

# **Human Rights Due Diligence Guideline**



# **ICHITAN**

**Ichitan Group Public Company Limited**

**Dated November 1, 2023**

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## **Introduction**

Ichitan Group Public Company Limited (the “Company”) places great importance on conducting business responsibility, adhering to the principles of good governance, and taking into account the principle of “human rights” which are fundamental rights and freedoms that individuals should have with equality and without discrimination. The Company strictly complies with national laws and international principles on human rights which are in line with important international human rights standards, including the United Nations Global Compact (UNGC), the Universal Declaration of Human Rights (UDHR), and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work. The Company has established a comprehensive Human Rights Due Diligence (HRDD) process to identify risks and assess human rights impacts that may arise from the Company's business chain throughout the supply chain, as well as to determine appropriate measures to prevent and rectify potential impacts. The Company provides convenient channels for complaints regarding human rights violations, transparent complaint management process, fair remedies for impacts, and effective monitoring and reporting of human rights performance to stakeholders. In addition, the Company encourages regular communication to raise awareness and understanding among personnel and emphasis on cultivating respect for human rights as an organizational culture.

## Part 1

### Objective

1. To ensure that all directors, executives and employees of the Company must respect, avoid, not promote and not ignore any violation of human rights in any case.
2. To ensure that the directors, executives, employees of the Company and business stakeholders are aware of their rights, duties, scope, and communication channels on human rights, and to promote their role in protecting and not ignoring human rights violations throughout the Company's sustainable supply chain.
3. To build confidence among internal and external stakeholders.
4. To be a guideline for comprehensive monitoring of human rights status and to help personnel at all levels of the Company understand and be able to carry out HRDD with responsibility, respect human rights, avoid, not promote and not ignore all human rights violations in any case, with a flexible nature and can be adapted to suit the context or situation.

### Scope

This Human Rights Due Diligence Guideline is applicable to the business operations of Ichitan Group Public Company Limited and its subsidiaries, including suppliers, contractors, business partners and joint ventures. This is to ensure it can appropriately be adapted to the Company's business context and internal management processes, and to support and encourage those involved throughout the supply chain to respect the principles of business human rights.

### Definition

**Human rights** mean the fundamental rights that all human beings are guaranteed or protected against discrimination due to their physical or mental characteristics, ethnicity, nationality, religion, gender, language, age, skin color, education, social status or other factors according to the laws of each country and the treaties that each country is obligated to comply with. This includes the right to life and liberty, freedom from slavery and torture, human trafficking, abuse, forced labor and child labor, freedom of expression, freedom to unite and negotiate, the right to work, working hours, equal remuneration, education and other rights such as personal data protection, health and safety, minorities in local communities and community rights, where everyone has the rights equally and is not discriminated against by managing diversity and accepting individual differences.

**Child** means a person under 18 years of age, whether a citizen of the country or locality of the Company.

## **Roles, Duties and Responsibilities**

### **1. Board of Directors**

Establish policies and guidelines to prevent human rights violations in all business chains of Ichitan group and its subsidiaries, including its suppliers, contractors, business partners and joint ventures, and to support and encourage all related parties in the supply chain to adhere to and comply with the principles of business human rights.

### **2. Executives**

2.1 Ensure compliance with the human rights policy in accordance with the company's policies, regulations, rules or relevant laws.

2.2 Establish a human rights agency/person responsible for human rights.

2.3 Regularly report the human rights performance to the Board of Directors.

### **3. Organization/Responsible Person**

3.1 Human resources department shall proceed as follows:

1. Conduct a human rights assessment and examination of human rights due diligence process, collecting basic information on human rights risks and the impacts associated with the Company's activities.
2. Monitor the risk assessments, preventive measures and remedial action.

3.2 The risk management department shall proceed as follows:

1. Develop the organization's human rights risk and impact assessment procedures, and review such procedures to enable the continuous improvement of future assessment approaches.
2. Monitor and ensure that the implementation of the human rights risk and impact assessment procedures by the Company's relevant departments is effective, such as identifying human rights issues and determining management measures to reduce the level of human rights risks and impacts.

### **4. Employee**

Understand and comply with the human rights policy and cooperate in monitoring, reporting and preventing human rights violations.

## Part 2

### Human Rights Due Diligence Process Guideline

Human Rights Due Diligence (HRDD), the Company has conducted human rights due diligence as an ongoing risk management process that assesses human rights risks and preventive measures to prevent human rights violations that may occur throughout the business chain, referring to the Human Rights Due Diligence Process, which consists of 5 steps in accordance with the principles of the UN Guiding Principles on Business and Human Rights (UNGP) which is a comprehensive Human Rights Due Diligence Process.



| 1.   | 2.                                      | 3.   | 4.  | 5.  |
|--|---|--|---|---|
| Communication and declaration of human rights policy | Human rights risk and impact assessment | Integration of due diligence and internal administration | Monitoring of the implementation with respect to human rights | Remediation and designation of complaint filing channel |

**Step 1: A Statement of Policy Commitment to Respect Human Rights**

Respect for human rights to ensure that all stakeholders receive basic rights fairly and equally. The Company has announced the human rights policy and published on the Company's website for the employees and stakeholders to acknowledge and use as a principle to practice in the same direction. Under the said policy, the Company strictly adheres to domestic or international human rights guidelines/principles, especially in supporting and complying with the Universal Declaration of Human Rights, the International Labor Organization's Core Convention on Labor Rights, and the United Nations Guiding Principles on Business and Human Rights.

**Step 2: Assessment of Authentic and Potential Human Rights Impacts of Company Activities and Relationship**

Human rights risk assessment is an integral part of the Human Rights Due Diligence Process, with the aim of identifying human rights risks and preventing authentic or potential human rights violations or other negative impacts arising from the company's business operations throughout the supply chain, by considering internal and external stakeholders who may be directly or indirectly affected by the Company's business chain. The methods of human rights risk assessment are as follows:

**2.1 Define the scope of human rights issues.**

Defining the scope of the examination of human rights issues related to the Company's business operations by identifying the groups of stakeholders affected, authentic and potential human rights issues covering issues related to labor, safety, working conditions, equal remuneration, child or forced labor, and all forms of abuse.

**2.2 Identifying human rights risks**

Identifying the human rights risks that may arise from the operation of the business throughout the supply chain as follows:

**Table 1 Organizational human rights risk issues**

| <b>Employee Rights</b>                    | <b>Customer Rights</b>                         | <b>Supplier Rights</b>           | <b>Community and Environmental Rights</b>              |
|---|--|----------------------------------|--|
| Treating workers fairly and humanely      | Discrimination towards customers               | Employment conditions            | Environmental impacts of the organization's operations |
| Health and safety in the work environment | Health and Safety                              | Health and Safety                | Health and Safety                                      |
| Protection of Employee Personal Data      | Client confidentiality and privacy information | Discrimination towards suppliers |  |

### 2.3 Risk assessment

The Company has established a risk assessment method in accordance with the Company's Risk Management Manual as a tool to help prioritize risks. Moreover, the company has established an additional human rights risk index in addition to the Risk Measurement Matrix, using a ratio or measure (Magnitude) of impacts that are a good representative of risk reflection. It also uses 3 levels of risk assessment criteria: 1) Risk Target, 2) Risk Appetite, and 3) Risk Tolerance to help the risk assessment reflect the level of risk more fairly and precisely.

**Table 2 Organizational Human Rights Risk Index**

| <b>Human Rights Issues</b>         | <b>Risk Indicators</b>  |
|------------------------------------|---|
| Employee Rights                    | <ul style="list-style-type: none"><li>- Number of times human rights violations were committed against employees</li><li>- Number of times accidents, illnesses caused by employees' work</li><li>- Amount of fines paid for disclosing employees' personal data</li></ul>      |
| Customer Rights                    | <ul style="list-style-type: none"><li>- Number of complaints regarding products that affect customer safety</li><li>- Number of fines paid for disclosing customer's personal data</li><li>- Number of times human rights violations were committed against customers</li></ul> |
| Supplier Rights                    | <ul style="list-style-type: none"><li>- Number of complaints regarding unfairness of suppliers</li><li>- Number of fines paid for disclosing personal data of suppliers</li><li>- Number of times human rights violations were reported to suppliers</li></ul>                  |
| Community and Environmental Rights | <ul style="list-style-type: none"><li>- Number of times complained regarding environmental actions</li><li>- Number of fines paid for violations and non-compliance with legal criteria</li></ul>   |

### 2.4 Prioritizing human rights issues

Prioritizing human rights risks that have a significant impact on the Company's related activities and other business relationships by selecting and addressing issues in a prioritized manner. In addition, the Company shall also take corrective and preventive measures to reduce the risk level.



### **Step 3: Integrate Findings and Take Appropriate Action**

After identifying high-risk human rights issues and receiving the results of the human rights risk assessment, the Company is required to address and manage the human rights risks and consider establishing control measures and mitigation measures for existing or potential impacts, including developing additional measures to reduce the likelihood of occurrence or severity and the impact of such human rights risks that may affect stakeholders. In addition, residual risks should be assessed after developing the guidelines for prevention and mitigation of human rights risk in the Company's business operations to ensure that the Company's human rights management is effective and the impacts are controlled throughout the supply chain.

### **Step 4: Track and Communicate Performance**

Establishing a process for reviewing, inspecting and monitoring management related to human rights violations within the scope, risk issues and risk indicators specified, by designating a unit responsible for reporting performance results to the Executive Committee and Risk Management Committee on an annual basis to ensure that all employees in the company give importance to human rights risks and have a comprehensive and systematic risk management plan in case of an incident.

### **Step 5: Remediate Adverse Impacts**

Operations along the business chain may cause or contribute to negative impacts on human rights violations of relevant stakeholders. Therefore, the Company is committed to continuously develop and implement human rights management in order to plan and determine corrective measures and guidelines for preventing human rights violations, including reducing risks and human rights violations or participating in solutions through legitimate processes by providing channels for receiving complaints or reporting clues for stakeholders who may be affected by or violated by the Company's business chain in accordance with the specified whistleblowing policy. In addition, the Company shall provide a process for appropriately rectifying the impacts and provide compensation to stakeholders who have been affected by or related to the Company. Therefore, if any person comes across any action that may be considered as a violation of human rights, may report the information through the channels provided by the Company (more details in Part 4: Complaints and Suggestions submission). The Company also provides a process for receiving complaints, investigating facts and measures to protect those who report information or provide clues in accordance with the whistleblowing policy specified in the Company's good governance, ethics and business conduct manual.

## **Part 3**

### **Guidelines and Measures for managing Human Rights impacts**

- Guidelines and measures to rectify human rights impacts must comply with international human right standards and management methods based on human rights principles
- Guidelines and measures for redressing human rights impacts should distinctly specify compensation and differentiate the redresses according to the context of the incident or case of violation.
- Human rights impacts cannot be compensated or replaced by the same rectification as other impacts. For example, environmental impacts, where reducing carbon dioxide emissions in one area can offset carbon dioxide emissions in other areas, but human rights impacts cannot be compensated by creating positive impacts in the area, such as when the company's activities affect the health of employees due to a lack of adequate protective equipment and occupational health training, etc.

### **Measures to address human rights impacts**

Protection of persons who report misconduct or complaints will be implemented. The employees or officers who report complaints, provide statements or provide any information truthfully, without intention to harm or cause damage to anyone or the Company, will receive appropriate protection from the Company. This includes no change in job position, job description, workplace, suspension, intimidation, disruption of work, termination or any other action that is unfair to that person. However, if it is necessary to change or cancel the protection given of any person before implementing this policy to the fullest extent, the approval of the audit committee must be obtained. Complainants or those cooperating in investigations may choose to remain anonymous if they believe revealing their identity could compromise with their safety. However, disclosing their identity allows the Company to provide updates, clarify facts or rectify damages more efficiently and effectively.

1.1 The recipient of the complaint/assigned person will keep the related information confidential and consider safety by setting measures to protect the employees who complain and/or those who provide information and/or cooperate in the investigation of information, to be protected against unfair treatment.

1.2 In the event that the complainant/person who cooperates in the fact-finding investigation believes that they may be unsafe or may suffer damage, they may request the Company to determine appropriate protection measures. Alternatively, the Company may impose such measures proactively if there is a clear risk of harm or safety concerns.

1.3 Any individual who suffers harm or damage will receive compensation for their damages through appropriate and fair processes.

## **Part 4**

### **Complaint and Suggestion submission**

The Company has established a policy for reporting misconduct or complaints and protection for whistleblowers or complainants to ensure that the Company's supervisors and human resources departments are responsible for supervising, advising, and monitoring the behavior, conduct, and actions of employees or officers to ensure that they are correct and that whistleblowers will be protected if they act in good faith.

#### **Channels for reporting clues, wrong doings or complaints**

1.1 CG Report of the company can be contacted through the following channels:

- Telephone: 02-023-1111
- E-mail: [cg@ichitangroup.com](mailto:cg@ichitangroup.com)

1.2 Company Secretary Office can be contacted through the following channels:

- Telephone: 02-023-1111
- E-mail: [sec@ichitangroup.com](mailto:sec@ichitangroup.com)
- Address of Secretary Office: Ichitan Group Public Company Limited, No. 8 T-One Building, 44<sup>th</sup> Floor, Soi Sukhumvit 40, Phra Khanong Sub-District, Khlong Toei District, Bangkok 10110

1.3 Internal Audit and the Secretary of the Audit Committee can be contacted through the following channels:

- Telephone: 02-023-1111
- E-mail: [internalaudit@ichitangroup.com](mailto:internalaudit@ichitangroup.com)
- Address of Internal Audit Department: Ichitan Group Public Company Limited, No. 8 T-One Building, 42<sup>nd</sup> Floor, Soi Sukhumvit 40, Phra Khanong Sub-District, Khlong Toei District, Bangkok 10110

1.4 The Audit Committee can be contacted through the following channels:

- Email: [auditcommittee@ichitangroup.com](mailto:auditcommittee@ichitangroup.com)
- Address of Audit Committee: Ichitan Group Public Company Limited, No. 8 T-One Building, 42<sup>nd</sup> Floor, Soi Sukhumvit 40, Phra Khanong Sub-District, Khlong Toei District, Bangkok 10110