



Anti-Bribery Policy for Our Trading Partners

Legal Affairs

Version: 17 February 2022

1. Why It Matters

Bribery and corruption distort competitive markets, increase the cost of doing business and harm customer trust. Giving or receiving bribes, whatever their size, is never acceptable and we take a zero-tolerance approach to those involved in bribery. bribery is illegal and is punishable by serious fines and imprisonment. As a business, our reputation is damaged even by allegations of bribery or corrupt practices.

2. Purpose of Policy

The purpose of this policy is to set out our minimum expectations for our trading partners to comply with anti-bribery laws.

3. Scope

This policy applies to suppliers, consultants, contractors, and agency staff in relation to their works with, for, or on our behalf. We have an Anti-Bribery policy which applies to all colleagues employed by companies that are either majority-owned by Ek-Chai Distribution system "the Company" or operated by it. Companies in which we hold a minority stake are expected to implement anti-bribery rules, practices and procedures that are consistent with this policy.

Failure to comply with this policy may result in the termination of contracts with contractors and other third parties working for us or in disciplinary action being taken against any colleagues concerned.

4. What is Bribery?

This policy defines bribery as offering, promising, giving, accepting or requesting anything of value in order to influence the decision-making of another person. Examples of something that is of value include offers of cash or a cash equivalent, services, offers of employment, charitable donations, political contributions, travel and/or entertainment expenses, meals and gifts.

5. Third parties and associated persons

An associated person is a third party that performs services for or on our behalf. The definition of an associated person is intentionally broad and includes joint venture partners, subsidiaries and agents of the Company along with contractors, consultants and suppliers if they perform services for or on our behalf. These could be property developers obtaining permits on our behalf, freight forwarders moving our goods across borders or law firms representing us on transactions. Other associated persons might include those seeking planning consent or obtaining alcohol licences on our behalf, mall management companies who are overseeing our malls, external advisors engaging with foreign governments and agents obtaining clothing supply orders on our behalf.

The company may be guilty if an associated person commits an act of bribery on our behalf, even if we were not aware that the associated party had paid the bribe. It is therefore important that adequate due diligence is conducted on third parties before they act on our behalf.

6. Bribing a Public Official

The bribing of public officials is an offence in most countries. Colleagues and those acting on our behalf must therefore pay particular attention when dealing with public officials. Any activity that constitutes an attempt to bribe a public official, or which may give that impression, is prohibited.

The definition of a public official is deliberately broad and includes, among others, elected and non-elected officials holding a legislative, administrative or judicial position. It also includes those performing public functions in national, local or municipal government or for any public agency or public enterprise, and executives or officers exercising public functions in state-owned enterprises. Examples of public officials could be local city planning officers granting permits for building stores, a harbour master at a government run port providing clearances for a shipment of our goods or an employee of a government-run business where the government has a large degree of control over the enterprise.

7. Facilitation Payments

Facilitation payments are small bribes that are paid to speed up an administrative process, such as the issuing of a permit or licence by a local authority. Such payments are prohibited under this policy, irrespective of where they are given. However, lawful fast-track procedures (such as the express lane at the airport or quick turnaround visa and passport services), are acceptable so long as they are open and available to everyone and are never paid directly to the individual. Such legitimate procedures do not constitute facilitation payments.

8. Gifts and Entertainment

For the most part, the giving and receiving of gifts and entertainment is a normal way of developing and maintaining business relationships with suppliers, contractors and others. Gifts and entertainment should be modest in nature and only ever an infrequent or occasional activity.

Gifts or entertainment that may be construed as bribes or would cause a conflict of interest or damage the reputation of the business are prohibited and must be avoided at all times. The giving of gifts or entertainment to public officials or to their close family members in any country is generally discouraged and gifts are prohibited if they are intended to influence the decisions of a public official or could give that impression. Our Thailand Gift & Entertainment Policy provides further information and guidance on the giving and receiving of gifts and entertainment as well as the procedures for obtaining approval and process for logging gifts and entertainment.

9. Supplier Funding of Events and Charitable Initiatives

We provide our colleagues with guidance on when suppliers are permitted to fund our internal events or charity initiatives.

For internal events, we do not seek or accept supplier funding for events such as parties. If suppliers are invited to buy tickets for our internal events, the price of such tickets will not be used

to subsidise the cost of our colleagues to attend.

Where we organise Charity fundraising events such as sporting events or charity dinners, the general rule is that the cost of running the event must be borne by us. When a supplier co-sponsors a charitable initiative, their role as sponsor will clearly and appropriately be acknowledged by us. We will not take credit for contributions made by suppliers or other parties. We will never put suppliers or other parties under pressure to buy tickets or provide sponsorship for our events.

10. Political and Charitable Contributions or Donations

Although we work with governments and other parties around the world on issues that promote the well-being of our customers and communities, as a business we have no political affiliations and we do not make political donations. We provide support, both in money and in other forms, to qualified non-profit organisations in order to improve the overall well-being of the communities in which we operate. Charitable contributions or donations must never be provided with the expectation of receiving any improper benefit for our Company. Donations to charities associated with public officials and their families represent a significant risk for bribery and should be carefully considered and recorded according to our Charitable Donations policy, Thailand.

11. Raising your concerns

If you suspect that a breach of this policy has occurred or may occur in the future, let us know by contacting the Protector Line. Contact details are:

- Toll free 1800-019099 (Direct Line)
- Line ID: @Protectorline, or
- Email: Protectorline_TH@Lotuss.com

The Speak-up Hotline allows you to report any suspicions in confidence. All calls received that related to the provision of either goods or services to our Company will be reviewed and appropriate action will be taken.

We are committed to ensure that no one suffers any detrimental treatment because of refusing to take part in bribery or because they have reported in good faith their suspicion that an actual or potential bribery offence has taken place. As long as reports are made in good faith and the concerns are genuine, suppliers will not be at risk of any form of retribution as a consequence of raising a concern.