWF Sourcing transparency report</li></ul>
	<ul style="list-style-type: none"><li>Transparency of information</li></ul>	<ul style="list-style-type: none"><li>Transparency and governance (anti-corruption, data disclosure, tax policy and reporting)</li><li>TUE transparency report</li></ul>
International organizations	<ul style="list-style-type: none"><li>Regulatory compliance</li><li>Transparency of information</li></ul>	<ul style="list-style-type: none"><li>Transparency and governance (anti-corruption, data disclosure, tax policy and reporting)</li></ul>
	<ul style="list-style-type: none"><li>Social and environmental responsibilities</li><li>Transparency of information</li></ul>	<ul style="list-style-type: none"><li>Joint workshops such as with the ILO Communities</li></ul>
Academia	<ul style="list-style-type: none"><li>Social and environmental responsibilities</li><li>Marine conservation</li><li>Participation in social and environmental programs</li></ul>	<ul style="list-style-type: none"><li>Climate change and environmental protection</li><li>Communities</li><li>Collaboration with Stockholm Resilience Centre through SeaBOS</li><li>Collaboration with University of Sydney</li></ul>
Media	<ul style="list-style-type: none"><li>Transparency of information</li><li>Timeliness of information</li></ul>	<ul style="list-style-type: none"><li>Transparency and governance (anti-corruption, data disclosure, tax policy and reporting)</li><li>Engagement on material issues</li></ul>

Thai Union's Environmental Policies and Impacts

Responsible Operations

Thai Union has many initiatives in place to help ensure we operate responsibly and manage some of our most material issues. In line with the UN SDGs, we are focused on UN SDG 13 for Climate Action, with our goals set under the Responsible Operations pillar of our SeaChange® strategy. Thai Union will launch its official climate change strategy in 2022, with clear goals and science-based targets for the Company to achieve, as part of our continuing leadership across the global seafood industry.

Global environmental risks such as climate change, resource consumption and waste management have an increasingly negative impact on our planet and the ocean which, in turn, threatens the species and the foundations on which our society depends. The way we do business has to be conscious of any impacts that we may have on our planet and also show a duty of care for our workers in how we operate. Thai Union is committed to protecting the environment by working to ensure the sustainable management and efficient use of natural resources, aligning with the UN's position that there is an opportunity for development models that are not only more inclusive and equitable but are underpinned by sustainable consumption and production.

We have initiatives in place that contribute to water reduction, energy consumption reduction, increasing renewable energy consumption, waste to landfill reduction, reducing greenhouse gas emissions and improving the environmental performance of packaging.

In 2021, we continued to reduce our greenhouse gas intensity, which was reduced by 0.7 percent compared to 2020. In 2021, we continued to expand our solar energy at our factory in Samut Sakhon, with the installation of an additional 7 MW of solar energy was either completed or installed during the year.

Our waste-to-landfill intensity has increased by 2 percent. We focus on wastewater segregation and waste utilization in order to divert the waste from disposal (landfill or not). As result, we have diverted an estimated amount of 142,963 tons of waste from disposal. Key initiatives include reduction of sludge by using bio-gas incinerator, converting sludge to soil fertilizer, strengthening our packaging (of raw material) collection for recycling.

Thai Union also introduced a new Commitment on Food Loss and Waste Reduction with a goal of eliminating all food loss and waste. The Company is committed to a target of reducing food loss across our ambient, frozen and chilled seafood operations by 50 percent by 2025, compared to a 2021 baseline.

Packaging is an important component of any product and contributes significantly to a Company's overall environmental impact. By developing and implementing sustainable packaging initiatives, our environmental footprint is reduced. By exploring sustainable packaging in our innovation research, we ensure a continuous pipeline of improvements, which will help achieve Thai Union's goals for carbon footprint reduction and environmentally-friendly packaging. Thai Union has made a sustainable packaging commitment that by 2025, 100 percent of branded packaging produced in our facilities is reusable, recyclable or compostable. We have also committed to having an average of 30 percent recycled content in our branded packaging by 2025.

With a commitment to "Healthy Living, Healthy Oceans" Thai Union is also working to address the issue of ocean plastics. Abandoned, Lost and Discarded Fishing Gear (ALDFG) or Ghost Gear, represents a threat to animals in our oceans because it has the potential to reduce fish stocks, damage habitat and harm wildlife. So, in 2018 Thai Union joined the Global Ghost Gear Initiative (GGGI) in a drive to help reduce the growing issue of Ghost



Gear. We have made a commitment to ensure safer, cleaner oceans by driving economically viable and sustainable solutions to the problem of ghost fishing gear and marine litter globally.

Responsible Sourcing

Supply chain management is at the heart of the Responsible Sourcing program within SeaChange® and is vital to the effective and successful management of our business. Thai Union is committed to implementing its sourcing requirements in its supply chains and working with suppliers on continuous improvement to meet increasingly higher standards of business operations. The seafood industry is complex, whether looking at wild-caught or aquaculture fisheries. Given the complexities of the seafood industry, we recognize the importance of proactively addressing both emerging and ongoing issues in our dynamic business environment.

Traceability is at the heart of our effective supply chain management; creating the ability for us to map all materials up and down the many different supply chains and giving us understanding of the web of materials, people and places that our business is reliant upon. Maintaining strong connections in the web and fostering trusting relationships is the key to improving the operational practices of companies which we do business with. Tracking the components of our products – ensuring catch to consumption – also helps us provide that assurances to the consumer, regulators and others that we do what we say. For these reasons, we refer to traceability as the backbone of SeaChange®.

Engagement and communication is central to implementing our Responsible Sourcing program. Last year, with new policies and commitments we visited and spoke to many of our suppliers, customers and partners who will all play an active role to drive continuous improvement in our supply chains. We complete projects with our suppliers to support and encourage them to meet new and often higher standards expected by our customers and other stakeholders. In 2021 we continued to work with the Global Dialogue for Seafood Traceability, supporting trials of the GDST Standard 1.0 in our

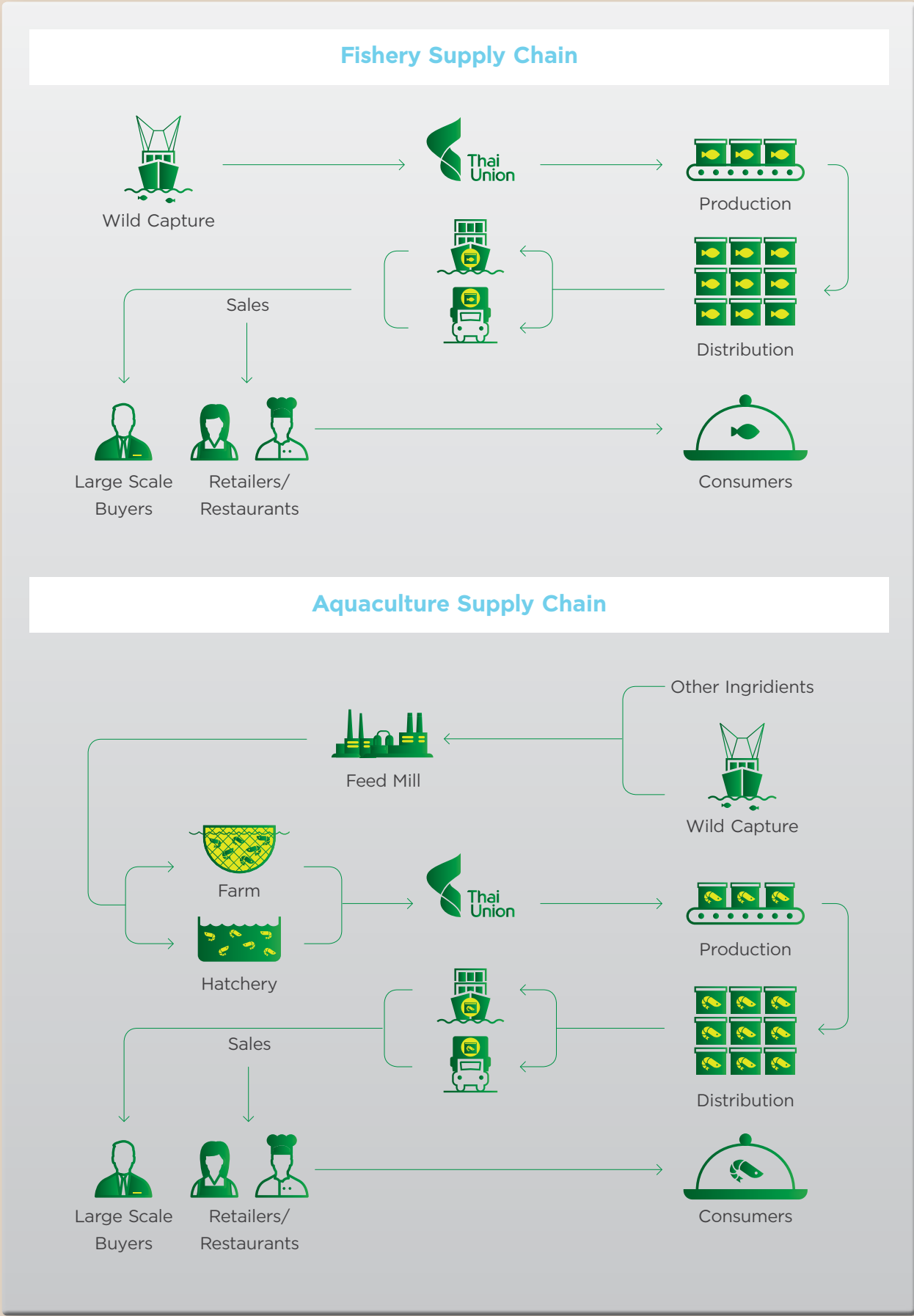
wild capture and aquaculture supply chains, as well as testing standards of interoperability.

Being a seafood company, our supply chain management primarily focuses on the sourcing of raw fishery and aquaculture materials but we also recognize the need to manage our supply chains for a range of other categories – from packaging to non-seafood ingredients to logistics. Thai Union continued to work with our partners to deepen our understanding and approach to responsible sourcing.

In 2021, we introduced a number of new commitments and policies to strengthen our efforts to protect the environment including the Policy on No Deforestation and the Policy for Responsible Sourcing of Palm Oil.

We will continue to work hard to drive strong, positive change throughout many parts of the seafood industry, including delivering improvements in our supply chains for the benefit of our oceans and marine life, and for the rights of people working in the seafood industry.

Aquaculture continues to be a significant focus for Thai Union, and we continue to work with our shrimp suppliers to raise farm standards towards international certifications, such as the Best Aquaculture Practices, Aquaculture Stewardship Council, and customer-specific certification programs. As part of our commitment to ensure our suppliers also work towards more robust sustainability practices, we also require our shrimp suppliers to provide us with sustainability-related information, such as on shrimp feed. Moreover, we have implemented capacity building programs for shrimp farmers in our supply chains on environmental and labor standards, and responsible and prudent use of antibiotics. Our processing plants also have in place antibiotics testing procedures to ensure compliance with the applicable market-specific regulations and requirements.



Thai Union’s Social Policies and Impacts

Safe & Legal Labor

Providing safe, legal and freely-chosen employment for workers in our own facilities and in our supply chains is critically important to Thai Union. We are committed to supporting the seafood sector play its role in delivering against UN SDG 8, aiming to provide decent work and economic growth for communities and individuals throughout the world. We also strive to make advances in our occupational health and safety policies, continually strengthening the safety standards, procedures and processes in our facilities. We want to consider how we can meet or exceed international frameworks such as the UN Guiding Principles on Business and Human Rights, legislation such as Modern Slavery Acts and most importantly, ensure that people have safe and legal work to help them fully participate in society.

As part of our commitment to continuous improvement, Thai Union will transition our ethical recruitment practices in 2022 to be aligned with the international standard reflecting the Dhaka Principles for Migration and Dignity and the Employer Pays Principle to ensure that no worker should pay for a job – the cost of recruitment should be borne not by the worker but by the employer. Since January 1, 2022, the Company has started implementing a full Employer Pays Principle for all recruitment of migrants to work in our Thailand-based operations.

Health and safety in the workplace also remained critical for the Company. With the continued COVID-19 pandemic, the health and safety of our employees was Thai Union’s number one priority. We have implemented comprehensive measures to prevent infections inside the Company’s factories since 2020. These include social distancing, wearing of personal protective equipment (PPE) as well as workforce clustering. The Company also has comprehensive protocols in place for those who test positive, including taking care of the affected employees while isolating them according to government guidelines, identifying and testing close contacts and deep cleaning visited work areas. In

addition, we have also arranged for employees to be vaccinated against COVID-19, including under the national vaccination program and through self-funded vaccinations for employees. The Company also restricted business travel to lower the risk of infection, and implemented work from home guidelines to help employees remain productive but safe.

Last year, Thai Union also published its Anti-discrimination & Anti-harassment Policy as part of the Company’s commitment to conduct business with integrity, openness and respect for universal human rights, including the rights to equality and non-discrimination. The Company also updated its Human Rights Policy and Human Rights Risk Assessment, with a commitment to use our leadership role to address human rights issues not only in our value chain but also the broader global seafood industry. Thai Union began to conduct a living wage assessment in 2021.

Thai Union knows that the ability to trace all our seafood products and implement strong management of our supply chains supports all of our safe and legal labor work programs. An example of this work was completed as a result of the Vessel Code of Conduct work in Thailand with our pet care customers Nestle, The J.M. Smucker Company and Mars Petcare who have been working with us to collaboratively fund projects to improve the working conditions of fishers. Thai Union with partners, Creative Contracts, trialed a new ‘Comic Contract’ for fishers working on Thai vessels, part of the area for improvement in fishers understanding their terms and worker rights. Many of the people who come to work on fishing vessels from other countries may not be able to read Thai and therefore not able to understand contracts they are given. To assist in helping workers not be in the position of signing contracts which they cannot fully comprehend, we developed a contract which uses pictures and simple graphics to explain the agreement contents, making the information more accessible. The comic contract trial will support fishing vessels to ensure the required content meets Thai

legislation and also the implementation of the ILO C188 Work in Fishing Convention.

Since 2018, Thai Union has worked with third party consultants to complete assessment of vessels that we source from against the Vessel Code of Conduct. To date the scope has focused on global tuna procurement and vessels in Thailand and has covered a range of gear types including purse seine, pole and line and longline. The program has interviewed approximately one thousand crew and suppliers, audited over 200 vessels and successfully developed new protocols to allow the continuation of auditing work post-COVID-19. Plan are on-going to expand the audit contents to include topics such as recruitment mapping, and also commence activity in new geographies.

People & Communities

Thai Union is committed to helping improve the lives of those living and working in the regions where we operate. This includes cleaning marine environments, working to end hunger through food donations and humanitarian aid to disaster-struck communities, to educating children and providing nutritional information to consumers and local communities. In response to the pandemic, Thai Union donated nearly 1 million servings of food and other COVID-19 supplies globally during 2021 as part of its Thai Union Cares program.

2021 saw Thai Union North America’s first full year with its Justice, Equity, Diversity, and Inclusion (JEDI) strategy underway. The JEDI Champions, a team of a dozen volunteer employees from multiple departments, divided into four working groups, enacted a wide array of JEDI initiatives. Through consensus-building and shared responsibility they hosted eight staff-wide virtual events on culturally significant holidays, such as Martin Luther King Jr Day and Juneteenth, as well as open educational forums on topics like mental health and wellness. They held staff trainings with a third party organization, for the Champions themselves and the Executive Leadership Team. New policies were passed, to be implemented in 2022, including paid flexible volunteer time, an added flexible cultural holiday, expanded parental leave, and promoting an anonymous

employee hotline to report workplace issues. This foundational year will continue to set the pace as the team continues to build a more diverse and inclusive place to work.

Thai Union aims to enable individuals and the organization to achieve greatness. This aim requires a diverse workforce that includes people with disabilities. Thai Union collaborates with the government to employ people with disabilities in hospitals, schools and government offices across Thailand to promote diversity and inclusion in the workplace. Thai Union also provides locations in the workplace for people with disabilities to sell their products.

In 2022, Thai Union will join together with Vulcan Coalition, a Thai AI start-up, creating work opportunities in AI, data labelling, and other comparable jobs at Vulcan facilities for people with intellectual/developmental disabilities. Individuals with disabilities can receive AI training and deliver their knowledge on the Data Image Labelling Services as part of this empowerment and inclusion program.

Our Human Resources teams are constantly looking at areas where the Company can improve while also implementing policies that ensure everyone is supported, have opportunities to enhance their skills, and have a voice. In 2021, we launched new pillars of learning through our Thai Union Academy, focused on future skills enhancement and executive leadership development. In addition, we are continually focused on scalability with our learning solutions, by providing a readily available online learning platform and updating our programs in line with our strategic direction. Our overall learning strategy is to upskill everyone to ensure they are able to grow professionally, which opens up new opportunities for them to grow within our company.

During the year, Thai Union also conducted its annual Global Employee Engagement Survey to better understand the Company’s strengths while also identifying areas that need improvement. There was a 92 percent response rate to the survey across 19 countries. They survey found that employees appreciate the collaborative environment at Thai Union despite physical boundaries such as remote working, while there was also a strong sense that supervisors had an interest in colleague development.



## 4. Management Discussion and Analysis

### Overview

Thai Union reported strong core business in 2021 with top line growth and consistently high margins, which helped mitigate the impacts from ongoing supply chain challenges

### Revenue

2021 sales were at a new high of THB 141 billion, up 6.5 percent year-over-year, boosted by the frozen and chilled seafood business (up 17.8 percent year-over-year), PetCare and value-added business (up 17.9 percent year-over-year), and higher FX gains. This was partly offset by a normalization of the ambient seafood business (down 6.0 percent year-over-year), after 2020's pantry-loading during the pandemic.

### Gross Profit and Margin

Gross profit in 2021 was THB 25.7 billion, up 9.9 percent year-over-year. Thai Union continued to deliver a high gross profit margin at 18.2 percent in 2021, mainly thanks to a margin surge for the frozen and chilled seafood business. The gross profit margin for PetCare & value-added and ambient businesses also grew nicely, despite higher raw material prices and freight costs.

### Operating Profit

2021 operating profit was at THB 8.26 billion, up 5.6 percent year-over-year, supported by strong core business, despite higher SG&A costs. SG&A-to-sales ratio was at 12.4 percent in 2021, due to higher logistics and marketing expenses for both core and new businesses.

### Net Profit and Margin

2021 net profit was an all-time high at THB 8 billion, up 28.3 percent year-over-year, thanks to strong core operations with top line growth, consistently high margins, lower share of loss from associates, and higher FX gains, which helped mitigate the impacts from ongoing supply chain challenges. The 2021 net profit margin was remarkable at 5.7 percent.

### Cash Flow and Net Interest-bearing Debt to Equity

2021 free cash flow remained positive from strong EBITDA, amidst a temporary impact from negative net working capital change from a high inventory of finished goods and goods in transit on delayed shipments and container shortages. Thai Union's 2021 net debt to equity ratio was at 0.99 times, which was below the internal target of 1.0 times, representing a healthy financial position.

### Dividend

Thai Union announced an interim dividend of THB 0.45 per share for the first half of 2021 performance and a final dividend of THB 0.50 per share for the second half of 2021 performance. This made a 2021 full-year record-high dividend of THB 0.95 per share, implying a dividend payout ratio at 57 percent.

### Business Overview by Business Units

#### Ambient Seafood Business

Ambient seafood sales were THB 58.95 billion, representing 42 percent of 2021 total sales. Ambient seafood sales dropped 6.0 percent year-over-year, as a normalization effect from 2020's pantry loading during the pandemic. However, gross profit margin was maintained at 21.4 percent, thanks to our cost efficiency management.

Ambient seafood delivered both higher sales and margin compared to pre-COVID levels in 2019.

Average skipjack tuna price in 2021 was at USD 1,406 per ton, up 1.5 percent year-over-year. The 2021 average tuna price was in Thai Union's manageable level.

#### Frozen, Chilled Seafood and Related Business

Frozen and chilled seafood sales were THB 58.42 billion, representing 41 percent of 2021 total sales. Frozen and chilled seafood sales grew strongly at 17.8 percent year-over-year, with a margin turnaround in 2021. These were driven by a business recovery in shrimp and lobster, reflecting improving foodservice and retail businesses in Asia and the U.S. Thus, gross profit margin rebounded to 11.8 percent in 2021, supported by strong demand, lower conversion cost, and favorable product mix.

Frozen and chilled seafood sales expanded strongly thanks to a favorable product mix, compared to pre-COVID levels in 2019, and delivered a firm margin.

The average shrimp price (60 pcs/kg) in 2021 was at THB 138 per kg, down 6.7 percent year-over-year. The average salmon price in 2021 was at NOK 59 per kg, up 2.4 percent year-over-year.

#### Petcare, Value-added and Other Businesses

PetCare, value-added and others business sales were THB 23.7 billion, representing 17 percent of 2021 total sales. PetCare, value-added and others business sales increased 17.9 percent year-over-year in 2021, thanks to PetCare's strong demand, new products launched, a broadening portfolio with new customers, and higher sales of value-added products and packaging businesses.

The gross margin of PetCare, value-added and other businesses stood at a high level of 26.3 percent in 2021, thanks to a focus on profitability and new, innovative products launched.

Petcare, value-added and other businesses' sales and margin expanded remarkably, compared to 2019 pre-COVID levels.

Business Overview by Region

2021 sales in key regions; the U.S. (43 percent of total sales), Europe (28 percent of total sales), and Thailand (10 percent of total sales), grew strongly thanks to the solid recovery of frozen and chilled seafood sales, as well as the Thai Baht's depreciation against key currencies; USD/THB (up 2.2 percent year-over-year), EUR/THB (up 6.0 percent year-over-year) and GBP/THB (up 9.6 percent year-over-year).

**Sales growth in the U.S.** was up 9.6 percent year-over-year in 2021, driven by FX gains, the recovery of frozen seafood sales, and the strong demand of the PetCare business. These were partly offset by the normalization of the ambient seafood business due to lower demand and container shortage effects.

**Sales growth in Europe** was up 4.1 percent year-over-year in 2021, driven by FX gains, higher sales volumes in the ambinet branded business, particularly in France, Germany, and Italy, thanks to our strong branded positions in Europe.

**Sales growth in Thailand** was up 9.7 percent year-over-year in 2021, due to the recovery of in the frozen seafood segment, healthy sales growth in ambient seafood and strong demand in the packaging business.

Future Prospects and Action Plan

Thai Union's vision is to be the world's most trusted seafood leader, caring for our resources to nurture generations to come. We also seek to continue to deliver healthy and responsibly-sourced nutrition to our consumers globally, while creating long-term value for our stakeholders.

With our global business portfolio, we have focused on continued performance improvement as part of our 2025 targets, driving towards an EBITDA of USD 450 - 550 million. We are committed to innovation as a key differentiator and we put sustainability at the heart of our operations and all of our decisions.

As part of our guidance for 2022, Thai Union will focus on sales growth of 4 - 5 percent from a year earlier. We aim to reach a gross profit margin level at approximately 18.0 - 18.5 percent in 2022. The SG&A to sales ratio will be at approximately 12.0 - 13.0 percent. Additionally, we do not expect any material change in the effective interest rate from 2021.

In 2022, the total planned capital investment will be approximately at THB 6.0 billion as we focus on carrying out capital expenditure related to both existing and new business divisions and continue to improve and streamline our existing operations in order to achieve sustainable, profitable growth.

Our key investment items during 2022 will be a culinary plant for ready-to-eat products and a protein hydrolysate and collagen peptide plant in Thailand. Additionally, we will continue to invest in machinery and equipment, construction and improvements on buildings, as well as capacity expansion on our core businesses. Due to the ongoing continuous improvement in manufacturing and expansion of our existing business, Thai Union's general financial health should improve further as positive cash flows increase.

We continue our commitment to deliver a high dividend payout ratio, with a minimum of 50 percent payout of our net profit with semi-annual payments.

Comparative Financial Ratios

Ratios	2021	2020	2019
Liquidity Ratios			
Current Ratio (Times)	1.56	1.37	1.66
Quick Ratio (Times)	0.54	0.45	0.55
Leverage Ratios			
Total Debt to Equity Ratio (Times)	1.68	1.59	1.74
Debt to Equity (Times)*	1.14	1.05	1.16
Net Debt to Equity (Times)*	0.99	0.94	1.07
Time Interest Earned (Times)	6.21	5.22	4.06
Efficiency Activity Ratios			
Total Assets Turnover (Times)	0.91	0.92	0.89
Inventory Turnover (Times)	2.71	2.89	2.82
Accounts Receivable Turnover (Times)	11.81	11.11	9.56
Accounts Payable Turnover (Times)	10.03	9.64	8.49
Inventory Days (Days)	133	125	128
Account Receivable Days (Days)	30	32	38
Account Payable Days (Days)	36	37	42
Profitability Ratios			
Gross Profit Margin (%)	18.2	17.7	15.9
EBITDA Margin (%)	10.6	9.8	9.5
Net Profit Margin (%)	5.7	4.7	4.1
Return on Average Equity (%)	16.1	14.1	9.0
Return on Assets (%)**	6.9	6.3	4.6
Return on Capital Employed (%)	10.1	9.2	6.5
Per Share Data			
Earnings Per Share (Thai Baht)	1.66	1.26	0.80
Dividend per Share (Thai Baht)	0.95	0.72	0.47
Book Value per Share (Thai Baht)	11.18	9.69	8.90

\* Debt = Interest bearing debt only  
\*\* Pre-tax ROA = EBIT/Average total assets



## Financial Analysis

### Sales

2021 sales were at a new high of THB 141 billion, up 6.5 percent year-over-year, boosted by frozen and chilled seafood (up 17.8 percent year-over-year), PetCare and value-added (up 17.9 percent year-over-year), and higher FX gains. This was partly offset by a normalization of the ambient seafood business (down 6.0 percent year-over-year), after last year's pantry-loading during the pandemic.

In 2021, the Thai Baht moved against key currencies as follows; USD/THB (up 2.2 percent year-over-year), EUR/THB (up 6.0 percent year-over-year) and GBP/THB (up 9.6 percent year-over-year), which supported sales growth. Excluding the FX impact, Thai Union's sales in 2021 still rose 4.0 percent year-over-year.

2021 sales volumes decreased 1.2 percent year-over-year, as a result of lower sales volumes in ambient seafood, despite higher sales volumes of frozen and chilled seafood and PetCare and value-added.

### Gross Profit

The 2021 gross profit margin and gross profit rose to 18.2 percent at THB 25.7 billion (up 9.9 percent year-over-year), driven by:

- **Ambient seafood:** The gross profit margin remained resilient, despite a decline in gross profit due to lower sales from normalization effect.
- **Frozen and chilled seafood:** The gross profit margin and gross profit increase due to a recovery in food service operations.
- **PetCare, value-added and others:** Gross profit increased from strong sales of PetCare and packaging. The gross profit margin was maintained and well-managed despite impacts from the pandemic, higher raw material prices and freight costs.

## Selling and Administrative Expense (SG&A)

2021 SG&A expenses increased 12.0 percent year-over-year, to THB 1.9 billion, mainly due to sharp rising logistics costs estimated at THB 1.6 billion in 2021.

2021 SG&A to sales ratio was at 12.4 percent, up from 11.8 percent in 2020, as a result of higher freight and marketing costs for our core and new businesses.

### Other Income (Including Share of Income From Investment in Associates)

2021 other income was at THB 1.8 billion versus THB 1.6 billion in 2020. There was a one-off impairment booked in 2020 other income, while we received a higher management fee from Red Lobster in 2021. Apart from that, Thai Union continued to record a consistent interest income from its investment in Red Lobster's preferred units.

### FX Gain/Loss

Thanks to prudent FX exposure management, Thai Union reported 2021 FX gains of THB 922 million (versus THB 90 million in 2020).

### Finance Costs

2021 finance costs were stable at THB 1.7 billion, equivalent to 2020. Cost of debt was 2.6 percent during 2021, down from 2.9 percent during 2020.

### Corporate Income Tax

2021 income tax expense was at THB 742 million versus THB 724 million in 2020. The increase was in line with the higher operating profit of the Company.

## Net Profit

2021 net profit was a record-high at THB 8 billion, up 28.3 percent year-over-year. The 2021 net profit margin was at 5.7 percent versus 4.7 percent in 2020. The increase was thanks to strong core operations with robust top line growth, consistently high margin, higher FX gains, and lower share of loss from investment in associates. These helped mitigate the impacts from ongoing supply chain challenges in 2021.

### Financial Position

As of December 31, 2021, Thai Union's total assets were at THB 166.6 billion, an increase of 15.2 percent from end-2020 at THB 144.6 billion, mainly thanks to higher cash and cash equivalents, inventory value, investment in subsidiaries and joint ventures.

Total liabilities increased to THB 104.4 billion (up 17.5 percent from THB 88.8 billion at end-2020), mostly from the pre-financing plan for long-term loans reaching maturity in early 2022.

Current liabilities increased by 9.2 percent from end-2020, due to a larger amount of loans reaching maturity. The non-current liabilities rose by 25.6 percent from end-2020, given sustainability-linked term bonds and loans were issued during 2021.

Total equity (including perpetual debentures of THB 6 billion) increased by 11.6 percent (up THB 6.5 billion) from end-2020 to THB 62.2 billion, thanks to strong net profit during the year.

## Cash Flows

During 2021, net cash receipts from operating activities were at THB 6.3 billion. Positive cash flow was mostly driven by profitable operations (EBITDA: THB 14.9 billion in 2021).

Net cash payments for investing activities were at THB 8.1 billion, increased from THB 3.7 billion at the same period of last year, mainly due to cash payments for a new investment in an associate company, R&B Food Supply PCL (RBF) of THB 3 billion, Rügen Fisch shares buyout of THB 1.7 billion, and an acquisition of shares in Clover Corporation for THB 0.7 billion during 2021.

Thai Union recorded net cash receipts from financing activities of THB 4.6 billion during 2021, which was largely due to cash receipts from long-term loans from financial institutions and debenture issuance.

Net increase in cash and cash equivalents, including exchange losses, was at THB 2.7 billion, resulting to outstanding cash and cash equivalents of THB 9.1 billion as of the end of the year (including the impact from the use of Bank Overdraft).

5. General and Important Information

References

COMMON SHARE REGISTRAR

Thailand Securities Depository Co., Ltd.  
14<sup>th</sup> Floor, The Stock Exchange of Thailand,  
93 Ratchadapisek Road, Dindaeng, Bangkok 10400  
Tel: +66 (0) 2009-9000  
Fax: +66 (0) 2009-9992

DEBENTURES REGISTRAR

2011 Debentures, 1-3 series: Kasikorn Bank PCL.  
2014 Debentures, 1<sup>st</sup> batch, 1-4 series: Kasikorn Bank PCL.  
2014 Debentures, 2<sup>nd</sup> batch, 1-2 series: TMB Bank PCL.  
2016 Debentures, 1<sup>st</sup> batch, Bank of Ayudhya PCL.  
2016 Debentures, 2<sup>nd</sup> batch, 1-3 series: Bank of Ayudhya PCL.  
2017 Debentures, 1<sup>st</sup> batch, 1-4 series: Bank of Ayudhya PCL.  
2019 Debentures, 1<sup>st</sup> batch, 1-2 series: Krung Thai Bank PCL.  
2019 Debentures, 2<sup>nd</sup> batch, Krung Thai Bank PCL.  
2019 Perpetual Subordinated Bond Krung Thai Bank PCL.  
2021 Senior and Unsecured Sustainability-Linked Bonds  
1<sup>st</sup> batch, Bank of Ayudhya PCL.  
2021 Senior and Unsecured Sustainability-Linked Bonds  
2<sup>nd</sup> batch, Bank of Ayudhya PCL.

INDEPENDENT AUDITORS

Mr. Pongthavee Ratanakoses	CPA No. 7795 or
Mr. Chanchai Chaiprasit	CPA No. 3760 or
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Information Influencing Investors’ Decisions

The Company has no further information to disclose that may materially impact investors’ investment decisions. Should there be any other crucial information that could materially be useful or impact investors’ investment decisions, or that could ensure equal access to information for all types of investors, the Company will immediately disclose the accurate and complete information on The Stock Exchange of Thailand’s portal as well as on the Company’s website, where investors can digest the information before making any investment decisions.

Litigation

Tri-Union Seafoods, LLC. (Tri-U)

On July 15, 2015, Tri-U was served with a subpoena from the United States Department of Justice (“DOJ”) concerning a DOJ antitrust investigation into the packaged seafood industry. Tri-U has fully cooperated with the government, including producing documents and other evidence responsive to the subpoena. Tri-U was granted conditional leniency by the DOJ, which means that, provided Tri-U continues to fully cooperate with the DOJ, neither the company nor any cooperating executives, or employees will face prosecution or penalties. Tri-U has also been named as a defendant in several separate civil class actions and direct civil actions.

(Civil Actions). The plaintiffs are various retailers, grocery stores, and consumers that allegedly purchased packaged seafood products from Tri-U and other named defendants. The Civil Actions allege a conspiracy to fix, raise, maintain, and/or stabilise prices for packaged seafood products within the United States, in violation of Sections 1 and 3 of the Sherman Antitrust Act (15 U.S.C. §§ 1, 3) and in violation of various state antitrust, consumer protection, deceptive trade practices and unfair competition statutes. Plaintiffs seek to recover damages.

On January 11, 2021, Tri-U reached an agreement in principle to settle these remaining antitrust litigation cases. At this stage, all that remains is final court approval of the settlement agreement negotiated and concluded by the parties. The approval of the settlement of these remaining antitrust litigation cases brings to an end the antitrust litigation cases in Tri-U.

As at December 31, 2021, the Group recognized sufficient accrual which is in line with the expected settlements.



## 6. Corporate Governance Policy

The Board of Directors has established a good corporate governance policy by adhering to the Corporate Governance Code for listed companies of 2017 (CG Code) of the Stock Exchange of Thailand, Corporate Government Recommendations for Thai listed companies (CGR), recommendations for listed companies at the ASEAN level (ASEAN CG Scorecard) and the Dow Jones Sustainability Index (DJSI) 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 in 8 Principles as follows:

- 1) Awareness of the Board's leadership role and responsibilities for sustainable value creation
- 2) Defining key business objectives and goals for sustainability
- 3) Strengthening Board Effectiveness
- 4) Ensuring Effective CEO and People Management
- 5) Nurturing Innovation and Responsible Business
- 6) Strengthening Effective Risk Management and Internal Control
- 7) Ensuring Disclosure and Financial Integrity
- 8) Ensuring Engagement and Communication with Shareholders

To define these policies, there is an oversight process as follows:

- Approval from the Board
- Enforcement with directors, executives and employees of Thai Union and its subsidiaries in every location
- Reviewed at least once every year

## Corporate Governance

Overview of Policy and Principles of Good Corporate Governance

The Company’s corporate governance policy adheres to legal compliance as a basis, and is developed to be transparent, credible and acceptable according to guidelines of excellence in business operations with criteria, governance and sustainable growth both at the national and international level. The Board of Directors has approved the Company to define a policy to control operations in various areas to be according to the principles of good corporate governance. The Company’s policies and operational guidelines cover the placing of directors and specify compensation, the independence of the Board of Directors from management, developing directors and evaluating their performance, the governance of subsidiary companies and joint ventures, as well as policies and guidelines concerned with shareholders and stakeholders, looking after shareholders, equal treatment for all shareholders, promotion and exercise of shareholders rights, protection and use of internal data, preventing conflict of interest, responsibility to stakeholders, being anti-corruption as well as other relevant policies and guidelines. In the case that the Company discovers that any criterion in any matter has not been defined as a policy or has not been carried out, management will propose the Board of Directors to consider reviewing this to be consistent with principles.

Policies and principles concerned with the Board of Directors, shareholders and stakeholders

The Company has determined policies and principles concerned with the Board of Directors, shareholders and stakeholders covering the eight principles of good corporate governance of the SEC as follows:

Principle 1: Awareness of the Board’s leadership role and responsibilities for sustainable value creation

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, under section. “Duties and Responsibilities of the Board of Directors”

Principle 2: Defining key business objectives and goals for sustainability

The Board together sets the objectives and main goal including running business policies of Company groups, taking into consideration situations in each environment relating to the Company’s visions and missions. By analyzing the environment within the organization in order to know the strengths and

weaknesses, get the competitive positions and analyze the environment beyond the organization, for example economic, society and environment factors, legal issues and market competition. These help determine and understand the changes beyond the organization, and opportunities and obstacles for the organization, including the support of innovation and technology to add value and create sustainable growth.

An analysis of changes to all of these factors and the affect on the business and to stakeholders allows the Board to support the cultivation of values and good corporate governance, the cooperation of all employees to help develop the organization continuously and be aware of the importance of being a sustainable organization.

In addition, the Board formulates strategies, policies, plans and budgets of the organization by establishing a committee for sustainable development to control and verify operations are according to the policy framework, and assigns and follows up the management to undertake the practices effectively

Principle 3 Strengthening 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 operations of the management for ethical practices and according to effective policies, as well as not having conflicts of interest between stakeholders through the consistent disclosure of complete and accurate Company information.

Principle 4 Ensuring 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 (CEO) 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.

Principle 5 Nurturing Innovation and Responsible Business

The Board perceives the importance of sustainability, that will set the standard for economic, social and environmental responsibilities 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 aligns key decisions and practices. Aiming to take a leading role in supporting the Thai seafood industry’s sustainability objectives, the Company committed to the global sustainability strategy, SeaChange®, which is an integrated plan of initiatives, organized into four programs, to drive meaningful improvements across the entire global seafood industry. Those programs are:

- 1. Safe and Legal Labor - Providing safe, legal and freely- chosen employment in our own facilities and in supply chains is critically important to Thai Union.
- 2. Responsible Sourcing - Traceability is the key to improving the transparency and operational practices of the entire seafood supply chain.
- 3. Responsible Operations - 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 responsibility for the stakeholders

The Board perceives the importance of promoting 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 conducts research related to fundamental studies of raw materials, new processing technology, and utilization of leftover raw materials to create added value. The main focus is on 1) enhancing product quality, nutritional value and consumer satisfaction; and accelerating sustainability through cost-effective utilization of fishery resources, 2) optimization of processes and technology, and value creation from by-products, and 3) creating new corporate revenue streams from research and development.

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 the 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 ensure that effective administration of internal controls and compliance controls are established and maintained, according to the following policies:

### Responsibilities to Shareholders

The Company is determined to represent all shareholders by conducting business with transparency, putting in place credible financial and accounting systems, and to deliver optimum shareholder satisfaction with regular and sustainable strong long-term operational performance, with consistent and sustainable operating results and continuous 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 to the best of their abilities. 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 and Compensation

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 a clear employee compensation management policy for executives and every employee consistent with the Company's performance in consideration of fairness within the organization, throughout the competitiveness in the labor market, as well as legal, cultural and regulatory considerations 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.

Also, the Company has provided fringe benefits which exceed the legal requirements such as provident fund, annual health check, health insurance plans, life insurance, accident insurance, gym and recreational activities so that employees can relax from work. The Company has allocated significant long-term benefits that help employees and their families with their livelihood after retirement from the job in the form of a retirement pension. Each year the Company sets aside funds to ensure that the Company can pay compensation to employees in accordance with their rights in the future to encourage employees to prepare before retirement. The Company coordinated with the Social Security Office for training on the sufficiency economy and saving for retirement for interested employees. There is also consideration of maintaining employees incomes in the form of pay and benefits, by expanding coverage in insurance policies for business impacts, with coverage for extra expenses in the case of moving a production base which would be a reason for the Company to pay expenses to employees, for instance, moving accommodation, transportation costs and additional benefits. The Company has cooperated with top flight institutions to make activities for employees before retirement. There has been training with Samutsakhon community college for occupational curricula according to the expertise and interests of the employees, such as Thai culinary arts including making soy milk, breakfast donuts with custard, or pork noodles. There are also souvenirs to reward long service dedication with the Company.

Compensation of employees is as follows:

1. Compensation relating to the short-term business performance including salaries, which are adjusted once 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 2021, the Company contributed to the provident fund for employees totally THB 56.73 million.

2. Compensation relating to the long-term business performance, including retirement for service length paid according to the conditions set forth in the Employee Handbook. The Company has set aside money for retirement for 2021 at the amount of THB 46.63 million and paid money for the employee retirement totaling THB 35.86 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 their own specific ability or advantages. The Company will help every employee to maximise their strengths 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 (OJT): 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, building networks, including developing a long-term broad vision.
- International project assignments to enhance cultural competencies and language skills, adding value to current and future roles.
- A structured and personalized follow-up process to evaluate impacts of the global talent development program and track talent development progress.

Details of staff and management training in 2021 are as follows:

	Monthly	Daily	Total
Number of employees	1,273	6,228	7,501
Number of hours	21,603	123,940	145,543
Average training per employee	16	19	19

Moreover, the Company stresses the importance of communicating information concerning its business to all employees, such as a meeting of management with employees every six months to announce the annual targets, and performances which have been achieved, for consistently working to the same plan, which helps motivation and morale in different situations.

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 an appropriate level of detail and quality of products and services as customers demand.

- The Company operates for reasonable costs 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 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 in a timely manner for customers to have adequate information, with no overstating, so there is no misunderstanding about the quality or condition of any products or services, to maintain good relations with customers sustainably.
- The Company focuses on maintaining the confidentiality of customer information, not disclose customer's confidentiality or use for their own or related parties' benefit for whatever reason.
- 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 has determined a Suppliers Business Ethics and Labor Code of Conduct considering the treatment of suppliers equitably and fairly in line with commercial conditions, is open to hear their opinions and suggestions to forge stronger business relations and gives priority to commercial confidentiality not disclosing information to third parties. The Company has a policy to select partners by considering the use

of labor laws at all times, including communications, acknowledged awareness of the Labor Code of Conduct, including of safety, occupational 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.

Besides routine engagements channeled to various business functions such as marketing teams jointly with customers, procurement teams jointly with trading partners and suppliers, human resources jointly with employees, government relations and administrative functions jointly with government and local communities, finance teams jointly with financial markets and institutions, investor relations jointly with capital markets and investors, corporate communications jointly with media and the public sector, there are additional new key initiatives which have been launched during the year, namely, creating new experiences for customers by deploying sustainability features and capabilities to innovate products, investing in resource sustainability in partnership with international NGO(s), collaborating with academic institutions and government for deep research and development into the basic knowledge and science of seafood products, and 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.

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.

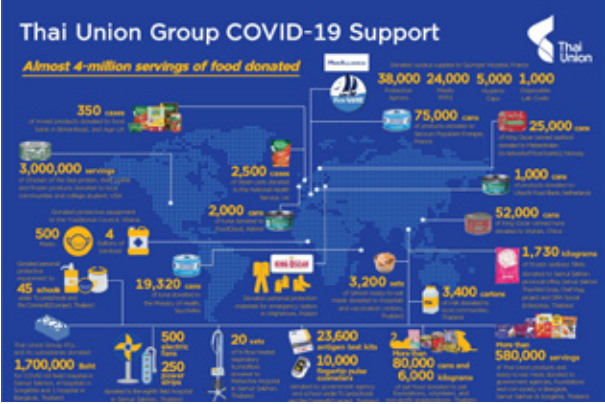
Responsibilities to Competitors

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 secrets by dishonest means and does not destroy the reputation of a competitor in a wrong way or find false information, unsupportive cooperation with competitors and is beneficial to consumers, supporting and promoting free trade which is fair and not monopolistic which would be damaging to consumers overall. As a result the Company has not recently had any trading disputes with any competitor.

Responsibilities to the Community and Society

The Company is aware of its 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 partners, local government, international organizations and civil society on initiatives such as educating children of migrant workers, and providing disaster and famine relief yearly, as part of our commitment to support the United Nations Sustainable Development Goal (SDG) to end hunger.

Operational activities:



- Donated almost 4 million items of food and pet food to relieve the COVID-19 situation worldwide over the last two years through the Thai Union Cares program, which is conducted according to the mission of Thai Union to promote universal health and assist communities in the locations that it operates.

- Thai Union Cares program donated a total 16,000 food boxes for humanitarian assistance to communities which have been impacted by the COVID-19 pandemic. This program started on September 3 and ended on September 22, 2021.
- Pracharath project: The aim to improve the lives of the local community as well as boost the education standards of children across Samut Sakhon, Samut Songkhram, Phetchaburi, and Prachuap Khirikhan provinces consistent with the leadership project for CONNEXT ED in order to minimize inequality in society, develop people's potential, and increase competitiveness for students in public schools under the Office of the Basic Education Commission (OBEC). The Pracharath project of love and unity for Samut Sakorn province supports local businesses and helps to put them on a 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.

**Responsibilities to the Environment**

The Company is aware of its responsibilities to 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 and as the world's most trusted seafood leader, it has a responsibility to set the standards for environmental protection across its operations into our supply chains. Sea Change® is the Company's sustainability strategy aiming 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 manages its waste. The core of the sustainability strategy is to promote the ability to fully trace its seafood from catch to consumption, enabling the Company to identify, investigate and improve its performance on key issues such as labor and responsible sourcing. As for activities in 2021, please see additional details under the heading **"Driving the business to sustainability"** in part 1.

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 integrating environmental, occupational health and safety and energy conservation considerations into our business processes. The action plan can be summarized as follows:

1. The Environmental Policy Occupational Health and Safety with a focus on capacity development, as well as the involvement of employees in preventing 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 equipment at 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 operations. This training is organized to suit the attributes of the staff, to ensure that employees have a better understanding of how to protect themselves from danger and reduce the environmental impacts of their work.
4. Assessment of compliance with the law continued to ensure that employees have been trained or qualified by law in the environment, health and safety in their business units; evaluating employees' potential as appropriate and effective and to be comparable to international standards.

**Respect of Copyrights and Intellectual Property Rights**

The Company promotes executives and employees to strictly comply with and respect property rights, intellectual property, copyrights, patents and ethical rights. There is a policy forbidding employees from any action in violation of any category of intellectual property forbidding any employee from using illegal programs or software and ensuring they strictly comply with the Copyright Act B.E. 2537 (1994), and according to policy to respect intellectual property rights determined by the Company.

**Principle 6**  
**Strengthen Effective Risk Management and Internal Control**

**Controlling System and Internal Audit**

The Company has established an internal audit unit that functions as an independent unit. The current head of this unit is Pongpol Plipuch, Deputy General Manager, Internal Audit. (for details about the head of the audit unit please see attached document 3)

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 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 was assigned by the Board to oversee and develop the risk management process and to regularly report on the Company's significant risks to the Board. The Risk Management Committee gave the management team the responsibility 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 coordinates with the Audit Committee at least once per quarter for subsequent submission to the Board. For more details, see Part 1 in Section 2 "Risk Management."

**Use of Inside Information and Trading of the Company's Securities**

- Securities Holding Report of Director and Executives

The Company imposes preventive measures to guard against the use of inside information for personal gains among the Board and management members by requiring the directors and the management inform the Company Secretary at least one day in advance whenever they intend to trade the Company's own stock. All of them have been informed that they have a mandatory duty to report any changes made to their own securities ownership and 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 in management is allowed within the Silent 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 shares on The Stock Exchange of Thailand.

In addition, 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 the year to the Board at the annual 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, the Company requires every Director and Executive to report to the Company his or her interest and those of related persons. Also, the Company secretary is required to give a copy of the report on interest to the Chairman of the Board of Directors and the Chairman of Audit Committee within seven business days from the date of receiving the report. The Board of Directors is responsible for setting principles and procedures for such reports.

#### **Criminal Record of the Company and its Directors and Executives**

In 2021, the Company has no case of violation against rules, regulations and laws e.g. regulations of the Securities and Exchange Act, Public Limited Companies Act B.E.2535 or any other laws such as the submission of financial statements within a given timeframe, provision of financial assistance to related companies or other companies that are not subsidiaries. There have been no cases of violation of labor laws or employment laws. In addition, the Directors and Executives of the Company and its subsidiaries did not violate any rules, regulations and laws e.g. regulations of the Securities and Exchange Act, Public Limited Companies Act B.E.2535 or any other civil or criminal laws; and they did not have any conflicts of interest with the Company, engage in insider trading or commit any act of corruption or misconduct.

#### **Principle 7 Insure 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, and financial institutions, including the equitable disclosure of such information to the public. The details are as follows:

##### **Information Disclosure and Transparency**

The Board maintains a policy of correct, complete and punctual disclosure of material financial and non-financial information about the Company 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 reasonable fairness is assured for the reliability of the financial statements for the period ending December 31, 2021, for which the Company's auditors have conducted the audits on generally accepted auditing standards.

#### **Information Disclosure to the 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 on time 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. An Investor Relations Unit has been officially set up, consisting of management and other personnel assigned to take responsibility for clearly communicating with the public.

In 2021, the Company regularly communicated information on its operational performance, financial and non-financial information to stock analysts, investors and shareholders as follows:

1. The Company's executives have provided the overview of the operations and answered questions of the analysts and investors in the following events:
  - 4 Company visits by investors and stock analysts
  - 25 conference calls
  - 4 analysts' meetings
  - Participated in 4 Opportunity Days organized by the SET
  - No plant visit by minor shareholders and students due to the COVID-19 virus situation
  - 11 overseas investor roadshows
  - 20 local roadshows

In addition, the Board promoted 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, <https://investor.thaiunion.com/home.html> and print media as follows:

- Investor note, or MD&A, a press release giving information on operational results issued to investors and stock analysts on a quarterly basis

- Summary 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 long-term debt payments on the Company website every time there is a major change
  - Annual report for shareholders, investors and other interested members of the general public
  - Annual sustainability report
2. Media briefings were given and online press conferences were organized 77 times.
  3. Information provided to The Stock Exchange of Thailand and Securities and Exchange Commission i.e. Annual report, the Company's quarterly and annual financial statements, quarterly and annual financial analysis reports, Letters informing the resolutions of the Board of Directors, the 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.

Investors or analysts are invited to contact the Company's investor relations personnel directly at any time by telephoning 02-2298-0024 or sending e-mail to [ir@thaiunion.com](mailto:ir@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.

In addition, the Board realizes the importance of insuring the rights of every group of stakeholders to receive equal treatment and values the support of all stakeholders and their mutual cooperation that enables the Company to continue creating wealth, creating jobs, and insuring the long-term financial wellbeing of the business in a sustainable way, according to the goals that have been set. The Board works to closely oversee the management and insure that they are doing business in an ethical way with full regard for social responsibility and the environment, as well as strictly adhering to a policy of equity. The Company's practices regarding shareholders and stakeholders encompass upholding equal treatment for all shareholders, promoting shareholders' freedom to utilize their rights, protecting against insider trading and conflict of interest, acting responsibly towards stakeholders, and opposing corruption or any action that does not uphold the above-stated policies and practices.

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 an Extraordinary General Meeting of Shareholders (EGM) as appropriate if necessary. For the year 2021, the Company had arranged the an Electronic Annual General Meeting of Shareholders (E-AGM) on April 5, 2021 at 14:00 at the 35<sup>th</sup> floor of SM Tower Building on Phaholyothin Road, Kwaeng Phaya Thai, Phaya Thai District, Bangkok with preparations as follows:

#### Preparation for the Meeting and 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 2021 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 150 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 has adhered to the practice of allowing shareholders to propose names of potential director candidates and topics to be included in the agenda for the Annual General Meeting of Shareholders in advance since 2007. This past year, the announcement was disseminated since September 25, 2020 and submissions were accepted from October 1, 2020 – February 5, 2021, a total of 150 days before the Board was asked to pass a resolution setting the date of the Annual General Meeting of Shareholders. None of the shareholders submitted any names of potential director candidates or any topics to add to the meeting agenda, so no items were added to the previously announced meeting agenda.
- The Company publicized the Invitation to the 2021 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, documents required for shareholders to attend and an invitation to propose the questions in advance. To facilitate the procedure for every group of shareholders, to make sure there was no infringement of rights, and to make sure there was no unnecessary burden, shareholders were allowed to download all the invitation documents at [https://investor.thaiunion.com/shareholder\\_meeting.html](https://investor.thaiunion.com/shareholder_meeting.html) from March 3, 2021, which was 33 days before the meeting. The Company was concerned about the safety and well being of all shareholders and related persons. Therefore, to reduce the likelihood of disease transmission, and to follow official guidelines for controlling the COVID-19 outbreak, the Company held its meeting in an electronic format (E-AGM) and informed everyone through the invitation and The Stock Exchange of Thailand. Shareholders could register for the E-AGM using electronic means as well as the document attached to the invitation.

- The Company authorized Thailand Securities Depository Co., Ltd., in its capacity as registrar, to deliver the summary of the Invitation to the Meeting to shareholders along with the proxy form (Form B). The summary had a QR code that linked to a website in which the full Invitation with details, objectives and reasons are sufficiently and accurately provided, along with the comments of the Directors on each agenda item. The website provides three different kinds of proxy forms shareholders can use to appoint proxy holders or choose one of the independent directors to act as proxy holders to vote in their stead. They can register to attend the E-AGM electronically. There is also a QR code linking to the Company's annual report that was sent to shareholders on March 21, 2021, 15 days before the Electronic Annual General Meeting. The Board appointed three independent directors, namely Sakdi Kiewkarnkha, Thamnoon Ananthothai and Nart Liuchareon, to act as proxy holders representing shareholders who were unable to attend. A total of 770 shareholders appointed proxy holders to represent them at the 2021 Annual General Meeting, including nine who had an independent proxy holder, 537 who appointed Audit Committee Chairman Sakdi Kiewkarnkha, 144 who appointed Nomination and Remuneration Committee Chairman

Thamnoon Ananthothai and 80 who appointed Audit Committee Member Nart Liuchareon, all three of whom are independent directors.

- The Company publicized the Invitation to the Meeting in Thunhoon newspaper (in both Thai and English) for three consecutive days, seven days prior to the date of the meeting to give shareholders time to prepare to attend 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. Some officers were in charge of receiving proxies in advance. Usernames and passwords were sent with the WebLink to attend the E-AGM and the Company also arranged the AGM voting system. These systems were both managed by an independent external agency, Quid Lab Company Limited, which is a standard-quality electronic meeting service provider recognized by the Electronic Transactions Development Agency (ETDA). All the procedures followed standards, from preparing the information regarding shareholders who had the right to attend, the registration of shareholders who attended, and the process of counting the votes in the meeting. Shareholders were allowed to register and test the system 60 minutes in advance of the meeting on April 5, 2021. The E-AGM was broadcast live from Thai Union Group (Public) Company Limited at the 35<sup>th</sup> floor of SM Tower Building on Phaholyothin Road, Phaya Thai District, Bangkok. In 2021 there were shareholders who attended and proxies as follows:

Shareholders	Total (persons)	Total (shares)	* Percent of the total issued and paid-up shares
Persons attended	30	658,963,511	13.81
Proxies attended	770	1,784,606,233	37.40
Total Attended	800	2,443,569,744	51.21*

\* The number of ordinary shares used as the basis for opening the meeting that can be voted on the meeting was 4,655,132,696 shares due to the number of treasury stock under the share repurchase program since April 1, 2021, totaling 116,682,800 shares, which are not counted as a quorum and has no right to vote.

- The Chairman of the Board was the Chairman of the 2021 Annual General Meeting of Shareholders, insuring compliance with applicable legal requirements and the Company’s articles of association. All the group leaders, the Group CFO, executives independent auditors from Pricewaterhouse Coopers ABAS Limited, attended the meeting. They were able to satisfactorily answer all the questions raised. The Chairman made sure the meeting was conducted in the manner that allowed and gave all shareholders equal opportunities to raise questions, express opinions and give suggestions about the issues throughout the entire meeting session. Norio Saigusa, a director who resides in another country, had a previous engagement and was not able to attend. Although he was not at the meeting, he had considered all the agenda items and submitted some opinions and suggestions beforehand.
- Before the meeting started, the Chairman of the meeting assigned the MC to introduce the directors, the executives, and the accountants and legal advisers who were acting as witnesses and neutral parties. Then the MC informed all the meeting attendess of the number and the proportion of shareholders and shares represented at the meeting in person and through proxies, and clearly explained the vote-casting and vote-counting procedures for each agenda item 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 Pricewaterhouse Coopers ABAS Limited and one volunteer 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 six shareholders who made queries and presented opinions for the 2021 Annual General Meeting of Shareholders.

- Shareholders were able to vote online through the AGM Voting system and votes were separated for each agenda item. In case of a shareholder’s disapproval or abstention of any agenda item, such votes were deducted from the total votes of the meeting. The remaining votes were counted as approvals of such agenda. The total number of votes was obtained by counting together with proxies that were submitted in advance. All vote counts were recorded in the system so they could be inspected later if necessary. 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.

Post-meeting Procedure and Meeting Minutes

The Company publicized the resolutions of all agenda considered in the 2021 Annual General Meeting of Shareholders (AGM) on [https://investor.thaiunion.com/shareholder\\_meeting.html](https://investor.thaiunion.com/shareholder_meeting.html) immediately on the date of the meeting, then the complete minutes of the meeting were submitted to The Stock Exchange of Thailand on April 12, 2021, or 11 days following the date of the AGM. Shareholders and investors

may obtain further information on the meetings or submit their questions, concerns or opinions by contacting the Company Secretary at 0-2298-0024 ext. 4242. Because all shareholders were given equal opportunities to utilize their rights, the Thai Investors Association rated the 2021 Annual General Meeting of Shareholders as “excellent.”

- The Board assigned the Company Secretary to record the meeting and make a correct report of the minutes, with all the resolutions of the 2021 E-AGM, except for questions raised by shareholders and answers given during the meeting, to be disseminated on the investor relations section of the Company’s website on the same day the meeting was held. 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 E-AGM so the information would be available for shareholders to refer to or cite.

Business Code of Conduct

The Board of Directors has created a code of ethics or statement of business conduct for all directors, the management team and employees. The code serves as guidelines for their honest, trustworthy and equitable work operations and is made known to all directors, the management team and employees to ensure their awareness, understanding and compliance. The Company believes that such practice will improve the standards of good corporate governance and promote investor confidence in the Company’s management as well as preserve justice and credibility in the capital market. The code of conduct covers the following areas:

- 1) Responsibility to shareholders
- 2) Responsibility to customers
- 3) Responsibility to employees
- 4) Responsibility to business partners and creditors
- 5) Responsibility to trade competition
- 6) Responsibility to society and the environment
- 7) Compliance with laws, rules and regulations
- 8) Anti-corruption
- 9) Safeguarding the Company’s assets

- 10) Intellectual property, data and information technology
- 11) Conflicts of interest
- 12) Use of inside information and trading of the Company’s securities
- 13) Distribution of information to the public including interviews

The Board set this code of conduct based on the Company’s vision, objectives, and organizational goals to make sure that every administrator and every employee should understand the ethical standards and business guidelines that the Company expects of them. These are the organizational values that should be sincerely followed and practiced.

Shareholders may learn more about good corporate governance, ethical standards and the Company’s full Code of Conduct in more detail at [https://investor.thaiunion.com/business\\_ethics.html](https://investor.thaiunion.com/business_ethics.html).

Changes and Significant Developments in Policy, Practice and Governance in the Past Year

Changes and Significant Developments in Policy, Practice and Governance in the Past Year

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. In the past year the Board of Directors approved and reviewed the following substantial adjustments to policy and practice for good corporate governance:

- Verified the Company’s policy to be in accordance with the 2017 Guidelines of Corporate Governance Code (CG Code) for listed companies to make sure all practices of the Company’s Directors, administrators and employees are in compliance.
- Revised the powers and responsibilities of the Executive Committee to modify its structure and make it more flexible for financial management and investment as well as other administrative duties.
- Studied the powers and responsibilities of the Corporate Governance Committee in order to set up a sub-committee to promote international standards of good corporate governance.
- Revised the structure and authority of the Sustainable Development Committee to be in line with the Company’s SeaChange® strategy to support its commitment to Healthy Living, Healthy Oceans

In 2021, the Company again received a rating of “excellent” for the sixth year in a row in the Corporate Governance Report of Thai Listed Companies (CGR) conducted by the Thai Institute of Directors. The 2021 E-AGM was also rated as “excellent” (100 points) in the annual evaluation conducted by the Thai Investors Association with their AGM Checklist.

Explanation in Cases Where the Company has not been able to fulfill Good Corporate Governance Practices

The Company has strived to follow the guidelines of Corporate Governance Code (CG Code) for listed companies issued by the Securities Exchange Commission with some adjustments as appropriate for the business situation. In 2021, there were some cases in which the Company has not been able to follow or implement some of the good corporate governance recommendations, but has substituted alternative practices that are deemed suitable. These are always recorded and presented to the Board of Directors for consideration, review, and monitoring for further action each year. The results that cannot be implemented are as follows:

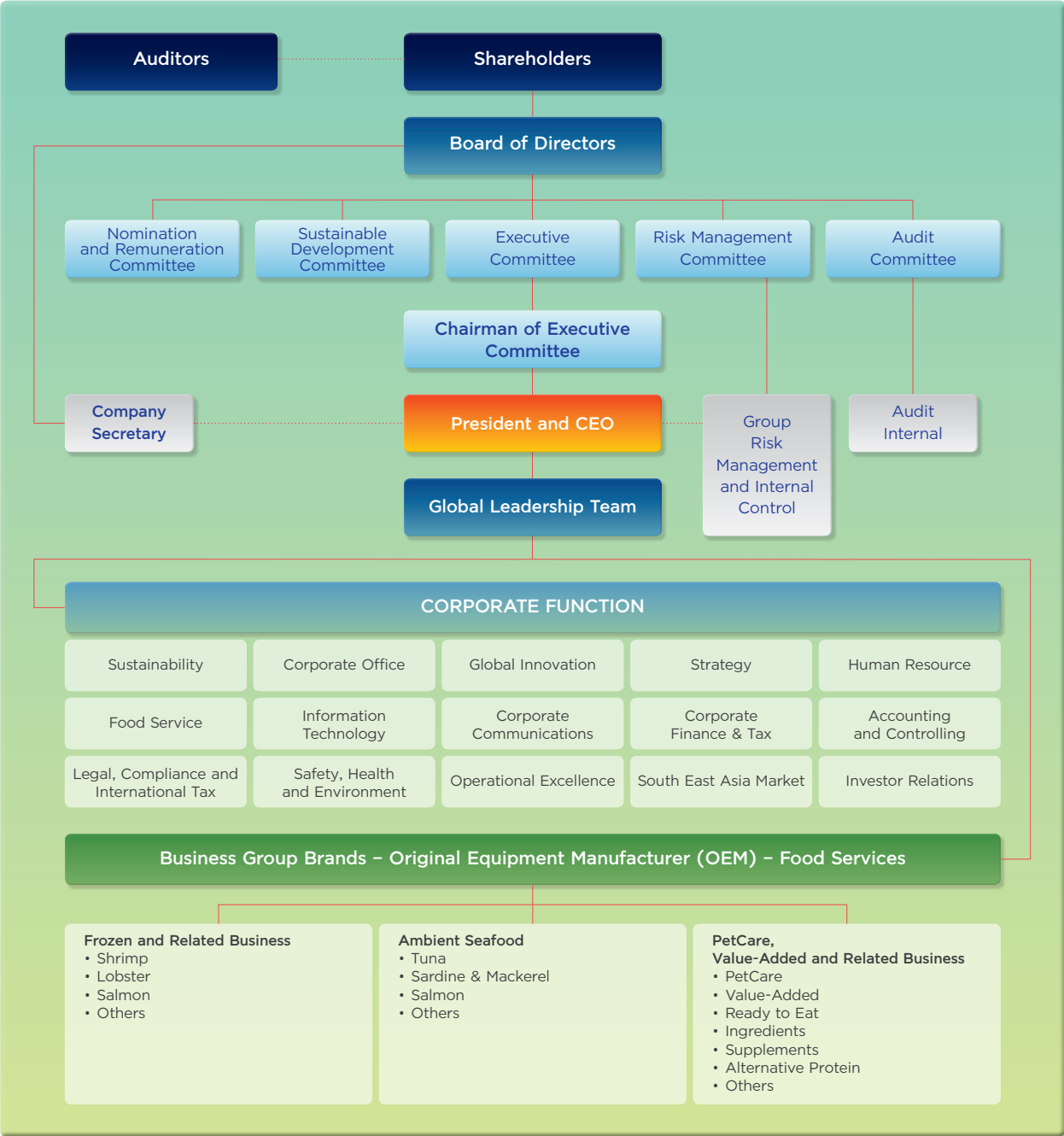
CG Code	The Company’s Explanation
<b>Equitable Treatment of Shareholders:</b> The delivery of the invitation to shareholders 21 days prior to the Annual General Meeting of Shareholders	Due to the preparation of the Annual Report, we had to wait for the results of operations for 2020 that would be prepared and audited by the Auditor within 60 days of the final date of the balance sheet on December 31, 2020. The Company scheduled a Board meeting to consider and approve the results of operations on February 22, 2021, which takes at least 14 days to close and compile the shareholders’ list which the Company had scheduled on March 9, 2021. It then took about 10 days after the closing date to print and distribute the meeting invitation letter to almost 30,000 shareholders due to waiting for the list of shareholders’ registrar and the postal process was only completed on March 19, 2021. As the Company has set the date for the Annual General Meeting on April 5, 2021, this meant we were unable to send the invitation letter to shareholders at least 21 days prior to the meeting date. Nevertheless, an electronic version of the invitation to the 2021 Annual General Meeting along with a complete set of supporting documents were posted on the Company’s website at <a href="https://investor.thaiunion.com/shareholder_meeting.html">https://investor.thaiunion.com/shareholder_meeting.html</a> since March 3, 2021, which was 33 days before the meeting.

CG Code	The Company’s Explanation
<b>Board Responsibilities:</b> The Chairman of the Company should be an independent director.	The Chairman of the Company is Kraisorn Chansiri, who founded the Company and holds the position of major shareholder, resulting in not qualifying as an independent director. 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 THB 20 billion to approximately THB 100 billion and has shown steady growth.
An independent director should not remain in the position of Director of the Company for more than nine years.	Although Thamnoon Ananthothai and Sakdi Kiewkarnkha have been independent directors of the Company for more than nine years, the Board of Directors feels confident that they are well qualified and can give their opinions independently and otherwise fit all the requirements. Both of them have the experience and knowledge to provide good advice to the Company to inform all of its policies and actions.
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 Norio Saigusa, who resides 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 appoint a Corporate Governance Committee	The Company is preparing to do so and the Corporate Governance Committee should be formed within 2022.
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 studying the matter and will consider it as appropriate.



7. Corporate Governance Structure and Key Information concerning the Board of Directors, Sub-committees, Executives and Employees, etc.

Corporate Governance Structure



Information of the Board of Directors

The Board of Directors comprises the Chairman of the Board, the Chairman of the Executive Committee, the Chief Executive Officer, Executives Directors, Non-Executive Directors and independent directors who are in a number appropriate to the size of the business. The total Board comprises 12 individuals, and independent directors have true independence from management and without a relationship to the business or any other relationship which might have an influence on their independent judgment. Independent directors currently number five individuals with the qualifications to be an independent director being according to the definition of the office of the Securities Exchange Commission. Independent directors possess sufficient knowledge and experience to review the credibility of financial statements.

It is the duty of the Board of Directors to supervise the Company's operations to be conducted in accordance with the laws, the objectives and the regulations of the Company, the corporate governance policy and the resolutions of the Board of Directors' meetings, the Company's vision, the goals, the business policy, and the direction of the Company's operations. The Board of Directors also monitors the performances of the directors to ensure they are carried out with morality and effectiveness pursuant to the stipulated policy, and to make certain that conflicts of interest shall not be made between the stakeholders of the Company by disclosing the Company's information in a complete, accurate and constant manner.

**Authorized Directors:** At least two directors of the Company shall jointly sign and affix the Company's seal, or in some cases the directors may appoint names as the authorized directors

Length of Directors' tenure

This is according to the Articles of Association of Thai Union Group PCL, Section 5, Directors, as follows:

17. At every annual general meeting, one-third of the directors shall be retired from directorship. In case the number of directors is not a multiple

of three, the number nearest to one-third shall be retired from directorship.

During the first and second years following the Company's registration, the termination of members of Board of Directors shall be determined by drawing lots. The director with the longest period of directorship is required to leave in the subsequent years.

20. In the case that any directorship falls vacant for reasons other than by rotation, the Board of Directors shall elect a substitute director during the next meeting of the Board of Directors, provided that such substitute director must be qualified pursuant to the law governing public limited company. With exception, in the case that the remaining term of office of the directorship is less than two months, the substitute director shall hold the position only for the remaining term of office of the director whom he or she replaced.

The resolution of the Board of Directors under the foregoing paragraph must contain no less than three-fourth of votes by directors remaining at that time.

The Articles of Association may be found at the website <https://investor.thaiunion.com/misc/aoa/20200921-tu-aoa-en.pdf> under the heading of "Investor Relations".

The Composition of the Board of Directors

The Board of Directors is comprised of 12 directors, of which six are Executive Directors, one is a Non-Executive Director and five are Independent Directors. With the proportion of executive directors and non executive directors at 1:1, as an appropriate counterbalance. Directors are knowledgeable in their roles and duties and responsibilities to shareholders and may carry out their duties independently for the benefit of the Company and its shareholders. The Board of Directors is also diverse in terms of work experience, age, education, gender, race, nationality and birthplace.

# Thai Union Board Skill Matrix 2021

## Finance

Finance, Accounting & Economics	9
Auditing	3
Capital Market	10

## Management

Risk & Crisis Management	7
Legal	1
Logistics/Supply Chain	7
Information Technology	3
Environment	2
Human Resources	4
Transformation	6
Marketing/PR	8
Corporate Social Responsibility/ Sustainable Development	5
International Business	12

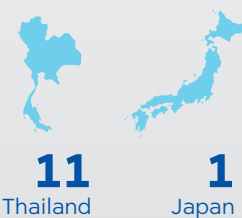
Corporate Governance	8
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## Industry Knowledge

Food & Staples Retailing	9
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## Diversity

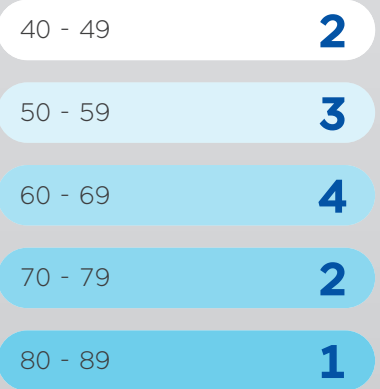
Geographic Resident



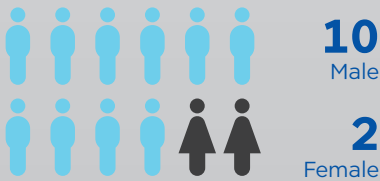
Nationality



Age (Year Old)



Gender



### The number of service tenure of directors

From 0 - 5 Years	3 Persons	25.00%
From 5 - 9 Years	1 Person	8.33%
More than 9 Years	8 Persons	66.67%



### Proportion of Independent Directors

1 Non-Executive Director	8.33%
5 Independent Directors	41.67%
6 Executive Directors	50.00%



### Directorships in other listed companies

It is specified but directors may not hold more than five directorships in other listed companies, for the directors to fully execute their duties efficiently. This does not include subsidiaries, associated companies and joint ventures, which the Company must oversee and manage to maintain the Company's interests.

Name of director	Other listed companies	
	Not including subsidiaries, associated companies and joint ventures	Only subsidiaries, associated companies and joint ventures
1. Kraisorn Chansiri	-	-
2. Cheng Niruttinanon	-	1
3. Thiraphong Chansiri	2	1
4. Chuan Tangchansiri	-	-
5. Rittirong Boonmechote	-	2
6. Shue Chung Chan	-	1
7. Norio Saigusa	-	-
8. Thamnoon Ananthothai	1	-
9. Kirati Assakul	1	-
10. Nart Liuchareon	-	-
11. Parnsiree Amatayakul	3	-
12. Pakapun Leevutinun	-	-

**Information about Directors and Authorized Persons:** The Board of Directors consists of experienced and knowledgeable directors in various fields e.g. marketing, accounting and finance, business management and Information Technology.

As of December 31, 2021, the Board of Directors was as follows:

Name of director	Position(s)	Date of becoming a director	Years of tenure*
1. Kraisorn Chansiri	Chairman	March 17, 1988	33 years 9 Months
2. Cheng Niruttinanon	Director Chairman of Executive Committee	April 8, 1999	22 years 9 Months
3. Thiraphong Chansiri	Director Member of Risk Management Committee Chairman of Sustainable Development Committee President and CEO	January 1, 1990	32 years - Months
4. Chuan Tangchansiri	Director	March 17, 1988	32 years 9 Months
5. Rittirong Boonmechote	Director Executive Director	April 25, 2002	19 years 8 months
6. Shue Chung Chan	Director Member of Risk Management Committee Member of Sustainable Development Committee	April 30, 2001	21 years 8 months
7. Norio Saigusa	Non-Executive Director	April 5, 2019	1 year 9 months
8. Thamnoon Ananthothai	Independent Director Chairman of Nomination and Remuneration Committee Member of Audit Committee Member of Risk management Committee	March 22, 2010	10 years 9 months
9. Kirati Assakul	Independent Director Chairman of Risk management Committee	March 22, 2010	10 years 9 months
10. Nart Liuchareon	Independent Director Chairman of Audit Committee Nomination and remuneration Committee	April 3, 2015	5 years 9 months
11. Parnsiree Amatayakul	Independent Director Member of Audit Committee Risk management Committee	May 10, 2021	0 year 8 months
12. Pakapun Leevutinun	Independent Director Member of Risk Management Committee	August 9, 2021	0 year 5 months

\* Tenure only calculated up to December 31, 2021

Separation of Roles and Duties of the Board of Directors

The Company clearly specifies and separates the power of the Board of Directors from the management in each level. The consideration of any important issues must be approved by the Board of Directors and subcommittee so as to balance the power and ensure transparency and fairness to all stakeholders. Important matters must be considered and approved by the Board of Directors and it subcommittees on every occasion.

Separation between Chairman of the Board of Directors and Chief Executive Officer

The Chairman and Chief Executive Officer of the Company is not the same person, clearly separating between policy and management.

Role and Responsibilities of Chairman of the Board of Directors

Chairman of the Board of Directors is Kraisorn Chansiri, who founded the business in 1977 and is the major shareholder. Despite lacking the qualifications to be an independent director, in 2021 the Board of Directors, mindful of appropriate measures to balance power, appointed additional independent directors in a proportion of 41.67 percent (five directors) out of the total Board of Directors (12 directors). Looking at the proportion of executive directors and non executive directors, the proportion is at 1:1, which is considered an appropriate balance.

The Chairman of the Board of Directors has the duties to oversee policy advocacy and the strategic performance of the Company's management but shall not practice in the daily operations, monitors the meeting effectively according to Company policy and encourages all directors to express their opinions independently, supports and encourages the Board of Directors' duties, responsibilities and the principles of good corporate governance, and oversees and monitors the management of the Board of Directors and other subcommittees to achieve their specified objectives.

Role and Responsibilities of Chief Executive Officer (CEO)

The Chief Executive Officer is designated by the Board of Directors as an authorized person to manage, including policy-making, decision-making and corporate decision-making, including the following:

1. Administering the Company's business and day-to-day operations to be in line with the objectives, articles of association, policies, rules, regulations, instructions and resolutions of the Board of Directors Meeting and/or resolutions of the Shareholders Meeting.
2. Arrange to prepare the Company's business policies, business plans and budget to be proposed to the Board of Directors for approval and has a duty to report the progress on such approved business plans and budget to the Board of Directors.
3. Ensure the Company's overall business growth in accordance with the Company's objectives and business plans.
4. Authorized to act on the Company's behalf to enter into contractual arrangements as prescribed in the Company's policy and procedures regarding the operational approval authority.
5. Ensure good governance, compliance with the law, ethical standards, anti-corruption policy and corporate governance policy
6. Maintain good relationships with the stakeholders.
7. Communicate effectively in a positive image with the public, shareholders, customers and stakeholders.
8. Manage the Company's HR operation to issue/ amend/ add/ update rules and regulations and personnel policies and procedures.
9. Be authorized to sub-authorize and/or delegate other persons to perform specific duties on his behalf. Such sub-authorization and/or delegation shall be within the scope of authorization or delegation in accordance with the power of attorney granted and/or shall be in accordance with the internal regulations, rules or instructions given by the Board of Directors and/or the Company. The authorization of duties and responsibilities of the CEO shall not constitute an authorization or sub-authorization which may cause the CEO or his authorized person(s) to be able to approve any transaction in which they, or any person who may have a conflict of interest, may have an interest or



may gain benefit in any manner, or in which they may have any other conflict of interest with the Company or its subsidiaries, unless the approvals of such transactions are consistent with the policies and criteria approved by the Shareholders Meeting or the Board of Directors Meeting.

Policy on the CEO holding positions in other companies

The Chief Executive Officer is also required to hold a position of executive director of no more than three companies in non-affiliated companies, by holding such positions must not affect the performance of the CEO duties. The Chief Executive Officer must not serve as a Chief Executive Officer in other listed companies, for the maximum benefit of the Company that the CEO is able to dedicate his time to his duties efficiently.

Roles and Responsibilities of the Board of Directors

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.

Roles and responsibilities

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. Duties and Responsibilities are as follows:

- 1) Manage the Company in accordance with the objectives, regulations, and decisions set by the shareholders' meetings, and oversees the Company's business operations.
- 2) Set vision, mission and the Company's goal.
- 3) Review and approve vision and mission every five years.
- 4) Set targets and business policies to be implemented by the management.
- 5) Monitor the implementation of the strategy, goals and policies to comply with the Company's objectives.
- 6) Oversee the management's performance to ensure effectiveness.
- 7) Hold at least five Board of Directors Meetings per year.
- 8) Hold at least one general shareholders' meeting to report the Company's operating results and request approval on management matters that are beyond the scope of the directors' authorization.
- 9) Monitor operating results and the financial status of the Company and its subsidiaries. Approve quarterly and annual financial reports, information disclosure reports (Form 56-1), and the annual report (56-2), in accordance with the regulations of The Stock Exchange of Thailand and the Securities and Exchange Commission.
- 10) Approve quarterly and annual financial reports, information disclosure reports (Form 56-1), and the annual report (56-2), in accordance with the regulations of The Stock Exchange of Thailand and the Securities and Exchange Commission
- 11) Prepare a report on the Board of Directors' accountability for financial reporting, to be shown in conjunction with the auditor's report in the Company's Annual Report, to give assurance that the Company's financial reports are accurate and have been prepared based on standard accounting principles and consistent accounting policy.

- 12) Set up the Company's internal control system, internal audit system, and an effective risk management system.
  - 13) Propose the appointment of an auditor and set the level of compensation as proposed by the Audit Committee.
  - 14) Propose the list of directors to be replaced and their replacement to the general shareholders' meeting.
  - 15) Propose the rate of meeting allowances, compensation to directors and members of subcommittees to the general shareholders' meeting.
  - 16) Examine and approve matters proposed by the management committee and related to connected transactions, potential conflict of interests, purchase and sales of assets and other matters as specified in the rules and regulations of the Securities and Exchange Commission and The Stock Exchange of Thailand.
  - 17) Examine and approve the Company's transactions involving legally-binding contractual obligations, debts obligations, and guarantees.
  - 18) Approve the appointment and set the scope of work and compensation for the Company's sub-committees.
  - 19) Set the number of other companies in which President & CEO may hold position of Director.
  - 20) Set and approve a written corporate governance policy for the Company and review the policy and compliance to the policy regularly, at least annually.
  - 21) Set and monitor a written code of business conduct and anti-corruption policy that all directors, executives and employees understand business ethical standards and guidelines of the Company.
  - 22) Approve the appointment of the Company's secretary.
- To prepare or store documents:
- Register of directors
  - Invitations to Board meetings and minutes of Board meetings
  - Invitations to shareholders' meetings and minutes of shareholders' meetings
  - Annual Report and reports of disclosure
  - Reports of directors' and executives' interests

Other duties concerned with good governance pursuant to regulations and announcements of the The Stock Exchange of Thailand and the Securities and Exchange Commission

23) Adhere to the Principle of Good Corporate Governance for Listed Companies, and other requirements on this subject by The Stock Exchange of Thailand and the Securities and Exchange Commission.

Independent Directors

Under the Corporate Governance Policy, at least one-third of board members and not less than three persons, must be independent directors with a 3-year term of office. These directors should be qualified and independent in line with the same qualification criteria described in the Notification Governing Qualifications and Responsibilities of Audit Committee established by The Stock Exchange of Thailand. In addition, a person qualified to serve as independent director must be able to perform duties to preserve the best interests of all shareholders in an equitable manner without conflicts of interest and be available in Board meetings to give independent and unbiased opinions and judgments.

Qualification of Independent Director

- 1) Not hold shares of more than 0.05 percent of total voting stocks of TU including stocks held by connected persons of the independent director, as well as nominees.
- 2) Not be nor have been a major shareholder.
- 3) Not be nor have been a Board member of its parent Company or an executive director, employee, staff, advisor who receives the salary of a controlling person of TU, its parent Company, its subsidiaries or its associated companies.
- 4) Not be any professional advisor.
- 5) Not have nor have had a business relationship with the Company, its parent Company, its subsidiaries, its associated companies or a juristic person who may have conflicts of interest, in the manner that may interfere with his independent judgment.

- 6) Not be appointed as a representative of the Company's or its major shareholder's board members or a shareholder who is related to the Company's major shareholders.
- 7) Not have any characteristics which make him or her incapable of expressing independent opinions with regard to the Company's business affairs.

The aforementioned definition of independent director is based on the Company's Corporate Governance Policy established by the Board. Moreover, the Company's criteria are stricter than "the criteria" required by The Stock Exchange of Thailand and the Securities and Exchange Commission in terms of stock holding ratio.

Meetings of Non-Executive Directors

The Board of Directors supports non-executive directors to hold meetings with no executive directors present for the non executive directors to discuss matters concerned with management independently as they see fit. In 2021 there was one meeting of non executive directors on October 8, 2021 with five independent directors in attendance.

Meeting Attendance

The Directors of the Company are committed and always prepared to attend meetings, including the Board of Directors' Meetings, the Sub-Committees' Meetings, and the Annual General Meeting of Shareholders. Also, the Board of Directors has set the quorum with a minimum of at least two-thirds of the total members of the directors in order to make a quorum and they shall vote in the meeting. Every director should attend not less than 80 percent of all meetings in one fiscal year. Meeting attendance in 2021 can be seen in detail under heading eight point 1.2, meeting attendance and payment of remuneration to directors by individual.

Use of Inside information

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, 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 shares 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.

Controlling System, Internal Audit and Risk Management

The Company has established an audit unit that functions as an independent unit to ensure the effectiveness of the controlling system for greater credibility of the financial statements, and an efficient system of internal control specifying evaluation of risks to the business and determining measures to protect against and manage risk there is oversight of compliance with the law and other specifications with an audit committee to investigate the efficiency of internal control systems which cover operations, compliance control, risk management and giving priority to extraordinary items.

In risk management, the risk management committee has assigned a group of responsible executives to evaluate risk factors both internally and externally consistently, and this group includes executives and

high ranking executives in the departments relevant to that risk. Analysis is performed on the cause of the risk to determine measures to manage the risk as guidelines for implementation to prevent that risk, or reduce its impact including follow up of compliance with the measures specified and coordinating with the audit committee to propose to a meeting of the Board of Directors.

Disclosure of Information

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 positive 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 to communicate with investors and provide convenience to investors and securities analysts equally with continuous meetings to be apprised of company information and to exchange opinions including disseminating information on the Company's website.

Conflicts of Interest

- The Board of Directors has stipulated the measures to take care of and monitor transactions which may present conflicts of interest as well as connected transactions by prudently and independently determining the appropriateness of transactions under the framework of good corporate governance which has been constantly practiced for the benefits of the Company as if transactions have been conducted with third parties. The Board has also provided summary reports for each quarter and will publish the summary on the last day of the year in the Annual Report and the Annual Registration Statement. Also, if there is any agenda item at a meeting of the Board, any agenda item in which directors or executives are stakeholders, they must comply with the policy on corporate government by abstaining from voting, or expressing any opinion on that agenda item.
- Furthermore the Company has requested the Directors and the Executives to report to the Company on gains and losses of their own or those who are related, particularly on the gains and losses which are related to the management of the business of the Company and its subsidiaries in order to provide the Company with information for business operations in accordance with the regulations on connected transactions, which may raise conflicts of interest and may lead to transfers of benefits of the Company and its subsidiaries 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 which stipulates that a 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,

Shareholding Structure and Proportion of Shares held by Directors, including Spouses and Children Who are Minors

Name of director	Shareholding as of January 1, 2021	%	Bought during the year	Sold during the year	Transferred in (out)	Shareholding as of December 30, 2021	%
1. Kraisorn Chansiri Spouse and children who are minors	174,804,288 56,330,432	4.84				174,804,288 56,330,432	4.84
2. Cheng Niruttinanon Spouse and children who are minors	200,442,084 67,932,032	5.62		2,200,000 (4,632,000)		200,442,084 65,500,032	5.57
3. Chuan Tangchansiri Spouse and children who are minors	38,668,000 -	0.81			(980,000)	37,688,000 -	0.79
4. Thiraphong Chansiri Spouse and children who are minors	399,736,164 109,329,048	10.67	16,500,000			416,236,164 109,329,048	11.01
5. Rittirong Boonmechote Spouse and children who are minors	63,442,980 -	1.33				63,442,980 -	1.33
6. Norio Saigusa Spouse and children who are minors	- -	n/a				- -	n/a
7. Shue Chung Chan Spouse and children who are minors	12,295,272 -	0.26				12,295,272 -	0.26
8. Thamnoon Ananthothai Spouse and children who are minors	- -	n/a				- -	n/a
9. Kirati Assakul Spouse and children who are minors	- 103,248	0.00				- 103,248	0.00
10. Nart Liuchareon Spouse and children who are minors	- -	n/a				- -	n/a
11. Parnsiree Amatayakul Spouse and children who are minors	- -	n/a				- -	n/a
12. Pakapun Leevutinun Spouse and children who are minors	- -	n/a				- -	n/a
Total shareholding and proportion	1,123,083,548	23.54	18,700,000	(4,632,000)	(980,000)	1,136,171,548	23.81

Board Orientation and Continuous Development of Directors

The Company has supplied a manual for the orientation of new directors to be informed of and understand the Company's business and its operations, which are necessary to facilitate the new directors to perform their duties as a director immediately and express their opinions on the Company's policies in meetings, and for good corporate governance. The Company secretary coordinated the orientations as follows:

1. Things to know: organizational structure and Board structure, scope of powers and pertinent laws
2. General information about the business and its operational methods.

In 2021, the Company appointed two new directors, and therefore organized orientation through an online system as well as sending to the new directors the manual for new directors, various rules pertaining to the law, regulations, articles of association and key policies such as policies of good corporate governance, reporting to stakeholders and anti-corruption policy.

Besides this, every director participated in self-development to assist the Board in conducting its obligations of oversight efficiently. In 2021, directors underwent additional training as follows:

Cheng Niruttinanon took the Director Accreditation Program (DAP) / Thai Institute of Directors Association (IOD) number 187/2564

Parnsiree Amatayakul\* took the Advanced Audit Committee Program (AACP) / Thai Institute of Directors Association (IOD) number 40/2564



Directors resident in Thailand took various courses of the Institute of Directors Association and other institutions as follows:

Name of Director	DCP	DAP	RCP	RCC	ACP	UFS	HRP	HCI	EDP TLCA	AACP	Course for senior executives	
1. Kraisorn Chansiri	15/2007										12/2011	
2. Cheng Niruttinanon	187/2021											
3. Thiraphong Chansiri	10/2001											
4. Chuan Tangchansiri	86/2010											
5. Rittirong Boonmechote	183/2010										2/2009	25/2017
6. Shue Chung Chan	16/2002										1/2009	
7. Thamnoon Ananthothai	70/2006	48/2005	14/2006		10/2005	7/2007						
8. Kirati Assakul	27/2003		5/2007									
9. Nart Liuchareon	120/2015										25/2017	
10. Parnsiree Amatayakul*	2008										40/2021	
11. Pakapun Leevutinun												

- DCP: Director Certification Program  
DAP: Director Accreditation Program  
RCP: The Role of Chairman Program  
RCC: The Role of Compensation Committee  
ACP: Audit Committee Program  
UFS: Understanding the Fundamental of Financial Statement  
HRP: How to Develop a Risk Management Plan  
HCI: Handling Conflict of Interest  
EDP: Executive Development Program Thai Listed Companies Association  
AACP: Advance Audit Committee Program

Directors resident in Thailand took various courses of the Institute of Directors Association and other institutions as follows:

Name of Director	NDC	ELP	ACF	Cashflow	Discussion Management topic	Energy	Justice	Other
1. Kraisorn Chansiri								
2. Cheng Niruttinanon								
3. Thiraphong Chansiri								
4. Chuan Tangchansiri								
5. Rittirong Boonmechote						1/2018	14/2019	25/2020
6. Shue Chung Chan	6/2016							
7. Thamnoon Ananthothai								
8. Kirati Assakul								
9. Nart Liuchareon	2016							
10. Parnsiree Amatayakul								
11. Pakapun Leevutinun								

- NDC: National Director Conference  
ACF: Audit Committee Forum  
Cashflow: A course on cash flow from the Department of Business Development, Ministry of Commerce  
Discussion: A discussion on corporation’s preparedness for the cybersecurity threats in the digital transformation era  
Management topic: A course on management for senior executives Class 1/ Institute of Business Administration  
ELP: Ethical Leadership Program (IOD and Thai CAC)  
Energy: A course for executives about energy number 14/2562/ Thailand Energy Academy  
Justice: A course for executives senior executives about justice number 25/2563 / Judicial Training Institute

Performance Evaluation of Directors

The Board has determined the performance evaluation of the Board, and every subcommittee at least once a year since 2013. These include the Board of Directors, the Executive Committee, the Audit Committee, the Risk Management Committee, the Nomination and Remuneration Committee and the Sustainable Development Committee. The evaluation form of the Board of Directors is divided into individual evaluations and of the whole Board as a self-evaluation every year.

Evaluation process

1. The Company secretary has sent evaluation forms by email to the directors for annual self-evaluation
2. Summarized and presented the evaluation results which is divided into 4 levels: 1. Excellent 2. Good 3. Fair and 4. Should be Improved then report to the Chairman of the Board and the chairman of each subcommittee to study and analyze the evaluation results together and determine practical methods of development of the director’s work with the objective to help directors consider reviewing their performance, various issues and hindrances over the past year to formulate methods of improvement for the Board to carry out its duties more efficiently.

Board of Directors Performance Assessment

- 1) Structure and Qualification of the Directors
- 2) Role, Duty and Responsibility of the Directors
- 3) The Board of Directors’ Meetings
- 4) Performance of the Directors
- 5) The Relationship with the Management team
- 6) Self-development of the Directors and the development of the Executives

Individual performance assessment of each director

- 1) Core competency, Structure and Qualification of the Directors
- 2) The Board of Directors’ Meetings
- 3) Role, Duty and Responsibility of the Directors

Performance assessment of subcommittees as a whole

- 1) Structure and Qualification of the subcommittee
- 2) Subcommittee meetings
- 3) Role, Duty and Responsibility of the subcommittee

Performance assessment of subcommittees for each individual subcommittee member

- 1) Structure and Qualification of the subcommittee
- 2) Subcommittee meetings
- 3) Role, Duty and Responsibility of the subcommittee
- 4) Performance of the member
- 5) The Relationship with the Management team
- 6) Self-development of the members

The Board of Directors has also determined a performance assessment of the Chief Executive Officer (CEO) which is considered according to targets and success of that achievement under the following headings:

- 1) Leadership and Managerial Qualities
- 2) Strategic Direction Setting
- 3) Strategic monitoring
- 4) Planning and Performance
- 5) Board Relations
- 6) Community Relations
- 7) Management and relationship with employees
- 8) Succession Plan
- 9) Knowledge and Skills
- 10) Personal Qualification

The Company Secretary has sent evaluation forms of the Board of Directors to the directors, which summarized and presented the evaluation results to the Board of Directors in order to achieve the above-mentioned objectives. The evaluation of the performance was as follows:

- Board Evaluation with an average score at the grade of “Excellent”
- Director Evaluation with an average score at the grade of “Excellent”
- Committee Evaluation with an average score at the grade of “Excellent”
- Individual Committee Evaluation with an average score at the grade of “Excellent”
- CEO Evaluation with an average score at the grade of “Excellent”

In 2021, the Company conducted a performance assessment of the Board of Directors and every subcommittee, both of individuals and whole committees. For the results of the performance assessment of the Board of Directors and the subcommittees. the Board of Directors had the opinion that they had fulfilled their obligations under the scope of their authority, which was according to the principles of good corporate governance.

Information of the Sub-Committees

The structure of the Board of Directors comprises five sub-committees: the Executive Committee (ExCom), the Audit Committee, the Nomination and Remuneration Committee, the Risk Management Committee and the Sustainable Development Committee, which together screen important issues for the consideration of the Board. The details of the sub-committees are as follows.

1) Executive Committee: ExCom

In 2019, the Board of Directors approved the setting up of the Executive Committee (“ExCom”) to act on behalf of the Board for greater fluidity. They shall approve the acquisition or disposal of the assets without the submission of the Board of Directors within the limit of not more than 15 percent of Net Tangible Asset of the Company or the Consolidated Company but no more than USD 100 million. Therefore, the ExCom limit must be changed annually and automatically as per the annual financial statement to reflect the growing size of the Company. The office of the Company Secretary General will inform the ExCom of how much the present limit is each year, once the Company’s annual accounts are made public.

There are four members of the ExCom:

- |                          |                                 |
|--------------------------|---------------------------------|
| 1. Cheng Niruttinanon    | Chairman of Executive Committee |
| 2. Thiraphong Chansiri   | Member of Executive Committee   |
| 3. Rittirong Boonmechote | Member of Executive Committee   |
| 4. Ludovic Garnier       | Member of Executive Committee   |

Role and Responsibilities

- 1) The Executive Committee follows the policies set by the Board of Directors under the applicable conditions, laws, rules, and regulations and may act as a representative of the Board of Directors within the limit of not more than 15 percent of

Net Tangible Asset of the Company or the Consolidated Company but no more than USD 100 million.

- 2) Consider investment projects, mergers and acquisitions, the establishment of subsidiaries, joint ventures, and joint investments as well as pulling out from investments, negotiating and other operations to enable such projects to reach their objectives.
- 3) The Executive Committee has the power to plan business operation policies, approaches and strategies and make suggestions on such to the Board of Directors.
- 4) Make business plans, set management authority, set the annual operations budget, and propose annual expenses to submit to the Board of Directors for approval and proceed with following the business plans and strategies in compliance with the Company’s policies and approaches as announced to the Board of Directors.
- 5) Undertake activities involved with the general administration of the Company and approved capital investment expenditures as well as setting organizational and administrative structure.
- 6) The Executive Committee has the power to approve requests for loans or other forms of credit from financial institutions, to open bank accounts, and to sign as a guarantor to make payments for the Company’s normal business, such as payment for investments, to expand branches and actions. The amount of each transaction shall be as set by the Executive Committee or as assigned by the Board of Directors but the amount may be changed if deemed appropriate by the discretion of the Executive Committee.
- 7) The Executive Committee has the power to appoint and dismiss Company employees of positions not higher than managing director.
- 8) Perform other duties as assigned at each time by the Board of Directors.

Also, the approval of these items must not have the attribute of being approved as an item making the Board of Directors or the authorized persons from

the Executive Committee be approving an item which themselves, or an individual who may be in conflict or have an interest, or any other conflict of interest (pursuant to the Company’s articles of association and announcements of the Office of the Securities and Exchange Commission and The Stock Exchange of Thailand) with the Company or its subsidiaries, except in the case of approving items which are according to policy and criteria approved by the Board of Directors. Regarding this, if the Board of Directors has an interest in the matter it is not entitled to vote on that matter, in which the Board of Directors is authorized to amend the scope of powers and obligations of the Executive Committee, as necessary or appropriate.

In the case of the Board of Directors authorizing other individuals to act on their behalf in a matter related to normal operations, this authorization is according to the resolution of a meeting of the Board of Directors and has clearly specified scope, powers, obligations and responsibilities. It is not considered to be an authorization enabling the authorized party to approve items, switch back persons or a person who may have a conflict of interest in any other way with the Company authorizing or a subsidiary.

In 2021, the Executive Committee held a total of nine meetings, of which duties and approvals of the Executive Committee for 2021 are as follows:

1. Considering the approval of investment and M&A projects in the scope of the Executive Committee and according to the direction and targets of Group strategy
2. Considering the approval of financial support to companies in the Group, including recapitalization, reducing capital, capital restructuring, all the selling of businesses, and including collateral, or collateral to the subsidiary companies of Thai Union for credit from financial institutions. This is under principles of related items as specified by the office of the Securities Exchange Commission.
3. Considering the approval of lines of credit for product to the Company’s customers and those of its subsidiaries
4. Considering giving consultation on and approving major insurance items in the Group.

2) Audit Committee

The Audit Committee was established by the approval of the Board of the Directors on November 15, 1999 for the purpose of supporting and acting on behalf of the Board of Directors to review the financial information to be presented to the shareholders and other stakeholders, and to review the risk management systems, the internal control systems, the internal audits and good corporate governance, and to control the anti-corruption measures as well as to review the financial reports’ preparation for the Company’s transparent and trustworthy operations and disclosure of information.

The Audit Committee must be directors of the Company who are qualified as independent directors and consist of not less than three members who will serve for three years, comprised of one Chairman of the Audit Committee and two Audit Committee members and at least one of them must possess sufficient knowledge and experience in order to perform his/ her/ their duties of reviewing the credibility of the financial statements. All three are independent directors who have the qualifications required by the Office of Securities and Exchange Commission and are experts in accounting and finance, corporate management, law and information technology. Nevertheless, all independent directors do not hold the position of director, employee or consultant of the Company.

The Audit Committee shall hold at least four meetings per year and report their performance to the Board of Directors at least once a year. At present the Audit Committee consists of:

1. Nart Liucharoen  
Chairman of Audit Committee, with knowledge and experience in information technology (Bachelor’s Degree in Engineering computer)
2. Thamnoon Ananthothai  
Member of Audit Committee, with knowledge and experience in accounting (MBA (Management) University of Sarasota, USA) (BBA (Accountancy & Management / Eckerd College-St. Petersburg,USA)



3. Parnsiree Amatayakul  
Member of Audit Committee,  
with knowledge and experience in accounting  
(MBA University of California, Los Angeles,  
USA) (BBA, Faculty of Commerce  
and Accountancy, Chulalongkorn University)

Extent of the Duties of the Audit Committee

The Company stipulated that the Audit Committee must consist of one in three of the total number of directors who are independent, or as the Office of the Securities Exchange Commission and the Securities Exchange of Thailand require. They must possess sufficient credible knowledge and experience in finance to be able to inspect the Company’s accounts. The Audit Committee shall make all its decisions based on the benefit of shareholders and will be responsible for other duties, summarized below.

1. Review the appropriateness of the financial reporting system and disclosure of information in its financial statements in accordance with the legally defined Financial Reporting Standards, with transparency, correctness, and adequacy.
2. Encourage the development of a financial reporting system equivalent to International Financial Reporting Standards.
3. Review the compliance of the Company’s Internal Control System with Internal Control Framework (COSO 2013) and the appropriateness and the effectiveness of the Company’s Internal Audit System in accordance with internationally accepted approaches and standards.
4. Review “The Assessment Form of the Adequacy of the Internal Control System” as audited and assessed by the Internal Audit Team to ensure that the Company has sufficient internal control systems.
5. Review the presence of a proactive preventive system to enhance operating effectiveness and efficiency and review the preventive measures in the organization and review the internal processes of the whistleblower system.
6. Review the internal audit process and the corporate risk management system.

7. Review the Company’s Compliance Procedure in accordance with the Securities and Exchange Act, rules, regulations and other laws relevant to the Company’s business and the resolution of the Board’s meeting.
8. Review the correctness and effectiveness of the information technology system relating to internal controls, financial reports, risk management and data & network security together with suggested updates and improvements as needed.
9. Consider connected transactions or those having possible conflict of interest to ensure compliance with all pertinent laws and requirements of The Stock Exchange of Thailand.
10. Review the execution of the Audit Committee members’ performance assessment, both as a whole and self-assessment, of the Audit Committee annually.
11. Review and give the opinion toward the audit practices of the Internal Audit Team and coordinate with external auditors.
12. Prepare the Audit Committee’s report to be disclosed in the Company’s Annual Report and duly signed by the Chairman of the Audit Committee and containing opinions on various matters as required by the SET.
13. Consider, select and propose the appointment, or discharge an independent person to perform the duties of, the Company’s auditor and also propose the remuneration of the Company’s external auditor and evaluate the effectiveness of external auditor’s performance and organize meetings with the Company’s external auditor, without the attendance of management, at least once a year.
14. Approve the internal audit plan, budget and manpower of the Internal Audit Team.
15. Review the execution of the Internal Audit Team for the performance assessment according to international standards.
16. Provide recommendations in respect of appointment, removal, transfer, or dismissal of the General Manager – Audit Unit.
17. Consider the independence of the Internal Audit Team based upon the execution of work, reports, and line of command.

18. Review the adequacy of the good corporate governance systems both of the domestic and foreign subsidiary companies.
19. Consider the external consultants to provide the suggestions or assistance in the operations of internal audit.
20. Review the Audit Committee Charter and Internal Audit Charter to be the proper charter at least once a year.
21. Visit the business units of the Company and the domestic and foreign subsidiary companies to review operations, the risk management and internal control systems, the environmental management system, information systems including cyber security, the important operational systems and regulations as well as problems and comments of the external auditors and the internal audit team. This includes factory visits to inspect the production process, inventory/warehouse management, the environment, the information technology systems used and cyber security.
22. Review the Company’s anti-corruption procedures to ensure the effective compliance with the governance bodies’ guidelines starting from assessing the risks, strengthen internal control system, auditing, as well as reviewing the self-assessment form regarding anticorruption measures as assessed by the Audit Unit, and to ensure that the Company has exercised the anti-corruption systems as reported in the self-assessment form guided by Thai Institute of Directors (IOD).
23. Perform other actions as required by law or as assigned by the Board of Directors under the consent of the Audit Committee.

To fulfill its duties under its scope of responsibilities, the Audit Committee is authorized to call for and order management, heads of offices, or employees concerned to present opinions, attend meetings, or submit necessary documents. In addition, the Committee may seek independent opinion from professional consultants as deemed appropriate, at the Company’s expense.

The Audit Committee performs duties within its responsibilities under the order of the Board of Directors. The Board of Directors is responsible for the Company’s operations and is directly accountable to shareholders, stakeholders, and the public.

Responsibilities of the Audit Committee

1. In case the Audit Committee is informed by the auditor about suspicious behavior of directors, managers or persons responsible for the business operations of the Company, which may violate paragraph 2 of Section 281/2, Section 305, 306, 308, 309, 310, 311, 312 or 313 of the Securities and Exchange Act, the Audit Committee is to investigate the case and submit a preliminary report to the Securities and Exchange Commission (SEC), as well as to the auditor, within 30 days of the date it is informed.
2. Upon finding or having doubt about the following actions or transactions, which may significantly affect the financial position and performance of the Company, the Audit Committee is to report such events to the Board of Directors in order to find a remedy within a period deemed appropriate by the Audit Committee:
  - 2.1 Transaction which may cause conflicts of interest.
  - 2.2 Fraud or irregular events or material flaws in the internal control system.
  - 2.3 Violations of laws pertaining to Securities and The Stock Exchange of Thailand, the regulations of The Stock Exchange of Thailand, or laws pertaining to the Company’s business.

Should the Board of Directors or management fail to remedy the issues within the timeline specified by the Audit Committee, a member of the Audit Committee may report the issue to the SEC or the SET. The Audit Committee is directly responsible to the Board of Directors, and the Board of Directors is responsible to the general public and external persons.

In 2021, the Audit Committee met regularly to fulfill its duties, with a total of five meetings, and reported on its work to the Board of Directors. Details of the operations of the Audit Committee have been disclosed in the Audit Committee Report in Section 2.

Composition and Qualifications

The Audit Committee consists of one Chairman and two members, all of whom are independent directors who are independent and have the qualifications required by the Office of the Securities Exchange Commission. They are qualified in accounting, finance, administration and law. They are not managers, employees or consultants of the Company. The Audit Committee shall appoint a secretary of the Audit Committee as they see fit.

Powers and Responsibilities

- 1. The Audit Committee may ask Directors, managers, or employees to consult or answer questions
- 2. The Audit Committee may ask for advice or consultation from the Company's experts or may hire external experts or consultants if necessary

Term of Duty

The members of the Audit Committee shall each serve for three years unless the Board of Directors decides otherwise. When there is a vacancy for some other reason besides the end of a member's term, the Board of Directors shall appoint another Audit Committee member who is qualified for the position to make sure that there are three members. The person replacing the member will serve only as long as the remaining term of three full years of the member they are replacing.

3) Nomination and Remuneration Committee

The Board of Directors has set up the Nomination and Remuneration Committee since November 1, 2010 for a period of three years for each term. The Committee is comprised of one Chairman of the Nomination and Remuneration Committee and one member of the Nomination and Remuneration Committee. Both members are independent directors and have the qualifications required by the Office of Securities and Exchange Commission. They are knowledgeable, competent and experienced and thoroughly understand their duties and responsibilities.

The Current Nomination and Remuneration Committee consists of:

- 1. Thamnoon Ananthothai  
Chairman of the Nomination and Remuneration Committee
- 2. Nart Liuchareon  
Member of the Nomination and Remuneration Committee

Roles and Responsibilities

Nomination

- 1. Consider the criteria for succession for high-ranking executives.
- 2. Set the Company's policy and criteria on the nomination and selection of candidates for the membership in the Board of Directors and sub-committees, and propose a list of candidates to the Board of Directors for approval.
- 3. Carry out any other tasks related to the consideration of nomination as assigned by the Board of Directors.

Remuneration

- 1. Consider and propose financial and non-financial compensation for the members of the Board of Directors and sub-committees.
- 2. Propose a compensation plan for the Company's directors to the Board of Directors for consideration and subsequent approval by the Shareholders.
- 3. Propose compensation for members of the sub-committees to the Board of Directors for approval.
- 4. Propose compensation for the Company's President and Managing Directors to the Board of Directors for approval.
- 5. Review proposals from the Company's management about remuneration policy for staff, as well as non-wage benefits, and recommend the matters to the Board of Directors for approval.
- 6. Review proposals from the Company's management about financial compensation and other benefits for the Company's executives, and recommend the matters to the Board of Directors for approval.
- 7. Prepare a report on the Committee's performance to be submitted to the Board of Directors at least twice a year.

- 8. Carry out any other tasks related to the consideration of remuneration assigned by the Board of Directors.

Composition and Qualifications

The Nomination and Remuneration Committee consists of one Chairman and one member, who are both independent directors who have the qualifications required by the Office of the Securities Exchange Commission and have appropriate knowledge, experience and abilities as well as understanding of their roles and responsibilities. The Nomination and Remuneration Committee shall appoint a secretary as they see fit.

Term of Duty

The members of the Nomination and Remuneration Committee shall each serve for three years unless the Board of Directors decides otherwise. When there is a vacancy for some other reason besides the end of a member's term, the Board of Directors shall appoint another Nomination and Remuneration Committee member who is qualified for the position to make sure that there are three members. The person replacing the member will serve only as long as the remaining term of three full years of the member they are replacing.

Please see the report on the report of the Nomination and Remuneration Committee in Section 2.

4) Risk Management Committee

The Board of Directors has set up the Risk Management Committee since November 1, 2010 for a period of three years for each term. The Committee is comprised of four independent directors, two managing directors, and two administrators of the main business while most of the directors are independent directors whose qualifications meet the standards required by the Office of Securities and Exchange Commission. They are also knowledgeable, competent and experienced and thoroughly understand their duties and responsibilities. The current Risk Management Committee consists of:

- 1. Kirati Assakul  
Chairman of Risk Management Committee
- 2. Thamnoon Ananthothai  
Member of Risk Management Committee
- 3. Parnsiree Amatayakul  
Member of Risk Management Committee
- 4. Pakapan Leevutinun  
Member of Risk Management Committee
- 5. Thiraphong Chansiri  
Member of Risk Management Committee
- 6. Shue Chung Chan  
Member of Risk Management Committee
- 7. Ludovic Garnier  
Member of Risk Management Committee
- 8. Adam Brennan  
Member of Risk Management Committee

Role and Responsibilities

- 1. Establish an appropriate risk management policy and framework.
- 2. Continuously monitor and develop the risk management framework and risk management process of the Company and its subsidiaries, aligned with international guidelines.
- 3. Oversee the continuous activities of assessment, analysis and review of the Company and its subsidiaries' significant risks, under normal and crisis conditions.
- 4. Consider and provide comment on the Company's risk appetite and risk assessment criteria.
- 5. Acknowledge and provide comment on the adequacy and appropriateness of risk assessment results and mitigations.
- 6. Oversee the implementation of risk management, aligned with the risk management framework.
- 7. Regularly report the Company's significant risks, mitigations and improvement to the Board of Directors.
- 8. Encourage a risk management culture and cooperation in the Company and its subsidiaries.
- 9. Oversee and support the risk management function to be aligned with the Company's policies and objectives.
- 10. Communicate and share the information of significant risks and mitigations with the Audit Committee at least yearly.

- 11. Provide comments and recommendations on the use of external advisors regarding risk management framework, scope and implementation.
- 12. In case of workload over resources of the Risk Management Department, provide comments and recommendations on the use of external service providers in assisting the risk management function.
- 13. Carry out any tasks related to the consideration of risk management assigned by the Board of Directors.

Composition and Qualifications

The Risk Management Committee consists of one chairman and three members, who are independent directors who have the qualifications required by the Office of the Securities Exchange Commission and have appropriate knowledge, experience and abilities as well as understanding of their roles and responsibilities. The Risk Management Committee shall appoint a secretary as they see fit.

Term of Duty

The members of the Risk Management Committee shall each serve for three years unless the Board of Directors decides otherwise. decides otherwise. When there is a vacancy for some other reason besides the end of a member’s term, the Board of Directors shall appoint another Risk Management Committee member who is qualified for the position to make sure that there are four members. The person replacing the member will serve only as long as the remaining term of three full years of the member they are replacing.

Please see the report on the work of the Risk Management Committee in Section 2.

5) Sustainable Development Committee

The Board of Directors appointed a Sustainable Development Committee on August 13, 2015, and its composition was adjusted more recently on August 9, 2021. The Sustainable Development Committee consists of two directors and four executives:

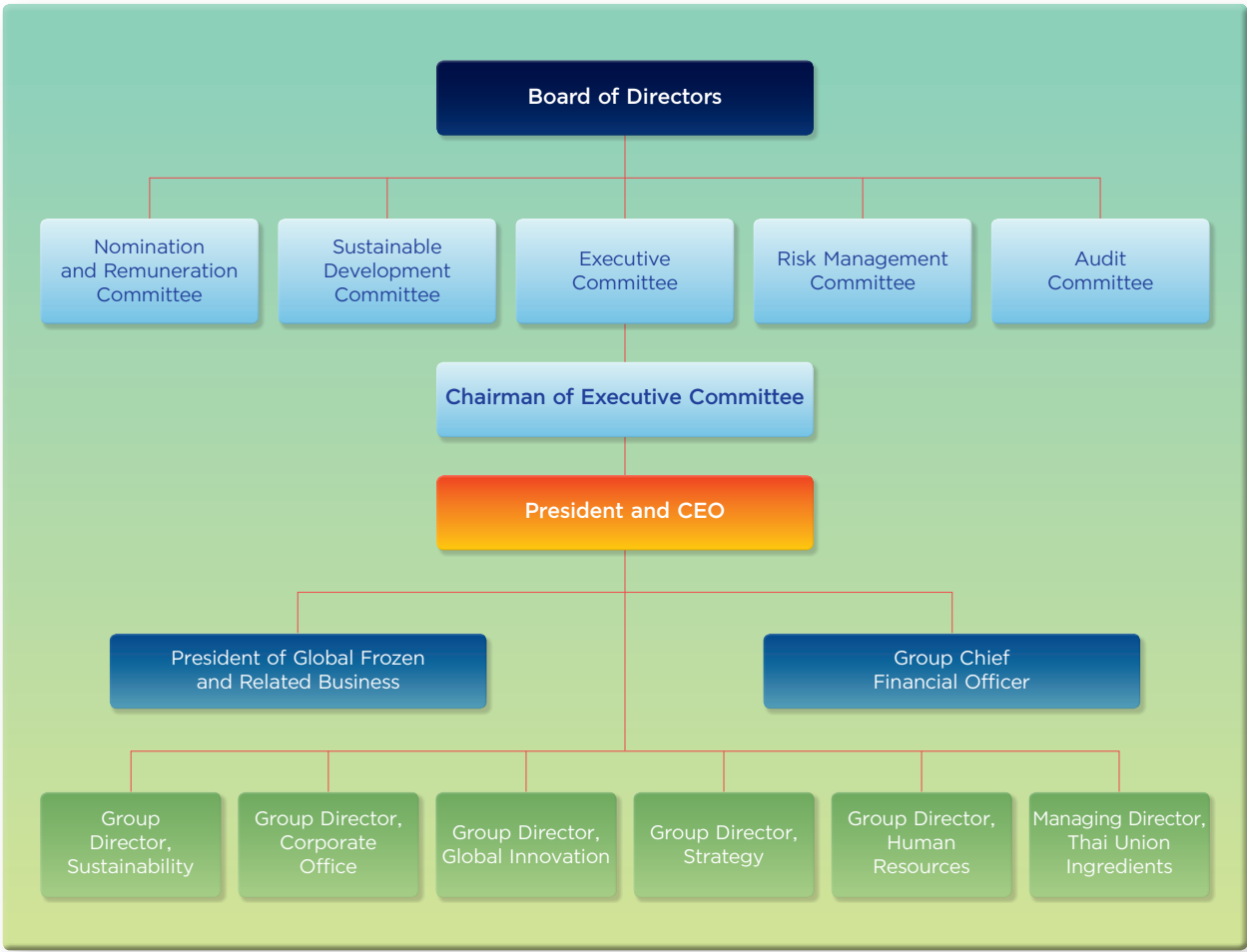
- |                        |  |
|------------------------|--|
| 1. Thiraphong Chansiri | Chairman of Sustainable Development Committee      |
| 2. Adam Brennan        | Co - Chairman of Sustainable Development Committee |
| 3. Shue Chung Chan     | Member of Sustainable Development Committee        |
| 4. Tin Shu Chan        | Member of Sustainable Development Committee        |
| 5. Kulshaan Singh      | Member of Sustainable Development Committee        |
| 6. Ludovic Garnier     | Member of Sustainable Development Committee        |

Role and Responsibilities

- 1. Providing guidance and setting approaches for the Company regarding strategies leading to the development of sustainability, making operational plans and policies to support the Company’s sustainability goals.
- 2. Setting major policies and procedures concerned with sustainability that will help the Group of companies achieve its goals and meet related standards such as the UN Sustainable Development Goals (SDGs), Dow Jones Sustainability Indices (DJSI) and Corporate Sustainability Assessment (CSA).
- 3. Inspect and control the Company’s operations to meet its set goals and obligations, including but not limited to tuna sourcing, packaging, climate change and human rights-related policies.
- 4. Set up sub-committees as appropriate to fulfill the Company’s sustainability policies.

Information of Executives

The Company’s Management Structure



As of December 31, 2021, the Company’s management team, as defined by the Securities and Exchange Commission, consisted of the following persons:

- |                          |   |
|--------------------------|---|
| 1) Thiraphong Chansiri   | President and Chief Executive Officer (CEO)     |
| 2) Rittirong Boonmechote | President of Global Frozen and Related Business |
| 3) Ludovic Garnier       | Group Chief Financial Officer (GROUP CFO)       |
| 4) Shue Chung Chan       | Group Director, Corporate Office                |
| 5) Tunyawat Kasemsuwan   | Group Director, Global Innovation               |
| 6) Leonardus Coolen      | Managing Director, Thai Union Ingredients       |
| 7) Kulshaan Singh        | Group Director, Human Resources                 |
| 8) Adam Brennan          | Group Director, Sustainability                  |



Miss Arunrat Surattanjindaporn, Deputy General Manager, Accounting and Controlling (Factory) is a qualified person in charge of the Company's accounts in compliance with the regulations of the Secretary of the Department of Business Development in the 2014 announcement on qualifications and conditions for accountants. Miss Arunrat Surattanjindaporn is registered with the Federation of Accounting Professions in compliance with the 2004 Accounting Professions Act. In 2021 she received continuing knowledge development training in accordance with the Department of Business Development's announcement and SEC announcement Tor.Jor. 39/2559 17 (6) (no less than 12 hours a year).

Policy for Paying Remuneration to Directors and Management

Director's remuneration

Directors' remuneration is to be approved at the Annual General Meeting of shareholders after being

considered and submitted by the Nomination and Remuneration Committee. The remuneration for directors is to be comparable to the level of practice in similar organizations in the same type of industry and commensurate to the roles, responsibilities, experience and work performance of each director. Directors who are assigned additional duties and responsibilities, such as serving on sub-committees, should be eligible for additional remuneration as appropriate.

Directors' Remuneration Policy for the Year 2021, total monetary remuneration for the independent directors and non-executive directors totaling eight persons (Included independent directors and non-executive directors who resigned during 2021) in the amount of THB 13.54 million. The remuneration was paid from the director's individual performance results and approved by the general meeting of shareholders in 2021 arranged on April 5, 2021, which comprised monthly retainer, meeting allowances and bonus payments.

	Remuneration/ month	Meeting allowance/time	Remuneration Sub-committee/year
Board of Directors			
• Chairman	80,000.00	40,000.00	
• Executive Director	40,000.00	20,000.00	
• Non – Executive Director	40,000.00	20,000.00	
• Independent Director	40,000.00	20,000.00	
Audit Committee			
• Chairman	60,000.00	-	
• Member	30,000.00	-	
The Nomination and The Remuneration Committee			
• Chairman (Independent Director)	-	-	360,000.00
• Member (Independent Director)	-	-	180,000.00
The Risk Management Committee			
• Chairman (Independent Director)	-	-	360,000.00
• Member (Independent Director)	-	-	180,000.00
• Member (Executive Director)	-	-	120,000.00

Management's remuneration

The remuneration policy for management shall be proposed to the Board of Directors meeting. The Board of Directors reviewed and approved on an annual basis, which consists of a salary, contribution to provident fund, and annual bonus, the amount of which is considered based on the Company's financial performance and the annual work performance of each executive. Compensation should be similar to that paid in the same industry. If work results are according to target for the employees and the Company, then management will receive an annual bonus of 25 percent – 30 percent of their salary for that year.

Evaluating Work Performance

Appraisal of work results and management of compensation for high-level executives (and also for general employees at every level) is as follows:

- Step 1. Acknowledge and agree on the annual operational goals so that all can work towards the same shared enterprise objectives each year
- Step 2. When the enterprise objectives are set and written down in each manager's personal annual work goals, there is follow up to see what progress has been made, because many different activities may be involved in reaching the set objectives.
- Step 3. The level of success in reaching the goals is evaluated on a range of 1 - 5. The evaluation scores for each area evaluated are combined and considered for setting the level of different kinds of remuneration, such as the annual bonus and annual raise, also taking into consideration other components like the level of participation in achieving business goals and TU 6 values.

Progress towards the shared enterprise objectives of the Company each year is driven by the participation of people in many departments and business units, each of which has also set their individual annual targets that make up part of the success. The manager of each department or business unit will contribute ideas or innovations that must be compatible with the overall goals and able to contribute to the Company's success. Ideas that are jointly considered and deemed both valuable and also necessary or urgent will be selected as annual personal goals. This includes value-based objectives that might be appreciated and approved by the supervisor to become part of the work performance management process, or PMP, that happens every January.

Evaluation of goal achievements and work results for both high-level executives and general employees includes a self-evaluation in which individuals are asked to score themselves for their success and achievement. After that, the Group Director HR or HR business partner will combine the data and compare it to get an accurate and verifiable guideline to be forwarded to the CEO or supervisor for scoring and evaluating work results.

Management Compensation Structure

The Board of Directors annually reviews and approves the Company's President and Executives' Compensation Policy with respect to the following principles:

Salary

The level of base compensation reflects each associate's key responsibilities, job characteristics, experience and skill sets. The Company pays the salary by transferring into the account monthly. Base compensation is reviewed annually, and any increase reflects merit based on performance, as well as market movements

CEO & Management Compensation in 2021 compared to the previous year

Unit: millions of baht

	Executives' remuneration	
	2020	2021
Persons	9	9*
Salary / bonus / Other benefits	148.47	166.81
Provident fund contribution	4.16	4.89
Long Term Incentive	13.20	22.42
Total	165.82	194.12

Remark :\* The total remuneration for management is including executives who has resigned and appointed during 2021.

Monetary Compensation

- : Remuneration for the Company’s directors (only for their work as directors) in 2021 equaled THB 9.76 million (details are in 8.1.2)
- : The annual bonuses paid to directors for 2020 equaled THB 16.76 million (as per the resolution of the Annual General Meeting of shareholders on April 5, 2021)
- : Remuneration (including non-financial forms such as payments to the provident fund and social welfare) for nine executives in 2021 totaled THB 194.12 million
- : Total remuneration and bonuses paid to all the directors and executives as defined by the Securities Exchange Commission in 2021 equaled THB 156.52 million.

The Annual Bonus

Provides a variable level of remuneration dependent on short-term performance against the annual plan, as well as relevant market remuneration benchmarks. The performance bonus is tied to annual Key Performance Indicator (KPI) and weights the various scorecard measures in order to determine overall company and individual performance evaluations and bonus awards.

Long-term compensation

Long-term compensation is a type of remuneration that promotes sustainable growth in the business and creates value for shareholders. It encourages managements to stay with the Company and to consider the long-term prosperity of the organization and the best interests of shareholders as a priority when making any decision. The compensation rate will be considered based on the Company’s performance together with returns to shareholders, assessed in terms of Absolute Total Shareholder Return. The reward is based on three-year performance period and time-vested over three year.

Other benefits or compensation

The main reason for providing other additional compensation or benefits is to make employees feel secure. It can be very useful when older employees suffer from health problems or when any employees are injured or killed in accidents. The Company’s practices regarding the provident fund, health insurance, and other benefits are compatible with labor market practices and related laws.

Information Related to Employees

The Company employed 9,999 personnel (as of December 31, 2021) consisting of:

Employees	Male	Female	Total
Monthly	665	1,015	1,680
Daily	2,919	5,400	8,319
Total	3,584	6,415	9,999

Human Rights and Equitable Treatment of Employees

The Company has a policy and determination to promote human rights practices throughout the supply chain and its use of labor. For the past three years the Company has not had any conflicts with its employees and has always promoted worker rights and full social welfare for its workers. The Company has strictly followed all laws and regulations related to the hiring and use of labor. To remain loyal to its organizational ethics and mission statement, the Company follows a policy of fair and equitable compensation and distribution of benefits for workers with the aim of satisfying and retaining good quality employees and attracting more capable people. The Company strives to reward good work performance and to remain aware of the importance of fairness, the Company’s ability to compete in the labor market, cultural values, and laws and regulations.

Compensation Structure

The preparation process for succession planning of the position will be parallel with the Talent Review Process and Individual Development Plan. Human Resources, in cooperation with the management of each department, will jointly evaluate an employee’s potential. They will develop a clear development plan, especially for the successor. Moreover, for any employees who have high potential, the Company will provide analysis of capabilities in order to advance them in the step-wise development plan, including discussing possible

career goals and employees’ expectations, along with regular monitoring and evaluation of their development.

Development plans will be adjusted as necessary according to organizational needs and employees’ expectations so that the Company can be sure both employees and the enterprise will benefit as much as possible and that succession plans will meet their objectives, resulting in sustainable prosperity and thriving on all sides.

The payouts policy for both short and long term is consistent with the results of the Company’s operations by targets and measures each year in accordance with the Company’s long-term strategic plan, called Enterprise Objective. The measurement has four elements as follows:

1. Drive Superior Financial Performance - driving excellence in financial management and capital efficiency usage.
2. Accelerate Growth focused on innovation and premiumization of product portfolio, acceleration of reputational benefits and commercialization of sustainability initiatives, and developing new business in Tuna Oil and beyond
3. Improve Productivity through a culture of continuous improvement, SG&A optimization and cash management
4. Work on Business Fundamentals – supporting and promoting personnel who are role models in upholding Thai Union’s 6 core values, developing and retaining valuable human resources, sustaining and increasing employee engagement with the enterprise, and emphasizing a compelling long-term strategy in order to allocate resources towards strategic and high-value opportunities.

Changes in worker numbers are mostly increases because the Company needs more workers because its customers have growing demand for its products.

Total Employee Compensation (only TU) in 2021 amounted to approximately 3,348.62 million baht, consisting of:

• Salaries and other	THB 872.00	million (sales and administrative expenses)
• Salaries, wages, allowances and other	THB 1,820.02	million (sales costs)
• Directors' compensation and meeting fees	THB 9.25	million
• Adjustment for directors' 2020 bonuses underestimated	THB 1.16	million
• Directors' 2021 bonuses (to be paid in 2022)	THB 15.60	million (set as expenses payable)
• Annual bonuses	THB 213.81	million
• Payments to provident fund	THB 56.73	million
• Social welfare and SSO	THB 35.48	million
• Training and seminars	THB 12.12	million
• Retirement parties	THB 35.86	million
• Workers' retirement fund	THB 46.63	million
• Medical expenses	THB 21.56	million
• Other welfare for workers	THB 64.60	million
• Recruitment expenses	THB 10.50	million
• Long-term employee benefits	THB 116.26	million
• Other benefits	THB 17.04	million

The provident fund was jointly established by the Company, its subsidiaries and its employees following the stipulations of the Provident Fund Act B.E. 2530. It consists of money that comes from monthly contributions equivalent to 2–5 percent of each employee’s wages (when they have been working for the Company for more than 10 years, employees may opt to increase their contributions up to 15 percent) and additional money that the Company and its subsidiaries may contribute at the rate of 2 - 10 percent of each employee’s wages, depending on how long the employee has been with the firm. The provident fund is administered by Krung Thai Asset Management (Public) Company under the “KTMF Thai Mankong Registered Master Pool Fund.” The provident funds of the Company’s subsidiaries are managed by Kasikorn Asset Management Company Limited and Tisco Asset Management Company Limited.

As for worker benefits after they have ceased to be employees of the Company, or the Benefit Project, the Company and its subsidiaries calculate what is owed according to the Benefit Project using the Projected Unit Credit Method. An independent expert estimates the financial obligation using insurance mathematics principles as stipulated in labor laws. Money for this purpose is set aside in reserve each year in the debit section following IAS19 accounting standards. That way the Company is sure it will be able to pay any retirement benefits in full when each employee reaches retirement. In addition, the Company has also considered the need to maintain reserves for paying employee wages and benefits in the event that the business temporarily halts for any reason. The Company thus expanded the coverage in its business impact insurance policy to cover payment of wages in the case of temporary stoppage.

The Company arranges many fringe benefits and activities to benefit its employees to give them a good quality of life and make sure they are in good health, which will be beneficial for all.

- Health-promoting activities for workers included:
  - 1) Group life insurance and health insurance
  - 2) Accident insurance
  - 3) Annual health checkups
  - 4) Risk factor tests

- 5) Drug tests
- 6) Staffed nurse’s office in the factories
- 7) Space to exercise, gymnasiums, football fields, and socialization spaces for employees and their families

- Activities to promote unity and continuing participation
  - 1) New Year’s party/Chinese New Year’s party (because of the COVID-19 pandemic, no parties were held but prizes were given in lucky draws)
  - 2) Togetherness activities (via electronic media such as a singing contest where votes were cast at the workplace computers)
- Leisure/relaxation activities to engender good feelings for the organization
  - 1) Factory reading room
  - 2) Happiness on special day (a photo contest each month for employees born in that month)

In addition, the Company provides other benefits including uniforms, training, study visits, and scholarships to promote further study and skills training for employees of any educational level.

Succession Planning

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 President and CEO, and President of Global Frozen and Related Business. This also includes 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 for both foreign and domestic executive positions, the Company can maintain high levels of confidence 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 consider the positions systematically each year so that it will be used in succession planning both long and short term.

The Human Resources Department will coordinate the succession plan by arranging a joint meeting between key management and top HR management, both to strengthen business potential and continually reduce operation risks.

The succession planning for Thai Union is divided into two categories as follows:

1. Succession planning for critical positions to insure success for the business is to plan for a successor depending on the readiness of the position, which is divided into three groups as follows:
  - a. Short term: Ready now
  - b. Mid-term: Ready within 2 - 3 years
  - c. Long term: Ready in 3 - 5 years
2. Succession for Emergency Plan: Preparation of an emergency successor candidate only in a critical period. The Company encourages individual parties to name a successor in the event of an emergency. It can be divided into sections and each section has the name of the responsible appointee.

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.

Employee’s Complaint Channel and Complaint Management Process

The Company expects all executives and employees to follow accepted ethical business practices at all times and has provided an ethics handbook and guidelines for all workers to follow. This is to promote and support correct ethical business practices and make it a habit If any employee notices a co-worker transgressing ethical standards or act of dishonesty at the workplace, he or she may report it. Also, employees may always ask for clarification about any part of the handbook and guidelines that are not completely understood, as well as make suggestions for better practice.

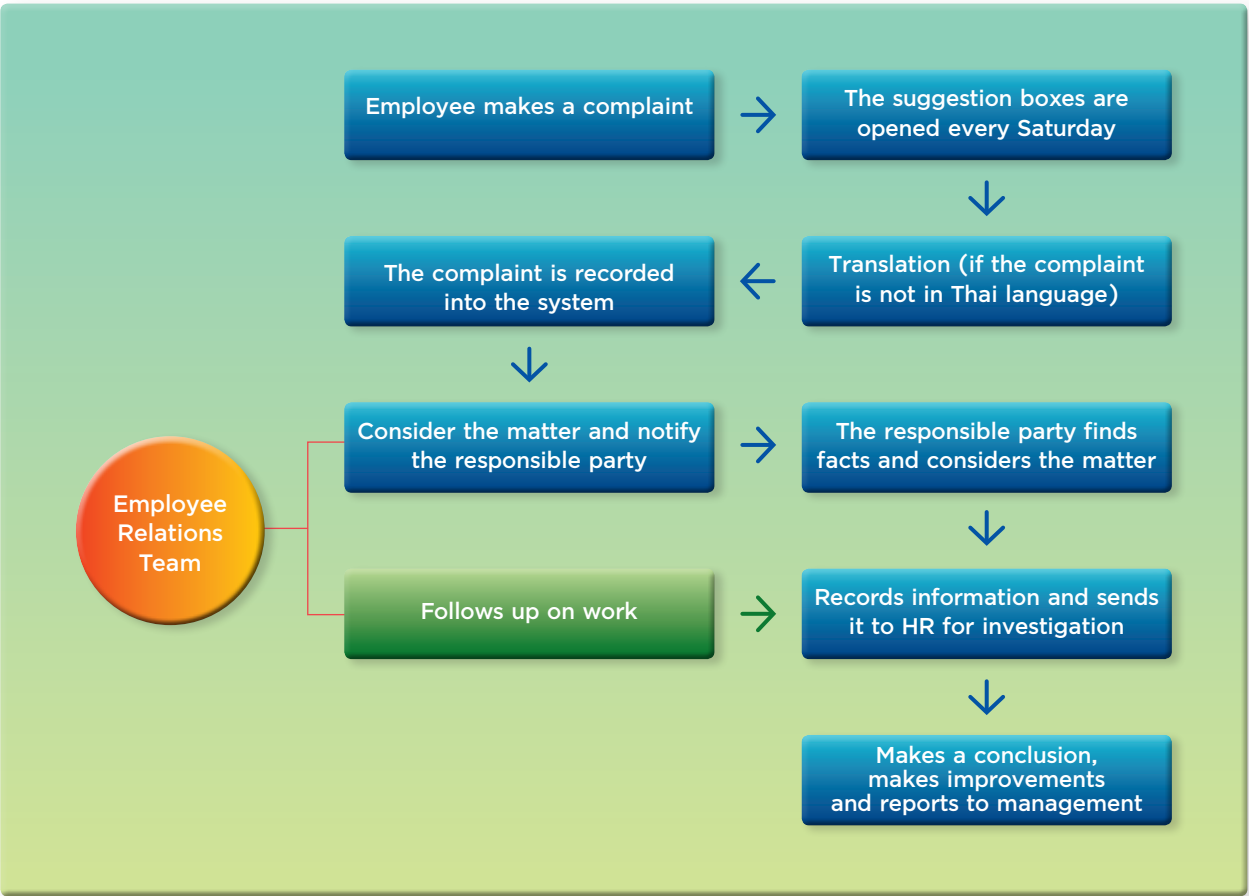


Complaint and Suggestion Channel

A whistleblower or an employee with a complaint may give the details, along with his or her name and address and a contact phone number (this information will be kept confidential and will have no effect on the employee) through one of the following channels:

- 1. Tell a manager, supervisor or member of the Employee Relations (ER) team (as set and publicized by the Company)
- 2. Put a written note in a suggestion box (16 locations in the factories)
- 3. Call the 24-hour hotline 06-1417-2752 or telephone 1800 013 080
- 4. Through the website <http://thaiunion.ethicspoint.com>
- 5. On the Line app

Process for Complaint Management



Protection and Anonymity of Whistleblowers

Complaints and appeals are confidential. Telephone conversations are not recorded. The Company is concerned about the safety of, or any possible damage to, whistleblowers and anyone who cooperates in an investigation about a complaint.

Any whistleblowers or filers of complaints will have their rights protected and defended according to the law and the guidelines set by the Company.

Other Important Information

Persons responsible for inspecting governance

1) Head of Internal Audit

Name Pongpol Plipuch  
Position Deputy General Manager, Internal Audit  
For qualifications, see Attachment 33

2) Responsible person in charge for accounting

Name Arunrat Surattanajindaporn  
Position Deputy General Manager,  
Accounting and Controlling (Factory)  
For qualifications, see Attachment 1

3) Company Secretary and Head of Compliance Unit

Name Rapeepong Limwongthong  
Position Company Secretary and Assistant  
General Manager, Legal, Compliance  
& International Tax  
For qualifications, see Attachment 1

Individual responsible for investor relations

Name Kalvalee Thongsomaung  
Position Assistant General Manager,  
Investor Relations  
E-mail; [kalvalee.thongsomaung@thaiunion.com](mailto:kalvalee.thongsomaung@thaiunion.com)  
or [ir@thaiunion.com](mailto:ir@thaiunion.com)

Accountant

PriceWaterhouse Coopers ABAS Company Limited:  
Pongthavee Ratanakoses  
Certified Public Accountant (CPA) # 7795 or  
Chanchai Chaiprasit CPA # 3760 or  
Amornrat Pearmpoonvatanasuk CPA # 4599

Remuneration for the Company's Independent Auditor 2021 (Thailand Only)

- 1. Audit Fee  
In the past accounting year, the Company and subsidiaries paid an audit fee to the auditing firm where independent auditors are attached to, and where individuals or entities are related to the independent auditors and the auditing firm, in total 20 companies at THB 22,173,918.
- 2. Non-Audit Fee  
The Company and subsidiaries paid remuneration incurred by the following services:
  - Audit fee paid to the auditing firm where independent auditors are attached to, and where individuals or entities are related to the independent auditors and auditing firm for the amount totalling: -None-
  - Audit fee for special items, pursuant to Notification Por 4/2001 of the Board of investment, paid to the auditing firm where independent auditors are attached to, and where individuals or entities are related to the independent auditors and auditing firm, in the past year in total eight companies at THB 1,400,000.
  - Audit fee for special purpose and tax advisor at total THB 8,063,529.

## 8. Corporate Governance Report

### Performance of the Board of Directors in 2021

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 based on a foundation of honesty, transparency, responsibility, ethics, trustworthiness, and high work standards, following best practices for registered companies. This will increase the enterprise's competitiveness, which will in turn 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. For these reasons, the Board of Directors has always been committed to running operations under a good corporate governance framework under the guidelines of the Stock Exchange of Thailand.

In the past year, the Company received a score of 100 points (full score) on the assessment of the Annual General Meeting of Shareholders by Thai Investors Association's corporate governance arm, which was designated by the Securities Exchange Commission to do the assessment. In the survey for the Corporate Governance Report of Thai Listed Companies in 2020, which is done to follow up on the developments of Thai companies using rating standards based on those designed by the Organization for Economic Cooperation and Development (OECD) and the corporate governance principles of The Stock Exchange of Thailand in 2012 and conducted by the Thai Institute of Directors Association (IOD), the Company was one of those that received an Excellent CG Scoring.

#### Nomination, Development and Evaluation of Directors

**(1) Independent Directors** - Under the Company's Corporate Governance Policy, at least one-third of board members and not less than three persons, must be independent directors with a 3-year term of office.

#### Definition of Independent Directors

Independent directors means directors who are qualified and independent in line with the same qualification criteria described in the Notification Governing Qualifications and Responsibilities of Audit Committee established by The Stock Exchange of Thailand. In addition, a person qualified to serve as independent director must be able to perform duties to preserve the best interests of all shareholders in an equitable manner without conflicts of interest and be available in Board meetings to give independent and unbiased opinions and judgments.

#### Qualifications of Independent Directors

- 1) Not hold shares more than 0.05 percent of total voting stocks of TU including stocks held by connected persons of the independent director, as well as nominees.
- 2) Not be nor have been a major shareholder.

- 3) Not be nor have been a Board member of its parent Company or an executive director, employee, staff, advisor who receives the salary of a controlling person of TU, its parent Company, its subsidiaries or its associated companies.
- 4) Not be any professional advisor.
- 5) Not have nor have had a business relationship with the Company, its parent Company, its subsidiaries, its associated companies or a juristic person who may have conflicts of interest, in the manner that may interfere with his independent judgment.
  - This relationship covers every kind of business transaction, including ordinary transactions, normal business support, rental of real estate, transactions involving assets and services, and giving or receiving financial assistance.
  - The level of significance that counts as not independent is transaction value  $\geq 20$  million baht or  $\geq 3$  percent of the Company's NTA, whichever is lower. When considering transaction value, the total of transactions that occurred within the last six months before the report will be taken into consideration.
- 6) Not be appointed as a representative of the Company's or its major shareholder's board members or a shareholder who is related to the Company's major shareholders.
- 7) Not have any characteristics which make him or her incapable of expressing independent opinions with regard to the Company's business affairs.

The aforementioned definition of independent director is based on the Company's Corporate Governance Policy established by the Board. Moreover, the Company's criteria are stricter than "the criteria" required by The Stock Exchange of Thailand and the Securities and Exchange Commission in terms of stock holding ratio.

#### Nomination of Independent Directors

The company will select qualified individuals who are not employees receiving a salary from the Company or any company in the Group, who do not have any association with regular management. They are independent of major shareholder groups

by holding shares in the Company not exceeding not 0.05 percent of the total voting shares, and can oversee the interests of small shareholders. They are proposed to a meeting of the Board of Directors to consider passing a resolution to appoint them, which will then be submitted to a shareholders meeting.

#### (2) Directors and Top Executives

##### Principles and methods of nominating and appointing directors

The Company nominates a director with the Nomination and Remuneration Committee considering factors of suitability and qualification of the director both current and in the future, with diversity in terms of gender, age and experience, and criminal record, factors of independence, business directions and overall factors of the Board of Directors, when comparing the business direction in the present and in the future. A Board Skill Matrix is prepared to determine criteria of nominating directors annually every year. In this review, the Nomination and Remuneration Committee will consider diversity from the pool of names such as recommendations from company directors. or and nominations of individuals by shareholders and external consultants, or from the directors pool of the Thai Institute of Directors Associations.

Directors may be re-elected after the expiration of their term of office, except when the director position becomes vacant not by rotation during the year. It will be considered to nominate an individual who is appropriately qualified and does not have any legally prohibited qualifications for being a director, and there will be an investigation of personal records and qualifications, and including the databases of directors such as the list of names of directors and executives issuing securities of the SEC. This will be proposed to the shareholders meeting to elect the new director. A substitute director appointed to fill an interim vacancy shall be in the office only for the remaining tenure. At every Annual General Meeting of Shareholders, one-third of directors are to retire, for election to replace the directors who retire by rotation according to criteria and procedures set forth below.

1. Each shareholder has a right to vote in proportion to share volume owned; the principle of “one share, one vote” is applied.
2. Each shareholder is required to cast the entire vote owned in one for one or more candidates but cannot split the vote into portions.
3. Candidates shall be entitled to a directorship based on votes received. A candidate with maximum votes is first entitled to directorship and followed by the other candidate with less votes, respectively. As a rule, the number of newly appointed directors must not exceed the number of new directors intended in that election.

Shareholders, if necessary, may pass resolutions to remove any director prior to the statutory expiration of their office term provided three quarters of majority votes of all shareholder’s present at a meeting is recorded; and the aggregate share volume owned by shareholders must be greater than half of the aggregate share volume owned by all shareholders present at the meeting. Such cases shall be effective only when the qualifications of all Board members and the management comply fully with Section 68 of the Public Companies Limited Act of 1992 and the SEC’s Regulation Governing the Rules, Conditions and Procedures for the Securities Offer and Permission dated May 18, 1992.

Number of directors from each group of major shareholders

- |   |             |
|---|-------------|
| 1. Chansiri group                         | 2 directors |
| 2. Niruttinanon group                     | 1 director  |
| 3. Mitsubishi Corporation Company limited | 1 director  |
| 4. Boonmechote group                      | 1 director  |

Executives and authorized persons nominated as above must not have any of the following prohibited attributes:

- (1) Is an individual with frozen assets or a bankrupt individual
- (2) Is a person incompetent or seemingly incompetent
- (3) Is a person on the blacklist of The Stock Exchange who should not be an executive according to the regulations of The Stock Exchange of Thailand.

- (4) Is the subject of legal action pursuant to laws on securities and securities markets, laws pertinent to operating a capital business, securities business or credit foncier, laws pertaining to commercial banks, laws pertaining to life insurance or laws pertaining to a similar kind of financial business, whether Thai laws or foreign laws, in an entity authorized by the law regarding offenses related to unfair securities trading, or management tending to fraud, embezzlement or corruption.
- (5) Was previously the subject of a verdict, or legal case or a fine from offences under (4)
- (6) Was terminated, dismissed or forced out of work due to corruption
- (7) Behavior showing the concealment of finances or true operating results of a listed company, or a company which had held a public offering of shares to the public, or showed false information, or concealed the truth which should have been stated in any document which is public or must be submitted to the office of the Securities and Exchange Commission.
- (8) Behavior during the course of duty as a director or an executive of a listed company, or a company which had held a public offering of shares to the public, with a lack of honesty, integrity or due diligence to look after the public interest and which caused severe damage to a company or its shareholders.
- (9) Behavior showing negligence in one’s duty as appropriate in investigating or looking after a company or its subsidiaries to violate or not being compliant with laws, objectives and regulations of the company, including resolutions of shareholders meetings.

Before each Annual General Meeting of shareholders, the Company will give an opportunity for small shareholders to propose agenda items to shareholders and nominate individuals for consideration as election as directors of the Company in advance, to submit to the Nomination and Remuneration Committee to consider and propose at the meeting. Small shareholders can study details, methods, conditions and download the forms for various requests from the Company’s website at [https://investor-th.thaiunion.com/shareholder\\_meeting.html](https://investor-th.thaiunion.com/shareholder_meeting.html)

Attendance at meetings and payment of remuneration for individual directors

Meetings attended in 2021

Name of Director	Board Meeting	Annual Shareholders Meeting	Extra-ordinary Shareholders Meeting	Reason for absence
1. Kraisorn Chansiri	5/5	Attended	No meeting	
2. Cheng Niruttinanon	5/5	Attended	No meeting	
3. Chuan Tangchansiri	5/5	Attended	No meeting	
4. Thiraphong Chansiri	5/5	Attended	No meeting	
5. Rittirong Boonmechote	5/5	Attended	No meeting	
6. Norio Saigusa	2/5	Absent	No meeting	Not resident in Thailand and otherwise engaged, so could not attend meeting
7. Ravinder Singh Grewal Sarbjit S	3/3	Attended	No meeting	Resigned in August 2021
8. Shue Chung Chan	5/5	Attended	No meeting	
9. Sakdi Kiewkarnkha	2/2	Attended	No meeting	Resigned in May 2021
10. Thamnoon Ananthothai	5/5	Attended	No meeting	
11. Kirati Assakul	5/5	Attended	No meeting	
12. NartLiuchareon	5/5	Attended	No meeting	
13. Parnsiree Amatayakul	4/4	Absent	No meeting	New director in May 2021
14. Pakapan Leevutinun	3/3	Absent	No meeting	New director in August 2021



Individual Remuneration for the Board of Directors

(1) Remuneration in cash

Name of director	Meeting allowance (baht)	Monthly retainer (baht)	Audit committee remuneration	Nomination committee remuneration	Risk management committee remuneration	Director's bonus	Total remuneration
1. Kraisorn Chansiri	190,000	870,000				2,578,226	3,638,226
2. Cheng Niruttinanon	95,000	435,000				1,289,113	1,819,113
3. Chuan Tangchansiri	95,000	435,000				1,289,113	1,819,113
4. Thiraphong Chansiri	95,000	435,000			120,000	1,289,113	1,939,113
5. Rittirong Boonmechote	95,000	435,000				1,289,113	1,819,113
6. Norio Saigusa	40,000	435,000				1,289,113	1,764,113
7. Ravinder Singh Grewal Sarbjit S	55,000	246,613				1,289,113	1,590,726
8. Shue Chung Chan	35,000	128,333			120,000	1,289,113	1,939,113
9. Sakdi Kiewkarnkha	95,000	435,000	230,000	15,000	15,000	1,289,113	1,802,446
10. Thamnoon Ananthothai	95,000	435,000	345,000	360,000	180,000	1,289,113	2,704,113
11. KiratiAssakul	95,000	435,000			360,000	1,289,113	2,179,113
12. Nart Liuchareon	80,000	306,667	575,000	165,000		1,289,113	2,514,113
13. Parnsiree Amatayakul	60,000	189,677	230,000		165,000	-	736,667
14. Pakapan Leevutinun	60,000	189,677			120,000	-	249,677
Total	1,220,000	5,656,290	1,380,000	540,000	1,080,000	16,758,469	26,634,759

(2) Other director’s remuneration: health insurance, insured amount not exceeding THB 700,000 (only for directors resident in Thailand aged under 70).

Governance of subsidiaries and associated companies

The Board of Directors has the obligation to oversee policy and operations at subsidiary companies and other businesses in which the Company has invested significantly, and it is according to the Company’s core business plan, including overseeing the Company and its subsidiaries to comply with regulations of The Stock Exchange of Thailand, summarized into the following topics:

- Monitoring the operations of subsidiaries or associated companies on a consistent basis.
- Controlling and overseeing business operations of subsidiary companies and associated companies to be according to the policies, goals, operational plans, strategies and budgets which have been approved.
- Approving investment budgets, transactions of acquisition or disposition of assets, taking loans or requesting credit from financial institutions, borrowing money, increasing capital, reducing capital and terminating companies with an effect on business operations of subsidiaries and associated companies.

- The Audit Committee reviews the credibility of financial statements, reviews internal control systems, internal audit, connected transactions, compliance with the law, and relevant regulations, and overseeing the operations of subsidiaries and associated companies.
- The Risk Management Committee considers policies and methods to mitigate risk of subsidiaries and associated companies
- Appointing representatives as directors or executives in subsidiary or associated companies according to the shareholding proportion, to oversee that the Company’s management is according to Company policy, efficiently and effectively.

Also, the Company has specified individuals appointed by the Company who must oversee subsidiary companies to have regulations in the matter of making connected transactions, in line with the Company’s regulations.

Monitoring compliance with policies and principles of corporate governance

The Company gives priority to good corporate governance and has determined relevant policies and principles in its governance policies and business ethics, and also promotes genuine compliance to inspire confidence in all groups of stakeholders.

Over the last year, the Company monitored each department to ensure compliance with corporate governance covering every matter as follows:

(1) Preventing conflicts of interest

- The Company has a clear code of ethics to not allow the Board of Directors or executives take a position in another company which is not a company in the Group and is in the same type of business, which might cause a conflict of interest.
- 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 the data transaction

Form. 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, and in 2021 there was no item which may be a conflict of interest.

- The Company has determined that any deal size greater than 15 percent of Net Tangible Assets of the Company or the Consolidated Company, it must be considered by the group Executive Committee (ExCom) to be appropriate and not be the cause of a conflict of interest.
- The Audit Committee has assigned the internal auditor to audit large transactions the Company has with suppliers, which are transactions connected with the Board of Directors, executives or Company employees which may be a conflict of interest.

(2) Using internal information for personal benefit

The Company has determined measures to prevent the use of internal information by directors and executives for personal benefit. Every individual has been informed that the Board of Directors has determined measures to oversee and monitor transactions which may be a conflict of interest and connected transactions, which are considered carefully as to their appropriateness in a free and open manner, within the framework of good corporate governance practice, consistently for the Company’s benefit, as if it was a transaction with an external party. A summary report is prepared quarterly and disseminated at the end of the year in the annual report and the annual data transaction report on a consistent basis. Furthermore, the Company has stipulated 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.

There are 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 30 days 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.

Furthermore, every year the Board of Directors prepares a form assessing the adequacy and suitability of the Company's internal control systems under the following main headings.

- 1. Control Environment
- 2. Risk assessment
- 3. Control of operations
- 4. IT systems and communicating data
- 5. Monitoring systems

**Details according to appended document 5 - Control Environment**

As well as this assessment, the Audit Committee is also the body providing adequate and appropriate oversight to the Company's internal control systems. It also monitors the operations of the Company and its subsidiaries to look after and protect the Group's assets. The Audit Committee is free and its operations and therefore, the audit unit makes an audit of different departments in the Company and its subsidiaries over the year to compile and present to the Executive Committee and the Board of Directors for review. The Audit Committee also makes visits to meet with the Company's management personnel in \*\* domestic companies and \*\* subsidiary companies abroad.

**(3) Anti-corruption**

The Company has an official Anti-Corruption Policy which has been reviewed and approved by the Board of Directors. The Company has announced its intention to oppose corruption which has been certified by a Collective Action Coalition Certificate of the Private Sector Collective Action Coalition Against Corruption no. 4/2560, to be a member of the coalition on February 12, 2018. Over the last year, the Company considered extending its membership and received a certificate on December 22, 2021.



In 2021, the Company promoted its executives and employees to join international Anti-Corruption Day to show their commitment in the matter of corruption by participating in an online activity organized by the Anti-corruption Organization of Thailand, the Thai government, and the Office of the National Anti-corruption Commission (NACC) on December 9, 2021. The Company announced its No Gift Policy during the New Year holiday to create a good standard of practice for its personnel with the intention that staff at every level should comply to the best of their abilities without any other benefit or inducement, which reiterates compliance with good governance.

The Anti-Corruption Policy has the following details: The Company will not allow corruption in any form, covering the business and all transactions in every country and every business unit. The Company has organized principles and determined procedure of anti-corruption practice which has strict details to prevent and or deal with corruption in all forms to be compliant with this policy. In this, the Company has reviewed its practices and procedure consistently, to be consistent with changes in the law, business and maintenance. The business is operated on the basis of correctness and fairness with directors, executives and employees compliant with the policy on a broad basis, and the policy is communicated to external stakeholders to prevent the risk of corruption, as well as giving training to employees. Further to this communication, employees may access the various associated policies through Ocean Connect Thai Union, an internal communications channel. External stakeholders such as suppliers can access the relevant policies through the Company's website.

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. There are also measures to protect in the same way throughout the Company to be fair to complainants or persons giving

cooperation by whistleblowing. Whistleblowing is a tool giving advance warning and is a channel to stamp out corruption, as it helps to address issues thoroughly before they escalate and cause a severe impact to the reputation and financial status of the Group. The Company also has regular training for employees to have knowledge about policy and principles of anti-corruption.

The Company has provided a Whistleblower Platform for Thai Union employees around the world. In this, the Company has a policy of confidentiality and protection to whistleblowers.

**Role and responsibilities**

- 1) The Board of Directors are responsible for making sure that the business conduct is transparent, accountable, and strictly in accordance with the Anti-Corruption Policy, respective codes of conduct 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, corrupt practices as mentioned in section 1 also include:
  - 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
  - Sponsorship

For a personal or other undue advantage.

(4) Whistleblowing and Complaints

The Company provided a channel for whistleblowing or complaint-making that stakeholders are or may be affected by the damage caused by the Company's operation, or the employees are involved in unlawful, dishonest acts or corruption by directly submitting the case or via post to:

Chairman of the Audit Committee,  
or Deputy General Manager, Internal Audit  
Thai Union Group Public Company Limited  
23<sup>rd</sup> floor, S.M.Tower, Phyathai, Phayathai,  
Bangkok 10400  
Telephone 02 298-0024 ext. 4340  
Facsimile 02 298-0024 ext. 4369  
Email: [complaint@thaiunion.com](mailto:complaint@thaiunion.com)

Or on the Company's website at  
[http://investor-th.thaiunion.com/complaints\\_handling.html](http://investor-th.thaiunion.com/complaints_handling.html)

There are also many other internal channels for employees' complaints to suit each person's convenience. Details of these channels can be seen under the heading, "Employee Complaint Channels" in Part 2. The whistleblowers or filers of complaints that are employees, customers, individuals hired for work by the Company or other groups of stakeholders who are whistleblowers, will have their rights protected and defended according to the law or the guidelines set by the Company.

(5) Contacting the Board

The stakeholders may express their opinions, recommendations, complaints, or whistleblowing on discoveries which may damage the Company, the Company's unlawful actions or unethical actions, in writing and send them to the Audit Committee or the Board of Directors:

- 1) By mail to the address below:  
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 10400
- 2) By email:  
The Board of directors through the Company Secretary at  
[CompanySecretary.TU@thaiunion.com](mailto:CompanySecretary.TU@thaiunion.com)
- 3) through the company's website at  
<https://www.thaiunion.com/en/contact>  
and choose the department you wish to contact as the Company Secretary

Report on performance of the Audit Committee in 2021

Report of the Audit Committee

Dear shareholders,

The Audit Committee of Thai Union Group Public Company Limited (the Committee) comprises three independent directors who are experts in finance, accounting, organization management, law, information technology, internal control and risk management. Each member of the Committee meets the criteria as stipulated by the Stock Exchange Commission and the Stock Exchange of Thailand. None of them holds any managerial positions, nor are they employed by, or do they perform, consulting roles for the Company.

For the year 2021, the Audit Committee held five meetings, all with a quorum present to review the Company's consolidated financial statements that had been certified by the external auditor and the Group's internal audit results and corrective actions. The attendance at the meetings by each committee member was as follows:

List of members of the Audit Committee and the number of meetings attended in 2021

Name and surname	Position	Status	Meeting attendance	
1. Sakdi Kiewkarnkha (resigned 10 May 2021)	Chairman of Audit Committee	Independent director	2/2	(100%)
2. Nart Liuchareo* (appointed 10 May 2021	Chairman of Audit Committee	Independent director	5/5	(100%)
3. Thamnoon Ananthothai	Member of Audit Committee	Independent director	5/5	(100%)
4. Parnsiree Amatayakul (appointed 10 May 2021)	Member of Audit Committee	Independent director	3/3	(100%)

Remark: on May 10, 2021, Nart Liuchareon was appointed Chairman of the Audit Committee replacing Sakdi Kiewkarnkha

The Committee, appointed by the Company Board of Directors, independently performed its duties in accordance and compliance with the Audit Committee Charter, which has been reviewed in conformance with the current business situation and approved by the Board of Directors on an annual basis. The Committee hereby summarizes the tasks performed in 2021 as follows:



## 1. FINANCIAL STATEMENTS REVIEW

The Committee has reviewed the quarterly and the annual financial statements of Thai Union Group Public Company Limited, including the notes and the consolidated financial statements of Thai Union Group Public Company Limited and its subsidiaries. The statements have been prepared according to the Thai Financial Reporting Standards (TFRS) which is in conformance with the International Financial Reporting Standards (IFRS). The Committee scrutinized the reports on important and special issues, and where queries were made, explanations were promptly answered by the external auditor, management and manager - Audit Unit and IT Audit Manager, to the satisfaction of the Committee. The Committee concluded that the disclosure of the financial statements is in full compliance with the law and financial reporting standards and that the statements have been reviewed and audited by the external auditor with unqualified opinion. The Committee met exclusively with the external auditor team on one occasion without the presence of company Company management to freely discuss the acquisition and review of material information involved in the preparation of the financial statements, the disclosure of information in accordance with relevant financial reporting standards for the benefits of the user of the financial statements, and Key Audit Matters, as well as to consult them about audit plans, freedom of execution. They provided assured assurance that they retained their independence to work without being impeded, and received full support from the company Company management and personnel.

## 2. REVIEW OF CONNECTED TRANSACTIONS: ACQUISITION AND DISPOSITION TRANSACTIONS AND TRANSACTIONS WHICH MIGHT RESULT IN CONFLICT OF INTERESTS

The Audit Committee had reviewed and provided opinions on the connected transactions and transactions which might result in a conflict of interest in accordance with the regulators prior to presenting them to the Board of Directors and / or the shareholders according to the transaction scale, to ensure that the transactions were transparent and reasonable and also disclosed to the Stock Exchange of Thailand in a timely manner.

## 3. REVIEW OF CORPORATE GOVERNANCE

The Committee has reviewed the efficiency and effectiveness of corporate governance and found that the Company has strictly complied with the policy, with the Board of Directors and management serving as role models. The Anti-Corruption Policy continued to be actively implemented. In addition to its second recertification by the Private Sector Collective Action Against Corruption (CAC) on March 31, 2021, the Company has also demonstrated corporate governance with care for society and the environment. In addition, the Committee has reviewed the Company's compliance with laws and regulations on securities and exchanges and applicable business legislations, especially on related party transactions and potential conflict-of-interest transactions. In summary, the Committee reviewed their own performance through self-assessments; preparedness of the directors; financial reports; external audit minutes; related party transactions review; information disclosures; risk management; internal control; complaint-handling and whistleblowing process; IT management; minutes of Board meetings; internal audit performance and Audit Committee secretary review. The Committee agreed that the corporate governance is satisfactory.

## 4. REVIEW OF RISK MANAGEMENT ASSESSMENT

The Company has Group Operations Assurance and Risk Management to be the coordinator and responsible for the corporate risk management duties. The Company has in place a risk management sub-committee with an independent director as its chairman. The sub-committee was responsible for reviewing the structure, policy, framework and plans for risk management. The sub-committee was also accountable for revising the risks and risk monitoring on a quarterly basis, taking into consideration internal and external risk factors that could impact the Company and managing them to an acceptable level. Also, the alert mechanism has been reviewed according to the standard set.

## 5. REVIEW OF INTERNAL CONTROL

The Committee has examined the internal control system evaluation by regularly perusing the work plan and internal audit reports, both internal audit and IT audit, and as reported in the internal control adequacy assessment of the Securities and Exchange Commission (SEC). The Committee concluded that Thai Union's internal control was adequate and appropriate for its business operations. This corresponded with the external auditor's opinion that there was no material deficiency that might impact the Company's financial statements.

## 6. INTERNAL AUDIT AND IT AUDIT

The Committee has conducted an annual review of the Audit Committee Charter and the Internal Audit Charter to ensure their relevancy to current risks and the business environment. In 2021, the Internal Audit Unit reviewed and adjusted its audit strategies in accordance with the COVID-19 situation and risks in the 'new normal' era by utilizing data analytics in order to improve the efficiency of risk analysis. In addition, fieldwork was conducted as needed and also remote audited instead. The internal auditor asserted its precedence in developing personnel and auditing tools complying with internal auditing standards.

## 7. APPOINTMENT OF EXTERNAL AUDITOR FOR 2022

The Committee is satisfied with the external auditor performance in the past year. Furthermore, after the Committee already reviewed the qualifications and independence of the auditors, they found that the auditors have fully complied with regulations including the Securities and Exchange Commission (SEC) and The Stock Exchange of Thailand (SET) regulations. The Committee proposed to the Board of Directors for consideration and approval, and was approved at the Annual General Meeting, to appoint Mr. Pongthavee Ratanakoses, Certified Public Accountant Registration No. 7795, and / or Mr. Chanchai Chaiprasit, Certified Public Accountant Registration No. 3760, and / or Ms. Amornrat Pearmpoonvatanasuk, Certified Public

Accountant Registration No. 4599, from Pricewaterhouse Coopers ABAS Limited as the external auditor(s) of the Company and subsidiaries for 2022. In the absence of the above-named auditors, Pricewaterhouse Coopers ABAS Limited is authorized to identify one other Certified Public Accountant within Pricewaterhouse Coopers ABAS Limited to carry out the work.

In summary, the Audit Committee executed its charter duties and responsibilities with due competence, care, prudence, and freedom while providing comments and advice for the equitable benefit of all stakeholders. Its view is that the Company’s financial statements are accurate, credible, and align with Thai Financial Reporting Standards (TFRS). In addition, the Company practiced compliance with applicable laws and business obligations, adequate risk management and internal control, conformance to rules along with efficient and effective internal audit. Furthermore, the Audit Committee has further given its opinions that the business operations, with the full abilities of the top management and all employees of the Company under the principles of good corporate governance, would enable the Company to generate satisfactory and sustainable growth of the Company; as a result, all stakeholders of the Company would be able to receive sustainable returns.



**Nart Liuchareon**  
Chairman of Audit Committee

**Meeting between the Audit Committee and external auditor with no management in attendance**

The Audit Committee held a meeting with the external auditor with no management in attendance at the meeting, to be informed all the independence of the companies auditing and that of its subsidiaries, including the sufficiency of internal controls, risk management and cooperation with managers and operatives of every department audited. The external data confirmed its independence in auditing according to the scope and general accounting practice in every aspect. Executives and operatives in every department who are audited gave good cooperation, observations and suggestions, for cooperation in improvements of internal control systems and risk management systems to be at an adequate and appropriate level, for both internal and external auditing.

**Summary performance of other subcommittees**

**Executive committee**

Membership and meeting attendance 2021

Name and surname	Position	Status	Attendance	
1. Cheng Niruttinanon	Chairman of Executive Committee	Director	9/9	(100%)
2. Thiraphong Chansiri	Member of Executive Committee	Director	9/9	(100%)
3. Rittirong Boonmechote	Member of Executive Committee	Director	9/9	(100%)
4. Ludovic Garnier	Member of Executive Committee	Executive	9/9	(100%)

**Report of the Executive Committee**

Dear shareholders,

In 2019, the Board of Directors approved the setting up of the Executive Committee (“ExCom”) to act on behalf of the Board which comprises of three executive directors and one executive, totaling four person.

In 2021, the Executive Committee held a total of nine (9) meetings and performed its duties in accordance with the authorities and responsibilities in its Charter with the summary as follows;

1. Review and approve investments and M&A projects within the Executive Committee’s limit and in accordance with the Company’s direction and strategy.
2. Review and approve corporate financing support to subsidiaries, including capital injection, reduction, capital restructure or divesture as well as granting security or guarantee for subsidiaries and the borrowing from financial institution.
3. Review and approve other matters as assigned by the Board of Directors.



**Cheng Niruttinanon**  
Chairman of Executive Committee

Nomination and Remuneration Committee

List of members of the Nomination and Remuneration Committee and the number of meetings attended in 2021

Name and surname	Position	Status	Meeting attendance	
1. Thamnoon Ananthothai	Chairman of the Nomination and Remuneration Committee	Independent director	4/4	(100%)
2. Sakdi Kiewkarnkha (resigned May 10, 2021)	Member of the Nomination and Remuneration Committee	Independent director	3/3	(100%)
3. Nart Liuchareon (appointed May 10, 2021)	Member of the Nomination and Remuneration Committee	Independent director	1/1	(100%)

Report of the Nomination and Remuneration Committee

Dear Shareholders,

Thai Union Group Public Company Limited has appointed the Nomination and Remuneration Committee, which comprises two independent directors as follows:

- 1. Thamnoon Ananthothai  
Chairman of the Nomination and Remuneration Committee
- 2. Nart Liuchareon  
Member of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee has performed its duties as assigned by the Board of Directors and as defined in the charter of the Nomination and Remuneration Committee. The Committee has compiled details relating to the composition, duties and responsibilities required to discharge its duties as assigned by the Board of Directors in the recruitment, selection and presentation of individual directors to the Board, qualified by knowledge, ability, experience,

expertise, vision, ethics and time commitment to benefit the company’s operations, as well as to offer a compensation plan for the Board and Committees. In 2021, Mr Sakdi Kiewkarnkha resigned from his position on the Board of Directors and his membership of the Remuneration and Nomination Committee owing to ill-health making him unable to fulfill his duties, with the resignation effective on May 10, 2021. The Remuneration and Nomination Committee convened four times, and each time a quorum was met with the following resolutions:

- 1. Following good corporate governance, the Company granted the rights to allow a shareholders’ proposal of decent persons they think fit to become director candidates, as an agenda item for the 2021 Annual General Meeting of Shareholders. Following the Company’s announcement of such grant of rights through The Stock Exchange of Thailand and on the corporate website between October 1, 2020 and February 5, 2021, there were no candidates proposed as a shareholder meeting agenda item through the entire 121-day entry period.

- 2. Reviewed the qualifications of those who will be members on the Board of Directors as the term of the existing four ended, using criteria and methods of recruitment as considered above. The four Directors were proposed to rejoin the membership of the Board of Directors. The reappointment decision was proposed to the Board of Directors to receive approval at the shareholders’ meeting.
- 3. Considered a proposal to appoint Ms Parnsiree Amatayakul to the position of independent director, member of the Audit Committee and member of the Risk Management Committee in the place of Mr Sakdi Kiewkarnkha, who had resigned effective May 10, 2021.
- 4. Considered a proposal to appoint Mr Nart Liuchareon, previously an independent director and member of the Audit Committee to take the position of the chairman of the Audit Committee and the Nomination and Remuneration Committee in the place of Mr Sakdi Kiewkarnkha, who had resigned effective May 10, 2021.
- 5. Considered a proposal to appoint Ms Pakapun Leevutinun to the position of independent director, and member of the Risk Management Committee to replace Mr Ravinder Singh Grewal Shabajit S, who had resigned from his position as a director effective August 9, 2021.
- 6. Proposed the compensation for the Company’s directors and committees based on their responsibilities and the Committee compensation reference conducted by the Thai Institute of Directors (IOD). The Committee also revealed the compensation of the directors, committees and executives in the annual report following good corporate governance principles.
- 7. Reviewed the Corporate Governance Code for listed companies (CG Code) and to provide feedback on the Company’s guidelines and practices of the directors as well as corporate governance criteria.
- 8. Evaluated and reviewed the performance of the Board of Directors, subcommittees and the chief executive officer over the year, following the Company’s good corporate governance policy.

The Nomination and Remuneration committee has fully executed its duties as assigned by the Board of Directors with due diligence and transparency for the highest benefit of the company and every shareholder.

Thamnoon Ananthothai  
Chairman of the Nomination and Remuneration Committee



Risk Management Committee

List of members of the Risk Management Committee and the number of meetings attended in 2021

Name and surname	Position	Status	Attendance	
1. Kirati Assakul	Chairman of Risk Management Committee	Independent director	4/4	(100%)
2. Sakdi Kiewkarnkha*	Member of Risk Management Committee	Independent director	0/2	(0%)
3. Thamnoon Ananthothai	Member of Risk Management Committee	Independent director	4/4	(100%)
4. Parnsiree Amatayakul**	Member of Risk Management Committee	Independent director	2/2	(100%)
5. Pakapun Leevutinun**	Member of Risk Management Committee	Independent director	1/1	(100%)
6. Thiraphong Chansiri	Member of Risk Management Committee	Director	4/4	(100%)
7. Chan Shue Chung	Member of Risk Management Committee	Director	4/4	(100%)
8. Ludovic Regis Henry Garnier**	Member of Risk Management Committee	Executive	3/3	(100%)
9. Darian McBain*	Member of Risk Management Committee	Executive	3/3	(100%)
10. Patrick Bertalanffy*	Member of Risk Management Committee	Executive	3/3	(100%)

\* Members resigning during the year were Sakdi Kiewkarnkha (May), Darian McBain (July) and Patrick Bertalanffy (August)  
\*\* Members appointed during the year were Ludovic Garnier (February), Parnsiree Amatayakul (May) and Pakapun Leevutinun (August)

Report of the Risk Management Committee

Dear Board of Directors and Shareholders,

The Risk Management Committee (The Committee) was appointed by the Board of Directors to oversee the effectiveness and efficiency of the Company’s Group-wide risk management, as well as investment risk management process with the objective to increase positive outcomes and opportunities, reduce performance variabilities and risks, enhance enterprise resilience as well as improve resource deployment.

In 2021, the Committee performed duties in compliance with the Risk Management Committee Charter and align with good corporate governance principles. The Committee has overseen risk management implementation, Group-wide and investment risks, and ensured and provided suggestions on the adequacy and appropriateness of risk response.

The Committee concluded that the Company’s risk management framework and processes were adequate and effective, with full support from management personnel. The processes were able to identify significant risks with appropriate responses to facilitate the achievement of the Company’s corporate goal of “Healthy Living, Healthy Oceans”.

The Committee held four meetings and keys tasks performed are highlighted below:

REVIEWED RISK PROFILE AND MITIGATION

Thai Union Group, as a global company with operations and facilities in various countries, has continuously managed risks toward strategy and performance especially direct and indirect risks including the impact from the COVID-19 pandemic.

On the COVID pandemic, the Committee has taken significant consideration of the risks, the response, and provided recommendations to executives to ensure the implementation of comprehensive safety measures which comply with all measures required by authorities for the health and safety of employees, suppliers, customers and communities. The recommendations were also designed to support business continuity and the responses to the indirect impact from the pandemic including rising freight costs, container shortages, inflation from packaging and edible oils.

In addition, the Committee also considered other corporate risks below to ensure the effectiveness of Group-wide risk management in diverse aspects. Risks that were considered included:

- 1. Reviewed corporate risks profile and mitigation strategies in response to the dynamically changing external and internal environments, including:
  - 1.1 Strategic risk – trade barriers, fish and seafood competitive landscape, sustainability-related risks,post-merger integration, innovation investment, and climate change;
  - 1.2 Operational risk - raw material prices and supply availability, inventory management, food quality, conversion cost, major damage at production plant and cybersecurity;

- 1.3 Legal & Compliance risk – regulatory compliance and litigation; and
- 1.4 Financial risk - exchange rates, interest rates, liquidity, Funding and Capital, Customer credit, International and local tax changes.
- 2. Reviewed strategic investment project risk profile and mitigation strategies. The investments included:
  - 2.1 Investment Project: New Culinary Project, automation and ready-to-eat production line in Thailand;
  - 2.2 Investment Project: New Protein Hhydrolysate and Collagen Peptide Plant in Thailand;
  - 2.3 The acquisition of shares in Clover Corporation Limited in Australia; and
  - 2.4 The acquisition of shares in R&B Food Supply Public Company Limited in Thailand.
- 3. Emerging risk assessment and mitigation plan looked at the following risks:
  - 3.1 On the global agenda, climate change was being widely understood that improvements and preparation need to be at the forefront, with both physical and transition risks being closely monitored in preparation for a long-term strategy; and
  - 3.2 Cybercrime became more sophisticated, with possible impacts to critical infrastructure, system disruptions or information leakage, or loss of money from fraud payments especially during the work-from-home period. The cybersecurity strategy was reviewed.

The Committee has communicated and provided recommendations on risk management to the AuditCommittee and the Board of Directors for consideration quarterly.

EMBEDDED RISK MANAGEMENT CULTURE

The Committee has promoted its risk management policy throughout the businesses and the management communicated this to employees for acknowledgement and compliance. The deployment of the risk management program covered all of Thai Union Group’s key subsidiaries. The Committee promoted a risk management culture in various activities in 2021 as outlined below.

- 1. Promoted risk awareness and provided suggestions in quarterly Risk Management Committee meetings and the Risk Management Office to keep pace with assessing Group-wide, emerging risks as well as investment projects;
- 2. Oversaw Group-wide and entity-level risk management processes, regular training programs for management and the results of Thai Union Group PCL. and subsidiaries, including Thai Union Manufacturing Co., Ltd, i-Tail Corporation PCL., Thai Union Feedmill PCL., Thai Union Seafood Co., Ltd., Pakfood PCL., Thai Union EU Seafood 1 S.A., Tri-Union Seafoods, LLC., Tri-Union Frozen Products, Inc., Asia-Pacific Can Co., Ltd., Thai Union China Co., Ltd., and Yueh Chyang Canned Food Co., Ltd.; and
- 3. Suggested management evaluate the risk management effectiveness by reviewing risks, opportunities, uncertainties and performances for continuous enhancement in Group-wide risk management.

FORWARD LOOKING

Key additional areas the Company will move forward to enhance risk management by:

- 1. Enhancing risk management to support corporate goals in Healthy Living, Healthy Oceans by considering implications from the chosen strategies, the possibilities of strategies not being aligned and any risks impacting strategies and performance;
- 2. Reviewing the acceptable risk level in various perspectives; and
- 3. Encouraging management to further analyse and assess additional emerging risks in 2022:
  - 3.1 Ocean plastic; and
  - 3.2 Global shifts in aquaculture market and technology.

The Committee reviewed the risks and encouraged management to further analyse and assess these emerging risks in 2022.



Kirati Assakul  
Chairman of the Risk Management Committee

Sustainable Development Committee

List of members of the Sustainable Development Committee and the number of meetings attended in 2021

Name and surname	Position	Status	Attendance	
1. Thiraphong Chansiri	Chairman of Sustainable Development Committee	Director	1/2	(50%)
2. Adam Brennan*	Co- Chairman of Sustainable Development Committee	Executive	1/1	(100%)
3. Shue Chung Chan	Member of Sustainable Development Committee	Director	2/2	(100%)
4. Tin Shu Chan	Member of Sustainable Development Committee	Executive	2/2	(100%)
5. Kulshaan Singh	Member of Sustainable Development Committee	Executive	2/2	(100%)
6. Ludovic Garnier	Member of Sustainable Development Committee	Executive	1/2	(50%)

\* Adam Brennan was appointed in October 2021

Report of Sustainable Development Committee

Dear Shareholders,

The Sustainable Development (SD) Committee is a high-level decision-making mechanism for advancing and monitoring Thai Union’s sustainability strategy, in support of our corporate goal “Healthy Living, Healthy Oceans”. Co-chaired by the CEO and the Group Director of Sustainability, the SD Committee brings together key senior executives and meets several times throughout the year to review the progress towards our sustainability commitments, discuss emerging issues and new policy proposals, and make strategic decisions to drive Thai Union’s sustainability programs. The decisions of the SD Committee are communicated to relevant business units and functions for implementation in collaboration with our global Sustainable Development team.

The mandates of the SD Committee are as follows:

- 1. Provide strategic guidance and direction on the overall sustainable development strategies, policies and programs, in support of Thai Union’s corporate goal ‘Healthy Living, Healthy Oceans’ and sustainability strategy, SeaChange®.
- 2. Determine key changes of sustainability policies and practices that will help Thai Union deliver against global sustainability goals and standards, and maintain our industry leadership position in sustainability.
- 3. Review the progress of implementation of critical sustainability-related commitments, including but not limited to: the Tuna Commitment, Packaging Commitment, Climate Change Commitment, and Human Rights-related Policies.
- 4. Establish sub-committees, as appropriate, to drive the implementation of key sustainability commitments across the organisation.

In 2021, the SD Committee convened twice, and each time a quorum was met with the following agenda and outcomes:

1. Overall sustainability strategy

Provide strategic direction and ensure close monitoring on the overall development and implementation of Thai Union’s key sustainability commitments

2. Climate change commitment

Keep informed of climate-related global developments, such as the UN Climate Change Conference (COP26), monitor Thai Union’s progress in reducing greenhouse gas emissions, and provide direction on the level of ambition for the setting of Thai Union’s climate Science-Based Targets (SBTs), which are expected to be finalized and announced in 2022.

3. Ethical migrant recruitment policy and commitment to employer pays principle

Recommend that Thai Union implement the Employer Pays Principle for recruitment of migrant workers, as part of an extension to our existing Ethical Migrant Recruitment Policy. This means that, starting from January 1, 2022, Thai Union bears all recruitment-related fees and costs for all migrant workers recruited to work in our Thailand-based operations.

4. Packaging commitment

Provide guidance and monitor progress on Thai Union’s actions to measures its packaging footprint and drive innovations to develop sustainable packaging for our branded products, in order to meet Thai Union’s packaging commitment. Our commitment is that 100 percent of Thai Union’s own branded packaging will be reusable, recyclable, or compostable by 2025. In addition, we will achieve an average of 30 percent recycled content in Thai Union’s own branded packaging by 2025.

5. Sustainability reporting and assessments

Oversee the analysis of Thai Union’s scores and rankings achieved in key sustainability reporting and assessments, such as the S&P Global Dow Jones Sustainability Indices (DJSI) and the World Benchmarking Alliance’s Seafood Stewardship Index (SSI). Ensure that appropriate actions are taken in response to the existing gaps and emerging issues identified in these sustainability assessments, with a view to maintaining Thai Union’s position as a sustainability leader in the seafood industry.

Thai Union’s global Sustainable Development team provides technical and secretariat support to the SD Committee. The global Sustainable Development team also engages and works with other team members across functions and locations throughout the world to drive the implementation of Thai Union’s sustainability policies and programs under our SeaChange® strategy. In addition, the Group Director of Sustainability sits on the Global Leadership Team and the Risk Management Committee to ensure a direct link between sustainability and the Board of Directors.



Thiraphong Chansiri  
Chairman of the Sustainable  
Development Committee

Statement of the Board of Director’s Responsibilities for the Financial Statements

The Board of Directors hereby expresses its responsibility for ensuring that Thai Union Group Public Company Limited’s financial statements and Thai Union Group Public Company Limited and its subsidiaries’ consolidated financial statements that are contained herein genuinely reflect their actual financial status and operating results. These are based on accounting principles which require accurate, complete, and adequate recording of accounting items in every aspect. The aforementioned financial statements are prepared in accordance with generally accepted accounting standards, using careful judgement and the best estimation. The adequate disclosure of all important information in notes to the financial statements is in accordance with the updated accounting standards for the Company’s shareholders and investors. Independent auditors have unqualifiedly expressed their opinions on our financial statements in the independent auditor’s report.

The Board of Directors has appointed the Audit Committee which comprises independent directors who are responsible for reviewing the accounting policy, financial reports, internal controls and internal audit, risk management system and disclosure of related party transactions, compliance with the regulations of the Securities and Exchange Commission (SEC) and The Stock Exchange of Thailand (SET). All of the Audit Committee’s opinions on these issues have been presented in the Report of Audit Committee included in this Annual Report.

The financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries have been examined by an independent auditor, Mr. Pongthavee Ratanakoses CPA # 7795 from PwC (PricewaterhouseCoopers ABAS Ltd). He has provided assurance that he retained an independence to work without being impeded, and received full support from Company management and personnel to conduct the audits and express an opinion in accordance with generally accepted auditing standards. The independent auditor’s opinion is presented in the independent auditor’s report included in this Annual Report.

The Board of Directors believes that the Company’s overall internal control system has functioned at a satisfactory level and has ensured the credibility and reliability of the financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries for the year ending December 31, 2021. The financial statements present the Company’s financial position, operating results, changes in shareholders’ equity and cash flows fairly, in all material respects and in a reliable manner so that such statements are in compliance with the generally accepted accounting principles and all governing laws and regulations.



Kraisorn Chansiri  
Chairman



Thiraphong Chansiri  
President & CEO



9. Internal control and connected transactions

Internal control

Summary opinion of the Board of Directors concerning the Company’s internal control systems

At the meeting of the Board of Directors number 1/2564 on February 22, 2021, with three members of the Audit Committee and one independent director attending the meeting, the Board evaluated internal control systems from an assessment report of the Audit Committee. After asking questions of management, it was concluded that the assessment of the Company’s internal control systems had five components: controlling inside the organization, risk management, control of operations, IT systems and monitoring systems. The Board of Directors had the opinion that the Company’s internal control systems were adequate and that the Company had allocated adequate personnel for the operation efficiently. This included systems of internal control in the matter of monitoring and controlling the operations of subsidiary companies, in which they could protect the property of the Company and its subsidiaries from directors or executives, or unauthorized persons taking property unlawfully, as well as transactions with individuals who may have a conflict and associated parties. However the Company had a method to improve to make the internal control tighter and more complete. Also, the Company’s auditor, PriceWaterhouse ABAS Co., Ltd, who was auditing quarterly budgets in 2021, gave the opinion in the auditor’s report that Company budget had been allocated correctly as appropriate and substantially according to financial reporting standards.

Opinion of the Audit Committee (in the case that opinions differed from the opinions of the Board of Directors)

The Audit Committee considered the evaluation of adequacy of internal control systems with the Board

of Directors and did not have an opinion that was different from the opinion of the Board of Directors in any way.

Opinion of the Audit Committee concerning persons responsible for Audit Unit

At a meeting of the Audit Committee no 12/2558 on July 20, 2015, Mr Pongpol Pliput was appointed to the position of the head of Audit Unit and secretary to the Audit Committee of Thai Union Group PCL, effective July 23, 2015, as he had education and experience of working in auditing both internal and external. At present he had a total of 21 years’ experience in auditing (internal auditing 15 years, and external auditing 6 years). It was a good basis to work with the Company, with an ability to audit to internal standards. He could audit the work of every department in the Company and its subsidiaries, both in the country and overseas, in terms of accounting, internal control, risk management and legal compliance efficiently and effectively. He could make observations and suggestions which were beneficial and accepted by the party being audited, he had the capability of consulting in various aspects which was of benefit to executives and operatives of the Company and its subsidiaries, both in Thailand and overseas, being independent and professional, and he was prepared to express beneficial opinions while having understanding about the Company’s operations, so it was seen as appropriate to adequately carry out this work.

Thus the Audit Committee considered an improved the appointment, dismissal or moving, also considering assessment of the work and annual reputation of the person at the head of the Audit Unit.

Connected Transactions

The Company has connected items with individuals who may have a conflict, when considering shareholding structure, size or significance of the connected transaction. Such transactions do not cause conflicts of interest which may affect small shareholders. Regarding this, the Company will assess these transactions by managing the data and performing analysis that the transactions are reasonable and for the benefit of the Company. In the case that the size of the transaction is significant according to the announcement of The Stock Exchange of Thailand, the Company has prepared operations according to the regulations, such as passing the consideration of the Audit Committee, approval by the Board of Directors, disclosure of information to the stock market, giving information to shareholders, taking out advertisements in newspapers, and holding shareholders meetings to approve the transactions. Also, the Company has amended its articles of association and those of its subsidiaries, and added text referring to good practice with connected transactions, or transactions of acquisition or disposition of Company assets, to be according to announcements of The Stock Exchange of Thailand, reporting transactions with individuals which may have a vested interest, which may cause a conflict of interest for connected businesses. Details of these transactions during the year are as follows:

Connected Transactions

Connected Company	First & Last Name	Position Held in TU	No. of Shares Owned in Connected Company	Policy of Price	Connected Transactions	Year 2020 (Million Baht)	Year 2021 (Million Baht)
1. Thai Union Feedmill PCL. (holding 66.90%)	Rittirong Boonmechote	Director	59,190,500	11.84%	<b>Commercial Transactions:</b> <ul style="list-style-type: none"><li>Purchase of raw materials (scrap) from TU</li><li>Purchase of raw materials (scrap) from PPC</li><li>Purchase of raw materials (scrap) from TUS</li><li>Purchase of nauplius from TUH</li></ul>	29.72	30.06
	Nittaya Boonmechote (Rittirong’s wife)	Relative of Director	4,500,000	0.90%		18.89	22.77
	Thanachot Boonmechote (Rittirong’s son)	Relative of Director	4,125,000	0.83%		7.77	10.02
	Boonpaween Boonmechote (Rittirong’s son)	Relative of Director	4,125,000	0.83%		0.65	0.52



Connected Company	First & Last Name	Position Held in TU	No. of Shares Owned in Connected Company		Policy of Price	Connected Transactions	Year 2020 (Million Baht)	Year 2021 (Million Baht)
1. Thai Union Feedmill PCL. (holding 66.90%) (Continued)						Short-term Rent of Immovable Property Transactions:		
						<ul style="list-style-type: none"><li>Payment for lease of land to TU for experimental farm. The rental agreement is effective for 3 years until June 2022. It was approved by the Board's resolution.</li><li>Payment for lease of Shrimp farm to TMK</li></ul>	0.50 1.50	0.49 1.50
2. Thai Union Seafood Co., Ltd. (holding 51.0%)	Rittirong Boonmechote	Director	6,774,850	22.6%	Market Price	Commercial Transactions:		
	Chinnachot Boonmechote (Rittirong's brother)	Relative of Director	900,000	3.0%		<ul style="list-style-type: none"><li>Purchase of raw materials and finished goods from TU</li></ul>	1.79	31.56
	Rungtiwa Boonmechote (Rittirong's sister)	Relative of Director	900,000	3.0%		<ul style="list-style-type: none"><li>Purchase of raw materials from PPC</li><li>Payment for printing to TUG</li><li>Sale of finished goods to COSF</li></ul>	0.52 28.45 1,030.05	0.42 20.35 1,355.98
	Thanachote Boonmechote (Rittirong's son)	Relative of Director	1,800,000	6.0%		<ul style="list-style-type: none"><li>Sale of finished goods to TUC</li><li>Sale of finished goods to PPC</li><li>Sale of finished goods to TU</li></ul>	111.26 74.54 41.81	- 413.68 40.35
	Boonpaween Boonmechote (Rittirong's son)	Relative of Director	1,800,000	6.0%		<ul style="list-style-type: none"><li>Sale of raw materials (ITCrap) to TFM</li><li>Sale of finished goods to TSR</li><li>Sale of finished goods to TUO</li><li>Sale of finished goods to ITC</li></ul>	7.77 3.10 0.52 -	10.02 1.96 0.48 0.02

Connected Company	First & Last Name	Position Held in TU	No. of Shares Owned in Connected Company		Policy of Price	Connected Transactions	Year 2020 (Million Baht)	Year 2021 (Million Baht)
2. Thai Union Seafood Co., Ltd. (holding 51.0%) (Continued)						Supporting Commercial Transactions:		
						<ul style="list-style-type: none"><li>Payment for headquarter services to TU</li><li>Payment for export management service charge to TUM</li><li>Payment for warehousing and transportation charge to COSF</li><li>Payment for commission and other service change to TU</li><li>Payment for packaging to OKF</li><li>Payment for Development and research (Shrimp) to TUH</li><li>Received warehousing and transportation from TU</li><li>Received packaging from TUC</li></ul>	22.09 9.19 0.78 0.37 0.20 5.25 0.65 -	22.99 1.13 2.43 - 9.99 5.25 - 1.49



Connected Company	First & Last Name	Position Held in TU	No. of Shares Owned in Connected Company	Policy of Price	Connected Transactions	Year 2020 (Million Baht)	Year 2021 (Million Baht)
2. Thai Union Seafood Co., Ltd. (holding 51.0%) (Continued)					<b>Asset or Service Transactions:</b> <ul style="list-style-type: none"><li>Payment for wan optimization program, Computer rental, and Microsoft office365 to TU</li><li>Payment for other service fee to TU</li><li>Payment for Audit farm to TU</li><li>Payment for HR Service to TFM</li></ul> <b>Finance Support transactions:</b> <ul style="list-style-type: none"><li>Payment for interest of Short-term loans from TU and there are no outstanding loan amount.</li></ul>	0.66 0.08 - -	0.52 0.17 1.07 0.15  0.75

Connected Company	First & Last Name	Position Held in TU	No. of Shares Owned in Connected Company	Policy of Price	Connected Transactions	Year 2020 (Million Baht)	Year 2021 (Million Baht)
3. Lucky Union Foods Co., Ltd. (holding 25.0%)	Cheng Niruttinanon	Director	177,666 11.8%	Market Price	<b>Commercial Transactions:</b> <ul style="list-style-type: none"><li>Purchase of raw materials (fish head) from TU</li><li>Purchase of finished goods from PPC</li><li>Payment for printing to TUG</li><li>Payment for training charge to EHS</li><li>Sale of raw materials (petfood topping) to TUM</li><li>Sale of raw materials (imported Surimi) to TU</li><li>Sale of finished goods to PPC</li><li>Sale of finished goods (raw material for petfood) to ITC</li><li>Sale of finished goods to TSR</li></ul> <b>Supporting Commercial Transactions:</b> <ul style="list-style-type: none"><li>Payment for warehousing charge to TU</li><li>Received for transportation charge from TU</li><li>Received for vitamin premix from TU</li></ul> <b>Asset or Service Transactions:</b> <ul style="list-style-type: none"><li>Payment for spread tuna (second hand) to TU</li></ul>	0.77 2.33 1.89 0.05 23.82 1.72 0.75 0.72 7.49	1.06 2.50 4.97 0.05 18.07 1.41 1.00 0.27 6.55  0.04 0.02 -  -

Connected Company	First & Last Name	Position Held in TU	No. of Shares Owned in Connected Company		Policy of Price	Connected Transactions	Year 2020 (Million Baht)	Year 2021 (Million Baht)
4. Chansiri Real Estate Co., Ltd.	Thiraphong Chansiri	Director	19,680,000	32.8%	Compared to neighboring areas	<b>Short-term Rent of Immovable Property Transactions:</b> TU, TUM, ITC and TUO paid the rent and service charge for its Bangkok office. With their needs to run Bangkok office to facilitate business transactions, the three companies entered into rental 11,737.81 square meter contract with the Chansiri Real Estate Co., Ltd., a real estate developer. (Q3/2021 increase rental space for new company) The contracted rental charge and the service charge is Bt550/square meter/month. The rental and service charge is consistent with general Junket price in the industry and apply only for rented area, excluding other utility charge. The rental agreement is effective for 3 years until December 2022. It was approved by the Board's resolution.  <b>Commercial Transactions:</b> <ul style="list-style-type: none"><li>Purchase of finished goods from TU</li></ul>	82.73	93.73
	Dejphon Chansiri (Kraisorn's son)	Relative of Director	15,260,000	25.4%				
	Disaphol Chansiri (Kraisorn's son)	Relative of Director	15,260,000	25.4%				
	Kraisorn Chansiri	Director	7,800,000	13.0%				
	Bussakorn Chansiri (Kraisorn's wife)	Relative of Director	2,000,000	3.4%				
	Chuan Tangchansiri	Director	-	-				

Connected Company	First & Last Name	Position Held in TU	No. of Shares Owned in Connected Company		Policy of Price	Connected Transactions	Year 2020 (Million Baht)	Year 2021 (Million Baht)
5. Jana Industry Co., Ltd.	Cheng Niruttinanon	Director	175,000	35.0%	Market Price	<b>Commercial Transactions:</b> <ul style="list-style-type: none"><li>Purchase of raw materials (ITCrap) from ITC</li></ul>	46.52	24.74
	Nakorn Niruttinanon (Cheng's son)	Relative of Director	25,000	5.0%		<ul style="list-style-type: none"><li>Sale of raw materials (ITCrap) to TFM</li><li>Sale of Ingredients for petfood to ITC</li></ul> <b>Supporting Commercial Transactions:</b> <ul style="list-style-type: none"><li>Received for LAB service from ITC</li></ul>	61.27	47.60
6. Toon Thanasiri Co., Ltd.	Thiraphong Chansiri	Director	1	0.0%	Market Price	<b>Commercial Transactions:</b> <ul style="list-style-type: none"><li>Purchase of finished goods from TU</li></ul>	0.10	-
	Shue Chung Chan	Director	1	0.0%				

Connected Company	First & Last Name	Position Held in TU	No. of Shares Owned in Connected Company		Policy of Price	Connected Transactions	Year 2020 (Million Baht)	Year 2021 (Million Baht)
7. TC Union Agrotech Co., Ltd.	Cheng Niruttinanon	Director	845,895	34.8%	Market Price	<b>Commercial Transactions:</b>		
						• Purchase of raw materials (ITCrap) from TU	263.89	277.05
						• Purchase of raw materials (ITCrap) from TUM	288.41	247.22
						• Purchase of raw materials (ITCrap) from TUI	33.16	30.36
						• Purchase of raw materials (ITCrap) from TUE Group	-	7.72
						• Payment of training fee to EHS	0.02	0.01
						• Sale of raw materials (ITCrap) to TFM	138.50	167.76
						<b>Asset or Service Transactions:</b>		
						• Payment for moving fish tank to TU	0.39	0.29
						• Payment for fish tank to TUM	0.25	-
						<b>Supporting Commercial Transactions:</b>		
						• Payment for Wood Pallets to TUM	0.08	-
						• Payment for ATK to TUM	-	0.12

Connected Company	First & Last Name	Position Held in TU	No. of Shares Owned in Connected Company		Policy of Price	Connected Transactions	Year 2020 (Million Baht)	Year 2021 (Million Baht)
7. TC Union Agrotech Co., Ltd. (Continued)						<b>Short-term of Immovable Property Transaction:</b>		
						TU paid the rent, service charge, utility charge and expenses on utilities for office and plant area including machinery, equipment and contracted service of TC Union Agrotech Co., Ltd., as a solution for the Company's inadequate processing area for extension of its value added production line. The contracted rental charge and Cold system Multi stage is Bt545,806 per month (excluding expenses on utilities). The rental agreement is effective for 2 years until December 2021. It was approved by the Board's resolution.	15.06	15.36



Connected Company	First & Last Name	Position Held in TU	No. of Shares Owned in Connected Company		Policy of Price	Connected Transactions	Year 2020 (Million Baht)	Year 2021 (Million Baht)
8. Wai Thai Co., Ltd.	Cheng Niruttinanon	Director	145,000	36.3%	Market Price	<b>Supporting Commercial Transactions:</b>		
	Kraisorn Chansiri	Director	74,000	18.5%		• Received for haulage charge from TUM	65.77	60.52
	Jintana Niruttinanon (Cheng's wife)	Relative of Director	46,000	11.5%		• Received for haulage charge from TU	9.79	9.35
	Chuan Tangchansiri	Director	25,000	6.3%		• Received for haulage charge from APC	2.30	1.17
	Thiraphong Chansiri	Director	25,000	6.3%		• Received for haulage charge from ITC	0.39	1.77
	Nakorn Niruttinanon (Cheng's son)	Relative of Director	25,000	6.3%		• Received for haulage charge from TUI	0.21	0.10
						<b>Grand Total</b>	<b>78.46</b>	<b>72.91</b>
						Under the 2011 AGM resolution passed on April 25, 2011 of the expenses for transaction per year not exceeding Bt100 million.		

Connected Company	First & Last Name	Position Held in TU	No. of Shares Owned in Connected Company		Policy of Price	Connected Transactions	Year 2020 (Million Baht)	Year 2021 (Million Baht)
9. Thaipatana Stainless Steel Co., Ltd.	Cheng Niruttinanon	Director	17,500	35.0%	Market Price	<b>Asset or Service Transactions:</b>		
	Chuan Tangchansiri	Director	5,000	10.0%		• Received for stream retort pouch, conveyor belts and production tools from TUM	53.48	67.21
	Nakorn Niruttinanon (Cheng's son)	Relative of Director	5,000	10.0%		• <b>Received for construction advance from TUM</b>	<b>8.79</b>	<b>27.69</b>
						• Received for bag rolling belt from TU	6.83	0.34
						• Received for truck connector, fan system and fish tank from APC	0.53	1.54
						• Received for stainless tank from TUI	0.21	0.27
						• Received for repair equipment from TUM	14.93	11.29
						• Received for repair equipment from TUI	-	0.41
						• Received for repair equipment from ITC	0.01	-
						• Received for repair equipment from TU	0.82	-
						• Payment for claim damages to TU	-	0.06
						<b>Total except advance</b>	<b>76.81</b>	<b>81.12</b>
						Under the 2011 AGM resolution passed on April 25, 2011 of the expenses for transaction per year not exceeding Bt150 million.		

Connected Company	First & Last Name	Position Held in TU	No. of Shares Owned in Connected Company		Policy of Price	Connected Transactions	Year 2020 (Million Baht)	Year 2021 (Million Baht)
10. TN Fine Chemicals Co., Ltd. (holding 48.97%)	Thiraphong Chansiri	Director	1	0.0%	Market Price	<b>Commercial Transactions:</b>		
						• Purchase of raw materials (scrap) from TUM	-	5.95
						• Purchase of raw materials (scrap) from TUI	108.39	109.56
						<b>Supporting commercial transactions:</b>		
						• Payment for marketing service charge to TUM	2.04	2.52
						• Payment for production material to TUM	0.12	-
						<b>Asset or Service Transactions:</b>		
						• Payment for LAB service to TU	0.11	0.11
						• Received for transport cost from APC	0.03	0.05
						<b>Short-term of Immovable Property Transaction:</b>		
						• Payment for office rent and utilities service charge to TUM	2.40	1.07
						<b>Finance Support transactions:</b>		
						• Received for interest from TUM	0.41	0.28
						• Short-term loans to TUM as of December 31	45.10	91.05

Connected Company	First & Last Name	Position Held in TU	No. of Shares Owned in Connected Company		Policy of Price	Connected Transactions	Year 2020 (Million Baht)	Year 2021 (Million Baht)
11. Biz Dimension Co., Ltd.	Kraisorn Chansiri	Director	5,665,002	51.5%	Market Price	<b>Supporting commercial transactions:</b>		
	Cheng Niruttinanon	Director	550,000	5.0%				
	Thiraphong Chansiri	Director	3,685,000	33.5%		• Received e-procurement and e-Auction consulting service charge from TU	0.97	0.77
	Chan Hon Hung (Shue Chung's father)	Relative of Director	275,000	2.5%		• Received e-Procurement and e-Auction consulting service charge from ITC	0.15	0.07
	Sanga Tangchansiri (Chuan's son)	Relative of Director	128,333	1.2%		• Received e-Procurement and e-Auction consulting service charge from TUM	0.66	0.62
	Thawee Tangchansiri (Chuan's son)	Relative of Director	146,667	1.3%		• Received e-Procurement and e-Auction consulting service charge from APC	0.06	-
						• Received e-Procurement and e-Auction consulting service charge from TUG	0.00	-
						• Received e-Procurement and e-Auction consulting service charge from TFM	0.05	-
						• Purchase finished goods (fish oil, calcium) from TU	-	0.03

Connected Company	First & Last Name	Position Held in TU	No. of Shares Owned in Connected Company		Policy of Price	Connected Transactions	Year 2020 (Million Baht)	Year 2021 (Million Baht)
12. Factory Storage Service Co., Ltd.	Nakorn Niruttinanon (Cheng's son)	Relative of Director	300,000	60.0%	Compared to neighboring areas	<b>Short-term of Immovable Property Transaction:</b> <ul style="list-style-type: none"><li>TUM paid the rent, service charge, utility charge and expense on utilities for warehouse space of Factory Storage Service Co., Ltd., to keep products packaging. The rental agreement is effective for 1 years until December 2021. It was approved by the Board's resolution.</li></ul>	23.39	26.87
13. Phil-Union Frozen Foods, INC. (Philippines)	Cheng Niruttinanon	Director	149,996	100.0%	Market Price	<b>Commercial Transactions:</b> <ul style="list-style-type: none"><li>Purchase of Packaging from APC</li><li>Payment of Sticker barcode to TUG</li><li>Sale of finished goods to COSF</li></ul>	6.81 - 589.83	23.07 0.01 1,571.94
14. New Century Printing and Packaging Co., Ltd.	Cheng Niruttinanon	Director	25,000	55.6%	Market Price	<b>Commercial Transactions:</b> <ul style="list-style-type: none"><li>Sale of Packaging to ITC</li></ul>	0.79	0.04

Connected Company	First & Last Name	Position Held in TU	No. of Shares Owned in Connected Company		Policy of Price	Connected Transactions	Year 2020 (Million Baht)	Year 2021 (Million Baht)
15. Thai Union Hi-tech Pearl Cultivation Co., Ltd.	Kraisorn Chansiri	Director	500,000	0.6%	Market Price	<b>Commercial Transactions:</b> <ul style="list-style-type: none"><li>Purchase of fish feed and fingerling from TFM</li><li>Purchase of finished goods from TU</li></ul>	44.37 0.07	35.71 0.01
16. Geminai & Associate Co., Ltd.	Dejphon Chansiri (Kraisorn's son)	Relative of Director	459,870	92.0%	Market Price	<b>Commercial Transactions:</b> <ul style="list-style-type: none"><li>Purchase of finished goods from TU</li></ul>	-	0.94
17. Serenity Capital Co., Ltd.	Nakorn Niruttinanon (Cheng's son) Narin Niruttinanon (Cheng's son)	Relative of Director Relative of Director	4,999 5,000	50.0% 50.0%	The price is comparable to nearby areas.	<b>Asset or Service Transactions:</b> <ul style="list-style-type: none"><li>Purchase Land from APC</li></ul>	-	379.97
18. Food & Beverage United Co., Ltd.	Thiraphong Chansiri	Director	-	-	Market Price	<b>Commercial Transactions:</b> <ul style="list-style-type: none"><li>Purchase of finished goods from TU</li></ul> <b>Supporting commercial transactions:</b> <ul style="list-style-type: none"><li>Received Giftset from TU</li></ul>	-	3.76 0.47

Remarks: • Commercial transaction refers to purchase or sale of raw materials in the normal course of business and under general trading conditions under the Board of Directors' Meeting No. 5/2008 resolution passed on August 20, 2008.

• For item 1, 6, 10, 15 and 18 Kraisorn Chansiri, Cheng Niruttinanon, Chuan Tangchansiri, Thiraphong Chansiri and Shue Chung Chan are TU directors with share ownership in the connected company less than 10% of its registered capital but also hold director titles in the said connected company.



In addition, the Company and subsidiaries have entered into property insurance policy, with Asia-Pacific Risk Consultants (Thailand) Co., Ltd. and Asia-Pacific insurance Brokers Co., Ltd. as insurer. The transaction is connected, as Mr. Chuan Tangchansiri, TU Director, also has director title in the insurer. The company and subsidiaries to pay insurance premiums (2 companies) through both companies as follows:

Connected Transactions Jan-Sep	Year 2020 (Million Baht)	Year 2021 (Million Baht)
1. Asia-Pacific Risk Consultants (Thailand) Co., Ltd.	109.45	140.51
2. Asia-Pacific insurance Brokers Co., Ltd.	11.81	2.81

Necessity and reasonableness of connected transactions

The Company’s Audit Committee has considered connected transactions for 2021 and had the opinion that transactions trading products and services, and the connected purchase of assets, are transactions arising during the normal course of business and are reasonable and necessary for the Company’s operations. In making these transactions, the Company has considered the highest benefit of the Company and its shareholders as a whole. Various conditions of connected transactions which have arisen have been defined by general trade conditions, and the price is according to competitive mechanisms, or a reasonable price with conditions not different from doing transactions with external parties.

Policy of connected transactions

- (1) Directors and executives of the company prepared a report the of the interests of themselves and other associated individuals and sent it to the Company to be information in following with stipulations of making connected transactions, and this report is kept current, being sent every six months
- (2) There will be avoidance of connected transactions which may lead to a conflict of interest
- (3) In the case that it is necessary to make a significant connected transaction, approval must be sort for this transaction from the Executive Committee, the Audit Committee and the Board of Directors, or a meeting of shareholders (depending on each individual case). This is with the exception of transactions which have trade agreements with general trade conditions which have been approved in principle from the Board of Directors fault management to implement (pursuant to Securities Act section 89/ 12)
- (4) Compliance with the Company’s operational process when there are connected transactions and comply with the criteria stipulated by the SEC and The Stock Exchange of Thailand
- (5) In determining the price and conditions of connected transactions, consider conditions to be fair and at arm’s length according to market prices and normal business practice, and that there are comparable prices of products with similar attributes from outside parties.
- (6) Any person with potential conflicts of interest in the connected transaction are not allowed to vote on the transaction.

Measures to approve connected transactions

To be compliant with the policy on connected transactions of the company and its subsidiaries, the Company has determined the Audit Committee to review connected transactions which must be considered by the Board of Directors. The Board of Directors must oversee the Company’s compliance with announcements of capital market regulators, and the regulations, announcements, orders or stipulations of The Stock Exchange of Thailand, including compliance with stipulations concerned with the disclosure of information of connected transactions, and the acquisition and disposition of assets of the Company and its subsidiaries, as well as compliance with accounting standards determined by the federation of accounting professionals of Thailand. The Audit Committee will provide comments about the necessity and justification of such transactions for the best interest of the Company, by considering conditions of being in accordance with market prices and normal business practice (fair and at arm’s length), which are comparable to a price from an external party. In the case that the Audit Committee does not have the expertise in the connected transactions, the Company will provide an independent appraiser or external auditor of the Company to ensure that such price is reasonable to the Company before such transactions must be approved by the Board of Directors and shareholders. Directors and management personnel with potential conflicts of interest are not allowed to vote on the transactions. The connected transactions are disclosed in the annual report.

Trends for Future Connected Transactions

In undertaking future connected transactions, the Company will continue its product and service transactions with connected companies, since these represent the normal business practices in the same industry. The pricing of products and services follow market practices (Fair and at arm’s length) and/or the details in any commercial agreements. However, the Company will take into consideration its best interests and ensure that such price is reasonable to maximize the Company’s benefits. The Audit Committee and Audit Unit are to supervise and review the business transactions that are considered connected transactions according to the requirements, announcements, rules and regulations of The Stock Exchange of Thailand and Securities and Exchange Commission. Moreover, when there are transactions involving directors and management, they are not allowed to vote or attend the meeting. Regarding this, the Company has policies for connected transactions divided by type as follows:

Connected transaction	Policy
1) Transactions of normal trading or supporting normal business	Normal price comparable to an outside party or according to general trading conditions
2) Transactions of trading assets and providing services	As necessary and appropriate for the transaction, comparing data of the transaction with other companies considering advantages and disadvantages before deciding to make the transaction. If it is necessary it must be proposed to the Board of Directors and a meeting of shareholders for approval, depending on each case.
3) Transactions of leasing real estate (short-term, not exceeding three years)	According to necessity and convenience of work, and including location as well as considering comparable leases and conditions in the market in similar locations. If the value is considered significant it must be proposed to a meeting of the Board of Directors for approval, depending on each case.

Connected transaction	Policy
4) Transactions of financial assistance	<div>1. Consider information of the borrower as follows:<ul style="list-style-type: none"><li>• is a company operating its business with a trend of good growth in terms of both sales and profits.</li><li>• is a company with good financial status and retained earnings.</li><li>• is allowing for investment in assets to generate revenue, for instance expanding factories, or purchasing machinery.</li><li>• the party concerned is a strategic partner for business operations which can give strategic assistance.</li><li>• The loan is according to necessity and is a short-term loan</li></ul></div> <div>2. Interest rates for the loan are not less than the cost of existing capital or short-term loans.</div> <div>3. The amount of the loan, including interest and terms must be considered as appropriate by the Executive Committee now may be proposed to a meeting off the Board of Directors and a meeting of shareholders to request approval, depending on the case, according to requirements for compliance pursuant to laws on securities and securities markets, and the regulations, announcements, orders or stipulations of The Stock Exchange of Thailand, and including compliance with stipulations concerning the disclosure of connected transactions and the acquisition or disposition of assets of the Company and its subsidiaries.</div>

# Independent Auditor's Report

**To the shareholders and the Board of Directors of  
Thai Union Group Public Company Limited**

## My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Thai Union Group Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at December 31, 2021, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

## What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at December 31, 2021;
- the consolidated and separate statements of income for the year then ended;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

## Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

**Financial  
Report**



Key audit matter	How my audit addressed the key audit matter
<b>Assessment of the impairment of goodwill and intangible assets with an indefinite useful life</b>	
<p>As at December 31, 2021, the Group had goodwill of THB 13.5 billion and intangible assets with an indefinite useful life of THB 13.9 billion in the consolidated statement of financial position, representing approximately 8.10 percent and 8.40 percent of total assets, as detailed in Note 20 and Note 21, respectively.</p> <p>Under Thai Financial Reporting Standards, the Group is required to test the amount of goodwill and these intangible assets with an indefinite useful life for impairment annually. This testing includes identifying the Group’s cash generating units (CGUs) that relate to goodwill and these intangible assets with an indefinite useful life to assess the recoverable amount. Following impairment testing by the management, the Group didn’t recognize any impairment loss on these assets.</p> <p>I focused on this area because of the significant balance of goodwill and intangible assets with an indefinite useful life to the consolidated financial statements and the complexity of the assessment process of the recoverable judgments. In addition, it is because the significant judgements and assumptions involved are affected by unexpected future market or economic conditions. The Group assessed its recoverable amount based on the value-in-use of goodwill and these intangible assets with an indefinite useful life by using the discounted cash flow model. This requires management to make assumptions or judgments such as revenue growth rates and discount rates applied to cash flow projections.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"><li>• assessing if the management’s identification of the Group’s CGUs relating to goodwill and intangible assets with an indefinite useful life were appropriate</li><li>• challenging management on the reliability of key estimations and evaluating if the assumptions and methodologies used by the Group in assessing the value-in-use were appropriate. In particular, I focused on testing the assumptions related to the forecasted revenue growth, the applicable pre-tax discount rate using the weighted average cost of capital and other data used in management’s impairment analysis. I did these by comparing them to external and historical data such as external market growth expectations</li><li>• assessing the cash flow projections, mainly for key CGUs. This included assessing the reasonableness of management’s estimates by comparing them with actual results to see whether the variances would affect the current year estimation and evaluating future business plans by assessing the current and future markets if they’re consistent with the current business plan, and</li><li>• analysing CGU value assumption sensitivity and evaluating whether a possible change in assumptions could cause the recoverable amount to be less than its carrying amount.</li></ul> <p>Based on my procedures, I considered that the key assumptions used in impairment testing were within a reasonable range based on the supporting evidence.</p>

Key audit matter	How my audit addressed the key audit matter
<b>Fair valuation of long-term investment measured at fair value through profit or loss</b>	
<p>As at December 31, 2021, the Group had a long-term investment measured at fair value through profit or loss (FVPL) of THB 14.9 billion in the consolidated statement of financial position, representing approximately 8.95 percent of total assets. This is as detailed in Note 7.</p> <p>The long-term investment measured at FVPL is a debt instrument and was measured using significant input from unobservable market data (a level 3 input). The management also adjusted the discount rate to reflect the risk and nature of the debt instrument.</p> <p>I focused on the long-term investment measured at FVPL because of the significant balances in the consolidated financial statements. Using unobservable market data (Level 3) to measure fair value, management’s judgement is required to adjust the data to reflect the risk and nature of the debt instrument, which affects the Group’s financial performance.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"><li>• assessing the reasonableness of the methodologies used, the assumptions and the management’s judgement made for the long-term investment measured at FVPL which applied unobservable market data (Level 3), i.e. yield to maturity by comparing with the marketable debt instruments with the comparable risk from reliable source; and</li><li>• assessing the reasonableness of the forecasted cash flow to be received from the debt instrument measured at FVPL; and</li><li>• assessing the disclosure of key assumptions, valuation approach and sensitivity of the key assumption in the notes to financial statements.</li></ul> <p>Based on my procedures, I considered the assumptions used in the fair valuation of the long-term investment measured at FVPL to be within a reasonable range based on the supporting evidence.</p>

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated and separate financial statements and my auditor’s report thereon. The annual report is expected to be made available to me after the date of this auditor’s report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group’s and the Company’s ability to continue as

a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group’s and the Company’s financial reporting process.

Auditor’s responsibilities for the audit of the consolidated and separate financial statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s and the Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s and the Company’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor’s report. However, future events or conditions may cause the Group’s and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the audit committee with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers ABAS Ltd.



**Pongthavee Ratanakoses**  
Certified Public Accountant (Thailand) No. 7795  
Bangkok  
February 23, 2022

## Thai Union Group Public Company Limited

## Statement of Financial Position

As at 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	10	9,022,938	6,286,409	7,887,120	5,246,046
Short-term investments		700,000	-	500,000	-
Trade and other receivables, net	11, 42	16,307,764	13,319,536	4,994,201	4,002,364
Short-term loans to related and third parties, net	42	13,787	8,944	22,189,581	13,038,591
Inventories, net	13	46,636,163	38,546,197	3,962,103	3,471,029
Derivative assets	45	799,801	1,408,438	910,510	999,827
Other current assets	14	1,375,069	888,550	80,193	38,042
Assets of disposal groups classified as held-for-sale from discontinued operations	15	7,184	6,463	-	-
<b>Total current assets</b>		<b>74,862,706</b>	<b>60,464,537</b>	<b>40,523,708</b>	<b>26,795,899</b>
<b>Non-current assets</b>					
Restricted deposits with financial institutions		5,141	5,017	-	-
Investments in subsidiaries, associates and joint ventures using cost method	16	-	-	37,658,533	32,197,933
Investments accounted for using the equity method, net	16	12,765,953	9,269,170	-	-
Financial assets measured at fair value	7	15,757,442	12,477,542	464,573	9,000
Long-term loans to related and third parties, net	42	668	601	36,645,694	33,624,499
Investment properties, net	17	85,980	67,840	442,288	442,288
Property, plant and equipment, net	18	27,026,898	26,690,925	3,960,249	4,319,110
Right-of-use assets, net	19	1,330,209	1,339,024	368,850	418,799
Intangible assets, net	20	16,894,525	16,535,443	1,705,768	1,808,911
Goodwill, net	21	13,495,288	13,414,318	-	-
Derivative assets	45	1,179,080	1,648,860	1,188,880	1,656,735
Deferred tax assets	22	2,350,826	2,056,799	53,088	42,826
Other non-current assets	23	849,324	604,596	24,648	26,285
<b>Total non-current assets</b>		<b>91,741,334</b>	<b>84,110,135</b>	<b>82,512,571</b>	<b>74,546,386</b>
<b>Total assets</b>		<b>166,604,040</b>	<b>144,574,672</b>	<b>123,036,279</b>	<b>101,342,285</b>

Director \_\_\_\_\_ Director \_\_\_\_\_

The accompanying notes are integral part of these consolidated and separate financial statements.

## Thai Union Group Public Company Limited

## Statement of Financial Position (continued)

As at 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans from financial institutions	24	9,567,493	13,406,089	8,001,918	6,889,424
Trade and other payables	25, 42	21,350,788	19,067,570	3,610,324	3,006,612
Short-term loans from related and third parties		105,131	59,147	998,560	80,960
Current portion of long-term loans from financial institutions, net	26	12,586,006	1,624,950	12,499,210	1,508,378
Current portion of debentures, net	27	1,999,958	6,049,050	1,999,958	6,049,050
Current portion of lease liabilities, net	19	351,223	414,227	96,759	96,701
Income tax payable		398,957	392,925	-	-
Derivative liabilities	45	813,324	482,044	788,831	344,214
Other current liabilities	28	886,503	2,496,786	88,218	177,005
Liabilities of disposal groups classified as held-for-sale from discontinued operations	15	21,909	19,785	-	-
<b>Total current liabilities</b>		<b>48,081,292</b>	<b>44,012,573</b>	<b>28,083,778</b>	<b>18,152,344</b>
<b>Non-current liabilities</b>					
Long-term loans from financial institutions, net	26	13,097,363	12,782,849	12,680,492	12,484,222
Debentures, net	27	32,524,718	23,291,802	32,524,718	23,291,802
Lease liabilities, net	19	808,816	787,091	292,016	332,867
Employee benefit obligations	29	3,191,678	2,700,091	963,628	748,414
Deferred tax liabilities	22	4,741,817	4,411,641	-	-
Derivative liabilities	45	1,412,743	516,518	1,359,147	418,785
Other non-current liabilities		532,217	335,459	138,605	98,488
<b>Total non-current liabilities</b>		<b>56,309,352</b>	<b>44,825,451</b>	<b>47,958,606</b>	<b>37,374,578</b>
<b>Total liabilities</b>		<b>104,390,644</b>	<b>88,838,024</b>	<b>76,042,384</b>	<b>55,526,922</b>

The accompanying notes are integral part of these consolidated and separate financial statements.



Thai Union Group Public Company Limited  
Statement of Financial Position (continued)  
As at 31 December 2021

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		31 December	31 December	31 December	31 December
		2021	2020	2021	2020
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Liabilities and equity (continued)					
Equity					
Share capital					
Authorised share capital					
5,971,815,496 ordinary shares at					
a par value of Baht 0.25 per share	30	1,492,954	1,492,954	1,492,954	1,492,954
Issued and fully paid-up share capital					
4,771,815,496 ordinary shares at					
a par value of Baht 0.25 per share	30	1,192,954	1,192,954	1,192,954	1,192,954
Premium on share capital	30	19,948,329	19,948,329	19,948,329	19,948,329
Retained earnings					
Appropriated - legal reserve	33	149,295	149,295	149,295	149,295
Reserve for treasury shares	30	1,519,051	1,519,051	1,519,051	1,519,051
Unappropriated		36,777,986	33,235,050	19,664,832	18,522,873
Less Treasury shares	30	(1,519,051)	(1,519,051)	(1,519,051)	(1,519,051)
Other components of equity		(4,699,178)	(8,290,054)	88,800	52,227
Total		53,369,386	46,235,574	41,044,210	39,865,678
Perpetual debentures	31	5,949,685	5,949,685	5,949,685	5,949,685
Total equity attributable to owners					
of the parent		59,319,071	52,185,259	46,993,895	45,815,363
Non-controlling interests		2,894,325	3,551,389	-	-
Total equity		62,213,396	55,736,648	46,993,895	45,815,363
Total liabilities and equity		166,604,040	144,574,672	123,036,279	101,342,285

The accompanying notes are integral part of these consolidated and separate financial statements.

Thai Union Group Public Company Limited  
Statement of Income  
For the year ended 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Sales	35,42,46	141,047,695	132,402,436	19,727,093	20,529,621
Cost of sales	39,42	(115,321,167)	(108,984,813)	(16,709,460)	(17,972,389)
<b>Gross profit</b>		25,726,528	23,417,623	3,017,633	2,557,232
Interest income	42	50,228	85,608	1,714,195	1,638,975
Dividend income	42	2,718	29	4,358,973	2,657,636
Other income	36,42	757,570	705,156	296,354	308,462
<b>Profit before expenses</b>		26,537,044	24,208,416	9,387,155	7,162,305
Selling expenses		(9,294,733)	(7,574,505)	(1,075,105)	(730,689)
Administrative expenses		(8,175,933)	(8,021,746)	(2,435,362)	(1,950,688)
Reversal of (Loss from) impairment of financial assets, net		(36,026)	12,189	317,643	(371,487)
Other gains (losses), net	37	1,981,996	906,571	858,650	(10,694)
Finance costs	38	(1,730,047)	(1,724,438)	(1,520,792)	(1,457,342)
<b>Profit before share of loss from investments accounted for using the equity method</b>		9,282,301	7,806,487	5,532,189	2,641,405
Share of loss from investments accounted for using the equity method	16	(269,057)	(527,489)	-	-
<b>Profit before income tax</b>		9,013,244	7,278,998	5,532,189	2,641,405
Income tax	40	(741,532)	(723,764)	(4,577)	11,785
<b>Profit for the year from continuing operations</b>		8,271,712	6,555,234	5,527,612	2,653,190
Loss for the year from discontinued operations	15	-	(46,222)	-	-
<b>Profit for the year</b>		8,271,712	6,509,012	5,527,612	2,653,190
<b>Profit (Loss) attributable to:</b>					
Owners of the parent					
From continuing operations		8,012,996	6,292,312	5,527,612	2,653,190
From discontinued operations		-	(46,222)	-	-
Non-controlling interests		8,012,996	6,246,090	5,527,612	2,653,190
258,716		258,716	262,922	-	-
<b>Profit for the year</b>		8,271,712	6,509,012	5,527,612	2,653,190
<b>Earnings (Losses) per share for profit attributable to the owners of the parent (Baht)</b>					
Basic earnings (losses) per share					
From continuing operations		1.66	1.27	1.12	0.50
From discontinued operations		-	(0.01)	-	-
Total basic earnings per share	41	1.66	1.26	1.12	0.50

The accompanying notes are integral part of these consolidated and separate financial statements.

Thai Union Group Public Company Limited  
Statement of Comprehensive Income  
For the year ended 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Profit for the year		8,271,712	6,509,012	5,527,612	2,653,190
<b>Other comprehensive income (expenses):</b>					
Items that will not be reclassified subsequently to profit or loss					
Remeasurements gain (loss) of employee benefit obligations, net of income tax	29, 40	(217,371)	(9,928)	(128,790)	-
Change in fair value of equity instruments, net of income tax		(17,699)	(21)	(712)	-
Change in fair value of equity instruments option, net of income tax		49,727	181,209	-	-
Increase (decrease) in other reserves		(15,999)	(1,427)	-	-
Total items that will not be reclassified subsequently to profit or loss		(201,342)	169,833	(129,502)	-
Items that will be reclassified subsequently to profit or loss					
Exchange differences on translation		1,645,755	1,178,344	-	-
Share of comprehensive income (expenses) from investments accounted for using the equity method, net of income tax	16	20,525	(23,592)	-	-
Hedging reserve reclassified to profit or loss, net of income tax	34	2,195,317	1,531,046	1,398,999	1,365,831
Change in fair value of hedging derivatives, net of income tax	34	(2,418,272)	(985,923)	(1,361,714)	(1,182,142)
Total items that will be reclassified subsequently to profit or loss		1,443,325	1,699,875	37,285	183,689
<b>Other comprehensive income (expenses) for the year, net of income tax</b>		<b>1,241,983</b>	<b>1,869,708</b>	<b>(92,217)</b>	<b>183,689</b>
<b>Total comprehensive income for the year</b>		<b>9,513,695</b>	<b>8,378,720</b>	<b>5,435,395</b>	<b>2,836,879</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		9,235,661	8,121,369	5,435,395	2,836,879
Non-controlling interests		278,034	257,351	-	-
<b>Total comprehensive income for the year</b>		<b>9,513,695</b>	<b>8,378,720</b>	<b>5,435,395</b>	<b>2,836,879</b>

The accompanying notes are integral part of these consolidated and separate financial statements.

Thai Union Group Public Company Limited  
Statement of Changes in Equity  
For the year ended 31 December 2021

	Notes	Consolidated financial statements											
		Attributable to owners of the parent						Other components of equity					
		Retained earnings						Share of other comprehensive income (expenses)					
		Issued and paid-up share capital Thousand Baht	Premium on share capital Thousand Baht	Appropriated reserve - Legal reserve Thousand Baht	Reserve for treasury shares Thousand Baht	Unappropriated reserve Thousand Baht	Treasury shares Thousand Baht	Exchange differences on translation Thousand Baht	Changes in fair value of equity instruments Thousand Baht	Hedging reserves Thousand Baht	Income from investments accounted for using the equity method Thousand Baht	Other reserves Thousand Baht	Changes in ownership interest in subsidiaries Thousand Baht
Opening balance as at 1 January 2020		1,192,954	19,948,329	149,295	-	31,389,197	-	(4,223,891)	(16)	(260,565)	(255,523)	(2,053,769)	(3,381,104)
Net increase in non-controlling interests from change in investment in subsidiary	16	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition of non-controlling interests through business combination	16	-	-	-	-	6	-	-	-	-	-	-	-
Treasury shares	30	-	-	-	-	(1,519,051)	(1,519,051)	-	-	-	-	-	-
Reserve for treasury shares	30	-	-	-	1,519,051	(1,519,051)	-	-	-	-	-	-	-
Dividend payment	32	-	-	-	-	(2,539,441)	-	-	-	-	-	-	-
Interest paid on perpetual debentures	31	-	-	-	-	(300,823)	-	-	-	-	-	-	-
Profit for the year		-	-	-	-	6,246,090	-	-	-	-	-	-	-
Other comprehensive income (expenses) for the year		-	-	-	-	(9,928)	-	1,160,323	(21)	545,123	(23,592)	203,374	-
Closing balance as at 31 December 2020		1,192,954	19,948,329	149,295	1,519,051	33,235,050	(1,519,051)	(3,063,568)	(37)	284,165	(279,115)	(1,850,395)	(3,381,104)
Opening balance as at 1 January 2021		1,192,954	19,948,329	149,295	1,519,051	33,235,050	(1,519,051)	(3,063,568)	(37)	284,165	(279,115)	(1,850,395)	(3,381,104)
Net decrease in non-controlling interests from change in investment in subsidiary	16	-	-	-	-	-	-	-	-	-	-	-	-
Dividend payment	32	-	-	-	-	(3,956,863)	-	-	-	-	-	-	-
Interest paid on perpetual debentures	31	-	-	-	-	(300,000)	-	-	-	-	-	-	-
Profit for the year		-	-	-	-	8,012,996	-	-	-	-	-	-	-
Other comprehensive income (expenses) for the year		-	-	-	-	(213,197)	-	1,622,263	(17,699)	(222,955)	20,525	33,728	-
Closing balance as at 31 December 2021		1,192,954	19,948,329	149,295	1,519,051	36,777,866	(1,519,051)	(1,441,305)	(17,736)	61,210	(286,590)	(63,019)	(2,975,738)
Opening balance as at 1 January 2021		1,192,954	19,948,329	149,295	1,519,051	33,235,050	(1,519,051)	(3,063,568)	(37)	284,165	(279,115)	(1,850,395)	(3,381,104)
Net decrease in non-controlling interests from change in investment in subsidiary	16	-	-	-	-	-	-	-	-	-	-	-	-
Dividend payment	32	-	-	-	-	(3,956,863)	-	-	-	-	-	-	-
Interest paid on perpetual debentures	31	-	-	-	-	(300,000)	-	-	-	-	-	-	-
Profit for the year		-	-	-	-	8,012,996	-	-	-	-	-	-	-
Other comprehensive income (expenses) for the year		-	-	-	-	(213,197)	-	1,622,263	(17,699)	(222,955)	20,525	33,728	-
Closing balance as at 31 December 2021		1,192,954	19,948,329	149,295	1,519,051	36,777,866	(1,519,051)	(1,441,305)	(17,736)	61,210	(286,590)	(63,019)	(2,975,738)

The accompanying notes are integral part of these consolidated and separate financial statements.

Separate financial statements												
Notes	Retained earnings						Other components of equity					
	Issued and paid-up share capital Thousand Baht	Premium on share capital Thousand Baht	Appropriated - Legal reserve Thousand Baht		Reserve for treasury shares Thousand Baht	Unappropriated Thousand Baht	Treasury shares Thousand Baht		Change in fair value of equity instruments Thousand Baht		Total other component of equity Thousand Baht	
<b>Opening balance as at 1 January 2020</b>												
30	1,192,954	19,948,329	149,295	-	-	20,228,998	-	-	(131,462)	(131,462)	5,949,685	47,337,799
	-	-	-	-	-	-	-	(1,519,051)	-	-	-	(1,519,051)
30	-	-	-	1,519,051	-	(1,519,051)	-	-	-	-	-	-
32	-	-	-	-	-	(2,539,441)	-	-	-	-	-	(2,539,441)
31	-	-	-	-	-	(300,823)	-	-	-	-	-	(300,823)
Profit for the year	-	-	-	-	-	2,653,190	-	-	-	-	-	2,653,190
Other comprehensive income for the year	-	-	-	-	-	-	-	183,689	183,689	-	-	183,689
<b>Closing balance as at 31 December 2020</b>												
	1,192,954	19,948,329	149,295	1,519,051	18,522,873	(1,519,051)	-	52,227	52,227	52,227	5,949,685	45,815,363
<b>Opening balance as at 1 January 2021</b>												
32	1,192,954	19,948,329	149,295	1,519,051	18,522,873	(1,519,051)	-	52,227	52,227	52,227	5,949,685	45,815,363
Dividend payment	-	-	-	-	(3,956,863)	-	-	-	-	-	-	(3,956,863)
Interest paid on perpetual debentures	-	-	-	-	(300,000)	-	-	-	-	-	-	(300,000)
Profit for the year	-	-	-	-	5,527,612	-	-	-	-	-	-	5,527,612
Other comprehensive income (expenses) for the year	-	-	-	-	(128,790)	(712)	37,285	36,573	-	-	-	(92,217)
<b>Closing balance as at 31 December 2021</b>												
	1,192,954	19,948,329	149,295	1,519,051	19,664,832	(1,519,051)	(712)	89,512	88,800	88,800	5,949,685	46,993,895

The accompanying notes are integral part of these consolidated and separate financial statements.

Thai Union Group Public Company Limited  
Statement of Cash Flows  
For the year ended 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Net cash receipts from operating activities</b>	43	6,292,028	13,432,410	1,223,826	3,076,718
<b>Cash flows from investing activities</b>					
Increase in restricted deposits with financial institutions		(114)	(649)	-	-
Net cash payments for short-term investments		(700,000)	-	(500,000)	-
Purchases of property, plant and equipment and intangible assets		(4,173,687)	(3,854,884)	(294,378)	(419,001)
Acquire right-of-use assets		(90,588)	-	-	-
Proceeds from disposals of property, plant and equipment and intangible assets		443,394	128,823	7,743	22,325
Proceeds from disposals of right-of-use assets		85,413	-	-	-
Proceeds from disposals of assets of disposal groups classified as held-for-sale		-	33,831	-	-
Proceeds from sale of investment in subsidiary		-	-	254,457	-
Proceeds (payments) from sale of investment in joint ventures	16	(107,418)	-	(150,583)	-
Cash payment for investments in subsidiaries	16	-	-	(221,400)	(58,617)
Cash payment for investments in associates	16	(3,045,248)	(54,020)	(3,000,550)	-
Cash payment for investments in joint ventures	16	(53,900)	(4,900)	-	-
Cash payment for investments in equity instruments		(702,532)	(2,688)	(456,285)	-
Cash payment for investments in debt instruments		(8,144)	(72,369)	-	-
Net cash receipt (payments) for short-term loans to related parties and third parties		(4,130)	789	(9,331,257)	(2,815,573)
Cash receipts from long-term loans to related parties	42	-	-	965,470	2,591,642
Cash payments from long-term loans to related parties and third parties		-	(78,751)	(2,843,090)	(532,720)
Interest received		45,514	50,502	1,221,829	1,325,025
Dividend received		207,752	118,728	4,358,973	2,657,636
<b>Net cash receipts from (payments for) investing activities</b>		(8,103,688)	(3,735,588)	(9,989,071)	2,770,717

The accompanying notes are integral part of these consolidated and separate financial statements.



Thai Union Group Public Company Limited  
Statement of Cash Flows  
For the year ended 31 December 2021

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		31 December	31 December	31 December	31 December
		2021	2020	2021	2020
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Cash flows from financing activities</b>					
Net cash receipts from (payments for) short-term loans from financial institutions		(3,859,688)	2,102,528	1,198,086	5,091,118
Net cash receipts from (payments for) short-term loans from related parties		45,949	(37,000)	917,718	109,611
Cash receipts from long-term loans from financial institutions	26	12,306,800	4,296	12,124,300	-
Cash receipts from debenture issuance		11,000,000	-	11,000,000	-
Repayments for long-term loans from financial institutions	26	(1,900,129)	(69,101)	(1,769,000)	-
Repayments for debentures	27	(6,050,000)	(3,500,000)	(6,050,000)	(3,500,000)
Deferred finance costs paid	26, 31	(110,167)	-	(110,167)	-
Debenture issuance costs paid		(27,277)	-	(27,277)	-
Interest and other finance costs paid		(1,594,329)	(1,751,511)	(1,422,672)	(1,528,570)
Cash paid for lease liabilities	19	(513,553)	(514,380)	(127,719)	(137,177)
Interest paid on perpetual debentures	31	(300,000)	(300,823)	(300,000)	(300,823)
Cash receipts from non-controlling interests for additional share capital in a subsidiary		1,247,970	52,281	-	-
Cash paid for non-controlling interests from change in interest in subsidiaries		(1,703,104)	-	-	-
Cash receipts from non-controlling interests from change in interest in subsidiaries		254,457	-	-	-
Dividends paid to the owners of the parent		(3,946,888)	(2,538,824)	(3,946,890)	(2,538,825)
Dividends paid to non-controlling interests		(267,127)	(131,727)	-	-
Payments for treasury shares	30	-	(1,519,051)	-	(1,519,051)
<b>Net cash receipts from (payments for) financing activities</b>		<b>4,582,914</b>	<b>(8,203,312)</b>	<b>11,486,379</b>	<b>(4,323,717)</b>
<b>Net increase in cash and cash equivalents</b>		<b>2,771,254</b>	<b>1,493,510</b>	<b>2,721,134</b>	<b>1,523,718</b>
Cash and cash equivalents - opening balance	10	6,019,247	4,483,430	5,160,207	3,622,572
Exchange differences on cash and cash equivalents		37,815	42,307	5,779	13,917
<b>Cash and cash equivalents - closing balance</b>	<b>10</b>	<b>8,828,316</b>	<b>6,019,247</b>	<b>7,887,120</b>	<b>5,160,207</b>
<b>Non-cash items</b>					
Payable balances from purchase of property, plant and equipment, and intangible assets (included in trade and other payables and other non-current liabilities)	25	464,007	366,790	35,112	42,069
Reclassify from investments in an associate and joint ventures to investments in subsidiaries	16	-	249,918	-	-
Acquisitions of right-of-use assets under lease contracts	19	457,519	290,051	63,112	53,287
Increase in investments in subsidiaries by converting loan receivables to investments	16, 42	-	-	2,772,361	204,122
Increase in investment in a subsidiary by exercising derivative liabilities	16	1,753,648	34,374	-	-
Increase in long-term loans to subsidiary by transferring accrued interest income to loans		-	-	154,445	

The accompanying notes are integral part of these consolidated and separate financial statements.

Thai Union Group Public Company Limited  
Notes to the Consolidated and Separate Financial Statements  
For the year ended 31 December 2021

1 General information

Thai Union Group Public Company Limited (the “Company”) is a public limited company, which is listed on the Stock Exchange of Thailand, and is incorporated and domiciled in Thailand. The current address of the Company’s registered office is at 72/1 Moo 7, Sethakit 1 Road, Tambon Tarsrai, Amphur Muang, Samutsakorn. The Company has 17 branches in Bangkok and Samutsakorn.

For reporting purposes, the Company and its subsidiaries are referred to as ‘the Group’.

The Company operates its business in Thailand and its subsidiaries conduct business in Thailand and overseas. The principal activities of the Company and the Thai subsidiaries are the manufacture and sale of frozen, chilled and canned seafood. Some Thai subsidiaries are also engaged in packaging, printing and pet food businesses.

Overseas subsidiaries principally operate the following businesses. Subsidiaries in the US distribute lobster and other seafood products and import shrimp and other frozen seafood products for sales to restaurant chains, retailers and wholesalers. Subsidiaries in Europe manufacture and distribute ambient and chilled seafood products to countries in Europe, the US and Australia under their trademarks. Subsidiaries in Asia manufacture and distribute seafood in Vietnam and China.

These consolidated and separate financial statements were authorised for issuance by the Board of Directors on 23 February 2022.

2 Significant events during the current year

As the COVID-19 pandemic continues and the rigorous containment measures implemented worldwide have severely affected the level of global economic activities, including the Group’s operating results. The Group is continuing to closely monitor its impact on operations and devising appropriate strategies to deal with these challenging circumstances.

To meet strategic goals and customer demands as expected, a crisis management team continued to regularly update the situation with subsidiaries in each region to make sure measures and decisions are effective and in line with Group strategy. In addition, the Group analyses and performs to ensure business continuity and liquidity by setting aside appropriate reserves and putting in place measures for effective cost and working capital management.

COVID-19 spread continued throughout 2021 and triggered social and economic disruption around the world. Thai Union has adjusted to a new normal with minimal impact on productivity and efficiency, in order to support our subsidiaries and customers. Global vaccination had been given to all TU subsidiaries in Thailand, Europe and USA, and preventive measures were strictly implemented and co-programmed with local authorities. During the year, there were short-term factory closures in Thailand and Vietnam under guidelines from local governments, and by the fourth quarter all plants had been under normal operations. The Group has ensured that the capacity was fulfilled in all operations, resulting in satisfied customers. As of December 2021, COVID-19 is ongoing, and the future is uncertain. The Group continues closely monitoring the situation to proactively find solutions for any upcoming challenges

3 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except financial assets measured with fair value and derivatives as explained in relevant accounting policies.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materiality adjusted due to changes in estimates and assumptions are disclosed in Note 8.

An English version of these consolidated and separate financial statements has been prepared from the statutory financial statements in Thai. If there is a conflict or a difference in interpretation between the two languages, the Thai language version shall prevail.

**Thai Union Group Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2021**

**4 New and amended financial reporting standards**

**4.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2021**

- a) Revised Conceptual Framework for Financial Reporting added the following key principles and guidance:
- Measurement basis, including factors in considering difference measurement basis
  - Presentation and disclosure, including classification of income and expenses in other comprehensive income
  - Definition of a reporting entity, which maybe a legal entity, or a portion of an entity
  - Derecognition of assets and liabilities

The amendment also includes the revision to the definition of an asset and liability in the financial statements, and clarification to the prominence of stewardship in the objective of financial reporting.

- b) Amendment to TFRS 3, Business combinations amended the definition of a business which requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term 'outputs' is amended to focus on goods and services provided to customers and to exclude returns in the form of lower costs and other economic benefits.
- c) Amendment to TFRS 9, Financial instruments and TFRS 7, Financial instruments: disclosures amended to provide relief from applying specific hedge accounting requirements to the uncertainty arising from interest rate benchmark reform such as IBOR. The amendment also requires disclosure of hedging relationships directly affected by the uncertainty.
- d) Amendment to TAS 1, Presentation of financial statements and TAS 8, Accounting policies, changes in accounting estimates and errors amended to definition of materiality. The amendment allows for a consistent definition of materiality throughout the Thai Financial Reporting Standards and the Conceptual Framework for Financial Reporting. It also clarified when information is material and incorporates some of the guidance in TAS 1 about immaterial information.

The Group's management assessed and considered that the above new and amended standards do not have a significant impact on the Group.

**4.2 Amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2022**

Certain amended TFRS have been issued that are not mandatory for the current reporting period and have not been early adopted by the Group and the Company. The Group's management is assessing the impact of these standards on the Group.

- a) Interest rate benchmark (IBOR) reform - phase 2, amendments to TFRS 9, TFRS 7, TFRS 16 and TFRS 4, and accounting guidance, financial instruments and disclosures for insurance business provide relief measures addressing issues that might affect financial reporting during the reform, including the effects of changes to contractual cash flows or hedging relationship arising from the replacement of one benchmark with an alternative benchmark.

Key relief measures of the phase 2 amendments are as follows:

- When changing the basis for determining contractual cash flows for financial assets and financial liabilities (including lease liabilities), changes that are necessary as a direct result of the IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the statement of income. TFRS 16 has also been amended to require lessees to use a similar practical expedient when accounting for lease modifications that change the basis for determining future lease payments as a result of the IBOR reform.
- Hedge accounting relief measures will allow most TFRS 9 hedge relationships that are directly affected by the IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

TFRS 7 requires additional disclosure about:

- The nature and extent of risk arising from the IBOR reform to which the entity is exposed to
- How the entity manages those risks
- The entity's progress in transitioning from the IBOR to alternative benchmark rates and how the entity is managing this transition.

**Thai Union Group Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2021**

**5 Accounting policies**

**5.1 Principles of consolidation and equity accounting**

**5.1.1 Subsidiaries**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using the cost method.

A list of the Group's subsidiaries has been disclosed in Note 16.1.

**5.1.2 Associates**

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting.

In the separate financial statements, investments in associates are accounted for using the cost method.

A list of the Group's principal associates has been disclosed in Note 16.2.

**5.1.3 Joint arrangements**

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements.

**Joint operations**

A joint operation is a joint arrangement whereby the Group has rights to the assets, and obligations for the liabilities relating to the arrangement. The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the Group's financial statements line items.

**Joint ventures**

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method of accounting.

In the separate financial statements, investments in joint ventures are accounted for using the cost method.

A list of the Group's joint ventures has been disclosed in Note 16.3.

**5.1.4 Equity method**

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group's subsequent shares of its associates and joint ventures' profits or losses and other comprehensive income are presented in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in associates and joint ventures equals or exceeds its interest in the associates and joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on their behalf of the associates and joint ventures.

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**5.1.5 Changes in ownership interests**

The Group treats transactions with non-controlling interests as transactions with Group equity owners as long as they do not result in a loss of control. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received are recognised within equity.

If the ownership interest in associates and joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss reducing the ownership interest in associates and joint ventures is recognised in profit or loss.

When the Group loses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, joint venture or financial asset accordingly.

**5.1.6 Intercompany transactions on consolidation**

Intercompany transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in those associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries and equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

**5.2 Business combination**

The Group applies the acquisition method to account for business combinations except for those under common control. The consideration transferred for the acquisition of a subsidiary comprises

- fair value of the assets transferred,
- liabilities incurred to the former owners of the acquire, and
- equity interests issued by the Group.

Identifiable assets and liabilities acquired, and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group initially recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

Acquisition-related costs are recognised as expenses in the consolidated financial statements, while they are recognised as cost of investment in the separate financial statements.

**Step-up acquisition**

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from this remeasuring is recognised in profit or loss.

**Changes in fair value of contingent consideration paid and/or received**

Subsequent changes to the fair value of the contingent consideration that is an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured.

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**5.3 Foreign currency translation**

**5.3.1 Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which each entity operates, or the functional currency. The financial statements are presented in Thai Baht, which is the Company's functional and presentation currency.

**5.3.2 Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the transaction dates or the revaluation date where items are re-measured.

Foreign exchange gains and losses resulting from foreign currency transactions of monetary assets and liabilities are recognised in the profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

Any exchange component of gains and losses on a non-monetary item recognised in profit or loss, or other comprehensive income is recognised following the gain or loss recognition on that item.

**5.3.3 Group companies**

The operational results and financial position of the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a different functional currency from the Group's presentation currency are translated into the presentation currency as follows.

- Assets and liabilities are translated at the closing rate at the date of the respective statement of financial position.
- Income and expenses for each statement of income and statement of comprehensive income are translated at average exchange rates.
- All resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising from acquiring a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

**5.4 Cash and cash equivalents**

In the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, short-term highly liquid investments with maturities of three months or less from the acquisition date and bank overdrafts.

In the statement of financial position, bank overdrafts are shown in current liabilities.

**5.5 Trade receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business.

Trade receivables are recognised initially at the amount of consideration, which is unconditional unless they contain significant financing components in which case they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables is disclosed in Note 5.7.

**5.6 Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method. The cost of purchases comprises both the purchase price and the costs directly attributable to the inventory's acquisition, such as import duties and transportation charges, less all attributable discounts, rebates and other similar items. The cost of finished goods and work in progress comprises raw materials, direct labour costs, other direct costs and related production overheads based on normal operating capacity. It excludes borrowing costs. Net realisable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for slow-moving, obsolete and defective inventories.



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5.7 Financial assets

Classification and measurement of financial assets

The classification of financial assets depends on the entity's business model for managing them and the contractual terms of the cash flows whether they represent solely payments of principal and interest (SPPI).

The Group classifies its debt instruments in the following categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

Recognition and derecognition

The Group shall recognise a financial asset in its statement of financial position when, and only when, the Group becomes party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on the trade date, or the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from them have expired or have been transferred and the Group has transferred substantially all the risks and rewards of their ownership.

Measurement

At initial recognition, the Group measures a financial asset, in the case of a financial asset not at FVPL, at its fair value plus or minus transaction costs directly attributable to its acquisition. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest (SPPI).

Debt instruments

Subsequent measurements of debt instruments depend on the Group's business model for managing the financial assets and their cash flow characteristics. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** A financial asset will be measured at amortised cost when holding it to collect contractual cash flows is the objective of its business model. In addition, the contractual terms of the financial asset will give rise to cash flows on specified dates, which are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in financial income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented in profit or loss.
- **FVOCI:** A financial asset will be measured at FVOCI when it is held for both collecting contractual cash flows and selling financial assets to achieve its business model objective. In addition, the contractual terms of the financial asset will give rise to cash flows on specified dates, which are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and related foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised on other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses), and impairment expenses are presented as a separate line item in the statement of income.
- **FVPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

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Equity instruments

The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as dividend income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of income. Impairment losses (and the reversal) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment

The Group applies the TFRS 9 simplified approach in measuring the impairment of trade receivables, which applies lifetime expected credit loss, from initial recognition for all trade receivables.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

For other financial assets carried at amortised cost and FVOCI, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment (and reversal of impairment) losses are recognised in profit or loss as a separate line item. Subsequent recoveries of amounts previously written off are credited against the same line item.

5.8 Non-current assets (or disposal groups) held-for-sale

Non-current assets (or disposal groups) are classified as held-for-sale assets when their carrying amount will be recovered principally through a sale transaction and a sale is considered highly probable. They are measured at the lower of the carrying amount and fair value less cost to sell.

An impairment loss is recognised to the write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increase in fair value less costs to sell, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised.

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale, and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resell. The results of discontinued operations are presented separately in the statement of profit or loss.

5.9 Investment property

Investment property is measured initially at cost, including directly attributable costs and borrowing costs. Subsequently, the investment property is carried at cost less accumulated depreciation and impairment. Land is not depreciated.

5.10 Property, plant and equipment

All other property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical costs include expenditures directly attributable to the items' acquisition.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of replaced parts are derecognised. All other repairs and maintenance are charged to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

Land improvements	5 - 40 years
Buildings and building improvements	5 - 40 years
Machinery and factory equipment	3 - 20 years
Furniture, fixtures and office equipment	3 - 20 years
Vehicles	3 - 20 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount, and they are recognised in other gains or losses in the statement of income.

5.11 Goodwill

Goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is carried at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill can be monitored for internal management purposes, i.e. the operating segments.

5.12 Intangible assets

Research and development

Research expenditure is recognised as an expense as it is incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will be a success considering its commercial and technological feasibility, and only if the cost can be measured reliably. Other development expenditures are recognised as expenses as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Development costs that have been capitalised are amortised on a straight-line basis from the commencement of the product's commercial production over the period of its expected benefit, not exceeding 10 years.

Trademarks and licences

Separately acquired trademarks and licences are initially recorded at historical cost. Trademarks and licences acquired in business combinations are initially recognised at fair value at the acquisition date. Trademarks and licences with an indefinite useful life are carried at cost less allowance for impairment. Trademarks and licences with a finite useful life are carried at cost less accumulated amortisation and allowance for impairment. The trademarks presented in these financial statements have indefinite useful lives and are tested annually for impairment. The licences have definite useful lives and are amortised using the straight-line method to allocate the cost of licences over their estimated useful lives of 2 - 16 years.

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire that software and bring it to use. These costs are amortised over their estimated useful lives of 2 - 10 years.

Contractual customer and distributor relationships

Contractual customer and distributor relationships acquired in a business combination are initially recognised at fair value at the acquisition date. The contractual customer and distributor relationships have a finite useful life and are carried at cost less accumulated amortisation and allowance for impairment. Amortisation is calculated using the straight-line method over the expected lives of 5 - 20 years.

Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs, when directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources are available to complete the development and to use or sell the software product; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include employee costs of the software development team and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as expenses as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives between 3 years and 10 years.

5.13 Impairment of assets

An asset with an indefinite useful life is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. An asset that is subject to amortisation is reviewed for impairment whenever there is an indication of impairment. Impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, impairment losses on the assets concerned other than goodwill are reversed.

5.14 Leases

Leases - where the Group is the lessee

At contract inception, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises a right-of-use (ROU) asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, initial direct costs and estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any incentive received.

The lease liability is initially measured at the present value of the lease payments not paid at the commencement date and discounted using the interest rate implicit in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group uses the Group's incremental borrowing rate.

Lease payments can include fixed payments; variable payments that depend on an index or rate known at the commencement date; and extension option payments or purchase options which the Group is reasonably certain to exercise.

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To apply a cost model, the Group measures the ROU asset at cost, less accumulated depreciation and accumulated impairment loss and adjusted for any remeasurement of the lease liability. The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. However, if the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the ROU asset reflects that the Group will exercise a purchase option, the Group depreciates the ROU asset from the commencement date to the end of the useful life of the underlying asset. The useful life of the ROU asset is determined on the same basis as those of property, plant and equipment.

The lease liability is measured in subsequent periods using the effective interest rate method and remeasured (with a corresponding adjustment to the related ROU asset) when there is a change in future lease payments in case of negotiation, changes of an index or rate or in case of reassessment of options.

When the lease liability is re-measured to reflect changes to the lease payments, the Group recognises the remeasurement amount of the lease liability as an adjustment to the ROU asset. However, if the carrying amount of the ROU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the remeasurement in profit or loss.

The Group has elected not to recognise ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases - where the Group is the lessor

The Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease substantially transfers all risks and rewards incidental to the underlying asset's ownership. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return. Initial direct costs are included in the initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

5.15 Financial liabilities

Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer the liability settlement for at least 12 months after the reporting date.

Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

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Recognition, derecognition and modification

The Group shall recognise a financial liability in its statement of financial position when, and only when, the Group becomes party to the contractual provisions of the instrument. Financial liabilities are derecognised from the statement of financial position when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation/modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on the fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceeds paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

5.16 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are expensed in the period in which they are incurred.

5.17 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current income tax

The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and the Group operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation. It establishes provisions where appropriate based on amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not recognised for temporary differences arising from:

- initial asset or liability recognition in a transaction other than a business combination that affects neither accounting nor taxable profit or loss
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which the temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset the current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset them and intends either to settle them on a net basis, or to realise the asset and settle the liability simultaneously.



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5.18 Employee benefits

Short-term employee benefits

Liabilities for short-term employee benefits such as wages, salaries and bonuses that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

Defined contribution plan

A defined contribution plan or provident fund is a post-retirement plan under which the Group pays fixed contributions into a separate entity. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit expense when they are due.

Defined benefit plan

The amount of retirement benefits is defined by the agreed benefits the employees will receive after employment completion. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are charged or credited to other comprehensive income in the periods in which they arise. They are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

Other long-term benefits

The Group operates other long-term benefit schemes for employees who complete the service years according to the policy.

These obligations are measured similarly to defined benefit plans except that remeasurement gains and losses are charged to profit or loss.

Termination benefits

The Group recognises termination benefits at the earlier of a) when the Group can no longer withdraw the offer of those benefits; and b) when the entity recognises costs for the related restructuring. Benefits more than 12 months due are discounted to their present value.

5.19 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. An increase in the provision due to passage of time is recognised as interest expense.

5.20 Share capital

Ordinary shares with discretionary dividends are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Treasury share

Where any companies within the Group repurchases its shares, the consideration paid, including any directly attributable incremental costs (net of taxes) is deducted from equity until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity.

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5.21 Revenue recognition

The Group recognises revenue in the period when they transfer control of goods or services to customers in an amount that reflects the net consideration the Group expects to receive. Depending on the underlying contract's terms, the Group generally meets these requirements when it either ships or delivers the finished goods and control of the goods transfers to the customer. At contract inception, the Group assesses the goods promised in the contract to identify the performance obligations. Each performance obligation is a promise to transfer to the customer a good or service that is distinct. The transaction price will need to be allocated to the distinct performance obligations based on the relative standalone selling price of the goods and other performance obligations to ensure that revenue is recognised at the appropriate time and for the correct amount.

The Group recognises revenue when it satisfies a performance obligation by transferring the promised goods or services to the customer, which is when the customer gains control of those goods, or services. The amount of revenue recognised is the amount allocated to the satisfied performance obligation. A performance obligation may be satisfied at a point in time, typically for promises to transfer goods to a customer, or over time, typically for promises to transfer services to a customer.

Interest income is recognised on an accrual basis, using the effective interest method.

Revenue arising from royalties is recognised at the later of a) when the subsequent sale or usage occurs; and b) the satisfaction or partial satisfaction of the performance obligation to which some or all of the sales-based or usage-based royalty has been allocated.

Dividend income is recognised when the right to receive payment is established.

5.22 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the consolidated and separate financial statements in the period in which the dividends are approved by the Company's shareholders, and the interim dividends are approved by the Board of Directors.

5.23 Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument in hedge accounting, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

- hedges of the fair value of recognised assets or liabilities or unrecognised firm commitments (fair value hedges), or
- hedges or a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges).
- hedges of a net investment in a foreign operation (net investment hedges).

At inception of the hedge relationship, the Group documents the economic relationship between the hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. A derivative that does not apply hedge accounting is classified as an asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains (losses).

When forward contracts are used to hedge forecast transactions, the Group generally designates only the change in fair value of the forward contract that is related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the spot component change are recognised in the cash flow hedge reserve within equity. The change in the forward element of the contract that relates to the hedged item ('aligned forward element') is recognised within other comprehensive income in the costs of hedging reserve within equity. In some cases, the Group may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains or losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedge reserve within equity.

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Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income and accumulated in reserves in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within other gains/(losses). Gains and losses accumulated in equity are reclassified to profit or loss when the foreign operation is partially disposed of or sold.

Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit or loss.

When a hedging instrument expires, is sold or is terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss.

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of these derivative instruments are recognised immediately in profit or loss and are included in other gains (losses).

#### 5.24 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- the amount determined in accordance with the expected credit loss model under TFRS 9; and
- the amount initially recognised less the cumulative amount of income recognised in accordance with the principles of TFRS 15.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between a) the contractual payments required under the debt instrument; and b) the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

## 6 Financial risk management

### 6.1 Financial risk factors

The Group is exposed to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain exposures.

Financial risk management is carried out by the Group Treasury Committee. The Group's policy includes areas such as foreign exchange risk, interest rate risk, credit risk and liquidity risk. The framework parameters are approved by the Board of Directors and used as the key communication and control tools for the Treasury team globally.

#### 6.1.1 Market risk

##### a) Foreign currency risk

The Group operates internationally and is exposed to foreign currency risk arising mainly from trading transactions and borrowings denominated in foreign currencies. The Group seeks to reduce this risk by entering forward exchange contracts when considered appropriate. The Group uses forward contracts, transacted with financial institutions to hedge their exposure to foreign currency risk in connection with their measurement currency.

The Group uses a combination of foreign currency options and foreign currency forwards to hedge its exposure to foreign currency risk. Under the group's policy, the critical terms of the forwards and options must align with the hedged items.

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The Group only designates the spot component of foreign currency forwards in hedge relationships. The spot component is determined with reference to relevant spot market exchange rates. The differential between the contracted forward rate and the spot market exchange rate is defined as the forward points. It is discounted, where material.

The intrinsic value of foreign currency options is determined with reference to the relevant spot market exchange rate. The differential between the contracted strike rate and the discounted spot market exchange rate is defined as the time value. It is discounted, where material.

The changes in the forward element of the foreign currency forwards and the time value of the options that relate to hedged items are deferred in the costs of hedging reserve.

The Group also entered into foreign currency forwards in relation to projected purchases for the next 12 months that do not qualify as 'highly probable' forecast transactions and hence do not satisfy the requirements for hedge accounting (economic hedges). The foreign currency forwards are subject to the same risk management policies as all other derivative contracts. However, they are accounted for as held for trading, with gains (losses) recognised in profit or loss.

#### Exposure

The Group and the Company's financial assets and liabilities balances denominated in foreign currencies are summarised in currency units below.

As at 31 December	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2021 Thousand Currency unit	2020 Thousand Currency unit	2021 Thousand Currency unit	2020 Thousand Currency unit	2021 Baht per currency unit	2020 Baht per currency unit
EUR	494,696	425,236	92,498	77,245	37.89	36.88
USD	1,254,465	1,327,540	608,664	392,527	33.42	30.04
JPY	456,228	51,399	3,645,295	134,567	0.29	0.29
NOK	71,522	55,815	74,584	49,382	3.80	3.50
GBP	74,344	116,939	42,334	50,820	45.10	40.64
SEK	148	5,955	1,399	4,738	3.70	3.67
PLN	187,147	198,999	96,465	108,180	8.25	8.11
CZK	1,106	981	114,062	1,413	1.52	1.41
GHS	5,090	5,352	5,110	108	6.99	7.13
RUB	1,951,288	1,514,284	169,429	769,966	0.45	0.41
CNY	21,395	25,424	284	-	5.25	4.62

As at 31 December	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2021 Thousand Currency unit	2020 Thousand Currency unit	2021 Thousand Currency unit	2020 Thousand Currency unit	2021 Baht per currency unit	2020 Baht per currency unit
EUR	492,347	418,110	26,306	23,858	37.89	36.88
USD	945,542	1,043,370	335,024	163,364	33.42	30.04
JPY	62,064	31,962	3,445,149	203	0.29	0.29
NOK	-	-	219	554	3.80	3.50
GBP	32,227	25,553	7,627	12,746	45.10	40.64
PLN	93,145	98,967	168	-	8.25	8.11
CNY	21,395	25,424	73	-	5.25	4.62

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Effects of hedge accounting on the financial position and performance

The effects of the foreign currency-related hedging instruments on the Group and the Company's financial position and performance are as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<b>Cash flow hedge</b>				
<u>Foreign currency forward contracts</u>				
Net carrying amount of hedging instruments (Thousand Baht)	(420,450)	1,283,457	(339,345)	1,031,884
Notional amount (Thousand)				
USD	1,533,229	1,100,009	802,036	630,998
EUR	271,998	280,865	216,000	238,955
PLN	94,000	-	94,000	-
CNY	22,000	32,000	22,000	32,000
AUD	11,000	-	11,000	-
Maturity date	January 2022 - September 2026	January 2021 - October 2024	January 2022 - September 2026	January 2021 - October 2024
Hedge ratio	1:1	1:1	1:1	1:1
Change in value of outstanding hedging instruments used for measuring ineffectiveness for the year (Thousand Baht)	(3,304,309)	1,581,693	(2,017,226)	1,395,285
Change in value of hedged item used to determine hedge ineffectiveness for the year (Thousand Baht)	3,304,309	(1,581,693)	2,017,226	(1,395,285)
Weighted average strike rate for outstanding hedging instruments				
USD:THB	32.30	31.03	31.61	31.16
EUR:THB	39.48	39.24	39.48	39.24
PLN:THB	7.85	-	7.85	-
CNY:THB	4.72	4.30	4.72	4.30
AUD:THB	24.13	-	24.13	-
EUR:GBP	0.86	0.92	-	-
USD:EUR	0.86	0.84	-	-
USD:GBP	0.73	0.78	-	-
<u>Cross-currency interest rate swaps</u>				
Net carrying amount of hedging instruments (Thousand Baht)	384,657	363,481	384,657	363,481
Notional amount (Thousand)				
USD	290,500	223,000	290,500	223,000
EUR	157,819	141,819	157,819	141,819
PLN	-	100,000	-	100,000
JPY	17,400,000	-	17,400,000	-
Maturity date	June 2022 - May 2028	January 2021 - April 2026	June 2022 - May 2028	January 2021 - April 2026
Hedge ratio	1:1	1:1	1:1	1:1
Change in value of outstanding hedging instruments used for measuring ineffectiveness for the year (Thousand Baht)	97,242	503,618	97,242	503,618
Change in value of hedged item used to determine hedge ineffectiveness for the year (Thousand Baht)	(124,464)	-	(124,464)	-
Weighted average strike rate for outstanding hedging instruments				
USD:THB	33.04	33.93	33.04	33.93
EUR:THB	38.90	40.59	38.90	40.59
PLN:EUR	-	4.35	-	4.35
JPY:THB	0.29	-	0.29	-
Weighted average hedged rate for the year (per annum)	2.7%	2.4%	2.7%	2.4%

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As at 31 December	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<b>Fair value hedge</b>				
<u>Foreign currency forward contracts</u>				
Net carrying amount of hedging instruments (Thousand Baht)	(1,295)	-	(1,295)	-
Notional amount (Thousand AUD)	19,001	-	19,001	-
Maturity date	April 2022 - September 2022	-	April 2022 - September 2022	-
Hedge ratio	1:1	-	1:1	-
Change in value of outstanding hedging instruments used for measuring ineffectiveness for the year (Thousand Baht)	(1,295)	-	(1,295)	-
Change in value of hedged item used to determine hedge ineffectiveness for the year (Thousand Baht)	712	-	712	-
Accumulated amount of fair value hedge remaining in the statement of financial position for hedged items that have ceased to be adjusted for hedging gain / loss (Thousand Baht)	712	-	712	-
Accumulated amount of fair value hedge adjustments on the hedged item included in the carrying amount of the hedged item recognised in the statement of financial position (Thousand Baht)	(712)	-	(712)	-
<u>Cross-currency interest rate swaps</u>				
Net carrying amount of hedging instruments (Thousand Baht)	(34,786)	54,587	(34,786)	54,587
Notional amount (USD Thousand)	30,000	30,000	30,000	30,000
Maturity date	June 2022	June 2022	June 2022	June 2022
Hedge ratio	1:1	1:1	1:1	1:1
Change in value of outstanding hedging instruments used for measuring ineffectiveness for the year (Thousand Baht)	(92,462)	(19,956)	(92,462)	(19,956)
Change in value of hedged item used to determine hedge ineffectiveness for the year (Thousand Baht)	92,246	19,981	92,246	19,981
Accumulated amount of fair value hedge remaining in the statement of financial position for hedged items that have ceased to be adjusted for hedging gain / loss (Thousand Baht)	(31,146)	61,316	(31,146)	61,316
Accumulated amount of fair value hedge adjustments on the hedged item included in the carrying amount of the hedged item recognised in the statement of financial position (Thousand Baht)	4,296	13,535	4,296	13,535
Weighted average hedged rate for the year (per annum)	3.7%	3.7%	3.7%	3.7%



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As at 31 December	Consolidated financial statements	
	2021	2020
<b>Net investment hedge</b>		
Net carrying amount of hedging instruments (Thousand Baht)	215,129	-
Notional amount (Thousand EUR)	180,000	-
Maturity date	November 2024 - October 2026	-
Hedge ratio	1:1	-
Change in value of outstanding hedging instruments used for measuring ineffectiveness for the year (Thousand Baht)	215,129	-
Change in value of hedged item used to determine hedge ineffectiveness for the year (Thousand Baht)	(215,129)	-

**Sensitivity**

As shown in the table above, the Group is primarily exposed to changes between Baht and US Dollar or Euro exchange rates. The sensitivity of pre-tax profit or loss to changes in the exchange rates arises, while holding all other variables constant, mainly from financial assets and financial liabilities denominated in US Dollar and Euro and the impact on other components of equity arises from foreign forward exchange contracts designated as cash flow hedges.

	Consolidated financial statements		Separate financial statements	
	Impact to net profit Thousand Baht	Impact to other components of equity Thousand Baht	Impact to net profit Thousand Baht	Impact to other components of equity Thousand Baht
<b>As at 31 December 2021</b>				
Exchange rate THB to USD Increase / Decrease 7%	Increase / Decrease 988,849	Decrease / Increase 2,053,143	Increase / Decrease 728,352	Decrease / Increase 509,151
Exchange rate THB to EUR Increase / Decrease 9%	Decrease / Increase 455,965	-	Increase / Decrease 274,596	-
<b>As at 31 December 2020</b>				
Exchange rate THB to USD Increase / Decrease 7%	Increase / Decrease 1,014,111	Decrease / Increase 1,067,849	Increase / Decrease 769,569	Decrease / Increase 292,259
Exchange rate THB to EUR Increase / Decrease 9%	Decrease / Increase 361,661	-	Increase / Decrease 31,399	-

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b) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group's exposure to interest rate risk relates primarily to its deposits at financial institutions, long-term loans to related parties, short-term borrowings, long-term borrowings and debentures. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, including those the Group had entered into as interest rate swap agreements.

The Group sometimes borrows at variable rates and uses interest rate swaps to hedge future interest payments, which has the economic effect of converting borrowings from floating rates to fixed rates. The interest rate swaps allow the Group to raise long-term borrowings at floating rates and swap them into fixed rates that are lower than those available if the Group borrowed at fixed rates directly.

Under the interest rate swaps, the Group agrees with the other parties to exchange, at specified intervals, the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. Any differential to be paid or received on an interest rate swap agreement is recognised as a component of interest revenue or expense over the period of the agreement.

Significant financial assets and liabilities classified by interest rates type are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date or the repricing date if this occurs before the maturity date.

As at 31 December 2021	Consolidated financial statements								
	Fixed interest rates			Floating interest rates			Non-interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	1 - 5 years	Over 5 years	Within 1 year	1 - 5 years	Over 5 years			
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	
<b>Financial assets</b>									
Cash and cash equivalents	190	-	-	8,304	-	-	529	9,023	0.01 - 3.25
Short-term investment	700	-	-	-	-	-	-	700	0.32 - 0.50
Short-term loans to	5	-	-	-	-	-	9	14	4.50
Restricted bank deposits	-	5	-	-	-	-	-	5	0.13 - 0.50
Long-term loans to	-	-	-	-	-	-	1	1	-
	895	5	-	8,304	-	-	539	9,743	
<b>Financial liabilities</b>									
Bank overdrafts and short-term loans from financial institutions	8,671	-	-	896	-	-	-	9,567	0.75 - 6.0
Short-term loans from financial institutions	104	-	-	-	-	-	1	105	0.45 - 3.0
Long-term loans from financial institutions	54	412	-	12,532	12,681	-	4	25,683	0.82 - 8.60
Debentures	2,000	18,051	14,474	-	-	-	-	34,525	2.27 - 5.18
Lease liabilities	347	712	37	4	60	-	-	1,160	1.0 - 6.0
	11,176	19,175	14,511	13,432	12,741	-	5	71,040	
As at 31 December 2020	Consolidated financial statements								
	Fixed interest rates			Floating interest rates			Non-interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	1 - 5 years	Over 5 years	Within 1 year	1 - 5 years	Over 5 years			
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	
<b>Financial assets</b>									
Cash and cash equivalents	93	-	-	4,593	-	-	1,600	6,286	0.01 - 3.50
Short-term loans to	-	-	-	-	-	-	9	9	-
Restricted bank deposits	-	4	-	-	-	1	-	5	0.25 - 0.60
Long-term loans to	-	-	-	-	-	-	1	1	-
	93	4	-	4,593	-	1	1,610	6,301	
<b>Financial liabilities</b>									
Bank overdrafts and short-term loans from financial institutions	11,679	-	-	1,727	-	-	-	13,406	0.65 - 4.60
Short-term loans from financial institutions	58	-	-	-	-	-	1	59	0.80 - 1.25
Long-term loans from financial institutions	56	214	39	1,569	12,515	-	15	14,408	1.22 - 5.75
Debentures	6,049	11,043	12,249	-	-	-	-	29,341	2.32 - 5.18
Lease liabilities	403	672	37	11	78	-	-	1,201	3.49 - 6.00
	18,245	11,929	12,325	3,307	12,593	-	16	58,415	

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As at 31 December 2021	Separate financial statements								
	Fixed interest rates			Floating interest rates			Non-interest bearing	Total	Interest rate
	Within 1 year	1 - 5 years	Over 5 years	Within 1 year	1 - 5 years	Over 5 years			
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	(% p.a.)
<b>Financial assets</b>									
Cash and cash equivalents	-	-	-	7,885	-	-	2	7,887	0.01 - 0.40
Short-term investment	500	-	-	-	-	-	-	500	0.50
Short-term loans to	9,587	-	-	12,603	-	-	-	22,190	0.88 - 1.80
Long-term loans to	-	20,249	-	-	13,940	2,457	-	36,646	0.88 - 6.00
	10,087	20,249	-	20,488	13,940	2,457	2	67,223	
<b>Financial liabilities</b>									
Bank overdrafts and short-term loans from financial institutions	8,002	-	-	-	-	-	-	8,002	0.75 - 2.00
Short-term loans from	999	-	-	-	-	-	-	999	0.28 - 0.68
Long-term loans from financial institutions	-	-	-	12,500	12,680	-	-	25,180	0.82 - 1.74
Debentures	2,000	18,051	14,474	-	-	-	-	34,525	2.27 - 5.18
Lease liabilities	97	292	-	-	-	-	-	389	3.75 - 4.00
	11,098	18,343	14,474	12,500	12,680	-	-	69,095	
As at 31 December 2020	Separate financial statements								
	Fixed interest rates			Floating interest rates			Non-interest bearing	Total	Interest rate
	Within 1 year	1 - 5 years	Over 5 years	Within 1 year	1 - 5 years	Over 5 years			
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	(% p.a.)
<b>Financial assets</b>									
Cash and cash equivalents	-	-	-	4,515	-	-	731	5,246	0.04 - 0.75
Short-term loans to	4,156	-	-	8,883	-	-	-	13,039	1.00 - 3.25
Long-term loans to	-	16,113	2,179	-	14,516	803	13	33,624	1.30 - 6.16
	4,156	16,113	2,179	13,398	14,516	803	744	51,909	
<b>Financial liabilities</b>									
Bank overdrafts and short-term loans from financial institutions	6,889	-	-	-	-	-	-	6,889	0.65 - 2.40
Short-term loans from	81	-	-	-	-	-	-	81	0.65 - 1.00
Long-term loans from financial institutions	-	-	-	1,509	12,484	-	-	13,993	1.22 - 2.97
Debentures	6,049	11,043	12,249	-	-	-	-	29,341	2.32 - 5.18
Lease liabilities	97	312	21	-	-	-	-	430	4.00 - 4.50
	13,116	11,355	12,270	1,509	12,484	-	-	50,734	

**Effect of hedge accounting on the financial position and performance**

The effects of the interest rate swaps on the financial position and performance are as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<b>Cash flow hedge</b>				
<u>Interest rate swaps</u>				
Net carrying amount of hedging instruments (Thousand Baht)	27,887	-	27,887	-
Notional amount (Thousand Baht)	4,550,000	-	4,550,000	-
Maturity date	December 2025	-	December 2025	-
Hedge ratio	1:1	-	1:1	-
Change in value of outstanding hedging instruments used for measuring ineffectiveness for the year (Thousand Baht)	32,003	-	32,003	-
Change in value of hedged item used to determine hedge ineffectiveness for the year (Thousand Baht)	(32,003)	-	(32,003)	-
Weighted average strike rate for outstanding hedging instruments (per annum)	2.2 - 2.5%	-	2.2 - 2.5%	-

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As at 31 December	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<b>Fair value hedge</b>				
<u>Interest rate swaps</u>				
Net carrying amount of hedging instruments (Thousand Baht)	2,235	-	2,235	-
Notional amount (Thousand Baht)	2,250,000	-	2,250,000	-
Maturity date	November 2026	-	November 2026	-
Hedge ratio	1:1	-	1:1	-
Change in value of outstanding hedging instruments used for measuring ineffectiveness for the year (Thousand Baht)	(2,235)	-	(2,235)	-
Change in value of hedged item used to determine hedge ineffectiveness for the year (Thousand Baht)	2,235	-	2,235	-
Weighted average strike rate for outstanding hedging instruments (per annum)	1.5%	-	1.5%	-

**Sensitivity**

Profit or loss is sensitive to higher or lower interest expenses from borrowings as a result of changes in interest rates.

As at 31 December 2021	Consolidated financial statements		Separate financial statements	
	Impact to net profit Thousand Baht	Impact to other components of equity Thousand Baht	Impact to net profit Thousand Baht	Impact to other components of equity Thousand Baht
Interest rate - Increase / Decrease by 1 basis point	Decrease / Increase 261,027	-	Decrease / Increase 252,732	-
As at 31 December 2020	Consolidated financial statements		Separate financial statements	
	Impact to net profit Thousand Baht	Impact to other components of equity Thousand Baht	Impact to net profit Thousand Baht	Impact to other components of equity Thousand Baht
Interest rate - Increase / Decrease by 1 basis point	Decrease / Increase 147,660	-	Decrease / Increase 125,814	-

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6.1.2 Credit risk

Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVPL), derivative financial instruments as well as credit exposures to customers, including outstanding receivables.

a) Risk management

Policy on credit risk management is set from the group level and is managed and monitored both at a group level as a holistic view and at each company level as detailed execution. For banks and financial institutions, only reliable parties are accepted. Regarding transactions with customers, the Group has policies in place to ensure that sales of products are made to customers with an appropriate credit history, taking into accounts its financial position, past experience and other factors. The Group works closely with trade insurance companies to have trade insurance policy to cover trade receivables delinquency risk and to set the credit limit to each customer based on risk assessments in accordance with the aforementioned policies. Credit term, security requirement, and trade receivables factoring will also be used to prevent or reduce the potential risks arisen. The compliance with credit limits by customers is regularly monitored by line management. There are no significant concentrations of credit risk.

The Group's investments in debt instruments are considered to be low risk investments. The Group regularly monitors the credit ratings of the investments for credit deterioration.

b) Security

For some trade receivables, the Group may obtain security in the forms of cash deposit, bank guarantees, or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

c) Impairment of financial assets

The Group and the Company's financial assets are subject to the expected credit loss model.

While cash and cash equivalents are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

The expected loss rates are based on the payment profiles of sales over a period of the last 5 years and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Loans to related parties measured at amortised cost are considered to have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Lifetime expected credit losses are recognised for the loans that the credit risk is significantly increased.

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The loss allowance for trade receivables was determined as follows:

	Consolidated financial statements					
	Not yet due Thousand Baht	Up to 3 months Thousand Baht	3 - 6 months Thousand Baht	6 - 12 months Thousand Baht	Over 12 months Thousand Baht	Total (Note 11) Thousand Baht
<b>As at 31 December 2021</b>						
Gross carrying amount	9,243,547	2,731,355	398,147	243,713	257,878	12,874,640
Loss allowance	(4,422)	(14,020)	(16,234)	(43,603)	(222,072)	(300,351)
<b>As at 31 December 2020</b>						
Gross carrying amount	8,738,141	2,510,094	115,376	32,013	188,997	11,584,621
Loss allowance	(4,281)	(29,715)	(21,462)	(27,981)	(188,997)	(272,436)
	Separate financial statements					
	Not yet due Thousand Baht	Up to 3 months Thousand Baht	3 - 6 months Thousand Baht	6 - 12 months Thousand Baht	Over 12 months Thousand Baht	Total (Note 11) Thousand Baht
<b>As at 31 December 2021</b>						
Gross carrying amount	2,776,175	651,337	15,561	531	8,279	3,451,883
Loss allowance	(2,090)	(183)	(143)	(339)	(8,146)	(10,901)
<b>As at 31 December 2020</b>						
Gross carrying amount	2,610,486	257,232	1,700	4,161	3,012	2,876,591
Loss allowance	(396)	(243)	(330)	(1,535)	(2,821)	(5,325)

The loss allowance for trade receivables can be reconciled as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>For the year ended 31 December</b>				
As at 1 January	(272,436)	(312,907)	(5,325)	(56,416)
Increase from business combinations	-	(7,375)	-	-
(Reversal of) loss allowance recognised in profit or loss	(43,876)	(12,488)	(5,850)	19,230
Receivables written off during the year as uncollectible	7,851	59,288	274	31,861
Reclassification	-	1,396	-	-
Translation adjustment	8,110	(350)	-	-
<b>As at 31 December</b>	<b>(300,351)</b>	<b>(272,436)</b>	<b>(10,901)</b>	<b>(5,325)</b>



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The loss allowance for short-term and long-term loans to were determined as follow:

	Consolidated financial statements			
	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht
<b>As at 31 December 2021</b>				
Gross carrying amount				
- short-term loans to	13,787	-	-	13,787
- long-term loans to	-	668	-	668
Loss allowance	-	-	-	-
<b>As at 31 December 2020</b>				
Gross carrying amount				
- short-term loans to	253,857	-	-	253,857
- long-term loans to	-	601	-	601
Loss allowance	(244,913)	-	-	(244,913)
	Separate financial statements			
	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht
<b>As at 31 December 2021</b>				
Gross carrying amount				
- short-term loans to	22,189,581	-	-	22,189,581
- long-term loans to	-	36,905,145	-	36,905,145
Loss allowance	-	(259,451)	-	(259,451)
<b>As at 31 December 2020</b>				
Gross carrying amount				
- short-term loans to	13,296,235	-	-	13,296,235
- long-term loans to	-	31,771,555	2,407,312	34,178,867
Loss allowance	(257,644)	(326,155)	(228,213)	(812,012)

The loss allowance for short-term loans to related parties can be reconciled as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>For the year ended 31 December</b>				
As at 1 January	(244,913)	-	(257,644)	(11,644)
Receivables written off during the year as uncollectible	258,238	-	271,323	-
Transfer from long-term loans to related parties	-	(244,913)	-	(244,913)
Loss on exchange rates	(13,325)	-	(13,679)	(1,087)
As at 31 December	-	(244,913)	-	(257,644)

The loss allowance for long-term loans to related parties can be reconciled as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>For the year ended 31 December</b>				
As at 1 January	-	(4,671)	(554,368)	(417,752)
(Increase) Decrease in loss allowance recognised in profit and loss during the year	-	-	323,219	(390,718)
Transfer to short-term loans to related parties	-	244,913	-	244,913
Reclassification	-	(253,312)	-	-
Gain (loss) on exchange rates	-	13,070	(28,302)	9,189
As at 31 December	-	-	(259,451)	(554,368)

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### 6.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and funding availability through an adequate amount of committed credit facilities. Unused borrowing facilities have been disclosed in Note 26. Due to the nature of the underlying business, the Group Treasury aims at maintaining funding flexibility by keeping committed credit lines available.

An analysis of the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities is presented in Note 6.1.1.

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. For interest rate swaps, the cash flows have been estimated using forward interest rates applicable at the end of the reporting period.

The Group's trading portfolio of derivative instruments with a negative fair value has been included at their fair value in the consolidated and separate financial statements of Baht 240 million and Baht 452 million, respectively (2020: Baht 66 million and Baht 22 million, respectively) within 1 year time bucket. This is because the contractual maturities are not essential for an understanding of the cash flows' timing. These contracts are managed on a net fair value basis, rather than by maturity date.

	Consolidated financial statements				
	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	Carrying amount liabilities Thousand Baht
<b>Maturity of financial liabilities</b>					
<b>As at 31 December 2021</b>					
<b>Non-derivative financial liabilities</b>					
Trade and other payables	21,017,187	-	-	21,017,187	21,017,187
Short-term and long-term borrowings	29,306,989	35,860,770	14,474,216	79,641,975	69,880,669
Lease liabilities	401,653	879,492	21,725	1,302,870	1,160,039
Other financial liabilities	886,503	532,217	-	1,418,720	1,418,720
Total non-derivative financial liabilities	51,612,332	37,272,479	14,495,941	103,380,752	93,476,615
<b>Derivative liabilities</b>					
Trading derivatives	239,959	262,686	-	502,645	502,645
Gross settled (Foreign currency forwards)					
(Inflow)	(20,245,125)	(15,796,779)	-	(36,041,904)	-
Outflow	20,797,057	16,773,140	-	37,570,197	1,409,798
	551,932	976,361	-	1,528,293	1,409,798
Gross settled (Cross-currency interest rate swaps)					
(Inflow)	(6,111,538)	(3,647,878)	(5,481,252)	(15,240,668)	-
Outflow	6,149,648	3,828,790	5,555,535	15,533,973	244,723
	38,110	180,912	74,283	293,305	244,723
Gross settled (Interest rate swaps)					
(Inflow)	(86,832)	-	-	(86,832)	-
Outflow	106,745	-	-	106,745	68,901
	19,913	-	-	19,913	68,901
Total derivatives	849,914	1,419,959	74,283	2,344,156	2,226,067
Total	52,462,246	38,692,438	14,570,224	105,724,908	95,702,682

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Maturity of financial liabilities As at 31 December 2020	Consolidated financial statements				Carrying amount liabilities Thousand Baht
	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	
<b>Non-derivative financial liabilities</b>					
Trade and other payables	18,809,434	-	-	18,809,434	18,809,434
Short-term and long-term borrowings	22,115,451	26,912,064	12,638,792	61,666,307	57,213,887
Lease liabilities	473,457	858,450	38,090	1,369,997	1,201,318
Other financial liabilities	2,496,786	335,459	-	2,832,245	2,832,245
Total non-derivative financial liabilities	43,895,128	28,105,973	12,676,882	84,677,983	80,056,884
<b>Derivative liabilities</b>					
Trading derivatives	58,746	7,670	-	66,416	66,416
Gross settled (Foreign currency forwards) (Inflow)	(5,487,617)	(2,491,098)	-	(7,978,715)	-
Outflow	5,617,197	2,617,780	-	8,234,977	253,339
	129,580	126,682	-	256,262	253,339
Gross settled (Cross-currency interest rate swaps) (Inflow)	(1,600,967)	(330,265)	(2,294,467)	(4,225,699)	-
Outflow	1,879,772	370,760	2,575,795	4,826,327	678,807
	278,805	40,495	281,328	600,628	678,807
Total derivatives	467,131	174,847	281,328	923,306	998,562
Total	44,362,259	28,280,820	12,958,210	85,601,289	81,055,446

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Maturity of financial liabilities As at 31 December 2021	Separate financial statements				Carrying amount liabilities Thousand Baht
	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	
<b>Non-derivative financial liabilities</b>					
Trade and other payables	3,610,324	-	-	3,610,324	3,610,324
Short-term and long-term borrowings	28,547,581	35,350,485	14,474,216	78,372,282	68,704,856
Lease liabilities	111,487	307,089	-	418,576	388,775
Other financial liabilities	88,218	138,605	-	226,823	226,823
Total non-derivative financial liabilities	32,357,610	35,796,179	14,474,216	82,628,005	72,930,778
<b>Derivative liabilities</b>					
Trading derivatives	452,478	254,700	-	707,178	707,178
Gross settled (Foreign currency forwards) (Inflow)	(6,438,528)	(15,498,483)	-	(21,937,011)	-
Outflow	6,676,053	16,470,804	-	23,146,857	1,170,861
	237,525	972,321	-	1,209,846	1,170,861
Gross settled (Cross-currency interest rate swaps) (Inflow)	(6,111,538)	(3,607,878)	(5,481,252)	(15,200,668)	-
Outflow	6,149,648	3,828,790	5,555,535	15,533,973	244,723
	38,110	220,912	74,283	333,305	244,723
Gross settled (Interest rate swaps) (Inflow)	(80,531)	-	-	(80,531)	-
Outflow	106,745	-	-	106,745	25,216
	26,214	-	-	26,214	25,216
Total derivatives	754,327	1,447,933	74,283	2,276,543	2,147,978
Total	33,111,937	37,244,112	14,548,499	84,904,548	75,078,756

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	Separate financial statements				Carrying amount liabilities Thousand Baht
	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	
<b>Maturity of financial liabilities As at 31 December 2020</b>					
<b>Non-derivative financial liabilities</b>					
Trade and other payables	2,952,234	-	-	2,952,234	2,952,234
Short-term and long-term borrowings	15,498,265	26,650,902	12,599,867	54,749,034	50,303,836
Lease liabilities	113,415	344,628	20,946	478,989	429,568
Other financial liabilities	177,005	98,488	-	275,493	275,493
<b>Total non-derivative financial liabilities</b>	<b>18,740,919</b>	<b>27,094,018</b>	<b>12,620,813</b>	<b>58,455,750</b>	<b>53,961,131</b>
<b>Derivative liabilities</b>					
Trading derivatives	22,024	-	-	22,024	22,024
<b>Gross settled (Foreign currency forwards)</b>					
(Inflow)	(3,105,840)	(2,491,098)	-	(5,596,938)	-
Outflow	3,181,273	2,617,780	-	5,799,053	152,231
	75,433	126,682	-	202,115	152,231
<b>Gross settled (Cross-currency interest rate swaps)</b>					
(Inflow)	(1,600,967)	(330,265)	(2,294,467)	(4,225,699)	-
Outflow	1,879,772	370,760	2,575,795	4,826,327	588,744
	278,805	40,495	281,328	600,628	588,744
<b>Total derivatives</b>	<b>376,262</b>	<b>167,177</b>	<b>281,328</b>	<b>824,767</b>	<b>762,999</b>
<b>Total</b>	<b>19,117,181</b>	<b>27,261,195</b>	<b>12,902,141</b>	<b>59,280,517</b>	<b>54,724,130</b>

## 6.2 Capital risk management

The Group's objectives of capital management are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt. However, the Group and the Company are required to comply with the debt covenants for borrowings (Note 26 and 27).

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## 7 Fair value

The following table presents financial assets and liabilities measured at fair value, excluding where the fair value is approximately the same as the carrying amount.

As at 31 December	Consolidated financial statements							
	Level 1		Level 2		Level 3		Total	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>Assets</b>								
<b>Financial assets measured at FVPL</b>								
Debt instruments	-	-	-	-	14,998,436	12,442,028	14,998,436	12,442,028
Equity instruments	-	-	240	216	-	-	240	216
<b>Financial assets measured at FVOCI</b>								
Equity instruments	749,766	26,298	-	-	9,000	9,000	758,766	35,298
<b>Derivatives</b>								
Foreign currency forward contracts	-	-	1,305,216	1,901,751	-	-	1,305,216	1,901,751
Cross-currency interest rate swaps	-	-	618,327	1,101,447	-	-	618,327	1,101,447
Interest rate swaps	-	-	55,338	-	-	-	55,338	-
Other derivatives	-	-	-	54,100	-	-	-	54,100
<b>Total</b>	<b>749,766</b>	<b>26,298</b>	<b>1,979,121</b>	<b>3,057,514</b>	<b>15,007,436</b>	<b>12,451,028</b>	<b>17,736,323</b>	<b>15,534,840</b>
<b>Liabilities</b>								
<b>Derivatives</b>								
Foreign currency forward contracts	-	-	1,878,488	312,085	-	-	1,878,488	312,085
Cross-currency interest rate swaps	-	-	266,231	588,744	-	-	266,231	588,744
Interest rate swaps	-	-	68,901	90,063	-	-	68,901	90,063
Other derivatives	7	-	12,440	-	-	7,670	12,447	7,670
<b>Total</b>	<b>7</b>	<b>-</b>	<b>2,226,060</b>	<b>990,892</b>	<b>-</b>	<b>7,670</b>	<b>2,226,067</b>	<b>998,562</b>

As at 31 December	Separate financial statements							
	Level 1		Level 2		Level 3		Total	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>Assets</b>								
<b>Financial assets measured at FVOCI</b>								
Equity instruments	455,573	-	-	-	9,000	9,000	464,573	9,000
<b>Derivatives</b>								
Foreign currency forward contracts	-	-	1,417,850	1,547,240	-	-	1,417,850	1,547,240
Cross-currency interest rate swaps	-	-	618,327	1,101,447	-	-	618,327	1,101,447
Interest rate swaps	-	-	55,338	-	-	-	55,338	-
Other derivatives	-	-	-	-	7,875	7,875	7,875	7,875
<b>Total</b>	<b>455,573</b>	<b>-</b>	<b>2,091,515</b>	<b>2,648,687</b>	<b>16,875</b>	<b>16,875</b>	<b>2,563,963</b>	<b>2,665,562</b>
<b>Liabilities</b>								
<b>Derivatives</b>								
Foreign currency forward contracts	-	-	1,856,531	174,255	-	-	1,856,531	174,255
Cross-currency interest rate swaps	-	-	266,231	588,744	-	-	266,231	588,744
Interest rate swaps	-	-	25,216	-	-	-	25,216	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,147,978</b>	<b>762,999</b>	<b>-</b>	<b>-</b>	<b>2,147,978</b>	<b>762,999</b>

There were no transfers between these levels during the year.



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The Group classified debt investments that do not qualify for measurement at either amortised cost or FVOCI at FVPL. Financial assets mandatorily measured at FVPL include the following:

As at 31 December	Consolidated financial statements	
	2021	2020
	Thousand Baht	Thousand Baht
<b>Financial assets measured at FVPL</b>		
Unlisted convertible redeemable preference units	14,906,769	12,369,491
Convertible notes	91,667	72,537
Mutual funds	240	216
Total financial assets measured at FVPL	14,998,676	12,442,244

Fair values are categorised into hierarchy based on inputs used as follows:

The fair value of financial instruments traded in the active market is based on quoted market prices at the statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market (over the counter) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Group's specific estimates. If all significant inputs required to assess the fair value of an instrument are observable, the instrument is included in level 2.

The Group's valuation techniques to measure fair value in level 3 are option-pricing models, the present value of future cash flows based on the forward exchange rates at the reporting date and the discounted cash flow analysis. The significant inputs are from both observable market data and unobservable market data, e.g. share prices and credit spread. There were no changes in valuation techniques during the year.

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurement.

Description	Fair value as at 31 December		Unobservable inputs	Valuation technique	Inputs		Relationship of unobservable inputs to fair value for the year 2021
	2021	2020			2021	2020	
	Thousand Baht	Thousand Baht					
Unlisted convertible redeemable preference units	14,906,769	12,369,491	Risk-adjusted discount rate	Discounted cash flow	8.41% p.a.	7.76% p.a.	- A 1% increase in the risk-adjusted discount rate would result in a decrease in fair value by Baht 651 million (2020: Baht 548 million). - A 1% decrease in the risk-adjusted discount rate would result in an increase in fair value by Baht 683 million (2020: Baht 578 million).

The Group set up a working team which performs the valuations required for financial reporting purposes, including level 3 fair values. They also involve a valuation specialist supporting valuation of financial assets and liabilities. This team reports directly to the CFO and the Board of Directors. The main level 3 inputs used by the Group are derived and evaluated as follows:

- Discount rates for financial assets and financial liabilities are determined using a Capital Asset Pricing Model (CAPM) to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Risk adjustments are specific to the counterparties.

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The following table presents the changes in level 3 financial assets measured at FVPL:

	Consolidated financial statements Thousand Baht
<b>Opening balance as at 1 January 2020</b>	11,461,704
Additions	72,369
Fair value gain on financial assets measured at FVPL	991,946
Translation adjustment	(83,991)
<b>Closing balance as at 31 December 2020</b>	12,442,028
Additions	8,144
Fair value gain on financial assets measured at FVPL	1,097,794
Translation adjustment	1,450,470
<b>Closing balance as at 31 December 2021</b>	14,998,436
Fair value gains (losses) recognised in profit or loss attributable to assets held at the end of the reporting period (Note 45) For the year ended 31 December 2021	1,097,794
For the year ended 31 December 2020	991,946

There were no changes in valuation techniques during the year.

The Group's valuation processes

The Group's finance department includes a working team that values financial assets for financial reporting purposes, including Level 3 fair values. This team reports directly to the Chief Financial Officer (CFO) and the Group Treasury Committee. Discussions of valuation processes and results are held between the CFO and the valuation team at least once every quarter, in line with the Group's quarterly reporting dates.

Financial assets and financial liabilities are approximately to the carrying amounts as follows:

- Cash and cash equivalents, including restricted deposits with financial institutions
- Trade and other receivables
- Short-term loans to related and third parties
- Short-term loans from financial institutions, related and third parties
- Short-term borrowings
- Trade and other payables
- Long-term loans to related parties and third parties\*
- Long-term loans from financial institutions\*

The fair values of long-term loans to and long-term loans from equal their carrying amount, as the impact of discounting is not significant.

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8 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

- (a) Impairment of goodwill and intangible asset with an indefinite useful life

The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. The calculations use cash flow projections based on financial budget approved by management covering a certain period.

Cash flows beyond the forecasted period are extrapolated using the estimated growth rates stated in Note 20 and 21. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.
- (b) Fair valuation of financial assets measured at fair value through profit of loss and derivatives

The fair value of financial assets that are not traded in an active market is determined by using valuation techniques. The Group uses judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Details of key assumptions used are included in Note 7.
- (c) Provision and contingent liabilities for litigation and claims

The Group exercises judgement in measuring and recognising provision and the exposures to contingent liabilities related to outstanding litigation and claims. Contingencies are recorded as provision when it is likely that a liability has been incurred and the amount is reasonably estimated. Judgement is necessary in assessing the likelihood that a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty, actual losses may be different from the originally estimated provision.
- (d) Defined retirement benefit obligations

The present value of the retirement benefit obligations depends on a number of assumptions. Key assumptions used and impacts from possible changes in key assumptions are disclosed in Note 29.

9 Segment and revenue information

The Global Leadership Team (GLT) is the Group's chief operating decision maker. Management has determined the operating segments based on the information reviewed by the GLT for the purposes of allocating resources and assessing performance.

For management purposes, the Group organises business units based on its products and services and has three reportable segments:

- ambient seafood
- frozen and chilled seafood and related businesses
- pet food, value-added and other businesses

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. The Group measures segment performance based on a calculation of gross profit, which is consistent with the statement of income.

Transactions between operating segments are recorded in the same manner as transactions with third parties. These transactions have been eliminated in the consolidated financial statements. Details of revenue disaggregation are similar to revenue information that is disclosed in segment information.

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The following tables present revenue and gross profit information relating to the Group's operating segments.

	Consolidated financial statements					
	Ambient seafood Thousand Baht	Frozen and chilled seafood and related businesses Thousand Baht	Pet food, value-added and other businesses Thousand Baht	Total reportable segments Thousand Baht	Eliminations Thousand Baht	Total Thousand Baht
For the year ended 31 December 2021						
Total revenue	70,121,538	63,820,253	32,276,875	166,218,666	(25,170,971)	141,047,695
Less Inter-segment	(11,166,040)	(5,402,958)	(8,601,973)	(25,170,971)	25,170,971	-
Revenue from external customers	58,955,498	58,417,295	23,674,902	141,047,695	-	141,047,695
Results						
Segment gross profit	12,655,692	6,874,072	6,179,729	25,709,493	17,035	25,726,528
Selling and administrative expenses*						(17,470,666)
Operating profit (not including other income)						8,255,862
Finance costs						(1,730,047)
Share of loss from investments accounted for using the equity method						(269,057)
Other income (expenses)						2,756,486
Profit before income tax						9,013,244
Income tax						(741,532)
Profit for the year						8,271,712
Timing of revenue recognition						
At a point in time	58,955,498	58,417,295	23,674,902	141,047,695	-	141,047,695

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	Consolidated financial statements					
	Ambient seafood Thousand Baht	Frozen and chilled seafood and related businesses Thousand Baht	Pet food, value-added and other businesses Thousand Baht	Total reportable segments Thousand Baht	Eliminations Thousand Baht	Total Thousand Baht
<b>For the year ended 31 December 2020</b>						
Total revenue	76,574,542	54,051,130	26,184,305	156,809,977	(24,407,541)	132,402,436
<u>Less</u> Inter-segment	(13,850,721)	(4,445,788)	(6,111,032)	(24,407,541)	24,407,541	-
<b>Revenue from external customers</b>	<b>62,723,821</b>	<b>49,605,342</b>	<b>20,073,273</b>	<b>132,402,436</b>	<b>-</b>	<b>132,402,436</b>
<b>Results</b>						
<b>Segment gross profit</b>	13,210,770	4,794,754	5,369,016	23,374,540	43,083	23,417,623
Selling and administrative expenses*						(15,596,251)
<b>Operating profit</b> (not including other income)						7,821,372
Finance costs						(1,724,438)
Share of loss from investments accounted for using the equity method						(527,489)
Other income (expenses)						1,709,553
<b>Profit before income tax</b>						7,278,998
Income tax						(723,764)
<b>Profit for the year from continuing operations</b>						6,555,234
Loss for the year from discontinued operations	-	(23,899)	(22,323)	(46,222)	-	(46,222)
<b>Profit for the year</b>						6,509,012
<b>Timing of revenue recognition</b>						
At a point in time	62,723,821	49,605,342	20,073,273	132,402,436	-	132,402,436

\* Selling and administrative expenses presented in the segment information do not include impairment loss on investments in subsidiaries.

**Geographic information**

Revenue from external customers is based on the location of the customers.

	Consolidated financial statements	
	2021 Thousand Baht	2020 Thousand Baht
<b>Revenue from external customers</b>		
Thailand	14,590,520	13,303,814
US	60,757,333	55,442,956
Japan	7,156,323	7,030,631
Europe	39,927,035	38,361,388
Others	18,616,484	18,263,647
Total revenue from external customers	141,047,695	132,402,436

**Major customer**

During the year ended 31 December 2021 and 2020, the Group had no customers with revenues of 10 percent or more of the Group's revenue.

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**10 Cash and cash equivalents**

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>As at 31 December</b>				
Cash on hand	4,430	12,000	595	710
Current and savings accounts	5,996,894	6,274,407	4,885,025	5,245,334
Fixed deposits due within three months	3,021,614	2	3,001,500	2
Total cash and cash equivalents	9,022,938	6,286,409	7,887,120	5,246,046
<u>Less</u> Bank overdrafts (Note 24)	(194,622)	(267,162)	-	(85,839)
Total cash and cash equivalents per statement of cash flows	8,828,316	6,019,247	7,887,120	5,160,207

The effective interest rate on fixed deposits due within three months was 0.30% per annum (2020: 0.75% per annum).

**11 Trade and other receivables, net**

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>As at 31 December</b>				
Trade receivables	12,874,640	11,584,621	3,451,883	2,876,591
<u>Less</u> Loss allowance for trade receivables	(300,351)	(272,436)	(10,901)	(5,325)
Trade receivables, net	12,574,289	11,312,185	3,440,982	2,871,266
Accrued interest income - related parties (Note 42)	6	2,504	1,116,556	702,653
Accrued interest income - third parties	7,004	3,727	6,976	3,727
Other receivables - related parties	44,387	4,004	124,636	199,090
Other receivables - third parties	1,490,795	796,477	3,109	351
Prepaid expenses	725,376	597,100	170,011	80,312
Tax coupons	52,059	55,295	18,252	20,624
Accrued income	144,643	111,498	20,789	2,021
Advance payments	1,269,205	436,746	92,890	122,320
Total trade and other receivables, net	16,307,764	13,319,536	4,994,201	4,002,364

The average credit term of trade receivables third parties and related parties were 36 days and 52 days, respectively (2020: Average 33 days and 53 days, respectively).



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Trade receivables can be analysed by aging as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<u>Trade receivables - third parties</u>				
Not yet due	9,040,854	8,395,855	1,216,154	1,292,368
Up to 3 months	2,692,045	2,490,696	153,716	184,656
3 - 6 months	398,147	84,593	11,402	1,674
6 - 12 months	243,713	32,013	531	4,160
Over 12 months	257,878	188,997	8,279	3,012
	12,632,637	11,192,154	1,390,082	1,485,870
<u>Less</u> Loss allowance for trade receivables	(299,930)	(271,007)	(10,879)	(5,309)
	12,332,707	10,921,147	1,379,203	1,480,561
<u>Trade receivables - related parties</u> (Note 42)				
Not yet due	202,693	342,286	1,560,021	1,318,118
Up to 3 months	39,310	19,398	497,621	72,576
3 - 6 months	-	30,783	4,159	26
6 - 12 months	-	-	-	1
Over 12 months	-	-	-	-
	242,003	392,467	2,061,801	1,390,721
<u>Less</u> Loss allowance for trade receivables	(421)	(1,429)	(22)	(16)
	241,582	391,038	2,061,779	1,390,705
Trade receivables, net	12,574,289	11,312,185	3,440,982	2,871,266

## 12 Financial assets and financial liabilities

The classification of the Group's financial assets and financial liabilities are as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>Financial assets</b>				
Financial assets at amortised cost (Note 7)	24,311,309	18,827,991	71,960,091	55,714,529
Financial assets measured at FVOCI	758,766	35,298	464,573	9,000
Financial assets measured at FVPL	14,998,676	12,442,244	-	-
Derivative financial instruments				
Under hedge accounting	1,633,668	2,597,709	1,488,028	2,198,801
Others	345,213	459,589	611,362	457,761
	42,047,632	34,362,831	74,524,054	58,380,091
<b>Financial liabilities</b>				
Financial liabilities at amortised cost (Note 7)	93,370,444	80,056,884	72,877,609	53,961,131
Derivative financial instruments				
Under hedge accounting	1,731,407	932,147	1,440,799	740,975
Others	494,660	66,415	707,179	22,024
	95,596,511	81,055,446	75,025,587	54,724,130

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### 12.1 Financial assets measured at FVOCI

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

- equity securities which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in this category.
- debt securities where the contractual cash flows are solely principal and interest and the objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets.

Financial assets measured at FVOCI comprise the following investments:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>Non-current assets</b>				
Investments in equity investments				
Listed securities	749,766	26,298	455,573	-
Unlisted securities	9,000	9,000	9,000	9,000
Total	758,766	35,298	464,573	9,000

The following gains/(losses) were recognised in profit or loss and other comprehensive income during the year as follows:

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Gains/(Losses) recognised in OCI				
Related to equity investments	(17,699)	(21)	(712)	-
Dividends from equity investments measured at FVOCI recognised in profit or loss	2,347	-	1,689	-

During the year 2021, the Group and the Company acquired listed securities measured at FVOCI in the amount of Baht 702.5 million.

During the year 2020, the Group and the Company acquired listed securities measured at FVOCI in the amount of Baht 2.7 million.

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12.2 Financial assets measured at FVPL

The Group classifies the following financial assets measured at FVPL:

- debt investments that do not qualify for measurement at either amortised cost of FVOCI, and
- equity investments for which the entity has irrevocably not elected at initial recognition to recognise fair value gains and losses through OCI

Financial assets measured at FVPL include the following:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Non-current assets</b>				
Unlisted convertible redeemable preference units	14,906,769	12,369,491	-	-
Non-marketable convertible notes	91,667	72,537	-	-
Mutual funds	240	216	-	-
	14,998,676	12,442,244	-	-

The following gains/(losses) were recognised in profit or loss during the year as follows:

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Fair value gains (losses) on equity investments measured at FVPL recognised in other gains/(losses)	24	(48)	-	-
Fair value gains on debt instruments measured at FVPL recognised in other gains/(losses)	1,097,793	991,946	-	-

During the year 2021, the Group and the Company acquired unlisted securities measured at FVPL in the amount of Baht 8.1 million.

During the year 2020, the Group and the Company acquired unlisted securities measured at FVPL in the amount of Baht 72.4 million.

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**13 Inventories, net**

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Finished goods	25,374,388	22,186,073	1,809,228	1,689,487
Work in process	547,693	311,877	-	-
Raw materials	10,482,103	9,098,278	1,351,534	1,271,069
Ingredients and packaging	2,425,331	1,839,400	98,194	90,110
Goods in transits	8,450,436	5,758,679	725,782	461,322
Spare parts and supplies	628,483	592,149	11,314	20,369
	47,908,434	39,786,456	3,996,052	3,532,357
<u>Less</u> Allowance for net realisable value	(1,272,271)	(1,240,259)	(33,949)	(61,328)
Total inventories, net	46,636,163	38,546,197	3,962,103	3,471,029

As at 31 December 2021, the Group has pledged certain inventories of Baht 788.21 million with financial institutions to secure its credit facilities (2020: Baht 678.53 million) (Note 24).

**14 Other current assets**

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Prepaid income tax	397,600	216,949	50,565	26,908
Value added tax refundable	836,718	517,562	29,345	9,791
Others	140,751	154,039	283	1,343
Total other current assets	1,375,069	888,550	80,193	38,042

**15 Assets and liabilities classified as held-for-sale and discontinued operations**

The Group's assets and liabilities of disposal groups classified as held-for-sale and discontinued operations consisted of a fishing fleet business in Ghana and a chilled salmon business in Scotland, as reported in the consolidated financial statements 2020. As at 31 December 2021, net liabilities of fishing fleet business was Baht 15.07 million, and net assets of chilled salmon business was Baht 0.35 million. In this regard, the aforesaid discontinued operations were in the liquidation process.

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**16 Investments using cost method and investments accounted for using the equity method**

Investments recognised in the statement of financial position are as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Investments in subsidiaries, associates and joint ventures using cost method				
Subsidiaries	-	-	33,869,226	31,408,217
Associates	-	-	3,789,307	788,757
Joint ventures	-	-	-	959
Investments accounted for using the equity method				
Associates	12,578,614	9,043,879	-	-
Joint ventures	187,339	225,291	-	-
<b>Total investments</b>	<b>12,765,953</b>	<b>9,269,170</b>	<b>37,658,533</b>	<b>32,197,933</b>

The amounts recognised in the statement of income and statement of comprehensive income are as follows:

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Share of loss</b>				
Associates	(214,201)	(522,883)	-	-
Joint ventures	(54,856)	(4,606)	-	-
<b>Total share of loss from investments accounted for using the equity method</b>	<b>(269,057)</b>	<b>(527,489)</b>	<b>-</b>	<b>-</b>
<b>Share of comprehensive income (expenses)</b>				
Associates	20,525	(23,592)	-	-
Joint ventures	-	-	-	-
<b>Total share of comprehensive income (expenses) from investments accounted for using the equity method</b>	<b>20,525</b>	<b>(23,592)</b>	<b>-</b>	<b>-</b>

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16.1 Investments in subsidiaries

The movements of investments in subsidiaries during the year are as follows:

For the year ended 31 December	Separate financial statements	
	2021	2020
	Thousand Baht	Thousand Baht
Opening net book value	31,408,217	31,165,524
Additions	221,400	58,617
Transfer from loans to a subsidiary	2,772,361	204,122
Disposals	(67,613)	-
Impairment loss	(465,139)	(20,046)
<b>Closing net book value</b>	<b>33,869,226</b>	<b>31,408,217</b>

In April 2021, the Company and Thai Union China Co., Ltd. entered into the Contribution Agreement for a contribution of CNY 30 million, equivalent to Baht 146.7 million which required converting a long-term loan receivable into an investment.

In June 2021, the Company established a new subsidiary, Thai Union Lifescience Co., Ltd. (TUL) with 95.2% shareholding. The total number of shares is 3,000,000 ordinary shares with a par value of Baht 100 per share. The subsidiary called for 25% paid-up capital, or Baht 71.4 million.

In September 2021, the Company and Thai Union Asia Investment Holding Limited (TUAH) entered into the Contribution Agreement for a contribution of USD 80.6 million, equivalent to Baht 2,625.7 million which required converting a long-term loan receivable into an investment.

In September 2021, Thai Union Ingredients Co., Ltd. (TUI) increased the registered capital from Baht 300 million to Baht 450 million by issuing 15 million ordinary shares with a par value of Baht 10 per share. The subsidiary called for paid-up capital totalling Baht 150 million.

In October 2021, the Company disposed of the investment in a subsidiary, Thai Union Feedmill Plc. in the amount of Baht 67.61 million, with 15.9% shareholding. The proceeds from this disposal were Baht 254 million, which is net with the transaction cost relating to disposal of Baht 6 million. Gain on investment disposal of Baht 187 million has been included as other gains in the statement of income of separate financial statement.

In November 2021, the Company disposed of the investment in a subsidiary, Thai Union Investments Holding Co., Ltd. (TUIH) with 100% shareholding due to dissolution. Loss on investment disposal of Baht 1 million has been included as other losses in the statement of income.



Details of investments in subsidiaries as at 31 December 2021 and 2020 are as follows:

Company's name	Nature of business	Country of incorporation	Registered share capital		Proportion of shares directly held by the Company		Proportion of shares held by non-controlling interests		Cost method		Dividend received during the year	
			2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
			Million	Million	%	%	%	%	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Thai Union Manufacturing Co., Ltd. (TUM)	Manufacturer and exporter of canned tuna and pet food	Thailand	Baht 300	Baht 300	99.66	99.66	0.34	0.34	2,648,407	2,648,407	2,436,673	1,524,789
i-Tail Corporation Plc. (ITC) (Formerly Songkha Canning Plc.)	Manufacturer and exporter of canned seafood	Thailand	Baht 360	Baht 360	99.55	99.55	0.45	0.45	2,006,664	2,006,664	1,254,371	895,979
Thai Union Seafood Co., Ltd.	Manufacturer and exporter of frozen shrimp	Thailand	Baht 300	Baht 300	51.00	51.00	49.00	49.00	189,316	189,316	-	7,650
EHS Training and Services Co., Ltd.	Providing training and management services	Thailand	Baht 70	Baht 70	100.00	100.00	-	-	699	699	-	-
Thai Union Feedmill Plc. (TFM)	Manufacturer and distributor of animal feeds	Thailand	Baht 1,000	Baht 820	51.00	66.90	49.00	33.10	893,338	960,951	356,590	82,290
Thai Union Graphic Co., Ltd.	Printing manufacturer	Thailand	Baht 40	Baht 40	98.00	98.00	2.00	2.00	96,019	96,019	43,120	14,700
Thai Union North America, Inc. (TUNA)	Holding company	USA	USD 343.5	USD 343.5	100.00	100.00	-	-	11,741,316	11,741,316	-	-
Thai Union Investment Holding Co., Ltd. (TUIH)	Holding company	Mauritius	-	EUR 0.5	-	100.00	-	-	-	-	-	-
Pakfood Plc.	Manufacturer and distributor of frozen foods & aquatic animal	Thailand	Baht 330	Baht 330	99.74	99.74	0.26	0.26	2,111,932	2,111,932	131,650	82,281
Thai Union China Co., Ltd. (TUC)	Distributor of food products	China	USD 20.7	USD 16	100.00	100.00	-	-	353,492	529,927	-	-
Thai Union Online Shop Co., Ltd.	E-Commerce	Thailand	Baht 1	Baht 1	100.00	100.00	-	-	1,000	1,000	-	-
Thai Union EU Seafood 1 S.A. (TUES1)	Holding company	Luxembourg	EUR 212	EUR 212	100.00	100.00	-	-	10,495,231	10,495,231	-	-
Thai Union Asia Investment Holding Limited (TUAIH)	Holding company	Hong Kong*	USD 80.62	USD 0.02	100.00	100.00	-	-	2,626,283	626	-	-
TMAC Company Limited (TMAC)	Distributor of shrimp feed and investment in breeding farms and shrimp farming	Thailand	Baht 1,130	Baht 1,130	100.00	100.00	-	-	80	142,080	-	-
Thai Union Ingredients Co., Ltd. (TUI)	Manufacturer and distributor of ingredients product	Thailand	Baht 450	Baht 300	100.00	100.00	-	-	450,000	300,000	18,000	-
Thamachart Seafood Retail Co., Ltd. (TSR)	Importer of seafood and seafood restaurant outlets	Thailand	Baht 6	Baht 6	65.00	65.00	35.00	35.00	177,363	177,363	-	-
Thai Union South East Asia Pte. Ltd. (TUSEA)	Consultancy services	Singapore	SGD 0.3	SGD 0.3	100.00	100.00	-	-	6,686	6,686	-	-
Thai Union Lifescience Co., Ltd. (TUL)	Manufacturer and distributor of food supplement products	Thailand	Baht 75	-	95.20	-	4.80	-	71,400	-	-	-
Total									33,869,226	31,408,217	4,240,404	2,607,689

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Companies under subsidiaries included in the preparation of the consolidated financial statements are:

Company's name	Nature of business	Country of incorporation	Percentage of TU's interest	
			2021 %	2020 %
Held by subsidiaries				
Okeanos Food Co., Ltd. (100% held by Pakfood Plc.)	Manufacturer & distributor of frozen foods & aquatic animal	Thailand	99.74	99.74
Yueh Chyang Canned Food Co., Ltd. (100% held by TUM, 2020: 100% held by ITC)	Manufacturer & distributor of canned tuna and seafood	Vietnam	99.55	99.55
Asian-Pacific Can Co., Ltd. (99% held by ITC)	Manufacturer & distributor of packaging for food products	Thailand	99.54	99.54
Japan Pet Nutrition Co., Ltd. (JPN) (90% held by ITC)	Importer & distributor of pet food and pet related products	Japan	90.00	-
i-Tail Americas, Inc. (ITA) (100% held by ITC)	Holding Company	USA	100.00	-
US Pet Nutrition, LLC (USPN) (100% held by ITA, 2020: 99% held by TUNA and 1% held by Tri-U)	Importer & distributor of premium pet food	USA	100.00	100.00
Thai Union Investments North America, LLC (TUIINA) (100% held by TUNA)	Holding company	USA	100.00	100.00
Tri-Union Seafoods, LLC (Tri-U) (100% held by TUNA)	Manufacturer & distributor of canned tuna and seafood	USA	100.00	100.00
Tri-Union Frozen Products, Inc. (TUFP) (100% held by TUNA)	Importer and distributor of frozen seafood	USA	100.00	100.00
Tri-Union Frozen Products Canada, ULC (100% held by TUFP)	Technical service provider	Canada	100.00	100.00
Thai Union Europe (TUE) (100% held by TUES1)	Headquarters' activity	France	100.00	100.00
MW Brands Seychelles Limited (MWBSL) (100% held by TUE)	Exporter of canned tuna	Seychelles	100.00	100.00
Tuna Logistics Services Limited (100% held by MWBSL)	Manufacturer and distributor of ingredients products	Seychelles	100.00	100.00
Etablissements Paul Paulet SAS (EPP) (100% held by TUE)	Manufacturer, importer, distributor and exporter of canned seafood	France	100.00	100.00
European Seafood Investments Portugal (ESIP) (100% held by TUE)	Manufacturer and exporter of canned seafood products	Portugal	100.00	100.00
Pioneer Food Cannery Limited (100% held by EPP)	Manufacturer of canned tuna	Ghana	100.00	100.00

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Company's name	Nature of business	Country of incorporation	Percentage of TU's interest	
			2021 %	2020 %
Held by subsidiaries (continued)				
Mareblu SRL (100% held by TUE)	Importer and distributor of canned seafood	Italy	100.00	100.00
UK Seafood Investment Limited (UKSI) (100% held by TUE)	Holding company	United Kingdom	100.00	100.00
Indian Ocean Tuna Limited (IOT) (60% held by TUE)	Manufacturer and exporter of canned tuna	Seychelles	60.00	60.00
John West Foods Limited (JWUK) (100% held by UKSI)	Importer and distributor of canned seafood	United Kingdom	100.00	100.00
Irish Seafood Investment Limited (ISIL) (100% held by TUE)	Importer and distributor of canned seafood	Ireland	100.00	100.00
John West Holland BV (100% held by ISIL)	Importer and distributor of canned seafood	Netherlands	100.00	100.00
TTV Limited (70% held by EPP)	Dormant company (To be liquidated)	Ghana	70.00	70.00
Europeenne de la Mer SAS (EDM) (100% held by TUE)	Holding company and distributor of salmon	France	100.00	100.00
Meralliance Armoric SAS (100% held by EDM)	Manufacturer of smoked salmon	France	100.00	100.00
Imsaum SCI (100% held by EDM)	Property rental	France	100.00	100.00
Meralliance SAS (100% held by EDM)	Distributor of smoked salmon	France	100.00	100.00
Meralliance Poland Sp. Z.o.o (100% held by EDM)	Manufacturer of chilled salmon (To be liquidated)	Poland	100.00	100.00
Naco Trading AS (100% held by EDM)	Distributor of salmon (To be liquidated)	Norway	100.00	100.00
The Edinburgh Salmon Company Ltd. (ESCO) (100% held by EDM)	Dormant company (To be liquidated)	Scotland	100.00	100.00
King Oscar AS (KON) (100% held by TUES1)	Manufacturer and distributor of canned seafood	Norway	100.00	100.00
King Oscar Inc. (100% held by KON)	Importer and distributor of canned seafood	USA	100.00	100.00
Norway Foods (Europe) NV (100% held by EPP)	Importer and distributor of canned seafood	Belgium	100.00	100.00
Thai Union Poland Sp. Z.o.o. (100% held by TUES1)	Manufacturer and distributor of canned seafood	Poland	100.00	100.00
Thai Union Germany GmbH (TUGe) (100% held by TUES1)	Holding company	Germany	100.00	100.00

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Company's name	Nature of business	Country of incorporation	Percentage of TU's interest	
			2021 %	2020 %
Held by subsidiaries (continued)				
Thai Union Marine Nutrients GmbH (100% held by TUGe)	Tuna oil refinery	Germany	100.00	100.00
Rügen Fisch AG (RUF1) (100% held by TUGe)	Manufacturer and distributor of seafood	Germany	100.00	51.00
Hawesta-Feinkost Hans Westphal GmbH & Co. KG (HAW) (100% held by RUF1)	Manufacturer and distributor of seafood	Germany	100.00	51.00
Seafood Beteiligungs - und Verwaltungs GmbH (100% held by HAW)	Dormant company	Germany	100.00	51.00
Artur Heymann GmbH & Co.KG (HEY) (100% held by HAW)	Distributor of seafood	Germany	100.00	51.00
Meekrone Fisch-Feinkost GmbH (100% held by RUF1)	Property rental	Germany	100.00	51.00
Ostsee Fisch Verwaltungs GmbH (100% held by RUF1)	Dormant company	Germany	100.00	51.00
Ostsee Fisch GmbH & Co. Produktions - und Vertriebs KG (100% held by RUF1)	Manufacturer and distributor of seafood	Germany	100.00	51.00
Ostsee Fisch Kretinga UAB (gAG) (100% held by RUF1)	Manufacturer and distributor of seafood	Lithuania	100.00	51.00
Thai Union Canada Inc. (TUCa) (100% held by TUES1)	Dormant company (To be liquidated)	Canada	100.00	100.00
C.H. Rich, Inc. (100% held by TUCa)	Dormant company (To be liquidated)	Canada	100.00	100.00
Thai Union Trading Europe B.V. (100% held by TUES1)	Importer and distributor of seafood	Netherlands	100.00	100.00
PT Thai Union Kharisma Lestari (TUKL) (65% held by TFM)	Manufacturer and distributor of animal feeds	Indonesia	33.15	43.49
AMG-Thai Union Feedmill (Private) Limited (AMG-TFM) (51% held by TFM)	Manufacturer and distributor of animal feeds	Pakistan	26.01	-
Thai Union Hatchery Co., Ltd. (100% held by TMAC)	Shrimp breeding and hatchery and breeding improvement	Thailand	100.00	100.00
TCM Fishery Co., Ltd. (75% held by TMAC)	Shrimp farming	Thailand	75.00	75.00
TMK Farm Co., Ltd. (94.44% held by TMAC)	Shrimp farming	Thailand	94.44	94.44

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Company's name	Nature of business	Country of incorporation	Percentage of TU's interest	
			2021 %	2020 %
<u>Held by subsidiaries</u> (continued)				
Thammachart Seafood China Limited (TSC) (90% held by TSR and 10% held by TUAIH)	Dormant company	Hong Kong	68.50	68.50
Thammachart Shanghai (100% held by TSC)	Dormant company	China	68.50	68.50
GGCOF RL Blocker, LLC (100% held by TUINA)	Holding company	USA	100.00	100.00
TUMD Luxembourg S.a.r.l (90% held by TUES1)	Holding company	Luxembourg	90.00	90.00
Dalpromryba Limited Liability Company (DPR) (100% held by TUMD)	Manufactures and distributor of canned and frozen seafood	Russia	90.00	90.00
Torgovo-Promyshlenny Kompleks "Dalpromryba" Limited Liability Company (TPK) (100% held by TUMD)	Dormant company	Russia	90.00	90.00
Maguro Limited Liability Company (MGR) (100% held by TUMD)	Dormant company	Russia	90.00	90.00

\* Hong Kong refers to "Hong Kong Special Administrative Region of the People's Republic of China".

All subsidiaries undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the Group do not differ from the proportion of ordinary shares held.

In January 2021, TFM entered into the Shareholder Agreement to invest 51% share of AMG-Thai Union Feedmill (Private) Limited which is incorporated in Pakistan with the registered share of Pakistan Rupee 340 million, equivalent to Baht 69.9 million, to manufacture and distribute animal feeds. During the year, AMG-TFM called for paid-up capital amounting to Pakistan Rupee 153 million, equivalent to Baht 31 million.

During the year, ITC has changed its name from "Songkla Canning Public Company Limited (SCC)" to "i-Tail Corporation Public Company Limited (ITC)". In May 2021, ITC established a new subsidiary in Japan, named Japan Pet Nutrition Co., Ltd., with 90% shareholding, to import and distribute pet food and pet related products. The total number of shares is 50,000 ordinary shares with a par value of JPY 100 per share. The subsidiary called for paid-up capital of JPY 4,500,000, equivalent to Baht 1.4 million.

In May 2021, TUGe exercised options to purchase a non-controlling interest from the previous shareholders of Rügen Fisch, which the Group previously recognised as part of other current liabilities. The exercise of these options resulted in the increase in the Group's shareholding from 51% to 100%, with the purchase price totalling EUR 44.8 million, or equivalent to Baht 1,703.1 million.

**Summarised financial information on subsidiaries with material non-controlling interests**

	Thai Union Seafood Co., Ltd. Thousand Baht	Thai Union Feedmill Plc. Thousand Baht	Indian Ocean Tuna Limited Thousand Baht	Total Thousand Baht
<b>For the year ended 31 December 2021</b>				
Total non-controlling interests	472,738	1,533,015	571,266	2,577,019
Profit (loss) attributable to non-controlling interests for the year	77,561	76,439	112,629	266,629
Dividend paid to non-controlling interest during the year	-	176,410	73,422	249,832

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Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The information below is the amount before inter-company eliminations.

**Summarised statements of financial position**

	Thai Union Seafood Co., Ltd.		Thai Union Feedmill Plc.		Indian Ocean Tuna Limited		Total	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>Current Assets</b>	1,332,239	1,189,200	1,591,005	1,044,802	2,343,918	2,147,233	5,267,162	4,381,235
<b>Liabilities</b>	(771,593)	(824,163)	(532,347)	(885,529)	(2,933,163)	(2,711,875)	(4,237,103)	(4,421,567)
<b>Total current net assets</b>	560,646	365,037	1,058,658	159,273	(589,245)	(564,642)	1,030,059	(40,332)
<b>Non-current Assets</b>	528,380	569,497	1,320,860	1,334,996	2,022,483	1,963,135	3,871,723	3,867,628
<b>Liabilities</b>	(123,411)	(111,656)	(150,044)	(129,703)	(63,336)	(165,832)	(336,791)	(407,191)
<b>Total non-current net assets</b>	404,969	457,841	1,170,816	1,205,293	1,959,147	1,797,303	3,534,932	3,460,437
<b>Net assets</b>	965,615	822,878	2,229,474	1,364,566	1,369,902	1,232,661	4,564,991	3,420,105



Summarised statements of comprehensive income and cash flows

	Thai Union Seafood Co., Ltd.		Thai Union Feedmill Plc.		Indian Ocean Tuna Limited		Total	
	For the year ended 31 December		For the year ended 31 December		For the year ended 31 December		For the year ended 31 December	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Revenue	3,097,659	3,043,335	4,615,924	4,183,810	8,643,426	8,497,922	16,357,009	15,725,067
Profit (loss) before income tax	161,369	(20,912)	214,795	453,109	282,951	274,511	659,115	706,708
Income tax	(321)	3,710	3,609	(39,069)	-	-	3,288	(35,359)
Post-tax profit (loss) from continuing operation	161,048	(17,202)	218,404	414,040	282,951	274,511	662,403	671,349
Other comprehensive income (expenses)	(18,310)	4,391	(7,354)	-	37,846	103,951	12,182	108,342
Total comprehensive income (expenses)	142,738	(12,811)	211,050	414,040	320,797	378,462	674,585	779,691
Profit (loss) attributable to non-controlling interests	77,561	(10,411)	103,415	137,470	112,629	109,958	293,605	237,017
Dividends paid to non-controlling interests	-	7,350	176,410	40,713	73,422	61,164	249,832	109,224
Net cash receipts from operating activities	(24,137)	305,955	342,421	563,723	661,565	645,277	979,849	1,514,955
Net cash receipts from (payments for) investing activities	(50,608)	(65,269)	(304,107)	(307,981)	(293,053)	(236,026)	(647,768)	(609,276)
Net cash receipts from (payments for) financing activities	71,912	(240,254)	285,146	(260,562)	(319,031)	(286,423)	38,027	(787,239)
Net increase (decrease) in cash and cash equivalents	(2,833)	432	323,460	(4,820)	49,481	122,828	370,108	118,440

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Completion of business acquisitions incurred in 2020

In the second quarter of 2021, the Group completed measuring the fair value of identifiable assets acquired and liabilities assumed from the business acquisitions of TUMD. The fair valuation was not significantly different from what was previously reported in the financial statements for the year ended 31 December 2020. The Group has adjusted the fair value of assets acquired and goodwill during the year because the impact to the financial statements is insignificant. The changes are summarised below.

	Thousand Baht
Goodwill	132,703
Goodwill - as previously reported	256,216
	(123,513)
Adjustment of fair value	
The details of adjustment of fair value are as follows:	
Increase in property, plant and equipment	75,430
Increase in intangible assets	76,933
Increase in deferred tax liabilities	(28,850)
	(123,513)
Decrease in goodwill	

16.2 Investments in associates

The movements of investments in associates during the year are as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
For the year ended 31 December				
Opening net book value	9,043,879	10,082,375	788,757	788,757
Additions	3,045,248	54,020	3,000,550	-
Share of loss	(214,201)	(522,883)	-	-
Share of comprehensive income (expenses)	20,525	(23,592)	-	-
Loss on fair value adjustment from step acquisition	-	(155,661)	-	-
Transfer to investments in a subsidiary	-	(249,918)	-	-
Dividends received	(205,131)	(118,699)	-	-
Dividends distribution tax	-	(14,835)	-	-
Translation adjustment	888,294	(6,928)	-	-
Closing net book value	12,578,614	9,043,879	3,789,307	788,757

Details of investments in associates are as follows:

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost less impairment		Carrying amounts based on equity method	
			2021	2020	2021	2020	2021	2020
			%	%	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Investments in associates, directly held by the Company</b>								
Lucky Union Foods Co., Ltd.	Manufacturer & exporter of crab sticks	Thailand	25.00	25.00	37,500	37,500	606,456	503,377
Avanti Feeds Limited (Listed company in India) <sup>(1)</sup>	Manufacturer & exporter of animal feeds and shrimp products	India	15.43	15.43	71,922	71,922	1,225,586	1,023,852
Avanti Frozen Foods Private Limited <sup>(2)</sup>	Manufacturer and exporter of shrimp products	India	54.53	54.53	679,335	679,335	1,349,205	1,168,006
R&B Food Supply Plc. (RBF) <sup>(3)</sup>	Manufacturing and trading of bread products, colour, fragrances and chemicals, which are used in food, beverage, consumer product industries and hotel business	Thailand	10.00	-	3,000,550	-	3,015,558	-
					3,789,307	788,757	6,196,805	2,695,235
<b>Investments in associates, directly held by subsidiaries</b>								
TN Fine Chemicals Co., Ltd. (49% held by TUM)	Manufacturer & exporter of by-products from seafood	Thailand	48.83	48.83	44,070	44,070	70,269	64,911
LDH (La Doria) Limited (20% held by JWUK)	Distributor of food products	United Kingdom	20.00	20.00	95,940	95,940	680,584	572,461
Red Lobster Master Holdings, L.P. (RL) (25% held by TUINA and GGCOF RL Blocker, LLC)	Holding Company	USA	25.00	25.00	8,180,719	8,179,652	4,890,126	5,128,678
Avanti Feeds Limited (Listed company in India) <sup>(1)</sup>	Manufacturer & exporter of animal feeds and shrimp products	India	8.78	8.78	40,884	40,884	697,385	582,594
Helion Food Company Limited (HFHK)	Importer and distributor of ready-to-eat food	Hong Kong	23.21	-	43,446	-	43,445	-
					8,405,059	8,360,546	6,381,809	6,348,644
					12,194,366	9,149,303	12,578,614	9,043,879

(1) The Group's total shareholding in Avanti Feeds Limited is 24.21% (2020: 24.21%).

(2) The Company has classified this investment as an investment in an associate because the Company's voting rights are less than 50% of the total voting rights.

(3) The Company's shareholding in RBF is 10%. The Company has classified this investment as investment in an associate because the Company has a representative in RBF's board of directors, which demonstrates the Company's significant influence.

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Set out below are the associates of the Group as at 31 December 2021, which, in the opinion of the Group's directors, are material to the Group.

Nature of investments in associates in 2021 and 2020:

Company's name	Country of incorporation	% of ownership interest		Nature of relationship	Measurement method
		2021	2020		
Avanti Feeds Limited	India	24.21	24.21	Note 1	Equity
Red Lobster Group	USA	25.00	25.00	Note 2	Equity
R&B Food Supply Plc.	Thailand	10.00	-	Note 3	Equity

**Note 1:** Avanti Feeds Limited is a manufacturer of prawn feed, shrimp processor and exporter of its products globally. Avanti Feeds Limited is a strategic partnership of the Group in shrimp feed manufacturing and shrimp processing.

As at 31 December 2021, the fair value of the Group's interest in Avanti Feeds Limited, which was listed on the National Stock Exchange of India, was Baht 7,947 million (2020: Baht 6,592.57 million) and the carrying amount of the Group's interest was Baht 1,922.97 million (2020: Baht 1,606.45 million).

**Note 2:** Red Lobster is a seafood restaurant chain in the United States and has operations in many countries such as Canada, Malaysia and Japan. Red Lobster is a strategic partnership for the Group's growth in a food service business.

**Note 3:** R&B Food Supply Plc. is manufacturer and trader of bread products, colour, fragrances and chemicals, which are used in food, beverage, consumer product industries and hotel business. RBF is a strategic partnership for the Group's growth in a food business.

As at 31 December 2021, the fair value of the Group's interest in RBF, which was listed on the Stock Exchange of Thailand, was Baht 4,500 million and the carrying amount of the Group's interest was Baht 3,015.56 million.

As at 31 December 2021, commitments and contingent liabilities in relation to the Group's interests in the associate is not significant.

Summarised financial information for associates:

Set out below are the summarised financial information for companies which are accounted for using the equity method.

Summarised statements of financial position as at 31 December	Avanti Feeds Limited		R&B Food Supply Plc.		Red Lobster Group		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Assets</b>								
Current assets	9,093,675	7,906,400	3,038,742	2,627,583	12,071,268	10,029,388	24,203,685	20,563,371
Non-current assets	2,121,830	1,360,468	1,966,780	2,255,812	63,648,634	58,148,551	67,737,244	61,764,831
Total assets	11,215,505	9,266,868	5,005,522	4,883,395	75,719,902	68,177,939	91,940,929	82,328,202
<b>Liabilities</b>								
Current liabilities	(1,978,423)	(1,422,522)	(552,197)	(436,636)	(12,418,040)	(18,174,735)	(14,948,660)	(20,033,893)
Non-current liabilities	(86,281)	(92,733)	(216,771)	(357,946)	(70,259,224)	(55,697,036)	(70,562,276)	(56,147,715)
Total liabilities	(2,064,704)	(1,515,255)	(768,968)	(794,582)	(82,677,264)	(73,871,771)	(85,510,936)	(76,181,608)
<b>Net assets</b>	9,150,801	7,751,613	4,236,554	4,088,813	(6,957,362)	(5,693,832)	6,429,993	6,146,594
<u>Less</u> Non-controlling interest of associates	(1,089,045)	(932,185)	(12,325)	2,121	-	-	(1,101,370)	(930,064)
Elimination entries	(118,877)	(183,962)	-	-	-	-	(118,877)	(183,962)
<b>Net assets</b>	7,942,879	6,635,466	4,224,229	4,090,934	(6,957,362)	(5,693,832)	5,209,746	5,032,568

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Summarised statements of comprehensive income for the year ended 31 December	Avanti Feeds Limited		R&B Food Supply Plc.		Red Lobster Group		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Revenue	16,784,255	17,077,619	3,383,982	3,116,378	63,084,336	52,184,554	83,252,573	72,378,551
Profit (loss) before income tax	904,357	1,978,586	597,702	694,412	(720,895)	(4,865,416)	781,164	(2,192,418)
Income tax	(220,897)	(494,489)	(115,793)	(128,688)	(17,808)	117,278	(354,498)	(505,899)
Post-tax profit (loss) from continuing operations	683,460	1,484,097	481,909	565,724	(738,703)	(4,748,138)	426,666	(2,698,317)
Loss from discontinuing operations	-	-	(59,117)	(48,417)	-	-	(59,117)	(48,417)
Other comprehensive income (expenses)	(8,835)	-	13,644	2,507	23,955	(10,158)	28,764	(7,651)
Total comprehensive income (expenses)	674,625	1,484,097	436,436	519,814	(714,748)	(4,758,296)	396,313	(2,754,384)
Dividends received from associates	99,891	87,732	-	-	-	-	99,891	87,732

The information above reflects the amounts presented in the financial statements of the associates (and not the Group's share of those amounts) adjusted for differences in accounting policies between the Group and the associates.

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of its interest in associates:

For the year ended 31 December	Avanti Feeds Limited		R&B Food Supply Plc.		Red Lobster Group		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Opening net assets as at 1 January	6,635,466	5,826,281	-	-	(5,693,832)	(1,190,487)	941,634	4,635,794
Purchase during the year	-	-	4,193,013*	-	-	-	4,193,013	-
Profit (loss) for the year	683,460	1,484,097	103,500	-	(738,703)	(4,748,138)	48,257	(3,264,041)
Other comprehensive income (expenses) for the year	(8,835)	-	(12,853)	-	23,955	(10,158)	2,267	(10,158)
Dividends	(301,104)	(362,378)	-	-	-	-	(301,104)	(362,378)
Exchange differences on transaction	933,892	(312,534)	-	-	(548,782)	254,951	385,110	(57,583)
Closing net assets as at 31 December	7,942,879	6,635,466	4,283,660	-	(6,957,362)	(5,693,832)	5,269,177	941,634
Shareholding percentage	24.21%	24.21%	10.00%	-	25.00%	25.00%	-	-
Interest in associates	1,922,971	1,606,446	428,366	-	(1,739,341)	(1,423,458)	611,996	182,988
Goodwill	-	-	2,587,192	-	7,240,498	6,507,606	9,827,690	6,507,606
Adjustment of leases	-	-	-	-	(612,098)	-	(612,098)	-
Transaction cost for restructuring of shareholding	-	-	-	-	1,067	44,530	1,067	44,530
Carrying value	1,922,971	1,606,446	3,015,558	-	4,890,126	5,128,678	9,828,655	6,735,124

\*Net assets of R&B Food Supply as at investment date



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Individually immaterial associates

In addition to the interest in associates disclosed above, the Group also has interests in a number of individually immaterial associates that are accounted for using the equity method.

	2021 Thousand Baht	2020 Thousand Baht
As at 31 December		
Aggregate carrying amount of individually immaterial associates	2,749,959	2,308,755
For the year ended 31 December		
Aggregate amounts of the Group's share of:		
Profit for the year from continuing operations	331,756	331,416
Other comprehensive income (expenses) for the year	18,797	(21,052)
Total comprehensive income for the year	350,553	310,364

16.3 Investments in joint ventures

The movements of investments in joint ventures during the year are as follows:

	Consolidated financial statements		Separate financial statements	
For the year ended 31 December	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Opening net book value	225,291	197,808	959	959
Additions	53,900	4,900	-	-
Disposals	(65,952)	-	(959)	-
Share of loss	(54,856)	(4,606)	-	-
Reclassification	3,222	32,689	-	-
Translation adjustment	25,734	(5,500)	-	-
Closing net book value	187,339	225,291	-	959

In January 2021, a subsidiary of the Group entered into an agreement to establish a new joint venture, Interphama - ZEA Vita Co., Ltd. The total number of shares is 2,000,000 shares with a par value of Baht 10 per share. The joint venture called for paid-up capital is Baht 9.80 million.

In July 2021, the Company disposed of the investment in Seafood International Two FZCO, a joint venture and the Company agreed to pay an amount of USD 4.6 million, equivalent to Baht 150.6 million, to another investor. The share transfer and payment have been completed.

In September 2021, a subsidiary of the Group disposed of the investment in Seafood International Holdco, a joint venture, in an amount of EUR 1.1 million or equivalent to Baht 43.2 million. There is a loss from this disposal of Baht 22.8 million that is included in other gain/loss in the statement of income.

During the year, Food and Beverage United Co., Ltd. increased the registered capital from Baht 10 million to Baht 100 million by issuing 9 million ordinary shares with a par value of Baht 10 per share. The joint venture called for paid-up capital totalling Baht 44.10 million.

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Details of investments in joint ventures are as follows:

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method	
			2021 %	2020 %	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>Investment in joint venture, directly held by the Company</b>								
Seafood International Two FZCO (Joint venture of TU and other company in the portion of 50:50)	Distributor of food products	United Arab Emirates	-	50.00	-	959	-	-
<b>Investment in joint venture, directly held by subsidiaries</b>								
Moresby International Holdings Inc. (Joint venture of TUM and other company in the portion of 33:67)	Holding in fishing company	British Virgin Island	33.22	33.22	170,655	170,655	112,779	134,913
Seafood International Holdco (Joint venture of TUGe and other parties in the portion of 41:59)	Holding company	Cayman Islands	-	41.00	-	59,150	-	63,352
Aegir Seafood Company <sup>(1)</sup>	Manufacturer of cod liver	Iceland	-	-	20,372	20,372	22,737	22,126
Food and Beverage United Co., Ltd. (Joint venture of TUI and another party in the portion of 49:51)	Manufacturer and distributor of nutritious food and beverage products	Thailand	49.00	49.00	49,000	4,900	42,099	4,900
Interpharma - ZEAvita Co., Ltd. (Joint venture of TUI and another party in the portion of 49:51)	Manufacturer and distributor of food supplement products	Thailand	49.00	-	9,800	-	9,724	-
Total					249,827	256,036	187,339	225,291

<sup>(1)</sup> This investment represents loans to this entity. The Group has classified this investment as an investment in a joint venture because the Group has 50% of the total voting rights.

As at 31 December 2021, the Group's directors considered that there is no joint venture that is material to the Group.

There are no commitments and contingent liabilities relating to the Group's interests in the joint ventures.

Individually immaterial joint ventures

The Group has interests in a number of individual immaterial joint ventures that are accounted for using the equity method.

	Consolidated financial statements	
As at 31 December	2021 Thousand Baht	2020 Thousand Baht
Aggregate carrying amount of individually immaterial associates	187,339	225,291
For the year ended 31 December		
Aggregate amounts of the Group's share of:		
Profit (Loss) for the year from continuing operations	(54,856)	(4,606)
Other comprehensive income (expense) for the year	-	-
Total comprehensive income (expenses) for the year	(54,856)	(4,606)

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17 Investment properties				
As at 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Opening net book amount	67,840	63,636	442,288	442,288
Reclassification	20,136	4,204	-	-
Depreciation charge	(2,675)	-	-	-
Translation adjustment	679	-	-	-
Closing net book amount	85,980	67,840	442,288	442,288
Fair value	195,821	195,821	441,320	441,320

The fair value of investment property is based on market approach by considering the sales of similar substitute properties and related market data. The fair values are within level 2 of the fair value hierarchy.

Amounts recognised in profit and loss that are related to investment property are rental income from a related party of Baht 3 million a year (2020: Baht 3 million), which is eliminated from the consolidated financial statements.

The Group has investment property, which is land and buildings. The Group has no direct operating expenses arising from investment property.

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18 Property, plant and equipment, net

Consolidated financial statements									
	Land and land improvement		Buildings and building improvements		Machinery and equipment		Furniture, fixtures and office equipment		Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As at 1 January 2020									
Cost	3,052,708	17,229,770	28,686,557	1,311,173	901,411	2,847,489	54,029,108		
Less Accumulated depreciation	(83,326)	(7,615,702)	(18,183,457)	(885,703)	(599,740)	-	(27,367,928)		
Allowance for impairment	(61,219)	(136,400)	(552,483)	(1,160)	(43)	-	(751,305)		
Net book amount	2,908,163	9,477,668	9,950,617	424,310	301,628	2,847,489	25,909,875		
For the year ended 31 December 2020									
Opening net book amount	2,908,163	9,477,668	9,950,617	424,310	301,628	2,847,489	25,909,875		
Increase from business combinations	14,737	47,987	21,643	846	517	-	85,730		
Additions	373,648	41,958	378,279	120,311	24,392	2,746,783	3,685,371		
Disposals, net book value	(8,345)	(3,337)	(72,434)	(1,267)	(15,163)	(23,030)	(123,576)		
Write-off, net book value	-	(32,800)	(39,798)	(6,122)	(1,155)	(787)	(80,662)		
Reclassification	22,771	16,450	12,467	(2,450)	992	(55,530)	(5,300)		
Transfer in (out)	8,745	1,014,773	2,161,059	140,694	86,632	(3,411,903)	-		
Depreciation charge	(6,411)	(822,764)	(2,007,073)	(160,616)	(95,852)	-	(3,092,716)		
Impairment loss	-	(46,901)	(12,761)	-	-	-	(59,662)		
Translation adjustment	11,155	138,879	120,681	12,175	2,436	86,539	371,865		
Closing net book amount	3,324,463	9,831,913	10,512,680	527,881	304,427	2,189,561	26,690,925		
As at 31 December 2020									
Cost	3,475,580	18,646,228	31,038,078	1,510,703	890,423	2,189,561	57,750,573		
Less Accumulated depreciation	(89,898)	(8,618,876)	(19,914,894)	(981,562)	(585,953)	-	(30,191,183)		
Allowance for impairment	(61,219)	(195,439)	(610,504)	(1,260)	(43)	-	(868,465)		
Net book amount	3,324,463	9,831,913	10,512,680	527,881	304,427	2,189,561	26,690,925		

	Consolidated financial statements						
				Furniture, fixtures and office equipment		Assets under construction	Total
	Land and land improvement Thousand Baht	Buildings and building improvements Thousand Baht	Machinery and equipment Thousand Baht	Thousand Baht	Vehicles Thousand Baht	Thousand Baht	Thousand Baht
<b>As at 1 January 2021</b>							
Cost	3,475,580	18,646,228	31,038,078	1,510,703	890,423	2,189,561	57,750,573
<u>Less</u> Accumulated depreciation	(89,898)	(8,618,876)	(19,914,894)	(981,562)	(585,953)	-	(30,191,183)
Allowance for impairment	(61,219)	(195,439)	(610,504)	(1,260)	(43)	-	(868,465)
Net book amount	3,324,463	9,831,913	10,512,680	527,881	304,427	2,189,561	26,690,925
<b>For the year ended 31 December 2021</b>							
Opening net book amount	3,324,463	9,831,913	10,512,680	527,881	304,427	2,189,561	26,690,925
Increase from business combinations (Note 16.1)	5,578	44,955	20,105	442	4,350	-	75,430
Additions	44,178	13,875	289,720	197,871	17,816	3,334,384	3,897,844
Disposals, net book value	(364,427)	(51,098)	(29,469)	(576)	(8,322)	(23)	(453,915)
Write-off, net book value	-	(103,832)	(49,753)	(5,163)	(71)	-	(158,819)
Reclassification	1,778	163,263	(191,097)	3,322	245	(46,547)	(69,036)
Transfer in (out)	24,367	353,837	1,356,139	127,212	46,415	(1,907,970)	-
Depreciation charge	(7,242)	(857,930)	(2,157,964)	(176,193)	(89,160)	-	(3,288,489)
Impairment loss	-	(28,500)	(68,705)	-	-	-	(97,205)
Translation adjustment	32,852	158,428	148,753	9,449	3,428	77,253	430,163
Closing net book amount	3,061,547	9,524,911	9,830,409	684,245	279,128	3,646,658	27,026,898
<b>As at 31 December 2021</b>							
Cost	3,224,766	18,292,388	29,547,515	1,731,744	871,072	3,646,658	57,314,143
<u>Less</u> Accumulated depreciation	(102,000)	(8,685,316)	(19,601,910)	(1,047,405)	(591,901)	-	(30,028,532)
Allowance for impairment	(61,219)	(82,161)	(115,196)	(94)	(43)	-	(258,713)
Net book amount	3,061,547	9,524,911	9,830,409	684,245	279,128	3,646,658	27,026,898

	Separate financial statements						
	Land and land improvement Thousand Baht	Buildings and building improvements Thousand Baht	Machinery and equipment Thousand Baht	Furniture, fixtures and office equipment Thousand Baht	Vehicles Thousand Baht	Assets under construction Thousand Baht	Total Thousand Baht
As at 1 January 2020							
Cost	889,610	3,327,269	3,793,249	246,829	155,423	364,392	8,776,772
Less Accumulated depreciation	-	(1,393,751)	(2,538,059)	(148,746)	(108,834)	-	(4,189,390)
Net book amount	889,610	1,933,518	1,255,190	98,083	46,589	364,392	4,587,382
For the year ended 31 December 2020							
Opening net book amount	889,610	1,933,518	1,255,190	98,083	46,589	364,392	4,587,382
Additions	-	1,217	26,428	18,197	5,469	206,806	258,117
Disposals, net book value	(1,856)	-	(6,207)	(91)	(2,582)	(2,017)	(12,753)
Write-off, net book value	-	(189)	(8)	(482)	-	(725)	(1,404)
Reclassification	-	-	-	20	-	(214)	(194)
Transfer in (out)	-	242,761	238,904	31,014	15,098	(527,777)	-
Depreciation charge	-	(172,951)	(277,927)	(42,847)	(18,313)	-	(512,038)
Closing net book amount	887,754	2,004,356	1,236,380	103,894	46,261	40,465	4,319,110
As at 31 December 2020							
Cost	887,754	3,564,303	3,880,383	288,553	160,823	40,465	8,822,281
Less Accumulated depreciation	-	(1,559,947)	(2,644,003)	(184,659)	(114,562)	-	(4,503,171)
Net book amount	887,754	2,004,356	1,236,380	103,894	46,261	40,465	4,319,110



	Separate financial statements						
	Land and land improvement	Buildings and building improvements	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>As at 1 January 2021</b>							
Cost	887,754	3,564,303	3,880,383	288,553	160,823	40,465	8,822,281
Less Accumulated depreciation	-	(1,559,947)	(2,644,003)	(184,659)	(114,562)	-	(4,503,171)
Net book amount	887,754	2,004,356	1,236,380	103,894	46,261	40,465	4,319,110
<b>For the year ended 31 December 2021</b>							
Opening net book amount	887,754	2,004,356	1,236,380	103,894	46,261	40,465	4,319,110
Additions	-	228	14,297	11,111	-	161,183	186,819
Disposals, net book value	-	(528)	(6,512)	(269)	(1,491)	-	(8,800)
Write-off, net book value	-	-	(102)	(30)	-	-	(132)
Reclassification	-	-	-	1,549	-	(10,226)	(8,677)
Transfer in (out)	-	28,455	45,239	8,985	8,453	(91,132)	-
Depreciation charge	-	(199,801)	(272,505)	(40,993)	(14,772)	-	(528,071)
Closing net book amount	887,754	1,832,710	1,016,797	84,247	38,451	100,290	3,960,249
<b>As at 31 December 2021</b>							
Cost	887,754	3,592,153	3,746,382	301,466	156,838	100,290	8,784,883
Less Accumulated depreciation	-	(1,759,443)	(2,729,585)	(217,219)	(118,387)	-	(4,824,634)
Net book amount	887,754	1,832,710	1,016,797	84,247	38,451	100,290	3,960,249

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Depreciation is presented in the statement of income as follows:

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Cost of sales	3,026,560	2,808,612	455,129	442,731
Selling expenses	14,888	11,518	1,313	1,230
Administrative expenses	247,041	272,586	71,628	68,077
Total depreciation expenses	3,288,489	3,092,716	528,070	512,038

As at 31 December 2021, property, plant and equipment of an overseas subsidiary totalling Baht 162.62 million (2020: Baht 170.31 million) were pledged with financial institutions to secure their credit facilities and long-term loans from financial institutions (Note 26).

19 Right-of-use assets, net and Lease liabilities, net

The statement of financial position included the following transactions relating to leases.

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Right-of-use assets, net</b>				
Land and land improvements, net	233,929	210,971	-	-
Building and building improvements, net	713,478	730,386	264,099	296,988
Machinery and equipment, net	283,330	306,454	83,123	98,286
Furniture, fixtures and office equipment, net	2,244	4,191	-	519
Vehicles, net	97,228	87,022	21,628	23,006
Total right-of-use assets, net	1,330,209	1,339,024	368,850	418,799
<b>Lease liabilities, net</b>				
Current	351,223	414,227	96,759	96,701
Non-current	808,816	787,091	292,016	332,867
Total lease liabilities, net	1,160,039	1,201,318	388,775	429,568

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The statement of income included following transactions related to leases are as follows:

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Depreciation charge of right-of-use assets				
Land and land improvements	27,118	26,671	-	-
Building and building improvements	261,288	269,602	72,439	76,562
Machinery and equipment	121,235	113,342	23,195	20,821
Furniture, fixtures and office equipment	2,473	9,678	519	5,470
Vehicles	66,275	63,276	14,665	17,135
Total depreciation charge of right-of-use assets	478,389	482,569	110,818	119,988
Additions to the right-of-use assets during the year	548,107	214,838	63,112	16,686
Total cash outflow for leases	513,553	514,380	127,719	137,177
Finance cost relating to leases	55,374	67,466	18,194	20,983
Expenses relating to short-term leases (including in cost of sales and administrative expenses)	93,527	80,218	11,747	12,994
Expenses relating to leases of low value assets that are not shown above as short-term leases (including in cost of sales and administrative expenses)	14,177	12,640	2,347	3,376
Expense relating to variable lease payments	305	-	-	-

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20 Intangible assets, net

	Consolidated financial statements									
	Licences Thousand Baht	Trademarks Thousand Baht	Customer relationships Thousand Baht	Computer software Thousand Baht	Distributor relationships Thousand Baht	Product and process development Thousand Baht	Others Thousand Baht	Computer software in progress Thousand Baht	Product development in progress Thousand Baht	Total Thousand Baht
As at 1 January 2020										
Cost	249,756	12,832,054	1,077,431	2,839,006	35,725	177,933	31,620	496,487	48,969	17,788,981
Less Accumulated amortisation	(107,697)	(285,131)	(445,582)	(1,213,295)	(24,892)	(4,716)	(29,525)	-	-	(2,110,838)
Allowance for impairment	-	(155,883)	-	-	-	-	-	-	(10,386)	(166,269)
Net book amount	142,059	12,391,040	631,849	1,625,711	10,833	173,217	2,095	496,487	38,583	15,511,874
For the year ended 31 December 2020										
Opening net book amount	142,059	12,391,040	631,849	1,625,711	10,833	173,217	2,095	496,487	38,583	15,511,874
Increase from business combinations	1,321	9,622	-	510	36,400	-	341	-	-	48,194
Additions	1,278	448	-	27,463	-	-	222	108,666	15,649	153,726
Disposals, net book value	(4,727)	-	-	(2)	-	-	-	(3,220)	-	(7,949)
Write-off, net book value	(176)	-	-	(87)	(4,358)	-	-	-	-	(4,621)
Reclassification	-	-	-	22,673	-	-	(946)	21,243	-	42,970
Transfer in (out)	-	(1,496)	-	510,044	(10,568)	(16,060)	(154)	(510,044)	-	-
Amortisation charge	(5,906)	(29,696)	(56,142)	(289,864)	(10,568)	(16,060)	(154)	-	-	(380,190)
Impairment loss	-	-	-	-	-	-	-	-	-	29,696
Translation adjustment	4,153	1,050,516	54,325	32,605	151	-	103	(110)	-	1,141,743
Closing net book amount	138,002	13,479,826	630,032	1,929,053	32,458	157,157	1,661	113,022	54,232	16,535,443
As at 31 December 2020										
Cost	251,263	13,906,666	1,159,250	3,489,368	36,400	177,933	28,615	113,022	64,618	19,227,135
Less Accumulated amortisation	(113,261)	(233,444)	(529,218)	(1,560,315)	(3,942)	(20,776)	(26,954)	-	-	(2,487,910)
Allowance for impairment	-	(193,396)	-	-	-	-	-	-	(10,386)	(203,782)
Net book amount	138,002	13,479,826	630,032	1,929,053	32,458	157,157	1,661	113,022	54,232	16,535,443

As at 1 January 2021

Cost	19,227,135
Less Accumulated amortisation	(2,487,910)
Less Allowance for impairment	(10,386)

Net book amount

For the year ended 31 December 2021

Opening net book amount	16,535,443
Increase from business combinations (Note 16.1)	54,232
Additions	54,232
Disposals, net book value	-
Write-off, net book value	12,604
Reclassification	-
Transfer in (out)	(3,555)
Amortisation charge	26,071
Translation adjustment	(21,794)

Closing net book amount

As at 31 December 2021

Cost	20,129,357
Less Accumulated amortisation	(3,025,725)
Less Allowance for impairment	(10,386)

Net book amount

Consolidated financial statements									
Licences Thousand Baht	Trademarks Thousand Baht	Customer relationships Thousand Baht	Computer software Thousand Baht	Distributor relationships Thousand Baht	Product and process development Thousand Baht	Others Thousand Baht	Computer software in progress Thousand Baht	Product development in progress Thousand Baht	Total Thousand Baht
251,263 (113,261)	13,906,666 (233,444) (193,396)	1,159,250 (529,218)	3,489,368 (1,560,315)	36,400 (3,942)	177,933 (20,776)	28,615 (26,954)	113,022	64,618 (10,386)	19,227,135 (2,487,910) (203,782)
138,002	13,479,826	630,032	1,929,053	32,458	157,157	1,661	113,022	54,232	16,535,443
138,002	13,479,826	630,032	1,929,053	32,458	157,157	1,661	113,022	54,232	16,535,443
-	51,957 321	23,255	- 35,441 (12)	-	-	1,721	-	-	76,933
-	-	-	(3,555)	-	-	-	108,833	12,604	157,199
-	-	-	19,553	-	-	-	-	-	(12)
-	-	-	164,755	-	21,794	-	6,518	-	(3,555)
(5,949)	(12,468)	(62,673)	(309,949)	(3,640)	(17,702)	(2,005)	(164,755)	(21,794)	26,071
14,711	466,885	19,294	15,442	-	-	100	400	-	(414,386)
146,764	13,986,521	609,908	1,850,728	28,818	161,249	1,477	64,018	45,042	16,894,525
272,482 (125,718)	14,458,827 (273,585) (198,721)	1,230,796 (620,888)	3,779,538 (1,928,810)	36,400 (7,582)	199,727 (38,478)	32,141 (30,664)	64,018	55,428 (10,386)	20,129,357 (3,025,725) (209,107)
146,764	13,986,521	609,908	1,850,728	28,818	161,249	1,477	64,018	45,042	16,894,525

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	Separate financial statements					Total Thousand Baht
	Trademarks Thousand Baht	Computer software Thousand Baht	Computer software in progress Thousand Baht	Product and process development Thousand\ Baht	Product development in progress Thousand Baht	
As at 1 January 2020						
Cost	55,437	1,409,927	493,179	177,933	48,969	2,185,445
Less Accumulated amortisation	-	(250,010)	-	(4,716)	-	(254,726)
Less Allowance for impairment	-	-	-	-	(10,386)	(10,386)
Net book amount	55,437	1,159,917	493,179	173,217	38,583	1,920,333
For the year ended 31 December 2020						
Opening net book amount	55,437	1,159,917	493,179	173,217	38,583	1,920,333
Additions	-	237	73,180	-	15,649	89,066
Write-off, net book value	-	(23)	-	-	-	(23)
Reclassification	-	214	(20)	-	-	194
Transfer in (out)	-	471,120	(471,120)	-	-	-
Amortisation charge	-	(184,599)	-	(16,060)	-	(200,659)
Closing net book amount	55,437	1,446,866	95,219	157,157	54,232	1,808,911
As at 31 December 2020						
Cost	55,437	1,880,075	95,219	177,933	64,618	2,273,282
Less Accumulated amortisation	-	(433,209)	-	(20,776)	-	(453,985)
Less Allowance for impairment	-	-	-	-	(10,386)	(10,386)
Net book amount	55,437	1,446,866	95,219	157,157	54,232	1,808,911
For the year ended 31 December 2021						
Opening net book amount	55,437	1,446,866	95,219	157,157	54,232	1,808,911
Additions	-	693	87,304	-	12,604	100,601
Write-off, net book value	-	(989)	-	-	-	(989)
Reclassification	-	7,538	1,139	-	-	8,677
Transfer in (out)	-	146,571	(146,571)	21,794	(21,794)	-
Amortisation charge	-	(193,730)	-	(17,702)	-	(211,432)
Closing net book amount	55,437	1,406,949	37,091	161,249	45,042	1,705,768
As at 31 December 2021						
Cost	55,437	2,029,868	37,091	199,727	55,428	2,377,551
Less Accumulated amortisation	-	(622,919)	-	(38,478)	-	(661,397)
Less Allowance for impairment	-	-	-	-	(10,386)	(10,386)
Net book amount	55,437	1,406,949	37,091	161,249	45,042	1,705,768



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Computer software and product development in progress include internally generated capitalised development costs and other costs.

Amortisation is presented in the statement of income as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
For the year ended 31 December				
Cost of sales	19,936	25,813	1,274	1,293
Selling expenses	80,342	62,170	1	9
Administrative expenses	314,108	292,207	210,158	199,357
Total amortisation expenses	414,386	380,190	211,433	200,659

As at 31 December 2021 and 2020, the Group had no intangible assets pledged for credit facilities.

**Impairment tests for trademarks**

The Group's trademarks result from business combinations. Considering their long track record of stability, durability and the intention of the management, the trademarks have an indefinite useful life thus not amortised.

The recoverable amounts of trademarks have been determined based on fair value which is mainly derived from the relief-from-royalty method and value-in-use method. The relief-from-royalty method consists, in applying to the brand revenues, a royalty rate determined by a qualitative and quantitative analysis of the positioning of the brands in the market. The value-in-use method is determined by discounting future cash flow.

For each of the brand with significant carrying amount using relief-from-royalty, the key assumptions are royalty rate and discount rate use in the calculation are as follow:

Brand	John West	Petit Navire	King Oscar	Rugen Fisch
Royalty rate	3.0% - 5.0%	12.0%	5.0%	3.0%
Discount rate	8.1% - 11.1%	7.5%	7.3%	6.6%

For the brand using value-in-use calculation, the key assumptions are growth rate and discount rate use in the calculation are as follow:

Brand	Growth rate	Discount rate
Chicken of the Sea	1.5%	7.5%

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21 Goodwill, net	Consolidated financial statements Thousand Baht
<b>As at 1 January 2020</b>	
Cost	12,625,651
<u>Less</u> Allowance for impairment	(238,168)
<b>Net book amount</b>	<b>12,387,483</b>
<b>For the year ended 31 December 2020</b>	
Opening net book amount	12,387,483
Increase from business combinations (Note 16.1)	201,105
Write-off, net book value	(176,468)
Translation adjustment	1,002,198
<b>Closing net book amount</b>	<b>13,414,318</b>
<b>As at 31 December 2020</b>	
Cost	13,674,695
<u>Less</u> Allowance for impairment	(260,377)
<b>Net book amount</b>	<b>13,414,318</b>
<b>For the year ended 31 December 2021</b>	
Opening net book amount	13,414,318
Decrease from business combinations (Note 16.1)	(123,513)
Impairment loss	(165,000)
Translation adjustment	369,483
<b>Closing net book amount</b>	<b>13,495,288</b>
<b>As at 31 December 2021</b>	
Cost	13,927,856
<u>Less</u> Allowance for impairment	(432,568)
<b>Net book amount</b>	<b>13,495,288</b>

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**Impairment tests for goodwill**

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to business segment. The Group management reviews the business performance based on geography and type of business.

A segment-level summary of the goodwill allocation is presented below.

	Consolidated financial statements			
	Ambient seafood business	Frozen and chilled seafood and related business	Pet food, value-added and other business	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>As at 31 December 2020</b>				
Asia	42,358	355,000	-	397,358
Europe	12,188,304	519,809	-	12,708,113
US	30,098	278,749	-	308,847
Goodwill allocation	12,260,760	1,153,558	-	13,414,318
<b>As at 31 December 2021</b>				
Asia	42,358	190,000	-	232,358
Europe	12,385,135	534,166	-	12,919,301
US	33,488	310,141	-	343,629
Goodwill allocation	12,460,981	1,034,307	-	13,495,288

The Group tests whether goodwill has suffered any impairment on an annual basis. These calculations use cash flow projections before income taxes, based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.

In frozen and chilled seafood and related business in Thailand, the recoverable amount calculated based on value in use exceeds carrying value by Baht 77 million. An increase in discount rate of 0.5% would remove the remaining headroom.

For each of the CGUs with a significant amount of goodwill, the key assumptions used in the value-in-use calculations are as follows.

	Asia - Frozen and chilled seafood and related business	Europe - Ambient seafood business	Europe - Frozen and chilled seafood and related business	US - Frozen and chilled seafood and related business
Long term growth rate	0% - 1%	1.5%	1.5%	2.5%
Discount rate	7.5%	6.9%	6.5%	7.5%

These assumptions have been used for the analysis of each CGU within the business segment.

Management determined the growth rates to be consistent with the forecasts in the industry. The discount rates used are pre-tax and reflect specific risks relating to the relevant segment.

During the year, the Group reduced the carrying amount of goodwill of Baht 242 million, arising from the investment in shrimp farming, to the amount that is recoverable of Baht 77 million by recognising the loss from impairment of goodwill of Baht 165 million. The loss is included in administrative expenses in the consolidated statement of income. The recoverable amount of a CGU is determined based on value-in-use, which is calculated by using cash flow projection approved by the management. The discount rate used in the calculation is 7.5% per annum. The carrying amount of such goodwill is not significant in comparison with the total carrying amount of goodwill.

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**22 Deferred income taxes**

Deferred tax assets and liabilities are detailed as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Deferred tax assets	2,350,826	2,056,799	109,212	97,966
Deferred tax liabilities	(4,741,817)	(4,411,641)	(56,124)	(55,140)
Deferred tax assets (liabilities), net	(2,390,991)	(2,354,842)	53,088	42,826

The gross movement of deferred income taxes is as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As at 1 January	(2,354,842)	(2,031,797)	42,826	33,286
Increase from business combinations (Note 16.1)	(28,850)	54,615	-	-
Credited/(Charged) to profit or loss	(33,940)	29,097	5,725	14,573
Credited/(Charged) to other comprehensive income	(62,899)	(5,527)	4,537	(5,033)
Charged directly to equity	(3,006)	-	-	-
Reclassification	-	(134,060)	-	-
Translation adjustment	92,546	(267,170)	-	-
As at 31 December	(2,390,991)	(2,354,842)	53,088	42,826

The movement in deferred tax assets and liabilities during the year is as follows:

	Consolidated financial statements						As at 31 December 2020 Thousand Baht
	As at 1 January 2020 Thousand Baht	Credited/(charged) to Profit and loss Thousand Baht	Other comprehensive income Thousand Baht	Increase from business combinations Thousand Baht	Reclassification Thousand Baht	Translation adjustment Thousand Baht	
<b>Deferred tax assets</b>							
Loss allowance for trade receivables	22,585	4,716	-	32,937	-	(554)	59,684
Allowance for net realisable value of inventories and inventory costs	396,019	(16,253)	-	3,386	-	4,719	387,871
Allowance for impairment and depreciation of property, plant and equipment	100,054	(4,580)	-	2,894	-	3,600	101,968
Amortisation of intangible assets	126,174	(3,776)	-	65	-	10,872	133,335
Derivative contracts	89,135	(2,281)	(34,907)	-	-	5,142	57,089
Investment in associates	207,358	107,335	-	-	-	(2,366)	312,327
Assets under lease liabilities	17,887	39,044	-	-	-	526	57,457
Employee benefit obligations	142,764	7,726	5,739	-	-	1,560	157,789
Provisions and liabilities	400,856	396,487	-	43,244	-	(4,132)	836,455
Tax loss carried forward	985,401	(260,784)	-	-	(134,060)	15,867	606,424
Others	33,771	(5,171)	-	7,373	-	400	36,373
<b>Total</b>	<b>2,522,004</b>	<b>262,463</b>	<b>(29,168)</b>	<b>89,899</b>	<b>(134,060)</b>	<b>35,634</b>	<b>2,746,772</b>
<b>Deferred tax liabilities</b>							
Depreciation of property, plant and equipment	(380,507)	23,722	-	(3,333)	-	(5,553)	(365,671)
Amortisation of intangible assets	(3,566,501)	1,126	-	(12,389)	-	(292,069)	(3,869,833)
Financial assets measured at FVPL	-	(288,542)	-	-	-	569	(287,973)
Derivative contracts	(32,147)	(2,929)	6,286	-	-	(261)	(29,051)
Investment in associates	(433,037)	85,572	17,355	-	-	313	(329,797)
Lease liabilities	(29,772)	(39,271)	-	-	-	(1,721)	(70,764)
Inventory costs	(105,443)	5,458	-	-	-	(9,943)	(109,928)
Others	(6,394)	(18,502)	-	(19,562)	-	5,861	(38,597)
<b>Total</b>	<b>(4,553,801)</b>	<b>(233,366)</b>	<b>23,641</b>	<b>(35,284)</b>	<b>-</b>	<b>(302,804)</b>	<b>(5,101,614)</b>
<b>Deferred tax assets (liabilities), net</b>	<b>(2,031,797)</b>	<b>29,097</b>	<b>(5,527)</b>	<b>54,615</b>	<b>(134,060)</b>	<b>(267,170)</b>	<b>(2,354,842)</b>

	Consolidated financial statements						As at 31 December 2021 Thousand Baht
	As at 1 January 2021 Thousand Baht	Credited/(charged) to Profit and loss Thousand Baht	Other comprehensive income Thousand Baht	Charged directly to equity Thousand Baht	Increase from business combinations Thousand Baht	Translation adjustment Thousand Baht	
<b>Deferred tax assets</b>							
Loss allowance for trade receivables	59,684	4,966	-	-	-	5,035	69,685
Allowance for net realisable value of inventories and inventory costs	387,871	40,631	-	-	-	19,331	447,833
Allowance for impairment and depreciation of property, plant and equipment	101,968	(26,682)	-	-	-	1,135	76,421
Amortisation of intangible assets	133,335	(36,587)	-	-	-	3,579	100,327
Derivative contracts	57,089	4,702	(4,349)	75	-	2,804	60,321
Investment in associates	312,327	69	-	-	-	82,815	395,211
Assets under lease liabilities	57,457	(32,516)	-	-	-	417	25,358
Employee benefit obligations	157,789	28,159	9,023	-	-	3,005	197,976
Provisions and liabilities	836,455	(320,020)	-	-	-	135,204	651,639
Tax loss carried forward	606,424	(354,086)	-	-	-	9,156	261,494
Others	36,373	14,532	-	-	-	13,656	64,561
<b>Total</b>	<b>2,746,772</b>	<b>(676,832)</b>	<b>4,674</b>	<b>75</b>	<b>-</b>	<b>276,137</b>	<b>2,350,826</b>
<b>Deferred tax liabilities</b>							
Depreciation of property, plant and equipment	(365,671)	49,126	-	-	(13,186)	(19,108)	(348,839)
Amortisation of intangible assets	(3,869,833)	875,224	-	-	(15,664)	(140,584)	(3,150,857)
Financial assets measured at FVPL	(287,973)	(154,153)	-	-	-	(31,772)	(473,898)
Derivative contracts	(29,051)	(10,042)	(27,914)	(532)	-	(32,324)	(99,863)
Investment in associates	(329,797)	(124,472)	(38,172)	-	-	-	(492,441)
Lease liabilities	(70,764)	31,259	-	-	-	(748)	(40,253)
Inventory costs	(109,928)	15,876	-	-	-	(3,771)	(97,823)
Others	(38,597)	(39,926)	(1,487)	(2,549)	-	44,716	(37,843)
<b>Total</b>	<b>(5,101,614)</b>	<b>642,892</b>	<b>(67,573)</b>	<b>(3,081)</b>	<b>(28,850)</b>	<b>(183,591)</b>	<b>(4,741,817)</b>
<b>Deferred tax assets (liabilities), net</b>	<b>(2,354,842)</b>	<b>(33,940)</b>	<b>(62,899)</b>	<b>(3,006)</b>	<b>(28,850)</b>	<b>92,546</b>	<b>(2,390,991)</b>



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	Separate financial statements					
	Credited/(charged) to			Credited/(charged) to		
	As at 1 January 2020 Thousand Baht	Profit and loss Thousand Baht	Other comprehensive income Thousand Baht	As at 31 December 2020 Thousand Baht	Profit and loss Thousand Baht	Other comprehensive income Thousand Baht
<b>Deferred tax assets</b>						
Loss allowance for trade receivables	7,438	(6,909)	-	529	207	-
Derivative assets	8,572	837	(6,636)	2,773	(926)	715
Assets under lease liabilities	-	37,524	-	37,524	(15,069)	-
Employee benefit obligations	35,539	18,559	-	54,098	9,978	6,996
Others	-	3,042	-	3,042	9,345	-
<b>Total</b>	<b>51,549</b>	<b>53,053</b>	<b>(6,636)</b>	<b>97,966</b>	<b>3,535</b>	<b>7,711</b>
						<b>109,212</b>
<b>Deferred tax liabilities</b>						
Depreciation of property, plant and equipment	(2,263)	417	-	(1,846)	2,384	-
Lease liabilities	-	(36,633)	-	(36,633)	16,597	-
Derivative liabilities	(16,000)	(2,264)	1,603	(16,661)	(2,281)	(3,174)
Others	-	-	-	-	(14,510)	-
<b>Total</b>	<b>(18,263)</b>	<b>(38,480)</b>	<b>1,603</b>	<b>(55,140)</b>	<b>2,190</b>	<b>(3,174)</b>
						<b>(56,124)</b>
<b>Deferred tax assets (liabilities), net</b>	<b>33,286</b>	<b>14,573</b>	<b>(5,033)</b>	<b>42,826</b>	<b>5,725</b>	<b>4,537</b>
						<b>53,088</b>

Deferred income tax assets are recognised for tax loss carried forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group did not recognise deferred income tax assets of Baht 1,354 million (2020: Baht 1,406 million) in respect of losses amounting to Baht 6,708 million (2020: Baht 6,800 million) that can be carried forward against future taxable income. Losses amounting to Baht 5,415 million (2020: Baht 4,738 million) will expire between 2022 and 2038 (2020: between 2021 and 2039).

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23 Other non-current assets

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Advance payments for purchase of construction and equipment	437,892	215,859	-	-
Deposits and guarantees	257,556	244,831	24,058	26,285
Others	153,876	143,906	590	-
<b>Total other non-current assets</b>	<b>849,324</b>	<b>604,596</b>	<b>24,648</b>	<b>26,285</b>

24 Bank overdrafts and short-term loans from financial institutions

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Bank overdrafts	194,622	267,162	-	85,839
Short-term loans	8,969,489	9,057,258	7,909,636	6,057,659
Trust receipts and packing credits	403,382	4,081,669	92,282	745,926
<b>Total bank overdrafts and short-term loans from financial institutions</b>	<b>9,567,493</b>	<b>13,406,089</b>	<b>8,001,918</b>	<b>6,889,424</b>

As at 31 December, the short-term loans bear interest rates at the range of 0.75% per annum to 5.65% per annum and will be due for repayment within February 2022. The short-term loans have no collateral.

As at 31 December 2021, the Group and the Company's the weighted average interest rate of bank overdrafts and short-term loans from financial institutions were 1.39% per annum and 1.37% per annum, respectively (2020: 1.20% per annum and 1.41% per annum, respectively).

The credit facilities were secured by the Group's inventories (Note 13).

25 Trade and other payables

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Trade payables - third parties	12,047,608	10,573,982	2,150,640	1,811,875
Trade payables - related parties (Note 42)	181,697	196,069	562,135	369,562
Accrued expenses and other payables - third parties	8,361,471	7,611,107	783,323	727,199
Accrued expenses and other payables - related parties	39,590	37,678	14,558	114
Dividend payables	36,611	23,808	11,387	1,415
Deposits and unearned revenue	333,601	258,136	53,169	54,378
Property, plant and equipment and intangible assets purchase payable - third parties	344,201	360,075	35,112	41,985
Property, plant and equipment and intangible assets purchase payable - related parties	6,009	6,715	-	84
<b>Total trade and other payables</b>	<b>21,350,788</b>	<b>19,067,570</b>	<b>3,610,324</b>	<b>3,006,612</b>

Accrued expenses included provision for legal claim as explained in Note 44.

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**26 Long-term loans from financial institutions, net**

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Current portion	12,586,006	1,624,950	12,499,210	1,508,378
Non-current portion	13,097,363	12,782,849	12,680,492	12,484,222
Total long-term loans from financial institutions, net	25,683,369	14,407,799	25,179,702	13,992,600

The movements of long-term loans from financial institutions during the year are:

For the year ended 31 December 2021	Consolidated financial statements	Separate financial statements
	Thousand Baht	Thousand Baht
Opening balance	14,407,799	13,992,600
Addition	12,306,800	12,124,300
Deferred finance cost	(110,167)	(110,167)
Amortisation of financial fees	34,291	34,291
Repayments	(1,900,129)	(1,769,000)
Loss on foreign exchange rates	906,112	907,678
Translation adjustment	38,663	-
Closing balance	25,683,369	25,179,702

During the year, the Company entered into the unsecured sustainability linked term loan agreement (SLLs) with various financial institutions in Thailand and Japan, with credit facilities totalling Baht 12,000 million to refinance the Company's existing indebtedness and general corporate purposes. Interest rates for SLLs are linked to Key Performance Indicators (KPIs) around sustainability, with achievement leading to the borrower being rewarded with a reduction in interest rates. These KPIs include maintaining the Company's consistently high rankings in the S&P Global Dow Jones Sustainability Indices (DJSI), achieving the Company's Greenhouse Gas (GHG) reduction targets, and increasing oversight in Thai Union's international supply chains through an increase in the use of electronic monitoring (EM) and/or human observers onboard tuna vessels. As at 31 December 2021, the Company fully drew down such loans.

As at 31 December 2021, long-term loans from financial institutions are for operation, purchases of machinery, investments in subsidiaries, associates and joint ventures and the construction of factories. The loans of Baht 33.46 million (2020: Baht 90.54 million) are secured against the Group's property, plant and equipment (Note 18). The Group and the Company is subject to certain financial covenants, including limitations on indebtedness, capital leases and capital expenditures, transactions with affiliates, distributions, and dividend payments.

**Borrowing facilities**

The Group had the following unused overdraft lines from financial institutions and other credit facilities:

As at 31 December	Consolidated financial statements	
	2021	2020
Baht	Baht 21,915 million	Baht 26,868 million
US Dollar	USD 210 million	USD 239 million
Euro	EUR 8 million	EUR 20 million
Rupiah	IDR 15,000 million	-
Canadian Dollar	-	CAD 1 million

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**27 Debentures, net**

The Company's debentures which are unsecured debentures with no trustee, issued with a registered certificate and unsubordinated, are summarised below:

Debentures	Interest rate (% per annum)	Terms	Due date	Number of debentures Thousand units	Consolidated and Separate financial statements	
					As at 31 December 2021 Million Baht	As at 31 December 2020 Million Baht
Debentures # 1/2011 (3)	5.02	10 years	27 July 2021	1,500	-	1,500
Debentures # 1/2014 (3)	4.69	7 years	6 February 2021	1,550	-	1,550
Debentures # 1/2014 (4)	5.18	10 years	6 February 2024	1,050	1,050	1,050
Debentures # 2/2014 (1)	4.21	7 years	9 October 2021	1,000	-	1,000
Debentures # 2/2014 (2)	4.58	10 years	9 October 2024	3,500	3,500	3,500
Debentures #1/2016 (USD)	3.66	10 years	11 April 2026	75	2,519	2,266
Debentures #2/2016 (2)	2.32	5 years	20 July 2021	2,000	-	2,000
Debentures #2/2016 (3)	2.79	7 years	20 July 2023	2,000	2,000	2,000
Debentures #1/2017 (2)	2.91	5 years	19 January 2022	2,000	2,000	2,000
Debentures #1/2017 (3)	3.58	7 years	19 January 2024	2,500	2,500	2,500
Debentures #1/2017 (4)	3.94	10 years	19 January 2027	4,000	4,000	4,000
Debentures #1/2019 (1)	2.78	7 years	6 November 2026	2,000	2,000	2,000
Debentures #1/2019 (2)	3.00	10 years	6 November 2029	4,000	4,000	4,000
Sustainability-Linked Bond (1)	2.47	7 years	20 July 2028	5,000	5,000	-
Sustainability-Linked Bond (2)	2.27	5 years	10 November 2026	4,500	4,500	-
Sustainability-Linked Bond (3)	3.36	10 years	10 November 2031	1,500	1,500	-
Total debentures - face value					34,569	29,366
Less Unamortised issuance costs					(44)	(25)
Total debentures, net					34,525	29,341
Less Current portion of debentures, net					(2,000)	(6,049)
Non-current portion of debentures, net					32,525	23,292

The above debentures contain covenants relating to various matters such as the maintenance of net debt to shareholders' equity ratio and interest coverage ratio, and certain conditions in issuance of debentures agreements. For example, it is prohibited for annual dividend payment in the form of cash exceeding 60% of the year's consolidated net income.

During the year, the Company issued unsecured Sustainability-Linked Bonds (SLBs) for institutional investors. The SLBs carry fixed interest rates and step-up and/or step-down facilities related to the Group's achievement of Sustainability Performance Targets (SPTs). These targets include remaining in the Dow Jones Sustainability Index (DJSI) Emerging Markets and ranking in the top 10 companies for the DJSI Food Products Industry Index; reducing the direct and indirect carbon emissions from manufacturing operations by 4% annually (carbon intensity); and increasing the monitoring and surveillance of wild-caught tuna supply chains, whether electronically and/or through the use of human observers at sea. Investors in the bond will be entitled to a lower or higher coupon should the Company achieve or fail to achieve these SPTs in 2023 and 2026.

The movement of debentures during the year can be analysed as follows:

For the year ended 31 December 2021	Consolidated and separate financial statements
	Thousand Baht
Opening balance	29,340,852
Issuance of debentures	11,000,000
Issuance cost	(27,277)
Repayments	(6,050,000)
Amortisation of issuance costs	7,144
Unrealised loss on foreign exchange rates	253,957
Closing balance	34,524,676

The fair values of debentures as at 31 December 2021 and 2020 are Baht 35,466 million and Baht 30,757 million, respectively. These fair values are based on the closing price by reference to the Thai Bond Dealing Centre as at the date of the statement of financial position, which is within level 2 of the fair value hierarchy.

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**28 Other current liabilities**

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
As at 31 December				
Options over non-controlling interests of an oversea subsidiary	-	1,677,856	-	-
Others	886,503	818,930	88,218	177,005
Total other current liabilities	886,503	2,496,786	88,218	177,005

In 2016, the Group acquired 51% equity stake in Rugen Fisch AG. The Group also holds a call option and the other shareholders who are a non-controlling interest hold a put option, over the remaining 49% exercisable within 2021. The Group has an obligation to purchase non-controlling interests' shareholding, which represents 49% of total shareholding.

During the year, the Group exercised the options to purchase a non-controlling interest from the previous shareholders resulting in increase in shareholding in a subsidiary from 51% to 100% (Note 16).

**29 Employee benefit obligations**

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
As at 31 December				
Liability in the statement of financial position				
- Retirement benefits	3,191,678	2,700,091	963,628	748,414
Profit or loss charge included in the statement of income				
- Retirement benefits	384,921	267,861	125,719	84,053
Remeasurement for retirement benefits	226,394	15,667	135,786	-

**Retirement benefits plans**

The plans are final salary retirement plans, which provide benefits to members in the form of a guaranteed level of pension payable. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

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The movements in the defined benefit obligations during the year is as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
As at 1 January	2,700,091	2,545,033	748,414	694,776
Current service cost	255,296	202,569	67,897	68,655
Past service cost	73,198	6,248	46,349	6,248
Interest cost	56,427	59,044	11,473	9,150
	384,921	267,861	125,719	84,053
Remeasurements:				
Loss from change in demographic assumptions	27,468	1,450	177	-
Loss from change in financial assumptions	50,776	5,907	2,010	-
Experience Loss	148,150	8,310	133,599	-
	226,394	15,667	135,786	-
Increase from business combination	-	4,059	-	-
Benefit payments	(131,602)	(149,373)	(35,855)	(30,415)
Reclassification	-	-	(10,436)	-
Translation adjustment	11,874	16,844	-	-
As at 31 December	3,191,678	2,700,091	963,628	748,414

The Group and the Company expect to pay Baht 369 million and Baht 256 million, respectively, of retirement benefits during the next year (2020: Baht 382 million and Baht 181 million, respectively).

As at 31 December 2021, the weighted average durations of the liabilities for retirement benefits for the Group and the Company are 14 years and 11 years, respectively (2020: 17 years and 13 years, respectively).

The principal actuarial assumptions used:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Discount rate (%)	1.6 - 2.4	1.6 - 3.1	0.5 - 3.5	1.2 - 2.5
Salary growth rate (%)	2.3 - 5.0	3.1 - 7.0	2.0 - 7.0	3.0 - 7.0
Turnover rate (%)	1.9 - 19.2	2.7 - 27.5	2.0 - 30.0	3.0 - 30.0

Sensitivity analysis for each significant assumption used is as follows:

	Consolidated financial statements			
	Impact on defined benefit obligation			
	Increase		Decrease	
	% Change	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht
Discount rate	1	(211,849)	(155,637)	230,456
Salary growth rate	1	233,917	250,961	(208,903)
Turnover rate	20	(208,112)	(235,244)	249,875



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Separate financial statements				
Impact on defined benefit obligation				
	Increase		Decrease	
	2021	2020	2021	2020
% Change	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Discount rate	1	(59,506)	(47,289)	63,406
Salary growth rate	1	64,911	58,518	(58,498)
Turnover rate	20	(74,706)	(79,386)	92,204
				101,148

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions at the end of the year, the same method has been applied as when calculating the employee benefit obligation recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

### 30 Share capital, premium on share capital and treasury shares

	Number of issued and paid-up shares Shares	Ordinary shares Thousand Baht	Premium on share capital Thousand Baht	Total Thousand Baht
As at 1 January 2020	4,771,815,496	1,192,954	19,948,329	21,141,283
Issue of shares	-	-	-	-
As at 31 December 2020	4,771,815,496	1,192,954	19,948,329	21,141,283
Issue of shares	-	-	-	-
As at 31 December 2021	4,771,815,496	1,192,954	19,948,329	21,141,283

The total number of authorised ordinary shares is 5,971,815,496 shares (2020: 5,971,815,496 shares) with a par value of Baht 0.25 per share (2020: Baht 0.25 per share). There are 4,771,815,496 shares (2020: 4,771,815,496 shares) which are fully paid.

The Public Companies Act. B.E. 2535 requires companies to set aside share subscription monies received in excess of the issued shares' par value to a share premium. The share premium is not available for dividend distribution.

The Board of Directors approved on 17 March 2020 the repurchase of the Company's shares during the six-month period from 1 April 2020 to 30 September 2020. The maximum amount of share repurchases will not be more than Baht 3,000 million and the number of repurchased shares will not be more than 200 million shares, which is 4.19% of the total issued and paid-up shares. The resale of the repurchased shares will take place no earlier than six months after the completion date of the share repurchase, but within three years.

In 2020, the Company acquired its own common shares through purchases on the Stock Exchange of Thailand in accordance with the share buy-back plan. The shares are held as treasury shares. The 117 million treasury shares were acquired for Baht 1,519 million, which has been deducted from equity. The Company is holding these treasury shares for reissuance at a later date.

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### 31 Perpetual debentures

In November 2019, the Company issued subordinated perpetual debentures payable upon liquidation with the issuer's call option and unconditional interest deferral totalling Baht 6,000 million. Such subordinated perpetual debentures are offered by public offering (Institutional investors and/or general investors). The issuance cost was Baht 50.31 million, which was presented as a part of equity in the consolidated and separate financial statements.

The subordinated perpetual debentures will be payable upon liquidation with the Issuer's call option, the subordinated perpetual debentures entitle the holders to receive fixed interest of 5% per annum in 5 years and thereafter at interest rate equals to the sum of reference rate, initial credit spread and fixed rate as agreement at year 6-25, 26-50 and 51 onwards by quarterly. The issuer is solely entitled the right and discretion to defer any interest payment.

As at 31 December 2021, the Company had perpetual debentures of Baht 6,000 million, excluding the issuance cost of Baht 50.31 million. This has been presented as a part of equity.

During the year, the Company paid interest to the debenture's holders of Baht 300 million. This has been recognised as part of unappropriated retained earnings.

### 32 Dividends

On 27 March 2020, the Company's Board of Directors passed a resolution approving an interim dividend payment of Baht 0.22 per share totalling Baht 1,050 million, which was paid on 22 April 2020. The payment rate is the same as what was previously approved by the Board of Directors on 17 February 2020 and disclosed in the financial statements for the year ended 31 December 2019. This was to prevent any impact on shareholders from the postponement of the 2020 Annual General Meeting of Shareholders due to COVID-19 in Thailand.

On 11 August 2020, the Company's Board of Directors passed a resolution to approve an interim dividend payment of Baht 0.32 per share, totalling Baht 1,490 million to the Company's shareholders. The interim dividend was paid on 8 September 2020.

On 5 April 2021, the Annual General Meeting of the Company approved a resolution to pay a dividend of Baht 3,352 million from its net profit from operations for the year 2020. However, by the resolution of the meeting of the Company's Board of Directors held on 11 August 2020, the Company paid out the interim dividend of Baht 0.32 per share to the Company's shareholders totalling Baht 1,490 million on 8 September 2020. The remaining dividend of Baht 0.40 per share or totalling Baht 1,862 million was paid on 21 April 2021.

On 9 August 2021, the Board of Directors' meeting of the Company passed a resolution to approve an interim dividend payment of Baht 0.45 per share or a total of Baht 2,095 million to the Company's shareholders. The interim dividend was paid on 7 September 2021.

### 33 Legal reserve

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
As at 1 January	149,295	149,295	149,295	149,295
Appropriate during the year	-	-	-	-
As at 31 December	149,295	149,295	149,295	149,295

Under the Public Limited Company Act., B.E. 2535, the Company must set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. The legal reserve is not available for dividend distribution.

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**34 Hedging reserve**

The Group's hedging reserves relate to the following hedging instruments:

	Consolidated financial statements			
	Cash flow hedge reserve Thousand Baht	Cost of hedging reserve Thousand Baht	Net investment hedge Thousand Baht	Total Thousand Baht
<b>For the year ended 31 December 2020</b>				
Opening balance as at 1 January 2020	280,126	(19,168)	-	260,958
Change of fair value recognised in OCI	1,116,536	(158,192)	-	958,344
Reclassified from OCI to profit or loss				
- Sales	(250,284)	-	-	(250,284)
- Losses on exchange rates	(1,300,369)	-	-	(1,300,369)
- Other gains	-	19,607	-	19,607
Deferred taxes	28,368	253	-	28,621
Translation adjustments	(1,042)	-	-	(1,042)
Closing balance as at 31 December 2020	(126,665)	(157,500)	-	(284,165)
<b>For the year ended 31 December 2021</b>				
Opening balance as at 1 January 2021	(126,665)	(157,500)	-	(284,165)
Change of fair value recognised in OCI	2,911,202	(303,200)	(215,129)	2,392,873
Reclassified from OCI to profit or loss				
- Sales	(1,188,721)	-	-	(1,188,721)
- Losses on exchange rates	(1,167,083)	-	-	(1,167,083)
- Other gains	-	160,487	-	160,487
Deferred taxes	21,098	4,539	-	25,637
Translation adjustments	(238)	-	-	(238)
Closing balance as at 31 December 2021	449,593	(295,674)	(215,129)	(61,210)
	Separate financial statements			
	Cash flow hedge reserve Thousand Baht	Cost of hedging reserve Thousand Baht	Total Thousand Baht	
<b>For the year ended 31 December 2020</b>				
Opening balance as at 1 January 2020	150,630	(19,168)	131,462	
Change of fair value recognised in OCI	1,335,301	(158,192)	1,177,109	
Reclassified from OCI to profit or loss				
- Sales	(85,069)	-	(85,069)	
- Losses on exchange rates	(1,300,369)	-	(1,300,369)	
- Other gains	-	19,607	19,607	
Deferred taxes	4,780	253	5,033	
Closing balance as at 31 December 2020	105,273	(157,500)	(52,227)	
<b>For the year ended 31 December 2021</b>				
Opening balance as at 1 January 2020	105,273	(157,500)	(52,227)	
Change of fair value recognised in OCI	1,662,455	(303,200)	1,359,255	
Reclassified from OCI to profit or loss				
- Sales	(392,403)	-	(392,403)	
- Losses on exchange rates	(1,167,083)	-	(1,167,083)	
- Other gains	-	160,487	160,487	
Deferred taxes	(2,080)	4,539	2,459	
Closing balance as at 31 December 2021	206,162	(295,674)	(89,512)	

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**35 Sales**

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>For the year ended 31 December</b>				
Sales (Note 46)	141,047,695	132,402,436	19,183,855	20,103,773
Management fees	-	-	543,238	425,848
Total sales	141,047,695	132,402,436	19,727,093	20,529,621

**36 Other income**

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>For the year ended 31 December</b>				
Tax coupon	156,218	177,120	8,252	16,434
Management fees	123,263	2,402	16,819	12,602
Others	478,089	525,634	271,283	279,426
Total other income	757,570	705,156	296,354	308,462

**37 Other gains (losses), net**

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>For the year ended 31 December</b>				
Net gain (loss) on disposals of property, plant and equipment	(10,501)	(2,702)	(1,055)	9,571
Gain (loss) on exchange rates, net	1,641,072	(24,447)	1,198,933	(173,187)
Gain (loss) on financial instruments, net (Note 45.3)	341,994	939,889	(493,784)	152,859
Gain (loss) on disposal of investment in subsidiaries and an associate	(24,086)	-	154,649	-
Others	33,517	(6,169)	(93)	63
Total other gains (losses), net	1,981,996	906,571	858,650	(10,694)

**38 Finance costs**

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>For the year ended 31 December</b>				
Amortisation of financing costs	41,435	24,671	41,435	24,671
Interest expenses	1,614,471	1,616,512	1,459,971	1,411,673
Interest expenses from lease liabilities (Note 19)	55,374	67,466	18,194	20,983
Other finance costs	18,767	15,789	1,192	15
Total finance costs	1,730,047	1,724,438	1,520,792	1,457,342

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**39 Expenses by nature**

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Changes in finished goods and work in process	(3,156,381)	241,832	(119,742)	694,937
Raw materials and consumables used and purchased finished goods	93,294,482	81,444,333	13,012,217	11,379,884
(Reversal of) allowance for net realisable value of inventory	82,468	82,542	(27,379)	(12,764)
Employee expenses	17,646,412	15,744,084	2,947,657	2,782,937
Depreciation on property, plant and equipment and right-of-use assets (Note 17, 18 and Note 19)	3,769,553	3,575,285	638,888	632,026
Impairment of property, plant and equipment, intangible assets	97,205	29,966	-	-
Amortisation of intangible assets (Note 20)	414,386	380,190	211,433	200,659
Research and development expenses	106,403	162,930	24,664	18,668

**40 Income tax**

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>Current tax:</b>				
Current tax on profit for the year	758,715	834,202	13,793	6,870
Adjustments in respect of prior year	(51,123)	(81,341)	(3,491)	(4,082)
Total current tax	707,592	752,861	10,302	2,788
<b>Deferred tax (Note 22):</b>				
Decrease (Increase) in deferred tax assets	676,832	(262,463)	(3,535)	(53,053)
Increase (Decrease) in deferred tax liabilities	(642,892)	233,366	(2,190)	38,480
Total deferred income tax	33,940	(29,097)	(5,725)	(14,573)
<b>Total income tax expenses (income)</b>	741,532	723,764	4,577	(11,785)
<b>Income tax expenses (income) attributable to:</b>				
- continuing operation	741,532	723,764	4,577	(11,785)
- discontinued operations	-	-	-	-
<b>Total income tax expenses (income)</b>	741,532	723,764	4,577	(11,785)

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The taxes on the Group and the Company's profits before tax differ from the theoretical amounts that would arise using the basic tax rates of the Group and the Company as follows:

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Profit before tax from continuing operations	9,013,244	7,278,998	5,714,189	2,641,405
Loss before tax from discontinued operation	-	(46,222)	-	-
Total profit before tax	9,013,244	7,232,776	5,714,189	2,641,405
Tax calculated at tax rates of 8-29% (2020: 10-34%)	2,144,893	1,540,254	1,142,838	528,281
Tax effect of:				
Income not subject to tax	(1,497,023)	(1,242,643)	(1,264,156)	(709,795)
Additional expenses deductible for tax purpose	(523,906)	(32,974)	(17,425)	(18,562)
Expenses not deductible for tax purpose	282,919	231,585	69,438	66,260
Utilisation of previously unrecognised tax losses	(107,059)	(27,312)	-	-
Recognition of deferred tax assets from previously unrecognised tax losses and temporary differences	(706)	(23,016)	-	-
Tax losses and temporary differences for which no deferred tax asset was recognised	178,335	288,142	72,689	124,889
Adjustments in respect of prior year	(51,123)	(81,341)	(3,491)	(4,082)
Impact on change in tax rate	268,992	(7,382)	-	-
Others	46,210	78,451	4,684	1,224
Total income tax expenses (income)	741,532	723,764	4,577	(11,785)

The Group's effective tax rate was 8.23% (2020: 10.01%). The changes in the effective tax rate of the Group are due to unrecognised deferred tax assets from the additional tax benefit in relation to the operation of foreign subsidiaries.

The Company's effective tax rate was 0.08% (2020: -0.45%).

The tax charge relating to components of other comprehensive income is as follows:

For the year ended	Consolidated financial statements					
	31 December 2021			31 December 2020		
	Before tax Thousand Baht	Tax credited/ (charge) Thousand Baht	After tax Thousand Baht	Before tax Thousand Baht	Tax credited/ (charge) Thousand Baht	After tax Thousand Baht
Remeasurements gain (loss) of employee benefit obligations	(226,394)	9,023	(217,371)	(15,667)	5,739	(9,928)
Share of comprehensive expenses from investments accounted for using the equity method	20,525	-	20,525	(23,592)	-	(23,592)
Other reserves	6,542	(1,487)	5,055	(1,427)	-	(1,427)
Change in fair values of equity instruments option	49,727	-	49,727	181,209	-	181,209
Change in fair values of equity instruments	(17,699)	-	(17,699)	(21)	-	(21)
Hedging reserve	(211,746)	(32,263)	(244,009)	573,744	(28,621)	545,123
Translation adjustment	1,683,927	(38,172)	1,645,755	1,160,989	17,355	1,178,344
<b>Other comprehensive income (expenses)</b>	1,304,882	(62,899)	1,241,983	1,875,235	(5,527)	1,869,708



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For the year ended	Separate financial statements					
	31 December 2021			31 December 2020		
	Before tax Thousand Baht	Tax credited/ (charge) Thousand Baht	After tax Thousand Baht	Before tax Thousand Baht	Tax credited/ (charge) Thousand Baht	After tax Thousand Baht
Actuarial gain(loss) on employee benefit obligations	(135,786)	6,996	(128,790)	-	-	-
Change in fair values of equity instruments	(712)	-	(712)	-	-	-
Hedging reserve	39,744	(2,459)	37,285	188,722	(5,033)	183,689
<b>Other comprehensive income (expenses)</b>	<b>(96,754)</b>	<b>4,537</b>	<b>(92,217)</b>	<b>188,722</b>	<b>(5,033)</b>	<b>183,689</b>

#### 41 Earnings per share

Basic earnings per share is calculated by dividing the profit for the year attributable to shareholders of the parent (excluding other comprehensive income/expenses) by the weighted average number of ordinary shares in issue during the year.

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Net profit attributable to the owners of the parent (Thousand Baht)				
- From continuing operations	8,012,996	6,292,312	5,527,612	2,653,190
- From discontinued operation	-	(46,222)	-	-
Net profit attributable to the owners of the parent (Thousand Baht)	8,012,996	6,246,090	5,527,612	2,653,190
<u>Less</u> Interest paid on perpetual debentures (Thousand Baht) (Note 31)	(300,000)	(300,823)	(300,000)	(300,823)
	7,712,996	5,945,267	5,227,612	2,352,367
Weighted average number of ordinary shares outstanding (Thousand shares)	4,655,133	4,713,523	4,655,133	4,713,523
Basic earnings per share (Baht per share)	1.66	1.26	1.12	0.50

There are no dilutive potential ordinary shares in issue during the year presented, so no diluted earnings per share is presented.

The weighted average number of ordinary shares outstanding for the year ended 31 December 2021 changed from the comparative year because of the treasury shares (Note 30).

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#### 42 Related party transactions

The Company is the ultimate parent company. The largest shareholder of the Company is the Chansiri family, which owns 19.26% of the Company's shares. The remaining shares are widely held. The lists of subsidiaries, associates and joint ventures are set out in Note 16.

The following significant transactions and balances were carried out with related parties:

##### 42.1 Revenue

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>Revenue from sales</b>				
Subsidiaries	-	-	7,017,733	7,791,945
Associates	2,525,506	2,033,091	1,061	771
Joint ventures	36,106	232,603	17,521	69,066
Other related companies	647,331	685,759	278,477	266,483
	3,208,943	2,951,453	7,314,792	8,128,265
<b>Interest income</b>				
Subsidiaries	-	-	1,668,769	1,589,767
Associates	-	8,187	-	-
Joint ventures	6	10,883	-	10,883
	6	19,070	1,668,769	1,600,650
<b>Dividend income</b>				
Subsidiaries	-	-	4,240,404	2,607,689
Associates	-	-	116,880	49,947
	-	-	4,357,284	2,657,636
<b>Other income</b>				
Subsidiaries	-	-	230,957	235,861
Associates	178,253	42,991	152	247
Joint ventures	17,304	382	136	6
Other related companies	650	724	531	643
	196,207	44,097	231,776	236,757

##### 42.2 Purchases of goods and services, fixed assets and intangible assets

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>Purchases of goods and services</b>				
Subsidiaries	-	-	2,160,255	1,876,613
Associates	1,427,561	1,595,085	1,429	1,813
Joint ventures	119,097	25,304	467	24,401
Other related companies	2,076,378	1,063,189	88,637	91,988
	3,623,036	2,683,578	2,250,788	1,994,815
<b>Purchases of fixed assets and intangible assets</b>				
Subsidiaries	-	-	564	4,780
Associates	-	56	-	56
Other related companies	67,533	76,808	335	7,650
	67,533	76,864	899	12,486

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42.3 Outstanding balances arising from sales and purchases of goods, services and fixed assets

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>Trade receivables - related parties, net</b>				
Subsidiaries	-	-	2,048,702	1,357,537
Associates	198,556	258,739	3	13
Joint ventures	57	89,699	-	23,138
Other related companies	42,969	42,600	13,074	10,017
	241,582	391,038	2,061,779	1,390,705
<b>Accrued interest income - related parties</b>				
Subsidiaries	-	-	1,116,556	700,149
Associates	-	-	-	-
Joint ventures	6	2,504	-	2,504
	6	2,504	1,116,556	702,653
<b>Trade payables - related parties</b>				
Subsidiaries	-	-	546,178	352,883
Associates	130,624	146,033	752	161
Joint ventures	2,570	-	-	-
Other related companies	48,503	50,036	15,205	16,518
	181,697	196,069	562,135	369,562

42.4 Outstanding balances arising from lease liabilities

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>Lease liabilities - related parties</b>				
Subsidiaries	-	-	171,783	206,169
Other related companies	141,416	151,701	114,086	117,593
	141,416	151,701	285,869	323,762

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42.5 Short-term loans to related parties

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>Short-term loans to related parties</b>				
Subsidiaries	-	-	22,189,581	13,038,591
Associates	-	-	-	-
Joint ventures	4,900	-	-	-
	4,900	-	22,189,581	13,038,591

The movements of short-term loans to related parties during the year are shown below:

For the year ended 31 December 2021	Consolidated financial statements	Separate financial statements
	Thousand Baht	Thousand Baht
Opening balance	-	13,038,591
Additions	4,900	78,047,617
Transfers from (to) long-term loans to related parties (Note 16)	-	(821,780)
Repayments	-	(68,716,361)
Gain on exchange rates	-	641,514
Closing balance	4,900	22,189,581

42.6 Short-term loans from related parties

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Subsidiaries	-	-	998,560	80,960
Associates	91,050	45,100	-	-
	91,050	45,100	998,560	80,960

The movements of short-term loans from related parties during the year are shown below:

For the year ended 31 December 2021	Consolidated financial statements	Separate financial statements
	Thousand Baht	Thousand Baht
Opening balance	45,100	80,960
Additions	91,700	2,107,601
Repayments	(45,750)	(1,189,884)
Gain on exchange rates	-	(117)
Closing balance	91,050	998,560

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42.7 Long-term loans to related parties

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>Long-term loans to related parties, net</b>				
Subsidiaries	-	-	36,645,694	33,624,499
Joint ventures	-	-	-	-
	-	-	36,645,694	33,624,499

The movements of long-term loans to related parties during the year are shown below:

For the year ended 31 December 2021	Consolidated financial statements		Separate financial statements	
	Thousand Baht		Thousand Baht	
Opening balance	-	-	-	33,624,499
Additions	-	-	-	2,843,090
Repayments	-	-	-	(965,470)
Transfers from short-term loans to related parties	-	-	-	821,780
Transfers from accrued interest income from related parties	-	-	-	154,445
Convert to investment in a subsidiary (Note 16)	-	-	-	(2,772,361)
Adjustments for fair value hedges	-	-	-	(9,238)
Reversal of allowance for impairment losses	-	-	-	323,219
Translation adjustment	-	-	-	2,625,730
Closing balance	-	-	-	36,645,694

42.8 Directors and key management remunerations

The compensation paid or payable to directors and key management is shown below:

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Short-term employee benefits	321,584	310,280	243,340	222,373
Post-employment benefits	72,386	86,275	15,476	14,311
Other long-term benefits	74,868	53,301	51,779	33,372
	468,838	449,856	310,595	270,056

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**43 Cash flows information**

43.1 Cash flows from operating activities

Reconciliation of net profit to cash flows from operating activities is shown below:

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>Profit (Loss) before income tax:</b>				
From continuing operations	9,013,244	7,278,998	5,532,189	2,641,405
From discontinued operations	-	(46,222)	-	-
Total	9,013,244	7,232,776	5,532,189	2,641,405
<b>Adjustment items:</b>				
Depreciation expenses (Note 17, 18 and 19)	3,769,553	3,575,285	638,888	632,026
Amortisation expenses (Note 20)	414,386	380,190	211,433	200,659
(Reversal of) Allowance for impairment of financial assets, net	36,025	(46,800)	5,576	(51,091)
(Reversal of) Allowance for diminution in value of inventories	82,468	82,542	(27,379)	(12,764)
Allowance for impairment loss on non-financial assets	262,205	56,102	-	139,411
Allowance for loss on impairment of investments in subsidiaries	-	-	465,139	20,046
(Reversal of) Allowance for loans to related parties (Note 42)	-	-	(323,219)	390,718
Employee benefit obligations (Note 29)	384,921	267,861	125,719	84,053
Loss on disposals of assets of disposal group classified as held-for-sale	-	10,990	-	-
(Gain) Loss on disposals and write-offs of property, plant and equipment, right-of-use assets, intangible assets and goodwill, net	149,104	264,453	2,178	(8,144)
(Gain) Loss on sales of investments	24,086	-	(154,649)	-
Share of loss from investments accounted for using the equity method (Note 16)	269,057	527,489	-	-
Fair value adjustments to investment	(1,097,839)	(836,238)	-	-
Fair value adjustments to financial instruments, net	2,148,895	1,803,790	1,991,134	1,744,291
Gain on exchange rates	(2,618,519)	(1,279,319)	(2,160,439)	(989,588)
Dividend income	(2,718)	(29)	(4,358,973)	(2,657,636)
Finance costs (Note 38)	1,730,047	1,724,438	1,520,792	1,457,342
Interest income	(50,228)	(85,608)	(1,714,195)	(1,638,975)
Total	5,501,443	6,445,146	(3,777,995)	(689,652)



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For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>Changes in operating assets and liabilities:</b>				
(Increase) Decrease in trade and other receivables	(2,336,240)	1,855,276	(567,459)	702,715
(Increase) Decrease in inventories	(6,338,235)	(1,042,566)	(463,695)	1,566,493
(Increase) Decrease in other current assets	(292,155)	(61,894)	(18,495)	7,044
(Increase) Decrease in other non-current assets	(38,739)	16,465	2,227	(2,886)
Increase (Decrease) in trade and other payables	1,503,425	(463,909)	527,218	(1,183,480)
Increase in other current liabilities	218,456	370,909	30,559	35,630
Increase (Decrease) in other non-current liabilities	75,875	(102,217)	29,092	(7,051)
Cash paid for employee benefit obligations	(131,602)	(149,373)	(35,855)	(30,415)
<b>Total</b>	<b>(7,339,215)</b>	<b>422,691</b>	<b>(496,408)</b>	<b>1,088,050</b>
Profit before income tax	9,013,244	7,232,776	5,532,189	2,641,405
Adjustment items	5,501,443	6,445,146	(3,777,995)	(689,652)
Changes in operating assets and liabilities	(7,339,215)	422,691	(496,408)	1,088,050
Cash flows receipts from operations	7,175,472	14,100,613	1,257,786	3,039,803
- Income tax received (paid)	(883,444)	(668,203)	(33,960)	36,915
<b>Net cash receipts from operating activities</b>	<b>6,292,028</b>	<b>13,432,410</b>	<b>1,223,826</b>	<b>3,076,718</b>

43.2 Change in liabilities arising from financing activities

	Consolidated financial statements					
	Short-term loans from financial institutions	Short-term loans from	Accrued interest expenses	Long-term loans from financial institutions	Debentures	Lease liabilities
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>As at 1 January 2020</b>	10,975,720	95,526	375,927	14,435,156	32,842,876	1,349,443
Cash flows	2,102,528	(37,000)	(1,751,511)	(64,805)	(3,500,000)	(514,380)
<b>Non-cash changes:</b>						
Additions	-	-	1,632,302	-	-	201,916
Deferred finance fees costs	-	-	-	-	-	-
Amortisation of financing fees	-	-	-	17,358	-	66,770
Amortisation of issuance costs	-	-	-	-	7,313	-
Write-off (Sale)	-	-	-	-	-	(24,146)
Remeasurement	-	-	-	-	-	78,228
Reclassification	-	626	-	(626)	-	10,712
(Gain) loss on exchange rates	5,611	-	196	(7,187)	(9,337)	(7,051)
Translation adjustment	55,068	(5)	449	27,903	-	39,826
<b>As at 31 December 2020</b>	<b>13,138,927</b>	<b>59,147</b>	<b>257,363</b>	<b>14,407,799</b>	<b>29,340,852</b>	<b>1,201,318</b>
Cash flows	(3,859,688)	45,950	(1,594,329)	10,296,504	4,922,723	(513,553)
<b>Non-cash changes:</b>						
Additions	-	-	1,633,238	-	-	457,519
Amortisation of financing fees	-	-	-	34,291	-	55,374
Amortisation of issuance costs	-	-	-	-	7,144	-
Write-off (Sale)	-	-	-	-	-	(186,198)
Remeasurement	-	-	-	-	-	78,612
Reclassification	-	(168)	-	168	-	(5)
(Gain) loss on exchange rates	234	(11)	5	906,112	253,957	10,205
Translation adjustment	93,398	213	302	38,495	-	56,767
<b>As at 31 December 2021</b>	<b>9,372,871</b>	<b>105,131</b>	<b>296,579</b>	<b>25,683,369</b>	<b>34,524,676</b>	<b>1,160,039</b>

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	Separate financial statements					
	Short-term loans from financial institutions	Short-term loans from	Accrued interest expenses	Long-term loans from financial institutions	Debentures	Lease liabilities
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>As at 1 January 2020</b>	1,707,399	8,475	366,982	13,981,467	32,842,876	492,827
Cash flows	5,091,118	109,611	(1,528,570)	-	(3,500,000)	(137,177)
<b>Non-cash changes:</b>						
Additions	-	-	1,411,688	-	-	16,686
Deferred finance fees costs	-	-	-	-	-	(15)
Amortisation of financing fees	-	-	-	17,358	-	20,983
Amortisation of issuance costs	-	-	-	-	7,313	-
Write-off (Sale)	-	-	-	-	-	(64)
Reclassification	-	-	-	-	-	36,601
(Gain) loss on exchange rates	5,068	(37,126)	-	(6,225)	(9,337)	(273)
<b>As at 31 December 2020</b>	<b>6,803,585</b>	<b>80,960</b>	<b>250,100</b>	<b>13,992,600</b>	<b>29,340,852</b>	<b>429,568</b>
Cash flows	1,198,086	917,718	(1,422,672)	10,245,133	4,922,723	(127,719)
<b>Non-cash changes:</b>						
Additions	-	-	1,461,163	-	-	63,112
Amortisation of financing fees	-	-	-	34,291	-	18,194
Amortisation of issuance costs	-	-	-	-	7,144	-
Write-off (Sale)	-	-	-	-	-	1,568
Remeasurement	-	-	-	-	-	-
(Gain) loss on exchange rates	247	(118)	5	907,678	253,958	4,052
<b>As at 31 December 2021</b>	<b>8,001,918</b>	<b>998,560</b>	<b>288,596</b>	<b>25,179,702</b>	<b>34,524,677</b>	<b>388,775</b>

**44 Commitments and contingent liabilities**

44.1 Capital commitments

The Group had these capital commitments as at the statement of financial position date which were not recognised:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<b>As at 31 December</b>				
Factory, building and warehouse construction agreements	Baht 288 million EUR 1 million Rupiah 9,214 million	Baht 147 million EUR 1 million Rupiah 60,413 million	Baht 11 million -	Baht 6 million -
Purchases of machinery and equipment agreements	Baht 201 million EUR 3 million JPY 148 million Rupiah 2,537 million	Baht 137 million EUR 2 million JPY 2 million USD 4 million	Baht 9 million -	Baht 2 million -
Other fixed assets purchase agreements	Baht 2 million Rupiah 2,066 million	EUR 0.1 million -	Baht 2 million -	-
Computer software agreements	-	Baht 6 million EUR 0.1 million	-	-
Other intangible assets purchase agreement	Baht 7 million	-	-	-

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44.2 Guarantees

- a) As at 31 December 2021, there were outstanding bank guarantees of Baht 28 million (2020: Baht 32 million) issued on behalf of the Company in the normal course of business.
- b) As at 31 December 2021 there were outstanding bank guarantees of Baht 73 million, EUR 7 million, NOK 2 million, PLN 1 million and JPY 51 million (2020: Baht 86 million, EUR 7 million, NOK 3 million and PLN 1 million) issued on behalf of the subsidiaries in the normal course of business.
- c) As at 31 December 2021, there were outstanding letters of guarantees of USD 13 million (2020: USD 14 million) issued on behalf of the Company and a subsidiary to financial institutions to secure credit facilities of the Group's joint ventures.
- d) As at 31 December 2021, there were outstanding bank guarantees of USD 8 million, EUR 20 million and CNY 41 million (2020: EUR 21 million, CAD 9 million and CNY 41 million) issued on behalf of the Company to secure credit facilities of its subsidiaries.

44.3 Litigation

**Tri-Union Seafoods LLC (Tri-U)**

On 15 July 2015, Tri-U was served with a subpoena from the United States Department of Justice ("DOJ") concerning a DOJ antitrust investigation into the packaged seafood industry. Tri-U has fully cooperated with the government, including producing documents and other evidence responsive to the subpoena. Tri-U was granted conditional leniency by the DOJ, which means that, provided Tri-U continues to fully cooperate with the DOJ, neither the company nor any cooperating executives, or employees will face prosecution or penalties.

Tri-U has also been named as a defendant in several separate civil class actions and direct civil actions (Civil Actions). The plaintiffs are various retailers, grocery stores, and consumers that allegedly purchased packaged seafood products from Tri-U and other named defendants. The Civil Actions allege a conspiracy to fix, raise, maintain, and/or stabilise prices for packaged seafood products within the United States, in violation of Sections 1 and 3 of the Sherman Antitrust Act (15 U.S.C. §§ 1, 3) and in violation of various state antitrust, consumer protection, deceptive trade practices and unfair competition statutes. Plaintiffs seek to recover damages.

On 11 January 2021, Tri-U reached an agreement in principle to settle these remaining antitrust litigation cases. At this stage, all that remains is final court approval of the settlement agreement negotiated and concluded by the parties. The approval of the settlement of these remaining antitrust litigation cases brings to an end the antitrust litigation cases in Tri-U.

As at 31 December 2021, the Group recognised sufficient accrual which is in line with the expected settlements.

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**45 Financial instruments**

45.1 Derivatives

The Group has the following derivative financial instruments:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>Current assets</b>				
Foreign currency forwards				
- held for trading	97,203	317,835	363,352	316,005
- cash flow hedges	582,493	605,081	427,053	252,400
- fair value hedges	431	-	431	-
Cross-currency interest rate swaps				
- cash flow hedges	119,674	431,422	119,674	431,422
Other derivatives - held for trading	-	54,100	-	-
Total current derivative assets	799,801	1,408,438	910,510	999,827
<b>Non-current assets</b>				
Foreign currency forwards				
- held for trading	4,831	47,120	224,277	47,120
- cash flow hedges	405,129	931,715	402,737	931,715
- net investment hedge	215,129	-	-	-
Cross-currency interest rate swaps				
- held for trading	23,733	94,635	23,733	94,635
- cash flow hedges	474,920	507,761	474,920	507,761
- fair value hedges	-	67,629	-	67,629
Interest rate swaps				
- cash flow hedges	53,103	-	53,103	-
- fair value hedges	2,235	-	2,235	-
Other derivatives - held for trading	-	-	7,875	7,875
Total non-current derivative assets	1,179,080	1,648,860	1,188,880	1,656,735
<b>Current liabilities</b>				
Foreign currency forwards				
- held for trading	225,531	58,746	438,194	22,024
- cash flow hedges	455,684	127,888	218,672	26,780
- fair value hedges	1,726	-	1,726	-
Cross-currency interest rate swaps				
- held for trading	14,284	-	14,284	-
- cash flow hedges	55,953	282,368	55,953	282,368
- fair value hedges	34,786	13,042	34,786	13,042
Interest rate swaps - cash flow hedges	25,216	-	25,216	-
Other derivatives - held for trading	144	-	-	-
Total current derivative liabilities	813,324	482,044	788,831	344,214
<b>Non-current liabilities</b>				
Foreign currency forwards				
- held for trading	243,159	-	247,476	-
- cash flow hedges	952,388	125,451	950,463	125,451
Cross-currency interest rate swaps				
- held for trading	7,224	-	7,224	-
- cash flow hedges	153,984	293,334	153,984	293,334
Interest rate swap - cash flow hedges	43,685	90,063	-	-
Other derivatives - held for trading	12,303	7,670	-	-
Total non-current derivative liabilities	1,412,743	516,518	1,359,147	418,785

Derivatives are used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at fair value through profit or loss. They are presented as current assets or liabilities to the extent they are expected to be realised within 12 months after the end of the reporting period.

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45.2 Foreign currency risk

The balances of financial assets and liabilities denominated in foreign currencies of the Group and the Company are disclosed in Note 6.1.1.

The aggregate net foreign exchange gains (losses) recognised in profit or loss were:

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>For the year ended 31 December</b>				
Gain (loss) on exchange rates, net (Note 37)	1,641,072	(24,447)	1,198,933	(173,187)
Net gain (loss) on exchange rates included in				
- Sales	(1,203,829)	(245,399)	(392,404)	(85,069)
- Cost of sales	15,567	6,280	-	-
Total net gain (loss) on exchange rate recognised in profit before income tax	452,810	(263,566)	806,529	(258,256)

45.3 Net gain (loss) on financial instruments

The aggregate net gain (loss) on financial instruments recognised in profit or loss were:

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>For the year ended 31 December</b>				
Losses on derivatives that do not apply as hedge accounting	(840,351)	(55,322)	(587,144)	128,030
Fair value hedge - Fair value losses on derivatives	(92,462)	(19,956)	(92,462)	(19,956)
Fair value hedge - Fair value gains (losses) on hedged items	101,484	(3,507)	92,245	19,981
Cash flow hedge - Losses on hedge ineffectiveness	(58,996)	(1,542)	(40,924)	(3,513)
Amortised cost of hedging	134,501	28,317	134,501	28,317
Fair value gains (losses) on equity investments at fair value through PL	24	(47)	-	-
Fair value gains on debt investments at fair value through PL	1,097,794	991,946	-	-
Total net gains (losses) on financial instruments	341,994	939,889	(493,784)	152,859

Net fair value gains/(losses) on financial assets at fair value through profit or loss included a gain on fair valuation of preferred shares of the Group's associate, which is classified as a debt instrument. The preferred shares have the option to convert to the common shares at the specific date. The Group's management has no intention to exercise this option. According to the requirement of TFRS, this financial asset does not meet the criteria for solely payments of principal and interest (SPPI); therefore, the Group requires to recognise a gain on fair valuation in the statement of income.

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**46 Promotional privileges**

The Company received promotional privileges from the Office of the Board of Investment ("BOI") for the production of processed and semi-processed food in seal containers, ready-to-eat frozen meals, frozen aquatic animals and pet food in seal containers. Under these privileges, the Company has received exemption from certain taxes and duties as detailed in the certificate including exemption from corporate income tax for a period of 8 years from the date of commencement of earning promoted revenue. As a promoted industry, the Company is required to comply with the terms and conditions as specified in the promotional certificates.

The Company's revenue classified by BOI and Non-BOI promoted activities (revenue from Non-BOI business included non-exemption from the promotional privileges on corporate income tax and revenue after the exemption period) are as follows:

	BOI promoted activities		Non-BOI promoted activities		Total	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>For the year ended 31 December</b>						
Domestic sales	3,531,159	2,466,837	1,320,714	1,740,033	4,851,873	4,206,870
Export sales	12,451,568	13,688,200	1,880,414	2,208,703	14,331,982	15,896,903
Total revenue from sales	15,982,727	16,155,037	3,201,128	3,948,736	19,183,855	20,103,773

**47 Events after the reporting period**

In January 2022, the Group entered into an agreement to establish a newly joint venture under the name Pacific TUM Cold Storage Company Limited ("PACT") by Thai Union Manufacturing Company Limited ("TUM"), a 99.66% subsidiary of the Company, to jointly invest with Pacific Cold Storage Company Limited ("PCS"). The objective of PACT is to establish a new cold storage warehouse in order to secure the raw material storage and loading services of TUM. The total number of common shares is 800,000 shares with a par value of Baht 100 per share. The Group holds 399,999 common shares. The Group has paid up for its share of Baht 40 million.

In January 2022, the Group entered into a new joint venture agreement with R&B Food Supply Public Company Limited ("RBF") and Srinivasa Cystine Private Limited ("SCPL"), an associate of Avanti Group, to distribute high quality food ingredients in the Indian market. The total authorised capital is INR 100 million and the Group's shareholding is 19%.

On 23 February 2022, the Board of Directors' meeting of the Company passed the resolution to propose to the Annual General Meeting of the Company that will be held in April 2022, to pay a dividend of Baht 4,422 million from its net operating profit for the year 2021. However, by the resolution of the Company's Board of Directors held on 8 August 2021, the Company paid out the interim dividend of Baht 0.45 per share from operating profit for the six-month period ended 30 June 2021, to the Company's shareholders totalling Baht 2,095 million on 7 September 2021. The remaining dividend of Baht 0.50 per share or totalling Baht 2,327 million will be paid on 20 April 2022.



## Attachment

### Attachment 1

Information and detail of directors, executive, people who are assigned the highest responsibility in Accounting and Finance, Compliance and Risk Management Committee's secretary



Board of Directors

KRAISORN CHANSIRI

Position: Chairman  
Nationality: Thai  
Age: 87 years



Education:

- Honorary Doctorate Degree of Philosophy in Business Administration, Mae Fah Luang University
- Honorary Science Degree of Doctor of Philosophy in Food Science and Technology, Thai Chamber of Commerce University

Starting date:

March 17, 1988

No of years in position:

34 years

Family Relationship among Directors and Executives:

Thiraphong Chansiri's father

Shareholdings:

- 231,134,720 shares\*, equivalent to 4.84% of paid-up capital
- Personal: 174,804,288 shares
  - Spouse: 56,330,432 shares
  - Children not yet of legal age: -none- shares

Positions in other listed companies:

-None-

Positions in other organizations:

- 1973 - Present: Chairman, Thai Union Manufacturing Co., Ltd.
- 1977 - Present: Chairman, Thai Sea Food Co., Ltd.
- 2011 - Present: Chairman, Merchant Partners Asset Management Co., Ltd.
- 1972 - Present: Executive Director, Thai Union Trading Co., Ltd.
- 1984 - Present: Executive Director, Penven (Thailand) Co., Ltd.
- 1988 - Present: Executive Director, Thai Union Properties Co., Ltd.
- 1990 - Present: Executive Director, Bangkae Condotown Co., Ltd.
- 1995 - Present: Executive Director, Thai Union Graphic Co., Ltd.
- 2004 - Present: Executive Director, Thai Hua Hong Development Co., Ltd.
- 2006 - Present: Executive Director, Chansiri Printing and Dyeing Co., Ltd.
- 2017 - Present: Executive Director, Thai Union Property Development Co., Ltd.
- 2019 - Present: Executive Director, Thai Union Eaglewood Development Co., Ltd.
- 1988 - Present: Director, Chansiri Real Estate Co., Ltd.
- 1993 - Present: Director, Waithai Co., Ltd.
- 1996 - Present: Director, Thai Union Seafood Co., Ltd.
- 2000 - Present: Director, Merchant Partners Securities PCL.
- 2014 - Present: Director, Thai Union High-Tech Pearl Cultivation Co., Ltd.

Position in other organizations that have conflicts to the Company:

-None-

Training/Seminar Course related to Directorship:

- The Role of Chairman Program organized (RCP 15/2007), Thai Institute of Directors Association
- Certificate, Capital Market Academy Leader Program 12 (March – July 2011)

Remarks:

\* Number of shares held and % shareholding as of December 30, 2021 of the total of 4,771,815,496 shares.

CHENG NIRUTTINANON

Position: Director  
Chairman of Executive Committee  
Nationality: Thai  
Age: 80 years



Education:

The second Middle School of Shantou, People's Republic of China

Starting date:

April 8, 1999

No of years in position:

23 years

Family Relationship among Directors and Executives:

-None-

Shareholdings:

- 265,942,116 shares\*, equivalent to 5.57% of paid-up capital
- Personal: 200,442,084 shares
  - Spouse: 65,500,032 shares
  - Children not yet of legal age: -none- shares

Positions in other listed companies:

2000 – Present: Executive Director, Thai Union Feedmill PCL.

Remarks:

\* Number of shares held and % shareholding as of December 30, 2021 of the total of 4,771,815,496 shares.

Positions in other organizations:

- 1987 - Present: Chairman, Asian-Pacific Can Co., Ltd.
- 1987 - Present: Chairman, TC Union Agrotech Co., Ltd.
- 1989 - Present: Chairman, Asian Pacific Thai Tuna Co., Ltd.
- 1990 - Present: Chairman, Lucky Union Foods Co., Ltd.
- 1992 - Present: Chairman, Jana Industry Co., Ltd.
- 2021 - Present: Chairman, i-Tail Corporation PCL.
- 1973 - Present: Executive Director and Managing Director, Thai Union Manufacturing Co., Ltd.
- 2010 - Present: Executive Director, Oriental Unique Co., Ltd.
- 2011 - Present: Executive Director, Thai Glycerine Co., Ltd.
- 2013 - Present: Executive Director, Phil-Union Frozen Foods, Inc. (Philippines)
- 2019 - Present: Executive Director, Thai Union Ingredients Co., Ltd.
- 1993 - Present: Director, Waithai Co., Ltd.
- 1996 - Present: Director, Thai Union North America (USA)
- 1997 - Present: Director, New Century Printing and Package Co., Ltd.
- 1997 - Present: Director, Tri-Union Seafoods, LLC. (USA)
- 2007 - Present: Director, Yueh Chyang Canned Food Co., Ltd. (Vietnam)
- 2008 - Present: Director, Thaipatana Stainless Steel Co., Ltd.
- 2010 - Present: Director, Thai Union Europe (France)
- 2010 - Present: Director, U.S. Pet Nutrition LLC. (USA)
- 2010 - Present: Director, Tri-Union Frozen Products, Inc. (USA)
- 2001 - Present: Managing Partner, Hunhong Kanchang Registered Ordinary Partnership

Position in other organizations that have conflicts to the Company:

-None-

Training/Seminar Course related to Directorship:

- Directors Accreditation Program organized (DAP 187/2021), Thai Institute of Directors Association

CHUAN TANGCHANSIRI

Position: Director  
Nationality: Thai  
Age: 76 years



Education:

Bachelor’s degree,  
South China Normal University,  
People’s Republic of China

Starting date:

March 17, 1988

No of years in position:

33 years

Family Relationship among  
Directors and Executives:

Cousin of Kraisorn

Shareholdings:

37,688,000 shares\*,  
equivalent to 0.79%  
of paid-up capital

- Personal: 37,688,000 shares
- Spouse: 0 shares
- Children not yet of legal age:  
-none- shares

Positions in other  
listed companies:

-None-

Positions in other organizations:

- 1973 - Present: Executive Director, Thai Union Manufacturing Co., Ltd.
- 1977 - Present: Executive Director, Thai Sea Food Co., Ltd.
- 1987 - Present: Executive Director, Asian-Pacific Can Co., Ltd.
- 1989 - Present: Executive Director, Asian Pacific Thai Tuna Co., Ltd.
- 1988 - Present: Director, Chansiri Real Estate Co., Ltd.
- 1988 - Present: Director, Thai Union Properties Co., Ltd.
- 1993 - Present: Director, Waithai Co., Ltd.
- 1995 - Present: Director, Thai Union Graphic Co., Ltd.
- 1996 - Present: Director, Thai Union Seafood Co., Ltd.
- 1999 - Present: Director, Asia-Pacific Risk Consultants (Thailand) Co., Ltd.
- 2004 - Present: Director, Asia-Pacific Insurance Brokers Co., Ltd.
- 2008 - Present: Director, Thaipatana Stainless Steel Co., Ltd.
- 2017 - Present: Director, Okeanos Food Co., Ltd.
- 2017 - Present: Director, Pakfood PCL.
- 2001 - Present: Managing Partner, Hunhong Kanchang Registered Ordinary Partnership

Position in other organizations that have conflicts to the Company:

-None-

Training/Seminar Course related to Directorship:

- Directors Accreditation Program organized (DAP 86/2010), Thai Institute of Directors Association

Remarks:

\* Number of shares held and % shareholding as of December 30, 2021 of the total of 4,771,815,496 shares.

THIRAPHONG CHANSIRI

Position: Director / Member of Executive Committee  
Member of Risk Management Committee  
Member of Sustainability Development Committee  
President and CEO

Nationality: Thai

Age: 57 years



Education:

Bachelor’s Degree (Marketing),  
Assumption University  
Master of Business  
Administration (Management),  
University of  
San Francisco, USA

Starting date:

January 1, 1990

Education:

32 years

Family Relationship among  
Directors and Executives:

Kraisorn’s son

Shareholdings:

525,565,212 shares\*,  
equivalent to 11.01%  
of paid-up capital

- Personal: 416,236,164 shares
- Spouse: 109,329,048 shares
- Children not yet of legal age:  
-0- shares (1 Person)

Positions in other  
listed companies:

- 2000 – Present: Executive Director, Thai Union Feedmill PCL.
- 2014 – Present: Director, Minor International PCL.
- 2021 – Present: Director, SCG Packaging PCL.

Remarks:

\* Number of shares held and % shareholding as of December 30, 2021 of the total of 4,771,815,496 shares.

Positions in other organizations:

- 1996 - Present: Chairman, Thai Union Seafood Co., Ltd.
- 2016 - Present: Chairman, Thai Union China Co., Ltd. (China)
- 1995 - Present: President, Thai Union Graphic Co., Ltd.
- 1996 - Present: President, Thai Union North America (USA)
- 2010 - Present: President, Thai Union Europe (France)
- 1999 - Present: Executive Director, i-Tail Corporation PCL.
- 2012 - Present: Executive Director, Pakfood PCL. (Including 4 Companies)
- 1989 - Present: Executive Director, Thai Union Manufacturing Co., Ltd.
- 2016 - Present: Executive Director, Thai Union Invest ments North America LLC. (USA)
- 2016 - Present: Executive Director, Pracharat Raksamakkee Samutsakorn (Social Enterprise) Co., Ltd.
- 2017 - Present: Executive Director, Thoon Thanasiri Co., Ltd. (Including 7 Companies)
- 2017 - Present: Executive Director, Thai Union Asia Investment Holding Co., Ltd. (Hong Kong)
- 2019 - Present: Executive Director, Thai Union Ingredients Co., Ltd.
- 2019 - Present: Executive Director, Beam Data Co., Ltd.
- 2020 - Present: Executive Director, Food and Beverage United Co., Ltd.
- 2021 - Present: Executive Director, Interpharma-Zeavita Co., Ltd.
- 2021 - Present: Executive Director, Thai Union Lifescience Co., Ltd.
- 1984 - Present: Director, Penven (Thailand) Co., Ltd.
- 1988 - Present: Director, Chansiri Real Estate Co., Ltd.
- 1988 - Present: Director, Thai Union Properties Co., Ltd.
- 1993 - Present: Director, Asian-Pacific Can Co., Ltd.
- 1993 - Present: Director, Lucky Union Foods Co., Ltd.
- 1993 - Present: Director, Waithai Co., Ltd.
- 1997 - Present: Director, Tri-Union Seafoods, LLC.(USA)
- 2000 - Present: Director, Biz Dimension Co., Ltd.
- 2009 - Present: Director, TN Fine Chemicals Co., Ltd.
- 2010 - Present: Director, Tri-Union Frozen Products, Inc. (USA)
- 2010 - Present: Director, U.S. Pet Nutrition LLC.
- 2014 - Present: Director, Thai Union High-Tech Pearl Cultivation Co., Ltd.
- 2016 - Present: Director, Red Lobster Master Holdings LP (USA)
- 2017 - Present: Director, Thai Union Property Development Co., Ltd.
- 2019 - Present: Director, Thai Union Eaglewood Development Co., Ltd.

Position in other organizations that have conflicts to the Company:

-None-

Training/Seminar Course related to Directorship:

- Directors Certification Program organized (DCP 10/2001), Thai Institute of Directors Association



RITTIRONG BOONMECHOTE

**Position:** Director  
Member of Executive Committee

**Nationality:** Thai

**Age:** 60 years



Education:

Bachelor's Degree, Bangkok University

Starting date:

April 25, 2002

No of years in position:

20 years

Family Relationship among Directors and Executives:

-None-

Shareholdings:

63,442,980 shares\*, equivalent to 1.33% of paid-up capital

- Personal: 63,442,980 shares
- Spouse: -0- shares
- Children not yet of legal age: -none- shares

Positions in other listed companies:

- 2000 – Present: Chairman of Executive Director, Thai Union Feedmill PCL. (Including 2 Companies)
- 2021 – Present: Director, R&B Food Supply PCL.

Positions in other organizations:

- 1996 – Present: President, Thai Union Seafood Co., Ltd.
- 2012 – Present: President, TMAC Co., Ltd. (Including 4 Companies)
- 2012 – Present: President, Pakfood PCL. (Including 4 Companies)
- 2016 – Present: Executive Director, Tri-Union Products Canada, Inc. (Canada)
- 2017 – Present: Executive Director, RBC Asset Co., Ltd.
- 2018 – Present: Executive Director, Thammachart Seafood Retail Co., Ltd.
- 1997 – Present: Director, Tri-Union Frozen Products, Inc. (USA)
- 2016 – Present: Director, Thai Union Online Shop Co., Ltd.
- 2016 – Present: Director, Red Lobster Master Holdings LP (USA)

Position in other organizations that have conflicts to the Company:

-None-

Training/Seminar Course related to Directorship:

- Executive Development Program (EDP 2/2009), Thai Listed Companies Association
- Director Certification Program (DCP 138/2010) organized, Thai Institute of Director Association
- Leader Program no.25/2560, Capital Market Academy
- Advanced Master of Management Program (AMM) no.1, Graduate School of Public Administration (GSPA)
- The Executive Program in Energy Literacy no. 14/2562 / Thailand Energy Academy
- The Executive Program in Judicial no. 25/2563 / Judicial Training Institute

Remarks:

\* Number of shares held and % shareholding as of December 30, 2021 of the total of 4,771,815,496 shares.

SHUE CHUNG CHAN

**Position:** Director  
Member of Risk Management Committee  
Member of Sustainability Development Committee

**Nationality:** Chinese

**Age:** 46 years



Education:

- Bachelor's Degree, Oregon State University, USA
- Master of Business Administration, Bangkok University

Starting date:

April 30, 2001

No of years in position:

21 years

Family Relationship among Directors and Executives:

-None-

Shareholdings:

12,295,272 shares\*, equivalent to 0.26% of paid-up capital

- Personal : 12,295,272 shares
- Spouse : -0- shares
- Children not yet of legal age: -0- shares (2 persons)

Positions in other listed companies:

- 2002 – Present: Executive Director, Thai Union Feedmill PCL.

Remarks:

\* Number of shares held and % shareholding as of December 30, 2021 of the total of 4,771,815,496 shares.

Positions in other organizations:

- 2021 - Present: Executive Director, i-Tail Corporation PCL.
- 2014 - Present: Executive Director, Thai Union Graphic Co., Ltd.
- 2018 - Present: Executive Director, EHS Training and Services Co., Ltd.
- 2020 - Present: Executive Director, Thai Union South East Asia Pte. Ltd. (Singapore)
- 2021 - Present: Director, Thai Union Lifescience Co., Ltd.
- 2015 - Present: Director, Thai Union Seafood Co., Ltd.
- 2017 - Present: Director, Thoon Thanasiri Co., Ltd.
- 2018 - Present: Director, Biz Dimension Co., Ltd.
- 2018 - Present: Director, Thoon Thanasiri (Songkhla) Co., Ltd.
- 2021 - Present: Director, Thai Union Manufacturing Co., Ltd.

Position in other organizations that have conflicts to the Company:

-None-

Training/Seminar Course related to Directorship:

- Directors Certification Program organized (DCP 16/2002), Thai Institute of Directors Association
- Executive Development Program (EDP 1/2009), Thai Listed Companies Association
- Ethical Leadership Program (ELP 6/2016), Thai Institute of Directors Association & Thai CAC

NORIO SAIGUSA

**Position:** Non Executive Director  
**Nationality:** Japanese  
**Age:** 60 years



Education:

Bachelor (Political Science and Economics),  
Waseda University, Japan

Positions in other organizations:

- 2019 – Present: Executive Vice President and Group CEO, Food Industry Group, Mitsubishi Corporation  
Chairman, Asian-Pacific Can Co., Ltd.

Starting date:

April 5, 2019

Position in other organizations that have conflicts to the Company:

-None-

No of years in position:

3 Years

Training/Seminar Course related to Directorship:

-None-

Family Relationship among Directors and Executives:

-None-

Shareholdings:

-0- shares\*,  
equivalent to -  
of paid-up capital  
• Personal: -0- shares  
• Spouse: -0- shares  
• Children not yet of legal age:  
-none- shares

Positions in other listed companies:

-None-

Remarks:

\* Number of shares held and % shareholding as of December 30, 2021 of the total of 4,771,815,496 shares.

THAMNOON ANANTHOTHAI

**Position:** Independent Director  
**Chairman of Nomination and Remuneration Committee**  
**Member of Audit Committee**  
**Member of Risk Management Committee**

**Nationality:** Thai  
**Age:** 65 years



Education:

- Bachelor's Degree (Accountancy & Management), Eckerd College-St. Petersburg
- Mater of Business Administration (Management), University of Sarasota
- Ph.D., International Management, Walden University

Starting date:

March 22, 2010

No of years in position:

12 years

Family Relationship among Directors and Executives:

-None-

Shareholdings:

-0- shares\*,  
equivalent to -  
of paid-up capital  
• Personal: -0- shares  
• Spouse: -0- shares  
• Children not yet of legal age:  
-none- shares

Positions in other listed companies:

- 2007 – Present: Vice Chairman and Chairman of Audit Committee, Better World Green PCL.

Remarks:

\* Number of shares held and % shareholding as of December 30, 2021 of the total of 4,771,815,496 shares.

Positions in other organizations:

- 2004 – Present: Executive Director, Merchant Partners Securities PCL.
- 2013 - Present: Executive Director, Merchant Partners Co., Ltd.
- 2014 - Present: Executive Director, Merchant Partners Asset Management Ltd.
- 2015 - Present: Director, The Princess Mother's Medical Volunteer Foundation

Position in other organizations that have conflicts to the Company: None

Work Experience

- 1990 - 1995: Thailand Representative of Nomura Office (Securities Company from Japan)
- 1994 - 1997: Deputy CEO (Securities), Srimitr Securities PCL.
- 1997 - 2002: Associate Judge, Central Intellectual Property and International Trade Court
- 1988 - 2002: President and CEO, DBS Vickers Securities (Thailand) Co., Ltd.
- 2005 - 2015: Audit Committee/Chairman of Nomination and Remuneration Committee, Property Perfect PCL.
- 2006 - 2014: Chairman of Audit Committee, Eastern Printing PCL.
- 2007 - 2014: Chairman of the Board, Vintage Engineering PCL.
- 2008 - 2014: Director and Audit Committee, Bangkok University
- 2012 - 2013: Independent Director, Pakfood PCL.
- 2016 - 2020: Independent Director and Audit Committee, After you PCL.

Training/Seminar Course related to Directorship:

- Audit Committee Program organized (ACP 10/2005), Thai Institute of Directors Association
- Directors Accreditation Program organized (DAP 48/2005), Thai Institute of Directors Association
- Directors Certification Program organized (DCP 70/2006), Thai Institute of Directors Association
- The Role of Chairman Program organized (RCP 14/2006), Thai Institute of Directors Association
- Understanding the Fundamental of Financial Statement organized (UFS 7/2007), Thai Institute of Directors Association

KIRATI ASSAKUL

**Position:** Independent Director  
Chairman of Risk Management Committee

**Nationality:** Thai

**Age:** 64 years



Education:

- Master of Chemical Engineering, University of Southern California, USA
- Bachelor's Degree (Chemical Engineering), Queen's University, CANADA

Starting date:

March 22, 2010

No of years in position:

12 years

Family Relationship among Directors and Executives:

-None-

Shareholdings:

- 103,248 shares\*, equivalent to 0.00 of paid-up capital
- Personal: -0- shares
  - Spouse: 103,248 shares
  - Children not yet of legal age: -none- shares

Positions in other listed companies:

- 1993 - Present: Director, Ocean Glass PCL. (Including 2 Companies)

Positions in other organizations:

- 1984 - Present: Chairman, Ocean Life Insurance Co., Ltd.
- 1988 - Present: Director, Service Leasing Co., Ltd.
- 1992 - Present: Director, Ocean Holding Co., Ltd.
- 1994 - Present: Director, Kirati Home Co., Ltd.
- 1996 - Present: Director, Ocean Group (Thailand) Co., Ltd.
- 1998 - Present: Director, Kris & Sumali Co., Ltd.
- 2002 - Present: Director, Great Field Co., Ltd.
- 2010 - Present: Director, Siam Estate Co., Ltd.
- 2013 - Present: Director, Ocean Property Co., Ltd.
- 2013 - Present: Director, Ocean Marina Co., Ltd.

Position in other organizations that have conflicts to the Company:

None

Training/Seminar Course related to Directorship:

- Directors Certification Program organized (DCP 27/2003), Thai Institute of Directors Association
- The Role of Compensation Committee organized (RCC 5/2007), Thai Institute of Directors Association

Remarks:

\* Number of shares held and % shareholding as of December 30, 2021 of the total of 4,771,815,496 shares.

NART LIUCHAREON

**Position:** Independent Director  
Chairman of Audit Committee  
Member of Nomination and Remuneration Committee

**Nationality:** Thai

**Age:** 63 years



Education:

- Bachelor Degree of Engineering (Computer), Chulalongkorn University
- Master of Science in business Administration, University of Southern California, USA
- Master of Business Administration, University of Southern California, USA

Starting date:

April 3, 2015

No of years in position:

7 years

Family Relationship among Directors and Executives:

-None-

Shareholdings:

- 0 shares\*, equivalent to - of paid-up capital
- Personal: -0- shares
  - Spouse: -0- shares
  - Children not yet of legal age: -0- shares (1 person)

Positions in other listed companies:

-None-

Remarks:

\* Number of shares held and % shareholding as of December 30, 2021 of the total of 4,771,815,496 shares.



PARNSIREE AMATAYAKUL

**Position:** Independent Director  
Member of Audit Committee  
Member of Risk Management Committee

**Nationality:** Thai

**Age:** 52 years



Education:

- Bachelor Degree of Business Administration Faculty of Commerce and Accountancy, Chulalongkorn University
- Master of Business Administration, University of California, Los Angeles USA

Starting date:

May 10, 2021

No of years in position:

1 year

Family Relationship among Directors and Executives:

-None-

Shareholdings:

- 0- shares\*, equivalent to - of paid-up capital
- Personal: -0- shares
  - Spouse: -0- shares
  - Children not yet of legal age: -0- shares (2 persons)

Positions in other listed companies:

- 2018 – Present: Independent Director, Thai Wah PCL.
- 2019 – Present: Independent Director, The Siam Cement PCL.
- 2021 – Present: Independent Director, Bangkok Bank PCL.

Remarks:

\* Number of shares held and % shareholding as of December 30, 2021 of the total of 4,771,815,496 shares.

Positions in other organizations:

-None-

Work Experience

- 2019 – Feb 2021: General Manger, Sales, Enterprise and Commercial, IBM ASEAN
- 2011 – 2018: Managing Director, IBM Thailand Co., Ltd.

Position in other organizations that have conflicts to the Company:

-None-

Training/Seminar Course related to Directorship:

- Directors Certification Program organized (DCP 2008), Thai Institute of Directors Association
- Advance Audit Committee Program (AACP 40/2021), Thai Institute of Directors Association

PAKAPUN LEEVUTINUN

**Position:** Independent Director  
Member of Risk Management Committee

**Nationality:** Thai

**Age:** 49 years



Education:

- Bachelor Degree of Business Administration, Faculty of Commerce and Accountancy, Chulalongkorn University
- MBA in Marketing and Finance, Brigham Young University Marriott School of Business, USA
- Ph.D. in Technopreneurship & Innovation Management, Chulalongkorn University

Starting date:

August 9, 2021

No of years in position:

8 months

Family Relationship among Directors and Executives:

-None-

Shareholdings:

- 0- shares\*, equivalent to - of paid-up capital
- Personal: -0- shares
  - Spouse: -0- shares
  - Children not yet of legal age: -0- shares (2 persons)

Positions in other listed companies:

-None-

Positions in other organizations:

Regional President Southeast Asia & Pacific/ Nu Skin Enterprises

Work Experience

- 2021 – Present: Regional President Southeast Asia & Pacific/ Nu Skin Enterprises
- 2018 – 2020: Regional President Southeast Asia/ Nu Skin Enterprises
- 2015 – 2017: Regional Vice President Southeast Asia/ Nu Skin Enterprises

Position in other organizations that have conflicts to the Company:

-None-

Training/Seminar Course related to Directorship:

-None-

Remarks:

\* Number of shares held and % shareholding as of December 30, 2021 of the total of 4,771,815,496 shares.

Global Leadership Team



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1.	CHENG NIRUTTINANON	Executive Chairman
2.	RITTIRONG BOONMECHOTE	President of Global Frozen and Related Business
3.	PAUL REENAN	Regional President, Thai Union Europe
4.	BRYAN ROSENBERG	President and CEO, Thai Union North America
5.	ROY CHAN	Managing Director, Thai Union Manufacturing Head Office
6.	SHUE CHUNG CHAN	Group Director, Corporate Office

7.	THIRAPHONG CHANSIRI	President and CEO
8.	LUDOVIC GARNIER	Group Chief Financial Officer
9.	TUNYAWAT KASEMSUWAN	Group Director, Global Innovation
10.	ADAM BRENNAN	Group Director, Sustainability
11.	KULSHAAN SINGH	Group Director, Human Resources

Management Team

Commercial Leadership



**PICHITCHAI WONGPIYA**  
President,  
Global PetCare BU



**PREERASAK BOONMECHOTE**  
MD, BU Shrimp



**LEONARDUS COOLEN**  
MD, Thai Union  
Ingredients



**OMAIR AHAMED**  
Director, Global Food  
Service Initiative



**SUWANNEE SRITONYACHOTE**  
MD, Supplements  
Business



**MAARTEN GERAETS**  
MD, Alternative  
Proteins



**SARAN RATTANARUNGRUENGCHAI**  
GM, Emerging Market

Thai Union North America



**BRYAN ROSENBERG**  
President & CEO



**RUNGTIWA SNIDER**  
Chief Financial Officer



**BRENDEN BECK**  
EVP, Sales and  
Marketing



**ANDRAS MECS**  
EVP, Commercial



**DANIEL GOLDSTONE**  
SVP, HR and Corporate  
Affairs



**DANIEL HALFORD**  
SVP, Operations/  
Supply Chain and QA



**JENNY WANG**  
VP & General Counsel,  
Legal & Risk  
Management



**GREGORY RIEKHOF**  
VP, Supply Chain

Enabling Business Success



**NAKORN NIRUTTINANON**  
MD, Thai Union  
Manufacturing Co., Ltd.



**CHAIWAT CHAROENRUJITANON**  
MD, Songkla Canning  
PCL. & Yueh Chyang  
Canned Food Co., Ltd.



**SUTHIDEJ AMORNKASEMWONG**  
MD, BU Fish



**YONGYUT SETTHAWIWAT**  
MD, Group Treasurer –  
Treasury and Finance  
Shared Serviced  
Department



**KEVIN BIXLER**  
Group Director,  
Fish Procurement



**DAVID SANKOWICZ**  
Group Director,  
Legal And Compliance



**RAJIV KAKAR**  
Group Director, IT



**PETER GALLI**  
Group Director,  
Corporate  
Communications



**RAPEEPONG LIMWONGTHONG**  
Company Secretary and  
AGM, Legal, Compliance  
and International Tax



**SETAKUL CHOTICHOEY**  
Group Director  
(Acting), Safety,  
Health and  
Environment

Thai Union Europe/European Management Committee



**PAUL REENAN**  
Regional President



**SVEN MASSEN**  
Operating Director



**ARI BENSOUSSAN**  
Chief Financial  
Officer



**PIERRE DE MOUY**  
HR Director



**DAVID SANKOWICZ**  
Group Director,  
Legal and  
Compliance



Detail of Top Executives in addition to Executive Directors

Name-Surname	Position	Age (Year)	% Shareholding	Education	Work Experience Before Current Position
1. Patrick Bertalanffy TU shareholdings -0- Share Resign August 31, 2021	Group Director, Strategy	40	-	MBA, INSEAD	2007 - 2018 – Associate Partner/ McKinsey & Company, INC.
2. Darian McBain TU shareholdings -0- Share Resign July 31, 2021	Group Director, Sustainability	49	-	Ph.D. social indicators for global supply chain analysis, University of Sydney	2007 - 2015 – Managing Director/ Blue Sky Green
3. Tunyawat Kasemsuwan TU shareholdings -0- Share	Group Director, Global Innovation	56	-	Ph. D. Food Technology, Iowa State University	2008 - 2016 – Senior Director/ National Starch and Chemical & Corn Product International
4. Leonardus Coolen TU shareholdings -0- Share	Managing Director, Marine Ingredients	51	-	Master in Molecular Science, Agricultural University Wageningen	2015 - 2017 – CEO/ Friesland Huishan Dairy
5. Kulshaan Singh TU shareholdings -0- Share	Group Director, Human Resources	48	-	Personnel Management & Industrial Relations, XLRI Jamshedpur, India	2019 - Sep 2020 – Minor International, Chief People Officer 2017 - 2019 – CP Group, Chief People Officer 2014 - 2017 – Mercer Singapore, Chief Executive Officer Mercer (Singapore) Pte Ltd.
6. Ludovic Garnier TU shareholdings -0- Share	Group Chief Financial Officer	43	-	ESCP Business School, Specialization in Finance	2017 - 2020 - Head of Ground Accounting & Controlling/ TU 2012 - 2016 - Central Finance Director/ Thai Union Europe 2001 - 2012 - Senior Manager (Auditor)/ EY
7. Adam Brennan TU shareholdings -0- Share	Group Director, Sustainability	35	-	Bachelor of Science in Environmental Management, Harper Adams University College Master of Science in Renewable Energy: Technology and Sustainability, University of Reading	2015 - 2021 – Supply Chain Environmental Stewardship, Global Sustainability/ C&A Sourcing Lime, Hong Kong

Remarks: Number of shares held and present shareholding as of 30 December 2021 of the total of 4,771,815,496 shares.  
: The above-mentioned top executives are “Executives” according to the Notification of the capital Market Supervisory Board No. Tor Chor 23/2551.

Detail of people who are assigned with directly responsibility of accounting.

Arunrat Surattanajindaporn

**Position:** Deputy General Manager – Account and Controller (Factory)  
**Nationality:** Thai  
**Age:** 49 years old  
**Education:** Bachelor of Business Administration, Thammasat University  
**Certified Public Accountant (Thailand):** No. 10745  
**Related Training:** Training Continuing Professional Development (CPD Hours) every year according to Regulation of Federation of Accounting Professional  
**Shareholding:** -0- Shares (as of December 30, 2021)

Information of Risk Management Committee’s secretary

Umaporn Kittipoomwong

**Position:** Risk Management Committee’s secretary  
Assistant General Manager - Group Risk Management and Internal Control  
**Nationality:** Thai  
**Age:** 44 years old  
**Appointed:** October 31, 2019  
**Education:**

- Bachelor of Arts, Thammasat University
- Master of Arts, School of Language and Communication International program, National Institute of Development Administration (NIDA)

**Related Training:** Thai Institute of Directors Association

- Risk Management Program for Corporate Leaders (RCL) 25/2021

**Other related training:** Certified Financial Modeling (CFM), Clariden Global, 2016  
TCFD & SDGs Workshop: ESG Risk Analysis and GHG Accounting, 2021  
**Work Experience:**

- 1997 - 2009: Analyst, Business Planning and Risk Management Department, Siam City Cement Public Company Limited.
- 2009 - 2013: Senior Analyst, Supply Chain Department, Siam City Cement Public Company Limited.
- 2013 - 2015: Senior Manager Business Planning and Risk Management Department, Ananda Development Public Company Limited.
- 2016 - present: Assistant General Manager - Group Risk Management and Internal Control, Thai Union Group Public Company Limited.
- 2019 - present: Director, Risk and Internal Control Club, Thai Listed Companies Association

**Number of shares held:** 3,000 Shares (as of December 30, 2021)  
**Relationship with Management:** -None-

Information of Company Secretary and Compliance Unit

Rapeepong Limwongthong

Position:	Company Secretary Head of Legal, Compliance and International Tax
Nationality:	Thai
Age:	36 years
Appointed:	August 9, 2021
Education:	<ul style="list-style-type: none"><li>Bachelor of Laws, Chulalongkorn University</li><li>Barrister-at-Law, Thai Bar Association</li><li>Master of Laws, Tax Law, Queen Mary University of London</li><li>Master of Laws, Banking and Financial Regulation, London School of Economics and Political Science (LSE)</li></ul>
Related Training:	Thai Institute of Directors Association <ul style="list-style-type: none"><li>Company Secretary Program (CSP) (104/2019)</li><li>Effective Minutes Taking (49/2021)</li><li>Corporate Governance for Executive (18/2021)</li></ul>
Other Related Training:	Company Secretary Program 2021 by Thai Listed Companies Association (TLCA)
Working Experience:	<ul style="list-style-type: none"><li>2010 - 2011 Tax Associate, Deloitte Touche Tohmatsu Jaiyos Co., Ltd.</li><li>2011 - 2015 Analyst Tax Planning, PTT Exploration and Production PCL.</li><li>2015 - 2018 Department Manager, International Tax, Thai Union Group PCL.</li><li>2018 - 2021 Assistant General Manager Legal, Compliance and International Tax, Thai Union Group PCL.</li><li>2021 - Present Company Secretary and Assistant General Manager Legal, Compliance and International Tax, Thai Union Group PCL.</li></ul>
Number of TU shares held:	15,300 Shares (as of 30 December 2021)
Relationship with Management:	-None-

Roles and Responsibilities of Company's Secretary

Qualification of Company Secretary

1. Have basic knowledge of business, accounting, laws, regulations of regulatory agencies related to the law on public limited companies, Rules / Regulations of Listed Company
2. Have knowledge and understanding of good corporate governance principles and good practice on corporate governance
3. Understand the roles and duties of the company secretary or through training courses related to the duties of the company secretary

Responsibilities of Company Secretary

With an eye to comply with good corporate governance principles, the Board of Directors of Thai Union Group PCL. has passed a resolution in favor of appointment of company's secretary to assist board members in achieving more appropriate, efficient and transparent business management. For this purpose, the Board of Directors has outlined the roles and responsibilities of company's secretary as set forth below:

1. Responsibilities for Shareholders' Meeting
  - Oversee and ensure punctual delivery of meeting invitation, meeting agenda, documentation pertaining to annual report and financial statements to shareholders within the period prescribed by laws.
  - Handle arrangement and coordination functions to facilitate successful meeting organization.
  - Consider validity of submitted proxy form. Valid proxy form shall contain shareholder's signature, number of shares owned, proxy's name and intended meeting session.
  - Consider significance of meeting agenda and judge whether it is necessary for shareholders to cast their votes on case-by-case basis, for example, appointment of company director.
  - Take any necessary actions to provide shareholders with ample opportunity to propose names of director candidates and to submit meeting agenda.
  - Prepare minutes of meeting and retain in safe place on chronological order and on continued basis.
2. Responsibilities for Board of Directors' Meeting
  - Oversee and ensure advance delivery of meeting invitation, meeting agenda and documentation pertaining to the meeting within appropriate time to allow directors adequate and thorough consideration prior to their meeting attendance.
  - Coordinate with concerned departments related to meeting agenda under consideration to ensure that extensive opinions are given to directors.
  - Prepare meeting session and arrange meeting venue as well as ensure complete meeting quorum.
  - Prepare minutes of meeting, submit to Board of Directors within required timeframe and retain in safe place on chronological order and on continued basis.
3. Responsibilities as per Company's Rules
  - Ensure that Company's rules are in accordance with Company's objectives and prepare necessary information to facilitate Board of Director's decision.
  - Oversee and retain important corporate documentation as well as control access to source of confidential information.
  - Oversee and regularly update information on corporate registration, for example, shareholder registration and major shareholder registration.
  - Coordinate with Company's registrar following any corporate registration change.
4. Responsibilities for Good Corporate Governance
  - Report and disclose corporate information to shareholders and concerned parties through adherence to rules, notifications and regulations pronounced and enforced by the Stock Exchange of Thailand and the Securities and Exchange Commission.
  - Create good corporate governance policy and guideline.
  - Coordinate with governmental body/agency.
5. Prepare annual report through disclosure of material information in compliance with relevant laws and regulations to distribute to shareholders during Annual General Meeting of Shareholders. Annual report shall contain complete and correct corporate information.
6. Responsibilities for the Board of Directors
  - Suggesting guidelines related to Rules/ Regulations of Listed Company, The Articles of Association, and corporate governance to the Board of Directors.
  - Supplied a manual for new directors.
  - Being in charge of reporting of conflict of interest and keep the report.
  - Provide an evaluation of the Board's performance and report the results of the assessment to the Board of Directors.

Details of the directors and Management who join as executives and have controlling powers of subsidiaries, associates, and joint venture

Directors and Management	Subsidiaries																												Associates					Joint Ventures										
	TU	TUM	TM	TUG	EHS	TFM	PPC	TUS	TUO	APC	OKF	TUI	TSR	TMAC	TUH	TCM	TMK	TUL	TUC	TUAIH	VCC	TUCL	TUSEA	TUESI	TUE	KON	TUGe	TUMN	RUF1	TUNA	TH-U	TUFP	TUFPc	USPN	TUINA	LUF	TNFC	RBF	RL	F&B United	I - Zeavita			
1. Kraisor Chansiri	★	★	●				■														■																							
2. Cheng Niruttinanon		★	●		●				★			●									■				■												★							
3. Chuan Tangchansiri	●	●	■				■		●		■																																	
4. Thiraphong Chansiri	★	●	●	◆	●	●	●	★	■	■	●	●						●	★	●					◆	◆																	■	●
5. Rittirong Boonmechote	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	●	◆	◆	◆	◆	◆	★																							■	●	
6. Norio Saigusa																																												
7. Shue Chung Chan	●	■	●	●	●	●	■											●																										
8. Thamnoon Ananthothai																																												
9. Kirati Assakul	❖																																											
10. Nart Liuchareon																																												
11. Parnsiree Amatayakul																																												
12. Pakapun Leevutinun	❖																																											
13. Ludovic Garnier												■	■							■																								
14. Tunyawat Kasemsuwan												■																														■	■	
15. Adam Brennan																																												
16. Leonardus Coolen																											■																	
17. Kulshan Singh																																												
18. Arunrat Surattana Jindaporn																																												

Remarks: ★ Chairman ◆ President ● Executive Director ■ Director ◆ Chairman of Audit Committee ▲ Audit Committee ❖ Independent Director

Criminal Record of Directors and Executives

During the past years and 2021, the Company has no case of violation against rules, regulations and laws e.g. regulations of the Securities and Exchange Act, Public Limited Companies Act B.E. 2535 or any other laws such as the submission of financial statements within a given timeframe. There are no cases of violation of labor law, employment law, trade competition act or punishment from the government or other regulators as a result of a failure to disclose significant information within the given timeframe. In addition, the directors and executives of the Company do not violate against rules, regulations and laws e.g. regulations of the Securities and Exchange Act, Public Limited Companies Act B.E. 2535 or any other civil or criminal laws and do not have any conflicts of interest with the Company by insider trading or commit an act of corruption or misconduct.



Attachment 2:  
Details of the Directors of the Subsidiaries

Subsidiaries: As of December 31, 2021 Total 69 Companies

Subsidiaries: As of December 31, 2021 Total 69 companies

Directors	Subsidiaries											
	TUM	ITL	TUG	EHS	TFM	PPC	TUS	TUO	APC	OKF	TUI	TSR
	1	2	3	4	5	6	7	8	9	10	11	12
Kraisorn Chansiri	★		■				■					
Cheng Niruttinanon	■	★			■				★		■	
Chuan Tangchansiri	■		■			■	■		■	■		
Thiraphong Chansiri	■	■	★		■	■	★		■	■	■	
Rittirong Boonmechote					★	★	■	■		★		■
Shue Chung Chan	■	■	■	■	■		■					
Tin Shu Chan	■	■										
Nakorn Niruttinanon	■								■		■	
Thawee Tangchansiri	■	■					■					
Narin Niruttinanon	■						■					
Pitchitchai Wongpiya		■										
Chaiwat Charoenrujitanon		■										
Teerachai Chantarojanasiri		■										
Kaweewut Temphuwapat		■										
Sawita Suwansawat		■										
Anchalee Bunsongsikul		■										
Piyathep Seetachan			■									
Suthidej Amornkasemwong				■								
Yongyut Setthawiwat				■		■		■		■		
Preerasak Boonmechote				■		■	■	■		■		■
Bunluesak Sorajjakit					■							
Rachadaporn Rajchataewindra					■							
Somchai Thaisanguanvorakul					■							
Morragot Kulatumyotin					■							
Kanit Vallayapat					■							
Wai Yat Paco Lee						■				■		
Chan Hon Kit							■					
Orawan Sirivarasant							■					
Bussakorn Chansiri									■			
Somsak Smittiset									■			
Panisuan Jamnarnwej						■				■		
Thanachot Boonmechote						■	■			■		
Tunyawat Kasemsuwan											■	
Sunsanee Davies												■
Julian Davies												■
Ludovic Garnier											■	■

Remarks: ★ Chairman ■ Director

Directors	Subsidiaries											
	TMAC	TUH	TCM	TMK	TUL	TUC	TUAIH	YCC	TUKL	TUSEA	JPN	AMG-TFM
	13	14	15	16	17	18	19	20	21	22	23	24
Cheng Niruttinanon								■				
Thiraphong Chansiri					■	★		■				
Nakorn Niruttinanon								■				
Rittirong Boonmechote	★	★	★	★					★			
Yongyut Setthawiwat	■	■	■	■								
Preerasak Boonmechote	■	■	■	■								
Shue Chung Chan					■					■		
Tunyawat Kasemsuwan					■							
Thawil Nandatheero	■		■	■								
Bunluesak Sorajjakit	■	■	■	■					■			★
Chaicharoen Limcharoen	■	■	■	■								
Wai Yat Paco Lee		■							■			
Chaiwat Charoenrujitanon								■				
Apitorn Thurdsuwan								■				
Peechanok Semsukkree								■				
Sukson Wongchuwong									■			■
Pitchitchai Wongpiya											■	
Pornchai Tatiyachaitaweesuk											■	
Suchat Yuddon												■
Preecha Bangnokkhwaek												■
Ludovic Garnier					■		■					
Lu Libin						■						
Indra Winoto									■			
Nefo Ng									■			
Indra Kumar Alluri									■			
Ten Thien Swee										■		
Takehiko Miura											■	
Nabeel Akhtar Chaudhry												■
Hafiz Ibad Hussain												■
Jahanzeb Khawaja												■

Remarks: ★ Chairman ■ Director

Subsidiaries: As of December 31, 2021 Total 69 Companies

Directors	Subsidiaries												
	TUES1	TUE	TUTE	MBLU	ESIP	EPP	UKSI	ISIL	JWUK	JWNL	EDM	MEARM	MERA
	25	26	27	28	29	30	31	32	33	34	35	36	37
Cheng Niruttinanon		■											
Thiraphong Chansiri		★											
Tin Shu Chan		■	■										
David Sankowicz	■	■		■	★		■	■		■			
Ludovic Garnier	■	■											
Paul Reenan		■		★		★		■	■	■	★		
Ravinder Singh		■											
Matleena Saari			■										
Aloys Meimena			■										
Cristiano Giovanelli				■									
Agathe Brzezinski			■	■									
Maurizio Serafini				■									
Sven Massen					■								
Nuno Costa					■								
Angelo Rodrigues					■								
Hugo Sequeira					■								
Miguel Francisco					■								
Alexis Jacquand						■							
Laurent Jamier						■							
Paul Stephenson								■	■	■			
John Tomlinson									■				
Paul Gaskell									■				
Craig Walker												★	★

Remarks: ★ Chairman ■ Director

Subsidiaries: As of December 31, 2021 Total 69 Companies

Directors	Subsidiaries												
	IMS	MEPOL	KO-TUP	KON	NFE	TUGe	TUMN	RuFi	HAW	HEY	MKF	OFI	OFIK
	38	39	40	41	42	43	44	45	46	47	48	49	50
Craig Walker		■											
David Sankowicz	■		■	■		■							
Adam Jendrzeczak		■											
Paul Reenan			■	★	★			★					
Bjoern Nordvik			★										
Marek Dostal			■										
Piotr Sadowski			■										
Agathe Brzezinski			■										
Ludovic Garnier				■		■		■					
Bjoern Nordvik				■									
Gregory Bouillon					■								
Leonardus Coolen							■						
Axel Wolff							■	■	■	■	■		
Jens Vogler								■	■	■		■	
Silvia Beetke												■	
Norbert Buchholz													■

Remarks: ★ Chairman ■ Director

Subsidiaries: As of December 31, 2021 Total 69 Companies

Directors	Subsidiaries													
	TUMD	DPR	MWBSL	IOT	PFC	TLS	KOUS	TUNA	Tri-U	TUFP	TUFPC	USPN	TUNA	ITA
	51	52	53	54	55	56	57	58	59	60	61	62	63	64
Cheng Niruttinanon								■	■	■		■		
Thiraphong Chansiri								■	■	■		■	★	
Ludovic Garnier								■	■	■				
Rittirong Boonmechote										■	■			
Pitchitchai Wongpiya												■		■
Tin Shu Chan														■
Pakin Thamrongwarasart				■										
Bryan Rosenberg											■			
Shue Wing Chan									■	■	■	■	■	■
Maria Tkachenko	■													
Helmut Kleins	■													
Paul Reenan	■													
Guillaume Mollo	■													
Roman Rybakov		■												
Vsevolod Temirov		■												
David Sankowicz			■	■	■	■	★							
Sven Massen			■	■	■									
Ricardo Luzio				■										
Tony Lazazzara				■	■									
Rupert Simeon				■										
Frank Hoareau				■										
Steve Khambatta				■										
Johnny Ladouce					■									
Agathe Brzezinski					■									
John Engle							■							
Bjoern Nordvik							■							

Remarks: ★ Chairman ■ Director

Directors	Subsidiaries				
	ESCO	NACO	SEA	OFIV	TTV
	65	66	67	68	69
James Stephen	■				
William Matthew	■				
David Sankowicz		■			■
Jens Vogler			■	■	
Axel Wolff			■		
Silvia Beetke				■	

Remarks: ★ Chairman ■ Director

Attachment 3:  
Detail of Head of the Internal Audit

Pongpol Plipuch

Position:

Secretary of the Audit Committee  
Deputy General Manager, Internal Audit

Nationality:

Thai

Age:

42 years old

Appointed:

July 23, 2015

Education:

Bachelor of Accountancy (Auditing), University of the Thai Chamber of Commerce

Related Training:

Thai Institute of Directors Association

Other related training:

- Anti Corruption Workshop
- CAC Conference 2018
- Innovation IA: Recalibration for the COVID Environment, Institute of Internal Auditors of Thailand 2021
- Online meeting with the Audit Committee of listed companies, The Office of the Securities and Exchange Commission 2021
- 2001 - 2006 Audit Supervisor, Bunchikij Co., Ltd.
- 2006 - 2007 Assistant Audit Manager - Mazars Thailand
- 2007 - 2016 Department Manager, Internal Audit Thai Union Group PCL.
- 2015 - Present Head of Internal Audit and the Secretary of the Audit Committee Thai Union Group PCL.
- 2018 - Present Deputy General Manager, Internal Audit Thai Union Group PCL.

Number of shares held:

None (as of December 30, 2021)

Relationship with  
Management:

None



# Attachment 4: Assets Used in Business Operation

## Business Assets

Thai Union and its subsidiaries accumulatively employed core business assets as follows:

- a) As of December 31, 2021, the core assets employed by Thai Union and its subsidiaries in their businesses, including land, machines, and factory buildings, commanded a net value of THB 27,026.90 million.
  - Land, buildings and equipment employed by its subsidiaries overseas commanded a net value of THB 162.62 million (2020: THB 170.31 million) and have been pledged as collateral for credit and loans from financial institutions.
  - Thai Union and its subsidiaries own two plots of non-operational land, each in Phetchaburi and Prachin Buri provinces.
- b) Thai Union and its subsidiaries have a net book value of outstanding right-to-use asset of THB 1,330.21 million (2020: THB 1,339.02 million)
- c) Intangible assets include research and development, trademark and right to use, contracts with clients/ distributors, computer programs as well as copyright and other patents.

# Attachment 5: Corporate Governance Policy and Code of Business Ethics

Thai Union Group Public Company Limited (“Company”) has defined the corporate governance policy and code of business ethics for the Board of Directors, all executives and employees to adhere to as a guiding principle in their work, to promote a Company with efficient business operations, excellent corporate governance and management, integrity, transparency and auditability.

Shareholder can study for further details related to the Company’s corporate governance policy and code of business ethics as the below links:

