



## **Circular No. 75/2021**

### **Business and Human Rights Policy for Supply Chain**

To encourage the compliance with Human Rights, which are fundamental inalienable rights and freedom which all individuals possess (“individuals” refer to society communities and partners through all Thaioil and Subsidiaries’ supply chain, and the rights of such individuals cover the rights in natural resources i.e. water, land, forest and forest products, fishery resource and other unpolluted resources, Thaioil and Subsidiaries respect stakeholders’ human rights, as well as individuals’ inborn rights and inalienable equal rights, strictly following the principles of international human rights organizations. These include the United Nations Global Compact (UGNC), the United Nations Universal Declaration of Human Rights (UNUDHR) and the United Nations Framework and Guiding Principles on Business and Human Rights (Ruggie Framework). Thaioil and Subsidiaries thereby announce Business and Human Rights Policy for Supply Chain, as well as practices for partners as follows:

#### **1. Policy**

Under the Universal Declaration of Human Rights with due regard for human dignity, rights and freedom, and equality, Thaioil and Subsidiaries refrain from improper actions and strictly discourage violation of human rights’ principles by diligently examining any involvement in such violation, through the following practices;

1. Thaioil and Subsidiaries strictly monitor the Universal Declaration of Human Rights at national and international levels, including the constraints posed by labor laws in each country where a business operates, by instituting workplaces that are safe, internationally-standardized hygienic, and narcotics-free. Thaioil and Subsidiaries treat all employees equally; do not discriminate due to the similarity or difference of birth origin, gender, age, skin color, race, nationality, religion, belief, political view, disability, family background, or any other status unrelated to business operation. Thaioil and Subsidiaries also respect individual rights and freedom, and protect personal data.

2. Thairoil and Subsidiaries must actively ensure that the business operation does not involve with the violation of human rights, and that it participates and adopts guidelines helpful to world society, including United Nations' human rights principles.

3. Thairoil and Subsidiaries must educate the employees on human rights' principles in order to apply with their operation, and must not support business and/ or activities violating international human rights."

With the aforementioned policies and practices, the essential composition of products and services are the commitment to respecting human rights and human rights in the workplace of Thairoil and Subsidiaries. Thairoil and Subsidiaries' system is aimed to ensure that every staff is treated with respect and dignity, on the basis of human rights, human rights in the workplace policy and code of conduct of Thairoil and Subsidiaries' stakeholders.

## **2. Commitment**

1. Thairoil and Subsidiaries conduct the business in a manner that respects the rights and dignity of all employees, customers, and stakeholders, complying with all legal requirements.

2. Thairoil and Subsidiaries respect internationally-recognized human rights, as set out in the International Bill of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

3. Thairoil and Subsidiaries recognize the responsibility to respect human rights and avoid complicity in human rights abuses, as stated in the United Nations Guiding Principles on Business and Human Rights.

4. Thairoil and Subsidiaries treat everyone who works for Thairoil and Subsidiaries fairly and without discrimination. Employees, agencies and distributors are entitled to work in an environment and under conditions that respect their rights and dignity.

5. Thairoil and Subsidiaries respect freedom of participation. Should employees wish to be represented by trade unions or labor councils, Thairoil and Subsidiaries shall cooperate in good faith with the bodies that the employees collectively choose to represent them within the appropriate national legal frameworks.

6. Thairoil and Subsidiaries respect the rights of people in communities impacted by the Company's business activities. The Company will seek to identify adverse human rights impacts and take appropriate steps to avoid, minimize and/or mitigate them.

7. Thairoil and Subsidiaries shall seek to enter into contracts with products and services distributors in order to encourage them to adhere to the same principles contained in this policy statement.

## **Business Partners Code of Conducts**

### **Business and Human Rights Policy**

#### **1. Purpose**

Thaioil and Subsidiaries' Business Partners Code of Conducts ("the Code") defines the non-negotiable minimum standards that the Company asks the business partners to respect and adhere to when conducting business with Thaioil and Subsidiaries. This policy helps continue the compliance with international standards such as the UN Guiding Principles on Business and Human Rights, the Core Conventions of the International Labour Organisation (ILO), the 10 Principles of the United Nations Global Compact, and further the Company's operations.

#### **2. Scope**

The standards of the Code set forth expectations for the business partners with whom Thaioil and Subsidiaries do business, including all employees (inclusive of permanent, temporary, contract agency and migrant workers) regardless of products or services types. Therefore, a business partner is not only limited to distributors, brokers, advisers, contractors, wholesaler and dealer of the products and services. This code of conduct is imposed internationally. Thaioil and Subsidiaries expect business partners who are not under the Company's financial control, to have the same level of expectation on business partners as that of Thaioil and Subsidiaries. It is the business partners' responsibility to disseminate and educate employees, agents and products and services distributors to acknowledge this policy, and to try verifying their compliance with the Code.

#### **3. Compliance**

Thaioil and Subsidiaries expect the business partners to adhere to all applicable laws and regulations and in particular for the pillars detailed herein, and strive to comply with international and industry standards and best practices. In addition, Thaioil and Subsidiaries reserve the right to verify compliance with the Code through internal or external assessment mechanisms and require the improvement of verification process.

#### **4. Application**

Acknowledgement and acceptance of the Code is a pre-requisite in every Thaioil and Subsidiaries' contract for supply. Through such acknowledgement and acceptance of the purchase order, making reference to the Code, the business partners' conducts are under the requirements indicated in this Code.

This Code or the demonstration of its compliance, does not entitle business partners any beneficiary rights. The standards of this Code are additional, and not in lieu of requirement of legal agreement or contract between business partners and Thairoil and Subsidiaries.

## **5. Compliance with Human Rights**

Thairoil and Subsidiaries fully supports the United Nations Framework and Guiding Principles on Business and Human Rights and expects business partners to respect human rights as well as labor rights throughout business activities. The minimum practices required are as follows:

### **5.1. Freedom of Association and Collective Bargaining**

The business partners should grant the employees the rights for Freedom of Association and Collective Bargaining in accordance with all applicable laws and regulations.

### **5.2. Forced Labor**

Given any circumstances, the business partners must, avoid taking benefits in any other way from forced labor, which is in line with International Labor Organization (ILO) Convention No. 29 on Forced Labor and ILO Convention No. 105 on Abolition of Forced Labor. Forced labor refers to any form of indentured servitude such as the use of physical punishment, confinement, and threats of violence, as a method of discipline or control. This includes retaining employees' identification, passports, work permits or deposits as a condition of employment. Where the business partners are using migrant or prison laborers under a legal framework, Thairoil must be informed to review related document retained by the business partners.

### **5.3. Employment Practices**

The business partners shall employ only workers who are legally permitted to work in their facilities and are responsible for validating employees' eligibility to work through appropriate documentation. All work shall be voluntary, and workers shall be free to leave work or terminate their employment upon reasonable notice. The employment for any possible work must be on the basis of recognized employment relationship established under national law and practice. Obligations to employees under labor laws or social security regulations arising from the regular employment relationship shall not be avoided through the use of labor-only contracting, subcontracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment. The business partners shall not avoid the labor-law obligations through the excessive use of fixed-term contracts of employment either. In the case of

employment through the third-party labor agencies, the business partners shall comply with ILO Convention no. 181 on Private Employment Agencies.

#### **5.4. Minimum Age for Employment**

The use of child labor by the business partners is strictly prohibited, unless allowed by the ILO or national law. If the business partners employ young workers, they must demonstrate that the employment of young people does not expose them to undue physical risks that can harm physical, mental or emotional development.

#### **5.5. Fair and Equal Treatment**

The business partners must treat employees with dignity, respect and integrity. The detailed treatments are as follows:

- In hiring and employment as well as in line with applicable laws, the business partners shall not discriminate against race, skin color, religion, gender, age, physical ability, birth origin, sexual orientation, political affiliation, union membership, medical tests, or marital status
- Any form of psychological physical sexual or verbal abuse, intimidation, threat or harassment must not be tolerated.
- The business partners shall respect the employees' privacy rights of their employees when gathering private information or supervising employees.
- When the business partners retain direct or contracted workers to provide security to safeguard their employees and property, the business partners shall ensure that such security officers applies the same standards on fair and equal treatment.

#### **5.6. Working Hours and Days Off**

The business partners must ensure that their employees work in compliance with all applicable laws and mandatory industry standards pertaining to regular working hours, and overtime hours, including for breaks, rest periods, holidays, and leaves etc.

#### **5.7. Wages and benefits**

The business partners' employees must be provided with wages and benefits that, at a minimum, comply with labor laws or standards, as well as binding collective agreements, including those pertaining to overtime work and other premium pay arrangements.

The business partners must not apply disciplinary or any other forms of deductions from pay neither apply any forms of discrimination in employment and remuneration considered against the laws.

### **5.8. Safety and Health**

Thaioil and Subsidiaries expect the business partners' operating and management systems, as well as employees, to work under the injury-proof and illness-proof condition.

### **5.9. Workplace Environment**

The business partners shall provide their employees with the workplace that matches the standards required by laws, a safe and healthy working environment. As a minimum, the business partners shall provide potable drinking water, adequate lighting, proper temperature, ventilation, sanitation, and personal protective equipment must be provided together with equipped work stations. In addition, facilities must be constructed and maintained in accordance with the standards set by applicable laws and regulations.

### **5.10. Housing Conditions & Respect of Privacy**

When provided by the business partners, dormitory facilities shall be constructed and maintained in accordance with all applicable laws and regulations.

All dormitory buildings shall be clean and safe, and workers shall be able to enter and leave the dormitory buildings freely at any hour. There shall be clean toilet facilities, access to potable water, and sanitary food preparation and storage facilities. All dormitory facilities shall also provide workers with reasonable personal space, adequate heat and ventilation and clean shower and bathrooms.

### **5.11. Emergency preparedness**

The business partners shall be prepared for emergency situations. This includes notification to their workers and evacuation procedures, emergency training and drills, appropriate first-aid supplies, appropriate fire detection and suppression equipment, and adequate exit facilities. The business partners shall regularly train their workers on emergency planning, and timely response as well as regular medical care.

### **5.12. Product Quality and Safety**

All products and services delivered by the business partners must meet the quality and safety standards required by applicable laws. When conducting business with or on behalf of Thaioil and Subsidiaries, the business partners must comply with the Thaioil and Subsidiaries' quality requirements.

### **5.13. Environmental Sustainability**

Thaioil and Subsidiaries require the business partners to comply with all applicable environmental laws and regulations, and demonstrate continual improvement of their environmental performance.

### **5.14. Environmental License and Reporting**

The business partners shall make sure that they obtain, monitor, and follow the reporting guidelines of all the required environmental permits and registrations, in order to keep them at any time legally compliance.

### **5.15. Environmental Management System**

The business partners shall document and implement a relevant environmental management system (based on international standards such as ISO 14001:2004), designed to identify, control and mitigate significant environmental impacts.

### **5.16. Hazardous Materials and Product Safety**

The business partners shall identify hazardous materials, chemicals and substances, and ensure their safe handling, movement, storage, recycling, reuse and disposal. All the applicable laws and regulations related to hazardous materials, chemicals and substances shall be strictly followed. Business partners shall comply with laws, regulations and terms on hazardous material and product safety. Business partners shall ensure that related employees are aware of and properly trained on product safety practices.

### **5.17. Resource Consumption, Pollution Prevention and Waste Minimization**

The business partners shall optimize their consumption of natural resources, including energy and water. Business partners shall implement and demonstrate sound measures to prevent pollution and minimize generation of solid waste, wastewater and air emissions. Prior to discharge or disposal, the business partners shall characterize and treat wastewater and solid waste appropriately and according to applicable laws and regulations.

## **6. Compliance with Mutual Respect Policy**

Thaioil and Subsidiaries are committed to respecting human rights, which includes ensuring that all employees and others connected with the Company's business are treated with dignity and respect. Business

partners and all parties with whom Thairoil and Subsidiaries contact and do business are also expected to uphold the same manner valuing as follows:

- Value of diversity and association;
- Creation of an environment free from discrimination and harassment;
- Report of potential discrimination, harassment or any other forms of disrespectful or excessive behavior; and,
- Assurance of no reprisal or retaliation of any kind as a result of reporting and participation in any investigation.

### **7. Anti-Corruption Policy**

“Thairoil and Subsidiaries are committed to conducting business with fairness, integrity, transparency, responsibility to society and all stakeholders, in compliance with the corporate governance principles and code of conduct including international standards, and to supporting sustainable growth of Thairoil and Subsidiaries. Thairoil and Subsidiaries are aware that corruption is a major obstacle to objective achievement and is also a problem to national economic and social development. Therefore, in 2010, Thairoil and Subsidiaries signed the commitment to joining the “Private Sector Collective Action Coalition against Corruption (CAC)”.

Reference from Anti-Corruption Policy, The business partners must never, directly or through intermediaries, offer or promise any personal or improper advantage in order to obtain or retain a business or other advantages from the third party, whether public or private. The business partners shall not bribe or be bribed, arrange or accept kickbacks and shall not violate, or cause the business partners to violate, any applicable anti-bribery laws and regulations.

### **8. Complaint mechanisms**

The business partners shall have systems in place enabling anonymous complaints, reporting and management. A designated officer shall continuously monitor the complaint mechanism, keep records on the filed issues, and take appropriate actions on a confidential manner.

### **9. Records**

The business partners shall prepare transparent and up-to-date books and records relating to government authorities, to demonstrate compliance with applicable laws and industry regulations.



## **10. Intellectual property**

The business partners shall take appropriate steps to safeguard and store confidential information and intellectual property of Thairoil and Subsidiaries, and use such information only for the purposes authorized in the contractual agreement. In case of sub-contracting, sharing of confidential information should be done only with the written consent of Thairoil and Subsidiaries.

## **11. Conflicts of Interest**

“Thairoil and Subsidiaries’ top priority is to protect the Company’s interests. It avoids involvement in activities potentially causing conflicts of interest in the forms of partnership, job titles, monetary involvement, or relationship with a third party. All employees and workers must follow Thairoil and Subsidiaries’ regulations and reports on conflicts of interest annually and/ or every time an incident happens”.

The business partners are expected to report to Thairoil and Subsidiaries any situation that may appear as a conflict of interest, and disclose to the Company if any Thairoil and Subsidiaries’ employee or professional practitioner under contract with Thairoil and Subsidiaries, may have an interest of any kind in the business partners’ business or any kind of economic ties with the business partners.

## **12. Violations Reporting**

The business partners shall report any suspected violations of regulations, laws and the Code. Violations should be reported to the Thairoil and Subsidiaries’ contact person, or can be reported confidentially using one of the following available channels:

Web URL: <https://www.thairoilgroup.com/home/>

Tell us hotline: +66(0) 3840 8500 or +66(0) 3835 9000 extension to 21600 – 21607

(or to: Industrial and Employee Relations Section)

Fax: +66(0) 3835 1554 or +66(0) 3835 1444 or +66(0) 3835 9019

(To: Industrial and Employee Relations Section)

**13. Acknowledgement**

Thaioil and Subsidiaries shall insert the below content into the document or legal contract between Thaioil and Subsidiaries and the business partners;

- We, the undersigned hereby confirm that
- We have received and acknowledged the contents of the Business Partners Code of Conducts for Thaioil and Subsidiaries’ Business and Human Rights Policy....., published by Thaioil and Subsidiaries,

- We are aware of all relevant laws and regulations of the countries in which our company operates,
- We shall report to Thaioil and Subsidiaries any case of violations of the Business Partners Code of Conducts for Thaioil and Subsidiaries Business and Human Rights Policy.

- We shall comply with the requirements of Business Partners Code of Conducts for Thaioil and Subsidiaries’ Business and Human Rights Policy edition dated..... based on a development oriented approach and without amendment or abrogation.

- We shall inform all of our employees/ subcontractors of the content of the Business Partners Code of Conducts for Thaioil and Subsidiaries’ Business and Human Rights Policy, and that we shall ensure that they also comply with the provisions incorporated therein.

- We hereby authorize Thaioil and Subsidiaries or any organizations acting on behalf of Thaioil and Subsidiaries to carry

out audits with or without notice at our premises and the business premises of our subcontractors at any time to verify compliance with the Business Partners Code of Conducts for Thaioil and Subsidiaries’ Business and Human Rights Policy edition dated.....

Name of Company \_\_\_\_\_

Signature \_\_\_\_\_ Company Stamp/Seal \_\_\_\_\_

Name and Title \_\_\_\_\_

Company’s Business Registration/Statutory ID/Code/Number \_\_\_\_\_

Date & Place \_\_\_\_\_

This document must be signed by an authorized representative of the business partners and returned to the relevant department of Thaioil and Subsidiaries.



#### **14. Policy Communication and Training**

Thaioil and Subsidiaries are committed to communicating this policy and intent of this policy to all employees, business partners and all parties concerns through:

- Employee Orientation
- Communication and training of Human Resources Department including bulletin board, email, career path and development, etc.
- Communication by management
- Communication and training via information system i.e. websites, intranet, E-mail
- Seminars or meetings with business partners



(Mr. Wirat Uanarumit)

Chief Executive Officer and President

14<sup>th</sup> June 2021