

Supplier's Code of Conduct for Responsible Sourcing and Sustainability

Preamble

Lotus's, as part of the Chareon Pokpkhand Group, operates a retail business, and is committed to promoting responsible business conduct and fostering sustainability across all dimensions for all suppliers, communities, society, and the nation. Under this Code of Conduct, our goal is to promote responsible and sustainable sourcing throughout the value chain, including mitigating the risks of unethical activities and building positive relationships between suppliers and Lotus's.

Principles

The Supplier's Code of Conduct was developed in accordance with the principles enshrined in the Universal Declaration of Human Rights (UDHR), the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, the United Nations Guiding Principles on Business and Human Rights (UNGP), and the United Nations Global Compact.

Scope of Application

We are committed to supporting all suppliers to fully comply with the principles outlined in this Code of Conduct. We believe that our suppliers will help us demonstrate our commitment by putting this Code of Conduct into actions throughout the supply chain.

Requirements

Built on mutual respect and trust as well as good corporate governance standards, suppliers shall adhere to the following requirements:

1. Good governance

1.1. Legal Compliance

- Suppliers shall operate the business in accordance with relevant laws and must not tolerate any wrongdoings that are contrary to ethics and strong values.

1.2. Anti-Corruption and Anti-Bribery

- Suppliers shall strictly comply with corruption laws as well as Lotus's Anti-Corruption Policy for Business Partners. More information is available at https://corporate.Lotuss.com/images/legal/Anti-Corruption_Policy_for_Business_Dealers.pdf.
- Suppliers shall be prohibited from engaging in any form of corruption, including bribes, extortion, embezzlement, fraud, kickback, nepotism and favoritism in terms of offering and

receiving gifts, entertainment, and hospitality. Suppliers shall strictly comply with Lotus's gifts and entertainment policy. More details are available at [https://corporate.Lotuss.com/images/legal/Gift and Entertainment Policy \(for dealer\).pdf](https://corporate.Lotuss.com/images/legal/Gift%20and%20Entertainment%20Policy%20(for%20dealer).pdf).

- Suppliers must establish policies and procedures to prevent corruption through the due diligence mechanism. This involves training and communication to all suppliers' workers on anti-bribery and corruption policies and measures.

1.3 Potential Conflicts of Interest

- Suppliers shall be obliged to notify Lotus's of any activity or situation that may lead to a conflict of interest. The supplier shall seek further clarification from Lotus's through the communication channel specified in this Code of Conduct, should it not be certain which cases could lead to a conflict of interest.
- Suppliers shall promptly notify Lotus's where suppliers may have an interest of any kind of personal or other ties with Lotus's employee that may lead to conflicts of interest.

1.4. Business Transparency and Integrity

- Suppliers shall conduct their business in a transparent, integrity and accountable manner, including an equal treatment of all stakeholders.
- Suppliers shall ensure that Lotus's employees or its authorized representatives are provided with access to the establishment, documents and business records such as financial documents and other business-related documents, as well as interviews with supplier's employees.

1.5. Confidentiality, privacy, and intellectual property

- Suppliers shall be prohibited from using Lotus's information that is not intended for public disclosure or wishes to keep it confidential for the personal benefits of suppliers, their employees, or any person under the supplier's control for purposes other than those specified by Lotus's.
- Suppliers shall be refrained from the use of Lotus's intellectual property, trademarks, and patents without permission or only upon approval sought.

1.6. Fair competition and ethical business practices

Suppliers shall comply with laws and regulations concerning competition and also promote fair

competition practices, including

- Suppliers shall not offer or enter into an agreement with Lotus's competitors to fix the price of goods, services, or profits, terms and conditions, or split markets or customers.
- Suppliers shall avoid making a deal or contract that would unfairly hinder or obstruct or exclude another business's operation.
- Suppliers shall not use greater market advantage or bargaining power for their own benefits

- Suppliers shall avoid arbitrarily maximizing profits for the comparing features and quality of identical products or services.

1.7. Quality, safety, and traceability of goods and products.

- Suppliers shall be responsible for producing and inspecting goods, as well as supplying high quality, human - health - safe and environmentally sustainable products and services under the Lotus's brand
- Suppliers shall adhere to Lotus's' quality policy, including product rules and procedures
- Suppliers shall establish a robust traceability system that provides for tracing the origin of products and services. Suppliers shall assure that traceability documents shall be made available upon Lotus's request.

1.8. Increased Productivity/Innovation in Business

- Suppliers shall collaborate with Lotus's in discussion, cooperation and exchange of knowledge and experience to continuously improve and enhance operation processes for increased production efficiency and business innovations.

2. Respect human rights and labour practices.

2.1 Suppliers shall respect the human rights of all stakeholders, whether direct or indirect, in terms of civil rights, political rights, social and economic rights, and culture

2.2 Suppliers shall be accountable to the communities in which they do business, in terms of living conditions, health and safety, and the promotion of active community participation amongst others

2.3 Suppliers shall respect the rights of communities and indigenous peoples to land and natural resources. Land and natural resource acquisition must be based on informed and voluntary consent with sufficient information

2.4 To protect suppliers' workers throughout our value chain, suppliers shall respect and value the following labour practices:

- Promote decent work, including creating job opportunities, job security, skill and career development. In addition, protect and respect fundamental labour rights through the abolition of child labour, forced labour, human trafficking and modern slavery, the elimination of discrimination at work, the promotion of freedom of association and rights to collective bargaining, and the promotion of access to social security and social dialogue
- Promote decent working environments where everyone feels valued and respected. Promote diversity and inclusion and a workplace that is free from all forms of discrimination, harassment, and violence
- Ensure occupational health and safety in the workplace, and establish risk management and mitigation measures to minimize workplace accidents and injuries, including the provision of personal protection equipment (PPE), training, and communication to supplier's employees and related parties

- Ensure ethical employment practices and decent and fair working conditions, including wages, entitlements, and benefits that are sufficient for the livelihood of workers and their families and, at the minimum, in accordance with national laws.

3. Eco – friendly business conduct

3.1 Suppliers shall be held accountable for the environment. They shall promote the use of eco friendly raw materials and technologies throughout their business activities, such as manufacturing, procurement, and packaging, transportation and distribution, and waste management.

3.2 Throughout the product's life cycle, suppliers shall adhere to environmental-related laws and policies. Such environmental protection measures shall be comparable to the supplier's business, products, and services, with a focus on the following:

- Build a robust environmental management system
- Utilize energy and resources in a more sustainable manner.
- Establish a waste management and pollution prevention system
- Promote and engage in biodiversity protection efforts, including animal welfare

4. Responsible Sourcing

Suppliers shall exercise due diligence in selecting their suppliers and subcontractors to ensure no adverse effects on communities, societies, and the environment. These include:

4.1 Suppliers shall deliver products and services that fulfil the most stringent quality and safety standards and requirements

4.2 Suppliers shall be prohibited to sourcing raw materials or components from organizations or individuals linked with illegal activities, human rights violations, or terrorism.

4.3 Supplier shall refrain from the import, trade, or exchange of raw materials or parts from conflict zones, including conflict minerals used in supplier's manufacturing and production.

5. Monitoring of suppliers' compliance with this Code of Conduct

5.1 Suppliers shall do everything possible to put this Code of Conduct into actions and to establish their sustainability risk management.

5.2 Supplier shall allow Lotus's representatives assigned to monitor the supplier's performance towards the compliance of this Code of Conduct, including permission to inspect the premise and production areas unnoticed.

6. Reporting of non-compliance

6.1 Suppliers shall immediately report any situation or incident that results in non-compliance to this Code of Conduct. Failure to report is deemed a breach of this Code of Conduct

6.2 In the event of non - compliance, suppliers shall notify their workers, suppliers, community members, and all others the reporting channel. Whistleblowers should be encouraged to report or notify non-compliance issues via Protector Line, a toll-free hotline at 1800-19099.

Lotus's strongly encourages all stakeholders to report non-compliance with the Code of Conduct or any other wrongful acts via the Protector Line without fear of retaliation from the individual being reported.

6.3 Lotus's shall launch an investigation into any non-compliance or any misconduct against Lotus's. Lotus's shall notify and discuss with suppliers the improvements or corrections to be made unless such actions will have a significant and uncontrollable impact on Lotus's business operations.

6.4 Suppliers who fail to implement agreed-upon improvement plans or to address corrective actions shall be regarded in breach of the Code of Conduct, and the failure is considered the condition for the termination of supplier's contracts.

By signing this document, I acknowledge that I have read the Code of Conduct and understand all its principals and requirements. I agree that the juristic person I represent intends to fully comply with all the requirements of the Code.

Supplier's name

Authorized person's full name

Title

Juristic person's signature and seal

Date