



Gift & Entertainment Policy

for our trading partners

Legal Affairs

Version: 17 February 2022

1. Why it matters

As a business, our reputation is damaged even by allegations of bribery or corrupt practices. Therefore, gifts that may be construed as bribes or would cause a conflict of interest must be avoided at all times. The giving of gifts or entertainment to public officials in any country is generally discouraged and gifts are prohibited if they are intended to influence the decisions of a public official or could give that impression.

2. Purpose of policy

The purpose of this policy is to provide you with guidance on what constitutes an appropriate gift or entertainment and when the giving of gifts and entertainment should be avoided.

3. Scope

This policy applies to suppliers, contract parties and other third parties working with Ek-Chai Distribution System "the Company". Failure to comply with this policy may result in the termination of contracts.

4. What is a gift?

Typical gifts are consumables (such as food or wine), electrical items, tickets to events where the donor does not attend or other items of value. Raffle prizes, donations to charity, discounted services (see below) or the use of a third party's holiday facilities are also considered gifts under this policy.

Gifts of cash (or cash equivalents such as vouchers or gift cards) are prohibited and must never be given or accepted.

5. What is entertainment?

Entertainment is where our colleague accompanies you (the provider) to an event, such as a sporting or charity event or a concert. Where the donor does not attend the event, the entertainment is treated as a gift.

Business-related meals or travel, such as supplier factory visits, do not count as entertainment, but should not be excessive in nature. Our colleagues will require approval for any entertainment elements where travel or accommodation serves a dual business/entertainment purpose. Business-related travel does not include the invitation of a spouse or partner.

6. Approval and notification thresholds

Colleagues are required to obtain management approval before accepting a gift or entertainment and log that on the Gift Register. The level of approval required depends on the value of the gift or entertainment. For example, international travel and accommodation paid for by the donor must be approved by our senior executive before it may be accepted. In order to comply with these requirements and if the value is not easily calculated, the colleague may ask you the value (cost) of the gift or entertainment. The value should represent the total cost to you; that is the cost of the item, e.g. ticket and any other associated costs, e.g. travel, accommodation, meals or refreshments or souvenirs.

7. Appropriateness

Our colleagues are expected to consider the appropriateness of gifts or entertainment received. Whilst this is ultimately a matter of judgement, the following categories of gift or entertainment are inappropriate and therefore prohibited:

Gifts that may give rise to a conflict of interest:

- Gifts or entertainment that are given in the expectation that something will be given in return;
- Gifts or entertainment that are given whilst you are tendering for business with the Company or during the delisting process;
- Free or discounted services provided to you by our colleagues;
- Gifts or entertainment that incentivise individual colleagues in stores to disproportionately favour your products over those of competitors.

Gifts that may be considered a bribe:

- Gifts of cash or cash equivalent;
- Gifts or entertainment intended to influence their decisions;

Note: Our Anti-Bribery Policy for trading partners provides more information;

Gifts that may harm our reputation:

- Gifts or entertainment that are indecent, offensive or pornographic in nature;
- Requests to you to provide large quantities of free products for Company events or free tickets for events that are sponsoring.

Gifts or entertainment that are excessive in nature:

- As a general rule, any gifts or entertainment (including travel, accommodation etc.) with a value above Baht 4,000 will be considered excessive unless there is a clear business justification;

- Gifts or entertainment that have a disproportionate value relative to the position of the colleague concerned;
- Multiple gifts or entertainment from you to the same colleague during the course of the year.

Any local legal requirements regarding the giving or receipt of gifts must be observed at all times.

8. Public Officials

Particular care must be taken with giving or receiving gifts or entertainment to or from public officials since these give rise to concerns about bribery. Gifts or entertainment that are intended to influence decisions made by a public official, or which may give that impression, are prohibited. Gifts and entertainment given to public officials (including working meals) by you, whilst you are working on our behalf, must be discussed in advance with us (stakeholder and Legal Director). Breaches of this policy may result in the termination of contracts.

9. Who to contact

For queries about this policy, contact the Company's stakeholder.

10. Raising your concerns

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

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

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

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