

Lotus's

A Little Delight Every Day



Code of Business Conduct

Ek-Chai Distribution System Company Limited

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Our Code of Business Conduct

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Section 1

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1.1

A message from Chief Executive Officer

Throughout nearly 30 years since EK-Chai Distribution System Co., Ltd., began operating our retail business, we have remain committed to achieving business growth, while doing good things for our colleagues, customers, communities and all other stakeholders to help them achieve sustainable growth. Our business operation is underpinned by ethical, moral and transparency standards in order to create trust and bring benefits to all stakeholders.

The Code of Business Conduct ("Code") is at the heart of everything we do, prescribing the course of operating our business with integrity in accordance with the standards we have always adhered to.

As business environments continue to change, we continuously review and improve our Code to be consistent with current operating environments and internationally-accepted organisational management best practices. This Code is adhered to by the Company's directors, executives and all colleagues as guiding principles in carrying out their duties to maintain the Company's reputation and ensure that all conducts comply with the above mentioned ethical, moral and transparency standards.

Due to the recent change in the Company's shareholding and management structure, the Code has been updated to reflect the current operation and structure. Operating our business with integrity and ethics continues to be at the core. Additionally, conditions for the merger and acquisition set forth by the Office of Trade Competition Commission have also been added herein to emphasize that the Company intends to follow all of such prescribed conditions.

We request that all directors, executives, and colleagues study and strictly adhere to the Code, so as to help our company achieve its goals and maintain the highest level of ethical standards, which is the foundation of leading organisations.

If you have any inquiries regarding the Code of Business Conduct, please speak directly to your line manager or contact the Business Integrity - Legal Team at Business.Integrity@lotuss.com in order to seek advice and additional information.

Sompong Rungnirattisai
Chief Executive Officer
Lotus's Thailand

We expect all colleagues to:

- Know the Code and how to access it;
- Follow the Code Guidance providing advice and help in relation to the 21 main risks that you may face in your work, including which policies to read and who to talk to if you have questions;
- Complete Code training, so that you are confident in how to handle complex issues;
- Ask for help if you're not sure what to do;
- Always consider "how" you do something as much as "what" you do; and
- Speak up if you ever think that the Code has been broken or our Values undermined.



If you manage other people, we expect you to:

- Protect team members by ensuring that they have the skills and training they need for their roles;
- Manage risk effectively and never take, or ask others to take, unnecessary risks, including those that may be illegal, unethical or cause harm or injury to colleagues, customers, our brand or the stakeholders that we work with in society;
- Provide visible and consistent leadership on Code issues;
- Reward Values-led behaviour and nurture a culture of inclusion and integrity within your teams; and
- Do not allow unethical conduct to pass unchallenged and take action if you identify wrongdoing or it is brought to your attention by others.

1.3 How can I speak up?



Who should I speak to?

- In everything we do, it's important always to have an open and honest relationship with your line manager.
- This means that your line manager is the person you should speak to first – unless you think they have breached the Code.
- If you cannot speak to your line manager, you can speak to your People team, Legal Director or Safety Security and Resilience Director.
- Alternatively, you could escalate your concerns within your own business function if your line manager has not resolved your concern.
- If you need to raise your concern in complete confidence, you can contact Protector Line.

1.4 Protector Line contacts




Protector Line allows you to raise your concerns regarding misconduct at work. If you do not feel able to speak to your manager or your People team, you can call Protector Line to:

- Raise any concerns about something at work you think might be unlawful, that breaches the Code or is against company policy.
- Report anything you think is a danger to colleagues, customers or the general public.
- Share any concerns you have that information about these things is being deliberately concealed.

Protector Line is completely confidential and run by an independent company. You don't have to give your name when you call although if you do, the Protector Line team will be able to update you on the outcome of any investigation and will also be able to contact you for additional information if necessary.

This means that as long as you're acting in good faith and your concerns are genuine, you are legally protected from victimisation and will not be at risk of any form of retribution, including losing your job, as a consequence of raising a concern – even if you are mistaken.

Contact Protector Line

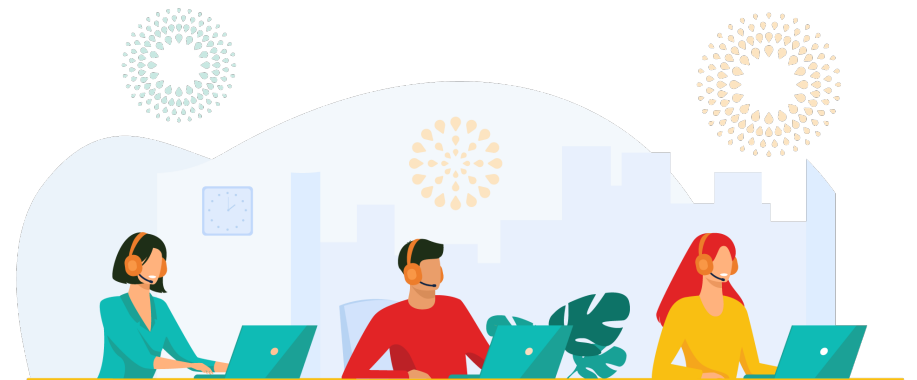
 Protectorline_TH@lotuss.com

 Free Tel 1800-019099

 @Protectorline

Where can I find out more?

- Whistleblowing policy



Section 2

Code Guidance

The following pages provide you with advice and help in dealing with the 21 main risks you may face in your work. Each section includes a Q&A, a list of relevant policies and which teams to contact for help.

The risks are grouped into four sections.

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2.1

Looking after our customers

This section of the Code covers issues relating to giving customers clear price messages and protecting their data.

- Clear prices & marketing
- Food & product standards
- Protecting personal data

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page 19

page 21



Clear prices & marketing



Why does it matter?

Advertising and marketing are among the most powerful ways we talk to our customers. Customers tell us that clear communications about our products and prices are important to them. Whether through television or print advertising, member card mailings, online messages or at the point of sale, our messages influence our customers' decisions as to where, how and why they choose to shop with us.

If we get our messages wrong, we upset customers and may attract the attention of regulatory authorities and the media. Advertising and pricing standards are regulated in Thailand and if we are found to mislead customers, we may face penalties and lose customer trust. So everything we say about our products must be true – and, if we say we're offering a great price, it must be just that. Getting our customers place in us.

What does this mean for me?

- If you are involved in any marketing activity, ensure that all messages are honest, accurate and fair. We are often required to substantiate claims we make in advertising.
- Keep promotions and pricing simple: avoid complex price promotions and frequent price changes.
- Ensure that all messages are responsible; no customer should ever be offended by our advertising. This is particularly important when advertising alcohol.
- Ensure that your advertising matches your products - validate all images so you are certain that they are genuine and reflect the products we sell.
- Never make untruthful marketing claims about any third party, such as a supplier or a competitor.

Where can I find out more?

- Customer team or Legal team

Questions & Answers

- Q** I am planning a fresh-chicken promotion and will be using a picture of ranch for the posters. We have a great shot in the photo library of a ranch in overseas that we've never used. Can I use that in my campaign?
- A** No. Your images must accurately reflect the product you are advertising. You would need to source a photograph of a local ranch that raises the chicken you are promoting.
- Q** What rules apply to web-based advertising?
- A** The same as for any other advertising. Messages must be accurate, clear and must not be misleading.
- Q** I've noticed that the price of some products has been increasing just before they go on promotion. Is this allowed?
- A** In many markets there are strict rules which have to be followed whenever products are sold on promotion. Our Legal team can advise you on how these rules apply.
- Q** There's an Express store next to my child's primary school and they have put a poster up to advertise the launch of a new violent martial arts game. Surely, it's wrong to be advertising violence where lots of small children will see it?
- A** We would never want to place advertising where it is likely to cause offence or where it could be construed as being harmful to children. You should speak up and share your concern with your line manager or Legal team.

Food & Product Standards

Why does it matter?

Our customers expect us to only sell products made to the highest quality and they trust us to ensure that all our products are safe and comply with all applicable laws and regulations. We are committed to ensuring the safety and quality of all our products from the moment we take delivery until the time our customers buy them.

We have simplified our supply chain to help build better relationships with our farmers and suppliers and ensure that all the products we source are safe, legal and meet our exacting quality standards.

We have a well-established and comprehensive food safety management system within our stores and distribution centres. Every day we monitor and check the quality and safety of our food to make sure our standards are maintained. Such checks include the temperature of our products, personal hygiene, cleanliness of our stores and equipment, protecting foods from contamination and managing the rotation of our food products.

What does it mean for me?

- Ensure that our suppliers meet our product safety and quality standards and comply with our policies about maintaining product safety, quality and legality.
- Report any instances or suspicions of fraud in our supply chain.
- Protect our reputation and preserve the confidence of our customers that our products are safe and sourced responsibly.
- Know who we buy from and carefully evaluate each and every product we sell so we can be certain our products can be fully traced in our supply chain.
- If you are a store or distribution colleague, ensure you complete all food safety and hygiene training and refresher training and take action to ensure all products are held at correct temperatures and protected from contamination. If you see poor quality or potentially unsafe products, ensure these are removed from sale.

Where can I find out more?

- Product Regulatory Compliance team
- Product Technical team
- Legal team

Questions & Answers

- Q** I am concerned that a supplier may be substituting ingredients for cheaper, poorer quality alternatives in our products. What should I do?
- A** You should raise your concerns immediately with your line manager, the Product Technical Manager, Product Regulatory Compliance team or Legal team. Even if the concern turns out to be unfounded, it's important that you speak up.
- Q** I'm looking to list a new supplier for a new own brand product. What standards are our suppliers required to meet for product quality, safety and legality before they supply us?
- A** We have clearly defined the Company's manufacturing and sourcing standards that set out the requirements we want our suppliers to work to when they make products for our brands. We visit and approve the sites before manufacture to verify that these standards have been met. Talk to Product Regulatory Compliance or Technical team for more information.
- Q** Where can I learn more about the processes we have to manage product quality, safety and legality?
- A** The Product Quality Rules are a basic guide to the principles by which our products are made. This is available from the Product Regulatory Compliance team or your Technical Manager.
- Q** I am developing a new work routine that will change the way we handle a product in store. Who should I contact?
- A** If you need to change a store routine around food safety or quality, you should contact the Product Regulatory Compliance team in the first instance. They can advise on the best way to ensure any changes are correctly trained and communicated to store colleagues.



Protecting personal data

Why does it matter?

Data is at the heart of our business. We collect, process and use data every time we make contact with our customers. For example, data on shopping habits allows us to give customers great deals on the products they love to buy. Additionally, at all times we ensure that customers are provided with choices over how we use their data and we are transparent with them in how we do this. We also hold and use information about our colleagues for business purposes.

Our customers and colleagues trust us to treat their data responsibly and lawfully. To make sure we do this, we have policies and procedures and it is the responsibility of all colleagues to ensure they understand and follow them.

So whenever we use data we must always follow these principles:

- Secure:** We keep our customers' and colleagues' data secure.
- Appropriate:** We only use data for the purpose it was collected from customers and colleagues, and nothing else.
- Open:** We are open, honest and transparent about what data we hold and why we use it.
- Retention:** We understand why we are using the data and how long we can keep it for.

What does it mean for me?

- Follow our policies and procedures and the principles set out above as well as doing your training – this way you will understand your obligations. All relevant documents are stored on the Legal E-Policy Portal.
- Consider "privacy rights" when developing a product or service. If you have any concerns, contact the Legal Team.
- Be clear with customers and colleagues about what data held by the Company and what we will do with it.
- Report all incidents involving data immediately, using the Company's applicable channel (or to the Legal team).

Where can I find out more?

- Legal team
- Data Protection policy

Questions & Answers



What is customer data?



Any data relating to our customers or their activities in our stores. This could include names, addresses and contact details, transaction data, invoices, mobile phone records, mobile application data, banking data, membership data and correspondence customers have sent to us.



A customer has had an accident in the car park and wants to see the CCTV footage. Can I show it to them?



No. CCTV footage should only be viewed by people authorised to view it and must never be shown, filmed or copied. The customer can ask for a copy of the footage. You must follow the Guideline on Requests for CCTV Access and Disclosures to help them do this.



Can I access our Payroll system to create a list of birthdays in our team?



No. You are not allowed to access Payroll data unless you are authorised to do so and it relates to a work matter, such as making changes to their salary or their personal details such as their name and address. A better solution would be to ask your team to provide you with this information again.



I'm working on a new marketing campaign in my business area. Can I contact customers who have already provided their e-mail address?



We can only use our customers' personal data for the reason it was provided. Customers must have agreed to receive marketing communications from us at the time of providing their details in order for us to use that information to contact them. We must also consider the customers' marketing preferences: if they have opted out of marketing contact from us, then we must respect their choices. You can contact Legal team for guidance.

2.2

Working together

This section of the Code covers the key issues relating to people.

- Health & safety
- Equal opportunity, inclusion & diversity
- Respect, dignity & fair treatment

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Health & safety

Why does it matter?

The company care about the health and safety of our colleagues, customers and anyone else impacted by our businesses. It is at the heart of how we do business as we want everyone to go home safely every day.

By working safely, effectively managing our risks and creating a culture of care, we can reduce the distress and sometimes long term impact caused by injuries to our colleagues and customers. We can also minimise the disruption to the business caused through absence from work and costs from investigation, medical treatment and compensation. If we fail in our duty of care, it could lead to legal action being taken against us, damaging the valued trust our customers and colleagues have in us.

We are committed to ensuring that everyone feels that their safety is taken seriously and our promise to our people is to:

- Always be legally compliant.
- Understand the causes of accidents so we can prevent them from reoccurring.
- Always seek to reduce any risk of harm to anyone impacted by our activities.

What does this mean for me?

- Always follow the training and safety instructions that apply to your role.
- If you are a manager, set an example of safe behaviours and never ask colleagues to put themselves in a position of harm.
- Ensure risks are understood and have proper plans to minimise potential harm from them.
- Safety is everyone's responsibility – if you think something is unsafe or could cause an accident, take action to deal with it and report it immediately.
- If you see a colleague working in a way that could harm them or others, step in and remind them of the safe way to work.
- Never agree to do anything if you don't have the appropriate knowledge or training to do it safely.

Where can I find out more?

- Health and Safety Noticeboards
- People Safety manager or Health & Safety specialist
- People Safety policies

Questions & Answers

Q I have just joined the Company and colleagues have told me that safety training takes a while to complete and is just “common sense”. Do I really need to do the training?

A Yes. All new colleagues must be familiar with safety precautions necessary in their workplace and know what to do in an emergency. Not all workplaces are the same and we all have different levels of experience. Our safety training makes sure that we all work together to stay safe.

Q I'm worried about the safety of a new piece of equipment. What should I do?

A If no instructions or training have been provided, it should not be used. You should check with the provider who should have supplied a risk assessment and designed the right controls. If there are instructions and you're still concerned, contact Health and Safety specialist or People Safety team – you'll find their details on your health & safety noticeboard.

Q How can I report a safety concern confidentially?

A In the first instance, talk to your line manager or People team. The Protector Line is also there for colleagues to report safety concerns. It can be used completely confidentially, and every report is investigated independently.

Q I've had an accident at work, what should I do?

A All accidents at work must be reported immediately to your line manager so that they can provide support and follow local injury reporting requirements. Reporting accidents allows us to better understand the risks our colleagues face in different areas of our business, in order to create a safer place to work.



Equal opportunity, inclusion & diversity

Why does it matter?

We strive to create a diverse and inclusive culture where everyone is welcome. Our colleagues reflect the diverse nature of society and we value each person's contribution in helping our business grow.

We must treat everyone fairly, equally and without discrimination, irrespective of age, sex, disability, sexual orientation, gender reassignment, race, caste, religion, political belief, marriage/civil partnership status or pregnancy/maternity. When recruiting, developing and promoting colleagues at our stores, distribution centres and offices, we make employment decisions solely on the basis of job-related skills, achievements and performance, using clearly defined and fair criteria. We do not accept any discriminatory practices or behaviours as these make colleagues feel unwelcome and excluded, damage our reputation and may result in legal action against the business.

We also offer opportunities for colleagues to work in a way that suits their circumstances – such as providing flexible working, part-time roles and job-sharing opportunities. We continuously review our working practices and contracts to suit the everchanging needs of our colleagues and the business.

Where can I find out more?

- Act with integrity and in good faith to support your colleagues and the wider business.
- Respect all colleagues, customers, suppliers or other parties, regardless of any social or cultural differences.
- Role model inclusive behaviour in your team to ensure an environment of openness and collaboration so we can draw from the diversity, knowledge and experience of our colleagues.
- Voice your views and concerns through the relevant channels so that we can all work together to make our Company a great place to work.
- Make the right employment decisions when recruiting new colleagues and promoting or developing existing colleagues based on merit and business considerations alone.

Where can I find out more?

- People team
- Equal opportunities & diversity policy

Questions & Answers

- Q** I am a manager and need to make a promotion decision between two colleagues. Since one colleague is 55 and nearing retirement age and the other only 30, should I promote the younger colleague since they may work for us for many more years?
- A** No. We only make employment decisions based on job-related skills, achievements and performance. We never make decisions based on age or any other non-job related characteristics.
- Q** My manager hasn't been putting forward colleagues for training opportunities. I think this might be because they are pregnant, is that ok?
- A** No. There should be fair access to training opportunities for all colleagues. If you have a concern and feel you can't raise this with your manager directly, you could talk to another manager or your Director or contact your People team or Protector Line.
- Q** An interview candidate, who has a disability, has requested that their interview is held near the accessible facilities. Should I make the adjustment?
- A** Yes, candidates who have disabilities should be supported with reasonable adjustments, as far as is reasonably practical, to ensure they aren't disadvantaged.
- Q** My manager runs our team meetings on Mondays, so that she can check in with us and plan for the week. Two of our colleagues work part-time and are not at work on Mondays. I'm concerned this practice is unfair as it seems to exclude them. Should I talk to my manager?
- A** Yes, share your concerns with your manager. If possible, your manager should arrange team meetings so that all colleagues can attend.



Respect, dignity and fair treatment

Why does it matter?



The wellbeing, safety and dignity of all our colleagues is of utmost importance to the Company as a business. We do not tolerate unacceptable behaviour in any area of our business, whether towards our customers, other colleagues, suppliers or anyone else. We all share in the responsibility for making sure that we offers a safe and open environment for colleagues to work.

We must be sensitive to actions or behaviours that may be acceptable in one culture but not in another. Bullying and harassment are unacceptable at our Company. These actions go against our values and can have a significant impact on the colleague's ability to perform their duties at work. Colleagues found to have engaged in unacceptable behaviour can face serious consequences such as disciplinary action, including dismissal, and potentially legal action.

What does this mean for me?

- Create a welcoming and respectful work environment, treating everyone as you would like to be treated.
- Don't engage in behaviour that would be considered by anyone in the team as creating a hostile or intimidating work environment, including making inappropriate jokes or comments.
- Don't spread malicious rumours or gossip that might be considered derogatory, defamatory, harassing, or otherwise offensive.
- Take responsibility for your performance by working in a safe manner, free from the influence of drugs or alcohol. You understand that working whilst under the influence of drugs or alcohol is dangerous to yourself and others, and poses safety risks that will not be tolerated and may be illegal.
- Conduct yourself when attending off-site events as you would do at work. Company-organised events include social events such as New year parties, team events and social outings.

Where can I find out more?

- People team

Questions & Answers

- Q** My line manager can be very intimidating and often abusive to the colleagues in our team. We know he is a perfectionist, but it makes our work unenjoyable and difficult. I worry that if I speak up, he might become worse. What should I do?
- A** Abusive or bullying behaviour is never acceptable no matter who is doing it. Our culture is one of respect and inclusion and any such actions should be reported to another manager, to the People team or via Protector Line. We will always support colleagues who raise concerns in good faith.
- Q** A friend sent me an email with some rude jokes I think are very funny. Can I email them to colleagues in my team?
- A** No. We treat all colleagues with dignity and respect and what you consider funny might be considered abusive or offensive by others. Always ask yourself whether your actions might be offensive, abusive or intimidating to others. This includes viewing any inappropriate material while you are at work.
- Q** I know a colleague has been having some difficult times at home. Lately, they have been turning up to work very late and sometimes appear intoxicated. They are still getting their work done so I am not sure if I should say something. Should I speak up?
- A** Yes. For the good of your colleague you should always raise your concerns if you believe that they are engaging in behaviours that might be dangerous to themselves or others. This includes the use of drugs or alcohol. If you can't talk to them directly, speak to your People team or line manager.
- Q** I am worried that a male manager is acting inappropriately with a female colleague. He stands very close to her when they are talking and I know he has been sending her personal messages on Line. What should I do?
- A** You should make your manager aware of your concerns in the first instance. If you don't feel comfortable raising your concerns to your manager, you can contact your People team or raise this through Protector Line. All concerns regarding harassment will be taken seriously and will be investigated.

2.3

Trading fairly

This section of the Code covers issues that are critical to how we buy the products that are sold in our stores.

- Competition Law page 33
- Sanctions & export controls page 37
- Human right & ethical trading page 39
- Protection of our suppliers page 41
- Brand & intellectual property page 43



Competition law



Why does it matter?

Our customers expect us to compete fairly and independently in every market. Healthy competition brings lower prices, wider choice and better products. We compete hard with our competitors to offer our customers the best shopping experience.

Violations of law governing trade competition are subject to severe punishments. Any doubt on possible offenses will lead to investigation which might result in our business disruption, high costs and detrimental effects to the confidence of our customers and stakeholders.

What does this mean to me?

Contact with competitors

- Always act independently. Never agree with competitors to reduce competition between us. You cannot agree to fix prices or agree where we will or will not operate.
- You must not ask for, receive or share confidential, commercially sensitive information with competitors. You can use information in the public domain to help make decisions.

Contacts with suppliers

- You must not request or receive confidential, commercially sensitive information about a competitor from a supplier.
- Keep our suppliers' confidential information confidential and do not share it with their competitors.
- You can ask suppliers for information in the public domain to help us make decisions.

Setting retail pricing

- You must always set retail prices independently.
- Always focus on cost prices during price negotiations with suppliers. Suppliers can give us recommended prices but not fixed or minimum prices.

The Pushback process

- If you receive information or have any other contact with competitors or suppliers that raises concerns, you must follow the Pushback Process. It is not enough to simply ignore the information, even if you have not actively participated or have received the information in error.

Document creation

- Take care when writing about our business, our customers, suppliers or competitors. Remember that most internal documents, including e-mails, text messages, committee papers and property reports can be viewed by regulators during an investigation.

Where can I find out more?

- Legal team
- Competition Law policy including any relevant documents
- Unfair Trade Practices Policy
- Guideline on pushback process
- Guideline on joint suppliers meeting
- Guideline on Fair Trade practices under the Trade Competition Law



Questions & Answers

- Q** I am invited to attend a trade association meeting. Can I participate?
- A** Yes, you can. The meeting itself is not problematic and may be pro-competitive. However, you need to observe the trade competition rules, that is, you must not discuss, disclose or exchange commercially sensitive information with competitor and must follow the Guideline on Meeting with Competitors.
- Q** Can I invite more than one supplier to a meeting
- A** In some case, more than one supplier may attend the same meeting on reasonable grounds, e.g., to discuss certain topics such as material amendments relating to our business or supply chain best practices. However, such meeting is commercially sensitive as it is often a case where close competitors of a supplier may also attend the meeting. Please follow the Guideline on joint supplier meetings and ensure that there are no inappropriate acts during the meeting.
- Q** I have obtained commercially sensitive information related to a business competitor from a friend, can I just ignore such information?
- A** No, you cannot. Your ignorance in such circumstance is insufficient, even though you obtain the information informally. You need to follow the Guideline on pushback process which is established to ensure that you visibly disregard such information and have an audit trail that you did not use such information.
- Q** Can I ask a supplier to fund sales promotional campaign?
- A** Yes, you can. Please follow the Unfair Trade Practices policy and ensure that those suppliers are not forced to participate in the sales promotion campaign.
- Q** What is the procedure for a removal of a supplier from a supplier list?
- A** You need to state the actual commercial reason for ending a business relationship with the supplier. And you need to notify that supplier in writing about the ending of relationship and reason thereof.
- Q** Our competitor sells product at lower price than us, how can we compensate for such difference in price?
- A** You should always negotiate with suppliers to get the best deal for our customers. You may discuss whether the supplier's cost price is acceptable, but be careful not to place the supplier under duress when negotiating with them and avoid making any retrospective changes to existing purchase or supply agreements.

Sanctions & export controls

Why does it matter?

From time to time, governments impose restrictions on buying from, or travelling to, certain countries. We may also be banned from trading with certain named individuals. We must always be aware of these restrictions when doing business around the world. In today's globalised world, not only governments, but also our customers expect us to be aware of sanctions or restrictions when doing business with certain countries, companies or individuals.



If we break trade restrictions, this could damage the trust customers have in our brand and may also result in significant financial penalties for both the business and colleagues and even imprisonment.

What does this mean for me?

If you are involved with buying, shipping or selling of goods or services internationally, be careful to:

- Consider whether it is appropriate to buy from or sell to any given country.
- Not buy from, or travel to, countries subject to sanctions or travel restrictions.
- Not work with individuals or companies that appear on UN or other sanctions watchlists.
- Seek legal advice if you are unclear whether any restrictions or sanctions apply to your activities.
- Make sure that your new suppliers have been properly vetted and approved before you start doing business with them. This means the satisfactory completion of integrity due diligence.
- Speak up if you believe anyone is breaching trade restrictions: all suspected violations must be reported to Legal Director or by using Protector Line.

Where can I find out more?

- Legal team
- Responsible Sourcing team or Quality team

Questions & Answers

- Q** I am a buyer looking for new markets to source from. I found a great supplier I want to start using. Does it matter that the owner of the company is in a sanctioned country if his business is not?
- A** Yes. Sanctions laws are often very broad and include more than just the country at issue but all nationals or individuals of the country under sanction. Always know who you are doing business with and seek advice from your Director before acting.
- Q** Are there countries where we cannot do business?
- A** In the first instance, talk to your Legal team. Political and diplomatic developments mean that the list of sanctioned countries and individuals will change from time to time and it is important to check if you are not sure.
- Q** I would like to set up a wholesale deal to sell our products in a new country for the first time. As long as the business looks good do I need to consider anything else?
- A** Yes. You should discuss with Corporate Affairs and Legal whether there are any specific trade restrictions, sanctions or other reasons why we should not sell to that country. Legal will also support you to conduct due diligence on the customer, so that you know enough about them before beginning a trading relationship with them.

Human right & ethical trading

Why does it matter?

We interact with millions of people around the world every day. We have a responsibility to respect the human rights of our colleagues, our customers, those who work throughout the supply chain, and the communities in which we operate.

We fully support the UN's Declaration of Human Rights and the Core Conventions of the International Labour Organisation. Any breach of a person's human rights is wrong. To this end, we support our suppliers to comply with the labour standards and undertake due diligence of their supply chains, helping them to meet our standards on human rights.

In our supply chain and own operations, this means ensuring that workers are treated decently, and that any breach of their rights is remedied. We also need to be careful that our own business practices do not become the cause of labour standards issues. Developing long-term relationships with suppliers we know and trust gives them the confidence to invest in improvement so we can achieve more together.

For colleagues, this includes ensuring they can fully participate in civic society, whether individually in political activities or collectively through union membership.

What does this mean for me?

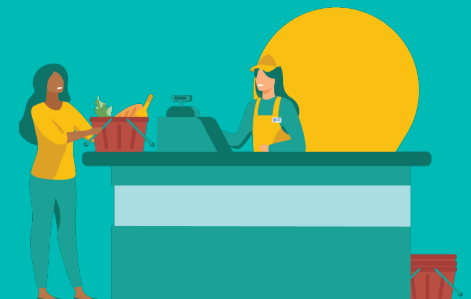
- Choose suppliers based on their values as well as price and quality, and build strong, trusted partnerships.
- Make sure you are familiar with the Human Rights policy and FAQ our platform and share this with your suppliers.
- Always deliver on supply commitments made. You understand that asking for last minute changes can lead to partners cutting corners to meet deadlines. This can damage both working conditions and product quality.
- Where problems are identified, work with partners to deliver a clear improvement plan.
- Speak up if you see something that doesn't look right, people that seem vulnerable or upset, or discrimination taking place. We always take allegations seriously and investigate accordingly.

Where can I find out more?

- Responsible Sourcing team
- Quality team

Questions & Answers

- Q** I visited a supplier site and the atmosphere among workers felt uncomfortable. What should I do about it?
- A** Report your concerns to the Responsible Sourcing team. Any information you can provide will be helpful. Ask supplier managers during visits about what the main concerns for the workforce are – and ask the workers too. It helps to show how important this is for the Company.
- Q** What do we do if a breach of rights is found in our workplaces or supply chain?
- A** We always seek to remedy any concern we identify. If the issue involves our colleagues, contact your People team or call Protector Line. If the issue is in our supply chain, contact Responsible Sourcing or Quality team.
- Q** I have heard through the media and friends that slavery may exist in supply chains. What are we doing to address this risk?
- A** We do not tolerate any form of slavery or forced labour. We have a team of fulltime labour standards specialists around the world who work with our suppliers to manage these and other risks.
- Q** Do our policies on human rights apply only to goods that we sell in store?
- A** No. We expect all suppliers, including those who provide goods not for resale and services, such as construction companies, labour agencies and logistics firms to meet our ethical trading requirements.
- Q** I would like to join a trade union but it isn't the one that the Company has recognised for the purposes of pay negotiations. Can I join?
- A** You are free to join a trade union of your choice. You are also free not to join one.



Protection of our suppliers

Why does it matter?

Treating suppliers fairly is key to our success. Developing long-term, collaborative and sustainable relationships with suppliers is essential to delivering the very best for our customers.

It is vital we treat our suppliers fairly and in line with our Values. This is a key part of nurturing long-term relationships with our suppliers and all of our suppliers are able to raise issues in completing confidence using or Supplier Protector Line.

What does it mean for me?

- Understand and follow the laws and codes of practice in the market which are designed to protect suppliers
- Keep to the commitments that you make to suppliers - do not vary the supplier agreements retrospectively.
- Record all supplier agreements in writing and keep a copy.
- Give reasonable notice of any proposed changes to supply arrangements and provide an opportunity for suppliers to have decisions reviewed.
- Work collaboratively with suppliers and listen to feedback. For example, prepare forecasts in good faith and in consultation with suppliers.
- Pay suppliers on time and in accordance with agreed payment terms
- If a supplier complains, acknowledge and resolve it quickly, with help from your local Legal team if necessary.
- Be thoughtful and empathetic when communicating with suppliers: written communications can easily be misinterpreted.

For more information, please find from:

- Legal team

Questions & Answers



Can I ask a supplier to fund a promotion?



There are limitations on how much they can contribute, and suppliers must never be forced to participate in a promotion.



I work in General Merchandise. In my market, the legislation applies only to groceries. Should I follow the legislation as well?



If you are unsure about the application of the legislation, talk to Legal team. Our normal approach is to follow the spirit of such legislation even if the rules only apply to particular products.



My competitors are selling products more cheaply than us. What can I do to redress the balance?



You should always negotiate with suppliers to get the best deal you can for customers. You can discuss whether the supplier's cost price is acceptable but take care not to place suppliers under duress when negotiating with them and avoid making retrospective changes to existing supply agreements.

Brand & intellectual property



Why does it matter?

We have a proud tradition of creating and nurturing exciting brands, products and services. Our brands and innovation give us a competitive edge in a crowded marketplace.

We must always take care to protect our intellectual property rights – from patents, designs and copyright, to trademarks and trade secrets. Protecting what is ours helps us to ensure that it isn't copied or sold by others without our agreement.

If we're involved in creating new product designs, brands or innovations, we must always follow the Brand Design Standards. We respect the IP rights of others. Stealing someone's idea reflects badly on the Company, damages customer trust and may result in legal action being taken against us.

What does this mean for me?

- Always seek to create or source original designs and products for our customers.
- Don't copy, use or be heavily inspired by other people's ideas.
- Always follow our Brand Design Standards and speak to Legal team if you have any doubts about a proposed product name, design or innovation.
- When you're developing new ideas, keep them confidential and talk to Legal team about how to protect them.
- Consult with Legal before allowing third parties to use our brands or other brands & intellectual property.
- Raise your concerns if you identify that another business has copied our ideas or breached our IP rights.
- Take care if you are looking to import "grey goods" (sometimes called "parallel goods"). Special rules are in place to ensure such goods are not counterfeit and that the rights of third parties are not violated.

Where can I find out more?

- Legal team
- Customer team

Questions & Answers

- Q** I'm designing a new T-shirt range for girls. How do I ensure I'm not infringing anyone else's Intellectual Property?
- A** Know your market and what products and designs are already out there. You are free to take some inspiration from existing ideas, but don't copy another product. The Legal team would be happy to discuss your new product with you to make sure it's ok to use.
- Q** I'm planning on working with a third party to develop some new technology which could really improve efficiency at our distribution centres. What steps should I take?
- A** You should always put in place an agreement with the third party which sets out who will own any IP in the new technology. Your Legal team can advise if the new technology can be protected by a patent or any other form of intellectual property right.
- Q** I would like to start selling branded goods bought and imported from outside my local trading territory. What should I do?
- A** This may be ok, so long as you are not breaching the brand owner's rights. Rules vary from country to country and the Legal team can provide specialist advice if needed.
- Q** We're creating a new brand for a range of bakeware products which we plan to sell in several markets. How should we go about choosing a brand name?
- A** Follow the Brand Design Standards and make sure your name is different from existing brand names used for identical and similar goods. You should also conduct internet searches and use your market knowledge to help you. Don't commit to one brand too soon in case there are legal issues with the name

2.4

Protecting our reputation

This section of the Code covers a number of important areas where we can protect ourselves and our company from wrongdoing.

- Fraud page 47
- Bribery page 49
- Gifts & entertainment page 51
- Conflicts of interest page 53
- Charitable donations page 55
- Insider dealing & market abuse page 57
- Engaging in political activity page 59
- Accurate accounting & money laundering page 61
- Keeping our information secure page 63
- External communications & using social media page 65



Fraud



Why does it matter?

Fraud is a serious crime that harms our business and can have a significant impact on our costs and profits. The term fraud is commonly used to describe theft through a wide variety of dishonest behaviours such as deception, forgery, lying and concealment of material facts. Tax evasion is another type of fraud; the Company can be prosecuted and face unlimited fines if we or others we work with are found to have knowingly facilitated tax evasion.

Fraud may occur in many different parts of our business, including during online transactions, at the tills, during the transportation of goods through our distribution systems or in the office.

The Company is the victim of fraud, so we all have a responsibility to protect the business from fraudulent activity, whoever commits it. We place significant trust in our colleagues to act honestly at all times, so we will always investigate and take action when fraud is committed against our business.

What does it mean for me?

- The main rule is simple. If you suspect theft or other fraudulent activity is taking place, you must speak up. Report it to your line manager, People or Security teams or call Protector Line.
- Don't do business with companies with a reputation for fraudulent activity, including tax evasion. Always conduct due diligence on new third parties before you work with them.
- Look out for fraud "red flags" and take action if you identify them. Red flags include sudden changes in lifestyle, such as extravagant purchases of cars or other high value items.
- Always follow our travel and expense policies.

Where can I find out more?

- Safety, Security and Resilience team
- Tax team
- Travel & Expenses policy

Questions & Answers

- Q** A colleague in my distribution centre has been selling over-delivered stock on a platform. He says it's for charity and was agreed with the DC Manager, but I don't know where the money is going. What should I do?
- A** Even if your concern is unfounded, it is important that you speak up. If you are not comfortable speaking to your line manager or the DC Manager, you can call Protector Line and raise your concerns. You will not be required to give your name when you call.
- Q** A colleague was travelling for work recently and took some friends out for dinner and submitted the meal for reimbursement as an expense? She says this is ne as she often forgets to submit other expenses so everything "balances out" ultimately and I should do the same. Is this acceptable?
- A** No. By submitting these expenses, she is committing fraud. Personal expenses should reflect what charges you have had whilst working.
- Q** A colleague I work with has been submitting invoices from a supplier where the amounts do not match the supporting documents. He claims the difference was agreed in a different contract, that they are "always done this way" for this supplier and that I can amend the documents so they match. What should I do?
- A** You should refuse to amend the documents and ask your colleague to obtain correct ones. Inconsistent invoices and documents are a "red flag" for fraud or fraudulent activity and we reduce those risks by keeping accurate records and invoices. If you are still unsure what to do then raise your concern with your line manager.
- Q** I have been approached by a new supplier offering me products at a really good price. I don't know much about their company; how should I proceed?
- A** All new suppliers need to go through our integrity due diligence process. Prices which sound too good to be true often are and may only be possible because the supplier doesn't account for and pay VAT or Duty for their products correctly. If we can't show we have carried out proper checks, the authorities can require the Company to pay the uncollected taxes, potential interest and penalties. Plus, we could face criminal prosecution.

Bribery

Why does it matter?

As a business operating stores and buying from suppliers around the world, we must be alert to the risks associated with bribery. We pride ourselves on our reputation for acting fairly and ethically wherever we do business.

It is important that everyone understands our zero-tolerance approach to bribery and our commitment to reduce corruption around the world. It damages markets and communities and transfers resources into the wrong hands.

As a business we expect everyone who works with us to adopt the same zero tolerance approach.

What does it mean for me?

- Never give bribes, payments, gifts such as cash or any other benefits to persuade someone to act in your favour.
- Never seek or accept bribes, such as gifts or entertainment to give business to a new or existing supplier.
- Know and understand the third parties we engage by conducting integrity due diligence on them, in particular on those that perform services on our behalf.
- Be mindful of the bribery risks posed by engaging with public officials and ensure our engagements are always open, honest and transparent.
- You can use legitimate fast-track processes in order to expedite routine decisions but never make payments directly to public officials in order to secure a permit or licence.
- Make sure you are fully trained on bribery and corruption risks and issues we may face across the business.
- Co-operate fully with law enforcement agencies and investigators and support prosecution or disciplinary action where sufficient evidence exists.
- If you or anyone else is offered a bribe, contact Legal or Safety, Security and Resilience team immediately.

Where can I find out more?

- Anti-bribery policy
- Gift & Entertainment policy
- Conflict of Interest policy
- Legal team

Questions & Answers

- Q** My colleague has boasted that her suppliers know they must “look after her” if they want to keep working with the Company. Is that right?
- A** No. It is a breach of our gift policy to solicit entertainment or other benefits in return for buying goods or services from a supplier. It may also be bribery. You should raise your concerns right away. Speak to your line manager or contact Legal or Security team.
- Q** I often engage with consultants who obtain permits I need for the business. A new consultant has offered to reduce the admin and waiting time by half but isn't clear how they do this. Should I be concerned how they do it if they can deliver what I need?
- A** Yes. The actions of those who act on our behalf (also known as Associated Persons) pose significant risks of bribery for us. It is important we are clear on exactly what they are doing and how they are acting on our behalf. Our reputation is too important to risk being damaged by an act of bribery and we can be liable even if we were unaware of it. Speak to your Legal team and ensure that you conduct appropriate integrity due diligence on all third parties before they act on behalf of the Company.



Gift & entertainment

Why does it matter?

The giving and receiving of modest gifts or entertainment is an important part of building relationships with suppliers and other parties. However, this should never influence – or appear to influence – our business decisions in any way. We will never seek or apply any influence in exchange for promises, gifts or any other inducements, no matter what the local business practices.

Any gift or entertainment given or received must be appropriate, be approved in accordance with our policy, and where required must be logged in the gift register.

What does it mean for me?

Always follow our Gift and Entertainment policy. If you accept a gift or entertainment above 2,000 Baht in value, seek approval from your manager and log the details in the gift register. Inappropriate gifts and entertainment must always be rejected, whatever the value.

Remember:

- Use your judgement and consider our Values when deciding whether to accept gift or entertainment.
- Never accept or give a gift of cash or cash equivalent like gift cards or vouchers.
- The receipt of expensive gifts or entertainment is generally not appropriate unless you have a clear business justification.
- You should never accept any gift or entertainment that might influence your decisions on behalf of the business or be construed as a bribe.
- Always take care and consult your Legal Director before giving any gifts to public officials.
- Never give or accept entertainment that is indecent, pornographic or otherwise offensive.
- Entertainment that requires foreign travel must be approved by a Business Leader before it can be accepted.

Where can I find out more?

- Gift & Entertainment policy
- Conflict of Interest policy
- Legal team

Questions & Answers

- Q** I won a raffle held by my supplier last week. My prize was a new camera. May I accept the prize?
- A** The prize is deemed a gift, and assuming the value is over 2,000 Baht you will need the approval of your line manager and will need to notify your director before accepting the gift. You must also log it in the gift register.
- Q** I am a store manager. A supplier's store team have offered me gift vouchers worth 5,000 Baht if I ensure that their product is always available during a forthcoming promotion. May I accept the gift?
- A** No. The gift is a cash equivalent and the policy does not permit the receipt of cash or cash equivalent gifts. But more importantly, the gift will require you to divert your attention to supporting this promotion rather than all other products available in store. It is therefore not appropriate. The supplier should be told that support for promotions is agreed centrally rather than at a store level.
- Q** I have been offered a hospitality ticket for a tennis tournament. The face value of the ticket is 19,350 Baht but the supplier has said the total cost of the hospitality package is 86,000 Baht. Which figure do I use when I log it in the Gifts Register?
- A** You should use the total cost to the supplier which is 86,000 Baht. If the supplier paid for any additional items such as travel or overnight accommodation, the cost of these should be added to the total amount to be logged.
- Q** A supplier I have worked with before is part of a tender bidding process for new business. They would like to take me out one night to dinner to show me how much the contract means to them. Can I accept their offer?
- A** No. Our Gift and Entertainment Policy prohibits all colleagues from accepting or offering any gifts or entertainment during a tendering process. This ensures our decisions are made without any personal influences impacting the outcome.



Conflicts of Interest

Why does it matter?



A conflict of interest happens whenever our personal interests are allowed to interfere or influence our ability to make decisions for the good of the business or our customers. This could be when a family member becomes a supplier or sells services to the business or if you are managing someone with whom you have a close personal relationship.

If we fail to manage conflicts properly, they may harm our reputation and in the worst cases, may result in fraud, discrimination or other serious issues.

What does it mean to me?

Whenever a conflict of interest arises or you think it might arise, take steps to:

- **Identify:**
be aware of any personal interests which may influence your decision-making on behalf of the business. For example if your partner or family member is a supplier to the Company.
- **Avoid:**
remove yourself from all situations where the appearance of a conflict might exist and ask yourself how an outsider would view it. For example, it's best not to work in the same team as a family member.
- **Mitigate:**
if you can't avoid the situation, discuss it with your line manager and agree a plan to manage the conflict.

Where can I find out more?

- Conflict of interest policy
- Legal team

Questions & Answers

- Q** We are looking for a new service provider and my boyfriend runs a company that could do the job for the Company. Can I share the details of the tender with him?
- A** No. The details of the tender are confidential. You should never use your position at the Company to give a commercial advantage to a partner, friend or relative. If your boyfriend wants to submit a bid, you must disclose your relationship to your line manager and may not be involved in the tendering process.
- Q** I need to travel for work on an upcoming trip and would prefer to book a ticket with the airline I get loyalty points for. Can I use my airline even if they are more expensive than others?
- A** No, you should never allow your personal interests to influence your decisions for the business. If a cheaper flight is available and being offered then you must choose this option for the good of the business.
- Q** My team is recruiting for a position that I think my niece would be well suited for. Is it alright if I pass along her details and recommend her for the role?
- A** Yes, if your niece has the knowledge, skills and character for the role then you may recommend her so long as you are not in a place to directly determine or influence the decision to employ her. Always declare your relationships as soon as possible to avoid any appearance of a conflict.
- Q** I work in mall management and my bonus is based on hitting certain occupancy targets in our malls. Can I let the units to inferior tenants in order to hit my target?
- A** No. The purpose of your target is to ensure our malls are occupied by the right mix and quality of tenants. Poor tenants will benefit you, but not the business or our customers.
- Q** I think that my manager has set up his wife as one of his suppliers and is giving her work even though she is more expensive than the other suppliers and her products are worse quality. What should I do?
- A** This is not only a conflict of interest, but it may also be a fraud against the Company. You should raise your concerns with his manager, or contact Safety, Security and Resilience or Legal team.

Charitable donation

Why does it matter?

We have a long history of supporting local and national charities, providing money, time, products and services that make a real difference to our communities. When offering our support, it's important we check that the organisations we support are appropriate, legitimate and are helping our communities in the way we would expect. This helps us to make sure that any donations we make do not cause harm to our reputation and protects all colleagues from legal or financial challenges.



What does it mean for me?

- Support our established charity partners.
- Carry out integrity due diligence on any charity we are planning to support, if the charity is not an established partner.
- Only make charitable donations with the appropriate authority; follow the delegation of authority schedule set out in the Charitable Donations policy and obtain the correct approval.
- Follow our internal fund-raising procedures and guidance.
- Never pressure your suppliers to make donations (money, goods or services) to charities the Company is supporting.
- Never allow the Company's funds to be given to charities that may harm our reputation.

Where can I find out more?

- Charitable Donation policy
- Gift & Entertainment policy
- Corporate Affairs team

Questions & Answers

- Q** My store is looking to support the local youth group by donating 2,150 Baht worth of products for their Christmas raffle. What do I need to do?
- A** As the donation is coming from the Company, you should be sure the youth group is an appropriate choice and that they are a registered charity; refer to your local charity donations guidance. Remember to get the appropriate authority before agreeing to the donation; as this is under 25,000 Baht it will be your store manager.
- Q** We're working with our supplier to run a 3-week promotion on toothpaste where 5% of every sale will be donated to charity. What process do I follow?
- A** This type of promotion is known as cause-related marketing (CRM) and must be approved by the Product Director (as set out in the Charitable Donations policy). All CRM activity must be supported by a signed contract given the possible tax implications.
- Q** Ten of us have been invited to a charity golf day by a charity who is not a national charity partner. We are donating 860,000 Baht to the charity to take part. Is this permitted?
- A** Yes, however you will need approval from your executive or leadership team because the donation is above 500,000 Baht and the money is being donated to a charity that is not a national charity partner. You should ensure that relevant background checks on the charity are completed, including reputational due diligence. You must also remember to report this donation to your Head of Communications as they maintain a log of charitable donations.
- Q** My supplier has invited me to a charity awards dinner. Can I accept?
- A** This situation is covered by our Gift & Entertainment policy. You will need to find out the total value of the entertainment, get manager approval if the value is more than 2,000 Baht and log in on the Gift register.

Insider dealing & market abuse

Why does it matter?

As part of your job you may become aware of material “inside information” about the Company or the companies we do business with.

It is against the law and against company policy to use inside information for your own benefit or on behalf of others. This includes selling or buying shares or other securities such as listed bonds on the basis of inside information, which is known as “insider dealing” and is a serious criminal offence. It is also an offence to share inside information with any other person if they might use it to make a trading decision.

We all have a responsibility to know and abide by the law and our internal policy. These rules apply even after you stop working for us.

What does it mean for me?

- When your job requires you to possess inside information, you will be added to the Insider List and receive a notification from the Company Secretary.
- You must not deal in the securities of any company while you are in possession of inside information about that company. For example, you are not allowed to buy or sell shares in our Company if you have learned something at work that could make the share price go up or down when that information is made public.
- If you have been added to the Company’s Insider List, you must comply with the Share Dealing Code; provide certain personal details to be held in accordance with legislation; and you must obtain permission before you or your connected persons can deal in Company’s securities.
- You are also prohibited from dealing in our securities during the “closed periods” imposed ahead of some company announcements, such as results or major transactions. Closed period dates will be notified to colleagues in advance.
- You must not engage in market abuse by spreading false information or engaging in other activities designed to manipulate the price of a company’s securities.
- You should speak up if you think someone is engaged in insider dealing.

Where can I find out more?

- Share Dealing code
- Disclosure Manual
- Corporate Secretariat team
- Investment Relations team
- Legal team

Questions & Answers

Q

What is “inside information”?

A

Inside information is specific information about a company which has not been made public and which a reasonable investor would consider important when deciding whether to buy, sell or hold shares or other securities.

Q

Where can I find out more about Insider dealing?

A

Look at our Share Dealing Code and our Insider briefing note. More information around the management and disclosure of inside information is available in the Disclosure Manual.

Q

I am on the Insider list and I would like to buy some Company’s shares. The company is not in a closed period so can I just go-ahead and trade?

A

No, you (and your connected persons) must follow the procedures set out in the Share Dealing Code as you need permission to deal if you are a colleague on the Insider List.

Q

I hear that the Company is about to award a big contract to a publicly traded supplier company. Can I buy shares in the supplier before the contract is signed and made public?

A

No. Buying or selling shares in the Company or any other company on the basis of inside information is considered insider dealing and is illegal.

Q

Can I encourage a friend to buy shares in the supplier company instead?

A

No. This is known as “tipping” off. You are not allowed to pass inside information to anyone else or encourage others to deal on the basis of such information, even if you will not profit from it.

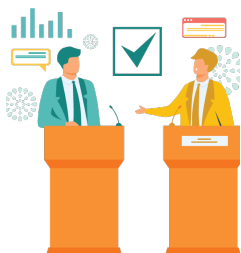
Q

I have seen indicative financial results information which shows that we will significantly exceed market expectations. What should I do?

A

Failing to provide correct data to the market is a serious concern. The Company has a process to oversee appropriate and prompt disclosure of information. You should speak to your Finance or Legal Director immediately or call Protector Line.

Engaging in political activity



Why does it matter?

As part of doing business, we engage with governments, regulators, public interest groups, industry associations and other similar bodies.

We do this to inform them of our position on issues that affect our customers and our colleagues. We provide this information either directly or through our memberships of trade or policy organisations. These memberships help to increase our understanding of issues and enable us to engage constructively in relevant policy and regulatory debates.

We always ensure that we comply with all laws governing political engagement. As a business, we are politically neutral. We do not have any political party affiliations and we do not make political donations.

What does this mean for me?

- Always consult your Government Relations or Communications team if you receive any correspondence or requests for information from government departments, politicians or political action groups.
- Any requests for political donations, including the sponsorship of events organised by politicians or political parties, must be passed to Government Relations or Communications and Legal teams for resolution.
- Refer to the Gift & Entertainment policy and contact Legal Director if you are considering giving a gift to or entertaining a public official.
- You are free to become involved in the democratic process - a community gets stronger when the people who live and work there are engaged in making it a better place. But always be clear that you're acting on your own behalf and not for the Company.
- Any political activity must take place in your own time and not affect your work. And your point of view must not influence how you behave towards customers, colleagues or anyone else.

Where can I find out more?

- Government Relations team
- Corporate Affairs team
- Charitable Donation policy
- Gift & Entertainment policy

Questions & Answers

- Q** Can I make a political donation on behalf of the Company?
- A** No. We do not make donations to political parties or candidates.
- Q** Can the Company sponsor the Minister's charity event?
- A** You should discuss such requests with your Legal and Government Relations or Communications teams, even if the cause is charitable and not political. You will need to ensure that the sponsorship of the event does not give rise to bribery or other reputational concerns and it is not partisan. Remember that the Company is a politically neutral organisation
- Q** I work in Property. Can I speak to the competent Minister about an issue that affects the Company?
- A** You need to consult your Government Relations or Communications team before engaging government officials and jointly agree any engagement plan. It can often be helpful for officials to hear about an issue directly from the expert at the Company.
- Q** Can I take time off work to help a local candidate campaign for a seat in Parliament?
- A** You should discuss this request with your People team who will explain the process for taking unpaid leave from work. Whatever the outcome, you must ensure that your political beliefs do not interfere with your work for the Company.
- Q** The mayor has asked to meet our store manager to raise a concern about the sale of alcohol. What should I do?
- A** In order to be good neighbours it is important that we are responsive to the concerns of local officials. You should discuss the proposal with your Government Relations or Communications team and agree the best way to meet the mayor and hear her concerns.
- Q** A local politician has asked if he can visit my store next week. Can I agree to this?
- A** Always consult with colleagues in Government Relations or Communications before agreeing to a formal visit by a politician. We will need to understand the purpose and context of any proposed visit before providing a response.
- Q** Can the Company sponsor a reception organised by a political party or trade union?
- A** You should discuss such requests with Legal and Government Relations or Communications team.

Accurate accounting & money laundering

Why does it matter?

To meet our obligations to stock markets and shareholders, all of our financial information must be reported accurately in the Company's accounts. This means ensuring that income and cost data is always recorded correctly and at the right time.

At the tills, in the cash office and in our head office functions, we must all ensure that we are honest and act with integrity in recording financial and non-financial information. Applicable financial reporting rules are increasingly strict and must be followed, along with our own internal reporting policies

And we must always remain alert to the possibility that criminals may try to use our business to move funds raised from criminal activity, including in the worst case from terrorism, into legitimate financial systems. This is commonly known as money laundering and there are severe penalties for companies and individuals involved in money laundering or other financial crimes.

What does it mean for me?

- If you are involved in recording income or costs, ensure you are aware of the Company's Accounting policies and how they apply to your role.
- Only submit financial information that is accurate and relates to the correct financial reporting period.
- Maintain appropriate records, including invoices and receipts, to support all financial information.
- Be aware of, and follow, our travel and expense policies and ensure that members of your team do the same.
- Work closely with Finance team and seek guidance if you are unclear about how to record income or expenditure.
- Co-operate with our internal and external auditors, providing them with the information and documents they need to audit our accounts.
- Report to your line manager, Security Director, Finance Director or Protector Line if you have reason to believe that inaccurate or falsified records are being kept by other employees or they are misappropriating funds.
- If you are involved in handling customer deposits or high value cash transactions, ensure that you complete regular training to maintain Anti Money Laundering awareness.
- Be alert to the risks around unexpected changes to supplier arrangements, for example, the supplier is moving their bank account to a known tax haven. This could be a red flag.

Where can I find out more?

- Accounting policy
- Finance team
- Security, Safety and Resilience team
- Legal team

Questions & Answers

- Q** I am covering for my colleague who usually records the waste for our store. I've noticed that the figures I have recorded are much lower than normal. Is this a problem?
- A** There are lots of reasons why the waste values may be different. If you are in any way concerned that data is not being recorded in line with our policies and processes, talk to your line manager in the first instance or call Protector Line.
- Q** One of my regular customers has just paid for an unusual large amount of goods in cash. Should I be concerned?
- A** Yes. This is one of the "red flags" to look out for. You should speak to your line manager.
- Q** I am running a promotion in October and the supplier is providing 50 million Baht of funding. Can I account for the income in an earlier period since the promotion will definitely take place?
- A** According to normal accounting practice, income must be recorded in the financial period in which the activity takes place. It must be booked in October only. Talk to finance manager for more information.
- Q** A potential supplier is refusing to disclose the identity of its owners because they claim this is confidential information. All the background check shows is that they are owned by an entity in an off-shore jurisdiction. What do I do?
- A** This is a red flag and you must seek advice and guidance from Legal. Complex ownership structures that conceal the identity of the ultimate owners of a company are a way of disguising the source of funds and can be used to enable money laundering.



Keeping our information secure

Why does it matter?

Information is key to our success. Being able to share information quickly and securely allows us to get products to stores on time, to analyse and respond to sales data and to keep customers updated with their delivery information.

It's important that we use information carefully and don't lose or mishandle it since the Company's information may be of real value to criminals and fraudsters. All colleagues have a responsibility to understand how to use the Company's devices and information correctly and securely, including when accessing information via personal devices or when connected to public Wi-Fi networks.

What does it mean for me?

Keeping information safe

- Always use strong passwords. You can use four unrelated dictionary words together to build your password. Choose words that are memorable for you but not easy for others to guess.
- Never share important information like passwords, PINs or bank details.
- Keep information organised, identifiable and accessible.
- Be aware of and respect any requirements about retaining or deleting information.
- Don't use personal email accounts for work matters.
- Use the Company's approved OneDrive to share documents, which allows colleagues to give access to named individuals.
- Don't use unapproved or public file sharing websites e.g. Dropbox, Google Drive.
- Manage sensitive information with care, keeping it protected and dispose of it securely. Don't disclose information unless it is appropriate and safe to do so.
- Information Security awareness training is mandatory for all colleagues. Ensure you complete all training assigned to you in a timely manner.
- Speak up immediately if you suspect that there has been a data breach. Follow the guidance on related policy or contact Legal team.

Using IT equipment and facilities

- Don't use the Company's laptops, mobile devices, systems or networks to create, use or distribute any material that could be considered to be offensive, discriminatory, illegal or in breach of any other Company's policy.
- Always watch out for signs of malware including slow running computers, frequent crashing, pop-ups and unusual behaviour.

Where can I find out more?

- Acceptable Use policy
- Information Security team

Questions & Answers

- Q** I was sent an email including links that I believe may contain a malware. What should I do if I accidentally clicked on the link?
- A** You should only open emails from known sources and never click on links or open attachments you are unfamiliar with or which seem suspicious. If you suspect your Company's computer is infected with malware, report it to the 24/7 Information Security team immediately by email. If you are concerned that it might be a phishing email, also report Information Security team immediately then delete the email.
- Q** I received a call from someone claiming to be a colleague working from home. They asked me to send several files to their non-work email? Can I do this?
- A** No. You must never send any information to a personal email address as it may not be secure. Our information is valuable and you should always take care and think before sending to prevent information being stolen or disclosed to unauthorised people. When sending sensitive data, you should ensure that files are password protected.
- Q** In a rush to get home I left my laptop on a train and it has not been found. What should I do?
- A** You should report the loss immediately to your line manager and log a ticket in the Office Support Centre.
- Q** How should I dispose of confidential or business sensitive information?
- A** Put it through a shredding machine or place it in a confidential waste bag/bin.
- Q** How should I respond to a caller who says? "Hello, this is Paul from the IT helpdesk. Your computer has picked up a virus, and we need to apply a fix immediately. Can you confirm your email address, user id and password so that I can apply the fix remotely?"
- A** You should not share your password with anyone, not even the help desk. Also, before providing any information to someone, make sure that you can verify who is asking for it. Be aware of social engineering attacks – these are ways of tricking people into giving out information they shouldn't. Social engineers use different ways to do this, such as phone calls, in person and electronic methods (e.g. email/text).

External communication & using social media

Why does it matter?

We champion the many advantages and opportunities that the internet presents for our business. Using social networks and online communities offers great benefits to us as individuals and as a business to communicate what we're doing, whether to colleagues, customers or other key stakeholders.

News about our Company travels quickly and the media and our competitors constantly search the internet for information about us. If incorrect information becomes public by whatever means, it can damage our reputation, our competitiveness and the trust placed in us by our customers. Misinformation can also put our brand and colleagues at risk of legal action.

What does this mean for me?

As our colleague, you represent the business. When you talk about the Company use common sense at all times and never make remarks or post comments, images or links that are incorrect or offensive. Always aim to be respectful and positive about your work and colleagues. Remember what you say in public during a speech or at a conference, say to journalists or write on social media could damage the brand and in turn have a negative impact on your work environment.

Our Social Media policy sets out our approach to online communication and is built around four key areas:

1. **Be true** – Live the Values of our business and be authentic. Identify yourself as a colleague and please state that 'All views are my own' in your profile. Don't use an alias or mislead people about your connection to the Company.
2. **Beware** – Remember that everything you post on the internet is public and be mindful that media and competitors are watching.
3. **Think** – Be responsible with the content you share. Try to ensure your posts are accurate, not misleading or damaging and be careful not to reveal confidential company information.
4. **Acknowledge** – Respect copyright and give credit where it is due. Don't post text, images or videos that were created by someone else without crediting them. Never give CCTV or camera phone video to journalists without first contacting the Press Office and Legal team.

Dealing with journalists

Whether the story be local, regional, national or international, refer all enquiries to the Corporate Affairs team. They will be able to help manage responses, co-ordinate filming or radio requests and help you stay legal. This helps us deliver a consistent and up-to-date message across the Company.

Where can I find out more?

- Social Media policy
- Guideline on Request for CCTV Access & Disclosures
- Corporate Affairs team

Questions & Answers

- Q** I've seen an example of a colleague making inappropriate statements on social media – what should I do?
- A** Check what you've seen against the Social Media guidelines. Just like in the 'real world' comments made in the virtual world should reflect our Values. If you are still concerned, please speak to your line manager or contact Corporate Affairs team.
- Q** I see lots of interesting articles, tweets and Facebook posts about the Company. Can I post these online externally or send them to friends and family?
- A** Yes if the message is positive, but think about whether the information you are using is appropriate to share or intended for internal use only. Also consider whether it's "fake news". Only share the information that is intended for the general public. Remember the golden rule: post positively.
- Q** I manage the Company's website and social media channel (e.g. the corporate Facebook or Twitter). Can I publish statistics and figures about the Company?
- A** Yes, but please check the statistics or figures are accurate and already in the public domain. Do not share data on sales figures other than those on the Company's website.
- Q** The local newspaper has just called as they want to run an article on the impact of our new alcohol licence. Is it ok to speak to them?
- A** You should refer them to the Corporate Affairs team in the first instance, and then agree who will speak to the local paper.
- Q** I have been asked to speak publicly about the Company. Is it ok to accept the invitation?
- A** Before accepting any invitation, you should discuss with your line manager and then contact the Corporate Affairs team. They will be able to advise you on communicating the right messages to your audience and avoiding any reputational risks. Invitations should be of benefit to the Company, and presentations should not contain any new, confidential or commercially sensitive news.



Section 3

Addendum

Ek-Chai Distribution System Co., Ltd.
Trade Practice Guidance and Policy related
to Trade Competition

We, Ek-Chai Distribution System Co., Ltd. , (“Company”) are committed to undertake our businesses in compliance with the law governing trade competition and the relevant notifications prescribed by the Trade Competition Commission of Thailand. We prioritize our business operations in relation to our trading partners and customers as well as in relation to trade practices which are beneficial to consumers and the society as a whole. We, therefore, implement this Trade Practice Guidance and Policy related to Trade Competition as follows:



3.1 Section 1

Fair trade practices under the Trade Competition Act. B.E. 2560 (2017) in relation to modern wholesale/retail trade of consumer products

1. Business merger Any business merger shall be conducted in strict compliance with the Trade Competition Act. B.E. 2560 (2017) and the relevant notifications of the Trade Competition Commission of Thailand.

2. No unfair exercise of dominant position No business operators with dominant position shall, without due cause, unfairly exercise their dominant position as follows:

2.1 Unfair determination of purchasing or selling price of a product or service, including:

- 2.1.1 Price determination of a product or service to drive competitors out of the market (Predatory Pricing), e.g., price determination of a product or service which is below the average variable cost (AVC) without due cause;
- 2.1.2 Unfair determination of price at a very high level without due cause (Excessive Pricing);
- 2.1.3 Determination of a purchasing price of a product or service with unfair discrimination and without due cause (Price Discrimination);
- 2.1.4 Unfair determination of selling price of a product or service being a raw material for another business operator which is its trading partner or competitor in an upstream or a downstream market of the product or service in a high level without due cause (Margin Squeeze).

2.2 Imposition of unfair conditions to trading partners without due cause, including: Imposition of unfair conditions on another business operator being a trading partner, which causes the trading partner to restrict its service, production, purchase, or distribution of products or restricts opportunities for purchasing or selling product, receiving or providing service, or obtaining financing, from other business operators, without due cause.

2.3 Actions taken to reduce quantity of a product or service to be below market demand without due cause, including: Suspension, reduction, or limitation of service, production, acquisition, disposal, delivery, or import into the Kingdom, without due cause, aiming to reduce the quantity in the market to be below the market demand.

2.4 Intervention of operations of other business operators without due cause.

3. No collective actions which are monopolization, or reduction or restriction of competition as follows:

3.1 Business operators competing in the same market shall not take any collective actions which substantially harm the competition (Hardcore Cartel), including:

- 3.1.1 Collectively fixing purchasing or selling prices or setting any trading conditions which affect the price of a product or service (Price Fixing);
- 3.1.2 Collectively limiting the quantity of a product or service (Quantity Limitation);
- 3.1.3 Collectively making an agreement or conditions for a particular party to win an auction or price competition (Bid Rigging);
- 3.1.4 Collectively allocating geographic areas of distribution or buyer or seller of a product or service (Market Allocation).

3.2 Business operators shall not take any collective actions which harm the competition (Non-hardcore Cartel), including:

- 3.2.1 Collectively fixing purchasing or selling prices or setting any trading conditions amongst business operators which are not competitors in the same market;
- 3.2.2 Collectively reducing quality of a product or service to be lower than that previously sold or provided;
- 3.2.3 Collectively imposing conditions or practices related to purchasing or selling of a product or service to be complied with as agreed.

Regardless of the foregoing, the laws or any regulations of government agencies may prescribe for an exception or otherwise, e.g., in case of an action of business operators with common policy relations or common controlling interest, or an action taken for a purpose of development of production or distribution, and promotion of technical or economic advancement.

4. No actions which may be harmful to other business operators as follows:

- 4.1 Unfair discriminatory practices against other business operators, including:
 - 4.1.1 Setting purchasing or selling price of a product or service which is excessively high or lower than cost, or setting different price for different business operators, without due cause;
 - 4.1.2 Preventing other business operators from purchasing or selling a product or service, or from obtaining a service, without due cause;
 - 4.1.3 Interfering with a transaction or an internal management of another business operator without due cause.
- 4.2 Unfair exercise of dominant position or bargaining power without due cause, including:
 - 4.2.1 Unfairly imposing trade terms which are discriminatory and specifically favorable to certain trading partners without due cause;
 - 4.2.2 Imposing compulsory conditions to another business operator which are different from those being contractually agreed without due cause;
 - 4.2.3 Taking any other actions which are considered an exercise of dominant position or bargaining power without due cause.

- 4.3 Unfair imposition of trade terms which restrict or interrupt the business operations of other parties without due cause, including:
- 4.3.1 Discriminatory actions which are specifically favorable to certain trading partners without due cause;
- 4.3.2 Requiring a trading partner to buy other product or service from the Company or from other business operators either in whole or in part without due cause, if such trading partner wants to buy the product or service from the Company.

5. Fair trade practices between wholesale/retail business operators and manufacturers or distributors

- 5.1 Trade practices between wholesale/retail business operators and manufacturers or distributors of products or services shall be conducted on a basis of free and fair business operations;
- 5.2 No actions constituting unfair actions which may be harmful to manufacturers or distributors, without due cause, shall be taken, including:
- 5.2.1 Imposing trade terms which are unfair or discriminatory without due cause;
- 5.2.2 Unfairly imposing trade terms which are discriminatory and specifically favorable to certain trading partners without due cause;
- 5.2.3 Imposing trade terms which are unfair or preventing a trading partner from doing business or trading with the Company's competitors without due cause;
- 5.2.4 Unfair pricing by setting or weighing down the purchase price of a product or service purchased from a manufacturer, distributor or service provider at lower than a normal purchasing price without due cause;
- 5.2.5 Unfair demanding for economic benefits by forcing a manufacturer or distributor or service provider to overpay for certain benefits without due cause, when comparing to the benefits that the manufacturer or distributor or service provider will receive in return, e.g., unfairly setting an excessive product display fee;
- 5.2.6 Unfair returning of a product purchased from a manufacturer or distributor in whole or in part without due cause, including other actions equivalent to the return of product, e.g., change of a sale/purchase contract to a sale with redemption which is equivalent to a return of product;
- 5.2.7 Imposing or fixing terms and conditions for a sale with redemption contract which are unfair and put a manufacturer or distributor into significant disadvantageous position based on a customary trade practice on sale with redemption;
- 5.2.8 Unfair rejection of a specially ordered or specifically produced product (private brand) or as a house brand/own brand of product without due cause;

- 5.2.9 Coercion of a manufacturer or distributor or service provider to purchase or pay for service fee for the Company's own benefit which creates additional expenses or costs to the manufacturer or distributor or service provider without due cause;
- 5.2.10 Reduction of purchase order, or cease doing business with, a manufacturer or distributor, simply due to their rejection of terms and conditions determined by the Company, or due to a complaint filed or threatening to be filed with a government agency by the manufacturer or distributor regarding the Company's action, without due cause;
- 5.2.11 Unauthorized use by us of confidential information or trade secret or technological know-how of a trading partner which is its intellectual property for manufacturing and distributing a house brand/own brand product in competition with general branded products.

Section 1 of this Guidance is in compliance with the merger conditions under the order of the Trade Competition Commission of Thailand No. 93/2563 dated 6 November 2020 related to the approval of business merger between C.P. Retail Development Co., Ltd. and Tesco Stores (Thailand) Limited.



3.2 Section 2

Policy on business operations pursuant to the economic system of free and fair competition as well as trade practices for the benefits of consumers and the society as a whole, comprising of 2 sub-sections:

2.1 Good trading practices in supporting and promoting a free and fair competition

1. We are employing the following practices to promote the business undertaking of small and medium enterprises (SMEs) which are our trading partners:
 - 1.1 We are committed to promote or contribute to improvement of the competitiveness of SMEs which are our trading partners who have potential and capability more effectively;
 - 1.2 We are committed to promote market access through appropriate distribution channels of the Company in respect of SMEs which are our trading partners and are ready and have capacity to benefit from such market access;
2. Our practices on confidential information:
We are maintaining the confidentiality of trade information related to our trading partners, competitors and consumers as required by relevant laws.

2.2 Good trading practices to generate benefits to consumers and the society as a whole

We are committed to undertake our business in compliance with the laws, rules and regulations in relation to our business operations. We are also committed to operate our business for the benefits of consumers, stakeholders and the society as a whole. We achieve these commitments through the following practices:

1. We have established the practices for providing appropriate distribution channels in respect of each category of products for ease of access by our customers.
2. We have determined the product quality and standard of manufacturing which are suitable with our trading partners and our manufacturers to ensure that we are distributing products of quality and safety with endorsement of safety under the accepted standards.
3. We shall provide our customers with the information related to our products and services which are accurate, sufficient, appropriate and up-to-dated for their purchasing decisions.
4. We shall keep confidential the information of our customers and shall not unduly use such information for our own interest or our related parties' interest unless with consent of customers or as required by law.
5. We are committed to operate business with utmost accountability to the society and the environment.

6. We shall undertake our business in accordance with the standards on quality, safety and environment in relation to our business operations.
7. We shall not take any action in violation of the law governing trade competition and other laws related to our business operations.

This **Section 2** policy has been established by the Company on a basis of our commitment to be the business operator which is contributing to the merits of the society. This policy is in addition to our compliance with the Trade Competition Act. B.E. 2560 (2017) and any other requirements and is not part of the order of the Trade Competition Commission of Thailand No. 93/2563 dated 6 November 2020 related to the approval of business merger between C.P. Retail Development Co., Ltd. and Tesco Stores (Thailand) Limited.

Definition

1. An action which is unfair or without due cause means:

- Any action which is not under an ordinary course of business, and/or an unprecedented practice.
- Any unwritten condition and of which a trading partner has not been informed reasonably in advance according to the trading partner's customary trade practices.
- Any action which has not justifiable from the perspective of business, marketing or economics.
- Other relevant factors.

2. Operator with dominant position is defined under 2 criteria:

- Firstly, being a single operator with the past year's market share of a particular product or service of 50% or more, and having the past year's sale revenue of Baht 1,000 million or more; or
- Secondly, being one of the top-3 operators of a particular market of a product or service with the past year's combined market share of the product or service of 75% or more, and having the past year's sale revenue of Baht 1,000 million or more.

***However, if any one of the operators' past year's sale revenue was less than Baht 1,000 million or the past year's market share was less than 10%, then the said operator is exempt from being defined as the operator with dominant position under the second criteria.





**Protecting our
colleagues and
our business.**

