



# PROCUREMENT POLICY

นโยบายการจัดซื้อจัดจ้าง

S HOTELS & RESORTS PUBLIC COMPANY LIMITED

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### Record of Document Review/Revision History

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21 February 2024	Original version	-	-	-
26 July 2024	1 <sup>st</sup> Revision	5-6	Add details to the policy under item 5.7 regarding the criteria for environmentally friendly procurement.	Thaweewat Jerachitti



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## 1. Introduction

S Hotels & Resorts Public Company Limited and its subsidiaries, hereinafter referred to as the (“Company”) places an emphasis on conducting business in line with the business vision, which is, to be a leader in hotel investment and resort management, establishes new standards for leisure and quality lifestyle based on sustainable development principles. This philosophy aims to genuinely benefit the local communities and ensure transparency in the procurement process, as well as to instill confidence in all stakeholder groups. Under the management and operations of the Company, the Procurement Policy (“the Policy”) has been established as a fundamental practice for the Board of Directors, executives, and all employees.

## 2. Policy’s objective

To establish a consistent guideline for the Company's procurement practices in the same direction.

## 3. Roles and Responsibilities

The Company defines roles and responsibilities to align with this Policy as follows:

Department/Persons who perform duties	Roles and Responsibilities
Board of Directors	<ul style="list-style-type: none"><li>● Establishing a framework for policy governance to make the process transparent and efficient.</li></ul>
Executives	<ul style="list-style-type: none"><li>● Strictly comply with this Policy.</li><li>● Provide support and monitor employees to strictly adhere to the policy.</li></ul>
The Finance department or the procurement department	<ul style="list-style-type: none"><li>● Strictly comply with this Policy.</li><li>● Communicate this Policy or provide knowledge and understanding to employees.</li><li>● Propose to review this Policy when there are significant changes.</li></ul>
Employees	<ul style="list-style-type: none"><li>● Strictly comply with this Policy.</li><li>● Report irregular occurrences associated with procurement, such as violations of laws or policies.</li></ul>

*Note: Disbursements will be made in accordance with the Corporate Authorization Matrix specified by the company.*



## 4. Scope of Policy Enforcement

This Procurement Policy is applicable to all members of the Board of Directors, executives, and employees of the Company, who are responsible for supporting, promoting, and strictly complying with this Policy.

## 5. Policy Details

The Company specifies the requirements of the Procurement Policy as follows:

- 5.1. Implement transparent selection processes for suppliers, along with the procurement processes that are systematic and efficient, including adhering to the Company's Anti-Fraud and Corruption Policy.
- 5.2. Adhere to the procurement principles by considering quality, price, service quantity, and responsiveness, emphasizing efficiency and effectiveness, as well as environmental, societal, and governmental responsibilities.
- 5.3. Conduct business with suppliers in accordance with the Company's business ethics and Supplier Code of Conduct, including listening to feedback and suggestions from suppliers to build and foster positive relationships that contribute to enhancing joint business development.
- 5.4. Select suppliers who are certified with environmental quality standards, Thai Industrial Standards, Good Hygiene Practice (GHPs), Hazard Analysis Critical Control Points (HACCP) for food production, occupational health and safety standards, as well as other relevant standards, and prioritize labor practices in accordance with human rights principles
- 5.5. Encourage suppliers to operate according to the Company's Supplier Code of Conduct, which is an integral part of sustainable supply chain management.
- 5.6. Avoid executing any transactions with any individuals or entities who are involved in illegal activities, intellectual property infringements, human rights violations, or having a history of corruption or corrupt behavior.
- 5.7. Promote, support, and engage in procurement with suppliers who produce goods or offer services with consideration for energy conservation and environmental friendliness, including products from local communities, with the following details:
  - Consider environmental criteria in the process of evaluating and selecting suppliers.
  - Consider purchasing products that are cost-effective, such as durable products that do not require frequent replacement and do not cause pollution throughout their usage.



- Consider purchasing products that are certified with manufacturing standards, environmental management standards, or occupational health and safety standards, or those with environmental labeling certifications.
- Consider purchasing products with efficient transportation and distribution systems, such as reducing the use of excessive packaging or using transportation methods that have minimal environmental impact.
- Consider purchasing products from suppliers that have an effective post-use management system and managing waste and by-products from the production process appropriately.
- Support suppliers who maintain good occupational health and safety standards, as well as the work processes of employees, suppliers, and contractors, while raising awareness in the community to ensure a safe working environment with minimal social and environmental impact.
- Provide assistance and support to suppliers who have not adopted environmentally friendly procurement criteria by offering advice for improvement, correction, and development, aiming toward creating a sustainable supply chain network.

5.8 Prevent potential conflicts of interest by raising awareness among employees to perform their duties ethically, ensuring transparency, avoiding self-benefits or favoring involved parties, and refraining from practices that could lead to corrupt behavior.

5.9 Conduct evaluations of supplier groups based on the criteria and methods established by the Company.

## 6. Violation of Policy

In the event of a complaint regarding a violation of the Policy, the Internal Audit department shall consider the complaint in accordance with the Policy for handling complaints. If it is assessed that the complaint is significant, affecting the Company's reputation and causing financial damage to the Company, the Internal Audit department shall propose the appointment of a Fact-Finding Committee to the Audit Committee for further action within two business days from the date of receiving the complaint.

If it is discovered that the person being complained has intentionally violated the Policy, resulting in damages to the Company, the Human Resources department shall consider imposing a penalty on such person in accordance with the Staff's Rules.



## 7. Policy Review

The finance department is responsible for reviewing and updating this Policy annually, or when there are significant changes, with endorsement from the Corporate Governance and Sustainability Development Committee and presenting it to the Company's Board of Directors for approval.

Announced on 6 August 2024

- Mr. Apisak Tantivorawong -

(Mr. Apisak Tantivorawong)

Chairman of the Board of Directors

S Hotels & Resorts Public Company Limited