

# HUMAN RIGHTS & LABOUR PRACTICES

## Target and Performance

**Long term target by 2030:** 100% of business groups conduct annual human rights impact assessments for high-risk organizational activities and direct suppliers.



**2024 Performance:** Achieved the 2030 target, 100% completing the annual human rights impact assessment for the organization and its suppliers.



- 100%** own operation and value chain was reviewed the human rights impact assessment
- 100%** Salient issued are identified and corrected
- 100%** employee and critical vendor (both tier 1 and non tier 1) are trained the human rights & labour practice policy
- 100%** of tier 1 suppliers are committed to follow the human rights & labour practice policy
- 100%** high risk supplier and vendor are onsite audited and **100%** closed the corrective action

## Human Rights and Labour Practices Policy

The human rights and labour practices policy inclusive human rights principles and guideline as

Respect for Human Rights	Labor Practices
<ul style="list-style-type: none"><li>• Civil and Political Rights</li><li>• Economic, Social, and Cultural Rights</li><li>• Gender Rights</li><li>• Community Rights</li><li>• Human Rights in the Supply Chain</li><li>• Rights to Land and Natural Resources</li><li>• Personal Data Privacy Rights</li></ul>	<ul style="list-style-type: none"><li>• Forced Labour</li><li>• Child and Youth Labour, Female and Pregnant, Elderly, Disabled and Migrant Workers</li><li>• Non-discrimination in Respect of Employment and Occupation</li><li>• Harassment in any case and sexual harassment</li><li>• Rights to Collective and Bargaining</li><li>• Rights to a Decent Working Environment,</li><li>• Access to Clean Water, and Sanitation and Clean Air</li><li>• Whistleblowing</li></ul>

See more **\*\*\*[Human Rights and Labor Practices Policy](#)\*\*\***

## Human Rights Due Diligence Process

<b>Policy Commitment</b>	<ul style="list-style-type: none"> <li>• Periodically review and update policy to comply with regulation and requirement.</li> <li>• Announce the Human Rights Due Diligence working team which is responsible for reviewing policies to ensure alignment with international standards, as well as driving tangible outcomes in human rights, labour practices, and occupational health and safety—both within the organization and throughout the supply chain. Performance results are presented quarterly to the Sustainability Development Committee.</li> </ul>
<b>Embedding</b>	<ul style="list-style-type: none"> <li>• Conduct training to all employees and added in the new employee orientation programs.</li> <li>• Enforce policies and guidelines by integrating to employee remuneration and performance evaluation criteria.</li> </ul>
<b>Assessing Human Right Risk Impact</b>	<ul style="list-style-type: none"> <li>• Assess all our own operations at least every 2 years or whenever new business unit merging, acquisition, or JV or new facility opening or any change in process that has potential impact to human rights.</li> <li>• Assess all tier 1 suppliers and vendors at least every 3 years.</li> <li>• Assess all new suppliers and vendors.</li> </ul>
<b>Integrating to Risk Map</b>	<ul style="list-style-type: none"> <li>• All salient issues reviewed and integrated into Enterprise risk management process (ERM).</li> <li>• Define the root cause and proper action.</li> </ul>
<b>Tracking Performance</b>	<ul style="list-style-type: none"> <li>• Monitor performance on a quarterly basis in SD steering committee and Risk steering committee.</li> <li>• Follow-up action and performance of high-risk suppliers in every quarter.</li> </ul>
<b>Validation by third party</b>	<ul style="list-style-type: none"> <li>• External audit (see assurance report).</li> </ul>
<b>Stakeholder Engagement</b>	<ul style="list-style-type: none"> <li>• Engage during human rights impact assessment and onsite audit.</li> <li>• Supplier development program.</li> <li>• Disclosure performance in The Company's Annual Report.</li> </ul>
<b>Remediation and Grievance Mechanism</b>	<ul style="list-style-type: none"> <li>• Develop a rights-based approach for complaints channels.</li> <li>• Determine the remediation for salient issues.</li> </ul>

## Human Rights Due Diligence Action, Status, and Progress



Conduct human rights risk assessment including new business or operation i.e retail business unit and migrant worker at store



Salient issues have been Identified and closed all corrective action



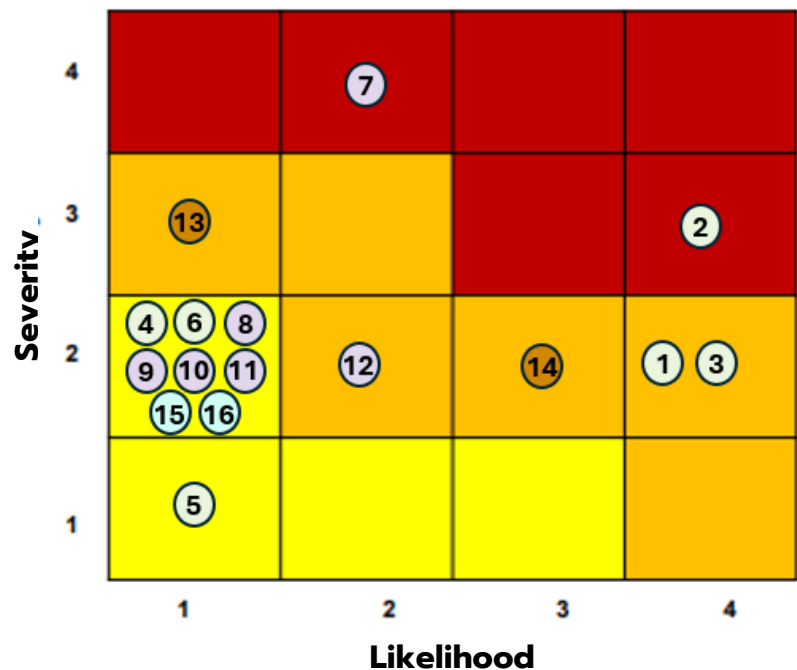
Store managers are trained basic human rights in workplace



Supplier and vendor are trained the human rights and labour practice policy

# Human Rights Impact Assessment

In 2024, The Human Rights Due Diligence committee conducted the Human Rights Risk Assessment (HRRRA) to review the potential risk that related to our operation including new business and operation which is retail business unit, migrant worker in store operation and potential impact to rights of indigenous people. The 16 concerned issues are identified, 7 Silent Human Rights Issues. These salient issues are reviewed the root cause and periodically follows up on the correction and remedial action for every significate salient issue.



# Human Rights Issues	
Employee Practices	
1	Working Condition
2	Occupational Health and Safety
3	Discrimination and Harassment Including Equal Remuneration
4	Illegal Forms of Labours
5	Freedom of Association and Right to Collective Bargaining
Supplier and Contractor Practices	
6	Working Condition
7	Occupational Health and Safety
8	Discrimination and Harassment
9	Illegal Forms of Labours
10	Unfair Vendor Treatment in Procurement Process

Community Practices	
11	Health and Safety
12	Standard of Living
Customer Practices	
13	Health and Safety of Customers (Food Safety & Well-being)
14	Discrimination and Harassment
15	Data Privacy Cybersecurity
All Right Holder	
16	Security Management/ Security Forces

## 2024 Significant Human Rights Salient Issue and Mitigation

Salient Issue	Potential Impacted Group	Risk Level	Mitigation Action and Result
Health & Safety	Supplier Vendor Community	High	<ul style="list-style-type: none"> <li>Implement the Life Saving Policy to all employee</li> <li><b>100%</b> train the Defensive driving training to all transportation contractor</li> <li><b>100%</b> onsite human rights and safety audit to all high-risk vendors and closed the corrective action request.</li> </ul>
Discrimination and Harassment	Migrant worker Supplier Vendor	Medium	<ul style="list-style-type: none"> <li>Update non discrimination policy to cover the migrant worker and other form of contracted worker.</li> <li><b>100%</b> migrant worker received training and development opportunity equality to local employee.</li> <li><b>100%</b> vendor has trained non-discrimination, diversity and inclusion during annual vendor engagement meeting.</li> <li><b>100%</b> employee manual and related form, document or sign board are updated to cover all migrant worker</li> </ul>
Equal Remuneration and Standard of Living	Migrant worker Female employee Indigenous worker	Medium	<ul style="list-style-type: none"> <li><b>100%</b> review that migrant workers are paid and welfare equality.</li> <li>Completed third-party audit for gender equity payment.</li> <li><b>100%</b> living wage review for staff</li> </ul>
Working Condition	Employee	Medium	<ul style="list-style-type: none"> <li>Additional benefit to support employee's family i.e parental leave with payment, doctor and nurse at facility, exercise and mental consultation.</li> </ul>
Forced Labour, Child Labour and Illegal Form of Labour	Employee Supplier and Vendor	Medium	<ul style="list-style-type: none"> <li>No forced labour, child labour, and any illegal from of labour, applicable to the company, suppliers, and vendors.</li> <li>Conduct assessments and on-site audit to ensure that labour practices, including those involving migrant workers, are fully compliant with legal requirements.</li> </ul>
Food Safety & Well Being (New)	Customer	Medium	<ul style="list-style-type: none"> <li>Reinforced the product quality assurance program</li> <li>Enhance the selling of Health promoting product to customer which the result has increased <b>3%</b> compared to last year.</li> </ul>
Sexual Harassment	Employee Female employee Indigenous worker	Medium	<ul style="list-style-type: none"> <li><b>100%</b> of breach case are investigated, corrected and <b>100%</b> completed the remediation within 2 weeks.</li> <li><b>100%</b> employee are trained and acknowledged sign for the Zero tolerance sexual harassment and harassment and the punishment in employee CoC document.</li> <li><b>100%</b> employee include migrant worker are refreshment training every year.</li> <li><b>100%</b> employee including migrant worker are trained the whistle blowing and complaint channels</li> </ul>

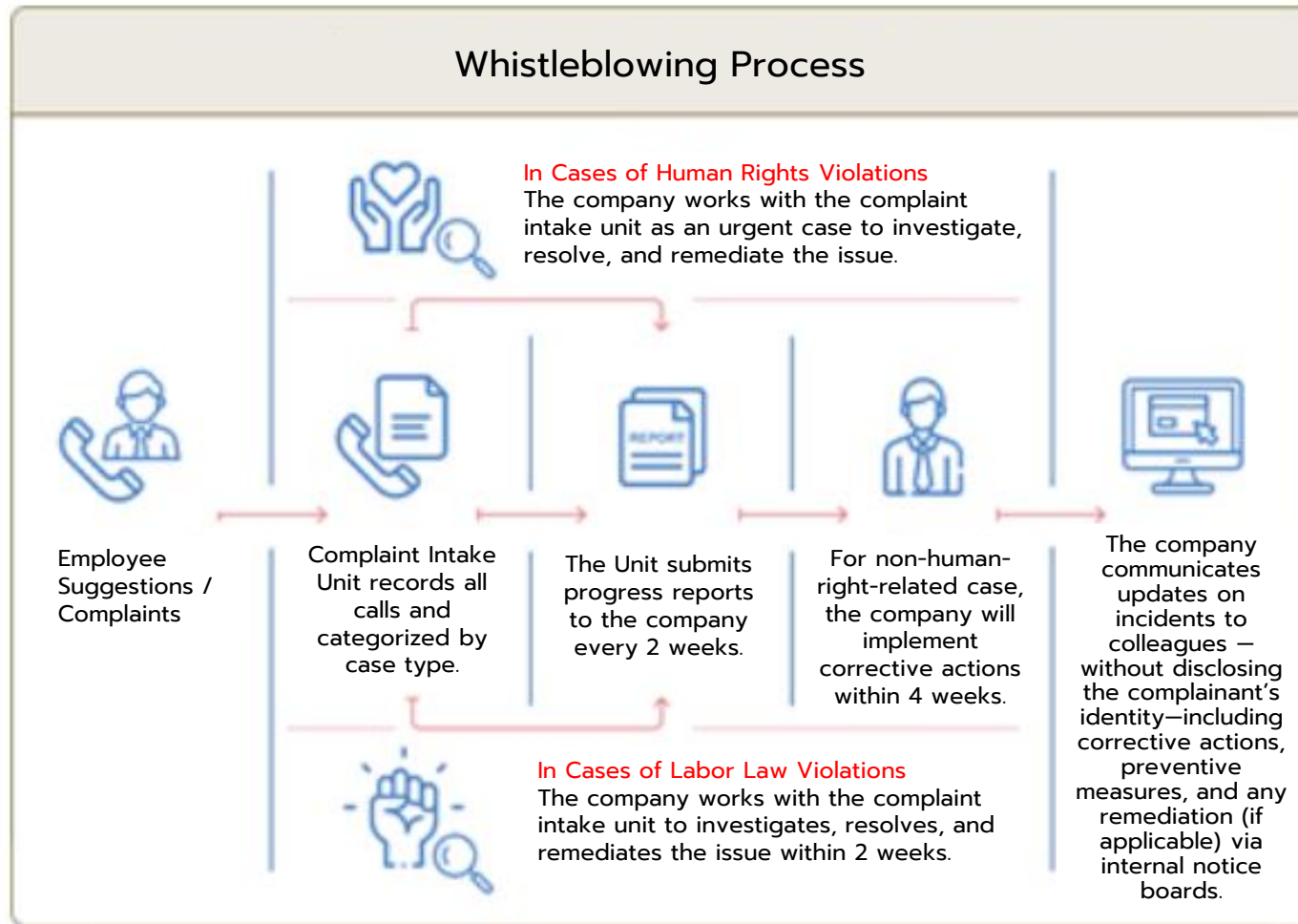
## Breach case of Human Rights & Labour Practice Monitoring & Action

The Company monitor and disclose the human rights and labour practice performance that cover all own operation, contractors & vendors, and suppliers including the action as

Human Rights and Labour Practices Issue	Issued	Makro	Lotus's (Thailand)	Lotus's (Malaysia)	CP Aextra	Confirmed	Under Investigation	Disciplinary action (if any)					
								Verbal Warning	Written Warning	Training	Suspension / Transfer	Legal Action	Dismissal / Resigned
Discrimination	Case	13	73	0	86	42	9	10	9	18	1	1	3
Child and Youth Labour	Case	-	-	-	-	-	-	-	-	-	-	-	-
Forced Labour	Case	7	61	-	68	41	5	8	19	9	-	-	5
Sexual Harassment	Case	1	2		3	2	-	1	-	-	-	-	1
Harassment	Case	28	94	21	143	82	10	27	19	31	-	-	5
Indigenous's rights	Case	-	-	-	-	-	-	-	-	-	-	-	-
Freedom of association rights	Case	-	-	-	-	-	-	-	-	-	-	-	-
Fine & Penalty	Baht	-	0	-	0								
Closed Action of Substantiated Cases	%	100	100	-	100								

In 2024, 167 cases are confirmed and every case has the action and penalty as guided in human rights and labour practice policy, company's rule and regulation.

## Complaint Management and Remediation Process



### Example of Remediation

- Overtime compensation
  - Retroactive salary adjustment and bonus payment
- total remediation amount of 41,364 Baht



## Human Rights Policy and Non Discrimination Online Training

Human Rights and Labour Practices Policy and Guidelines has been conducted training to all employee and manager to emphasizing respect for human rights, labour practices, diversity, and inclusion behaviour including zero tolerance policy for any form of harassment and sexual harassment. In 2024, The Company has also expanded these trainings to the Company's supply chain.



### 2024 Performance

**100%** of new employee, employee, supplier, and vendor are trained the human rights & labour practice policy, prevention of discrimination, harassment and sexual harassment.

**100%** of supplier have been advised to apply human rights & labour practices

## Diversity & Inclusion, Non-discrimination and Gender Equality

*"At CP Aextra, we respect the individuality of every employee and embrace inclusive hiring practices, grounded in equality and gender diversity. We believe that diversity unlocks limitless potential—empowering both our people and our organization to thrive."*

The company respects diversity and inclusion where employees, worker, supplier and vendor are treated with fairness, without any discrimination from the race, nationality, skin colour, ethnicity, religion, social status, gender, age, physical features or disability, political belief and marital status. Proven by winning the 2022 Thailand WEP Award: Gender Inclusive workplace and 2<sup>nd</sup> runner-up Asia Pacific Region from UN Women.

	% of women	% of women (target)
total workforce	57%	51%
management position (first level, middle and top)	60%	51%
top management	51%	51%
middle management	56%	51%
first management	62%	51%
revenue generating function*	57%	51%
STEM** related position	67%	51%

Note: \* (e.g. sales) as % of all such managers (i.e. excluding support functions such as HR, IT, Legal, etc.)

\*\*STEM : STEM : Science, Technology, Engineering and Mathematics

## Gender Pay Indicators

The Company also conducts equal payment analysis to ensure that both men and women are paid equally fair, including the annual reviewing for compensation and benefits at competitive rates with benchmarking in the same industry and leading company. The data are also verified by Third party.

Level	Payment Ratio by gender (Female : Male)
Executive Level (Based Salary Only)	0.77 : 1.00
Executive Level (Based Salary + Other Cash Incentives)	0.69 : 1.00
Management Level (Based Salary Only)	0.90 : 1.00
Management Level (Based Salary + Other Cash Incentives)	0.89 : 1.00
Non Management Level (Based Salary Only)	1.02 : 1.00

Indicators (100% employee coverage)	% Difference between Male and Female employees
<b>Mean gender pay gap</b> = [Male's mean payment - Female's mean payment] / Male's mean payment	1.3%
<b>Median gender pay gap</b> = [Male's median payment - Female's mean payment] / Male's mean payment	-2.9%
<b>Mean bonus gap</b> = [Male's mean bonus - Female's mean bonus] / Male's mean bonus	-1.3%
<b>Median bonus gap</b> = [Male's mean bonus - Female's mean bonus] / Male's median bonus	-3.3%

*Coverage : cover all permanent employees at every levels*

## Facility and Supporting for Diversity and Inclusion



**Parking and toilet for wheelchair users**

**100%** of store and head office have the parking lot, sloping and toilet for wheelchair and older person



**Lactation Rooms**

**100%** of store and head office have the Lactation rooms



**Prayer rooms for Religions**

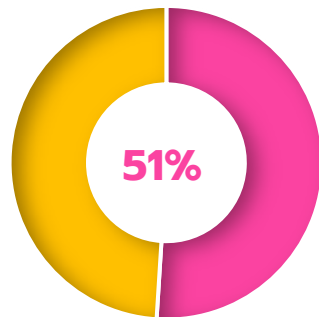
**100%** head office provides space and time for religious ceremonies

## Support Women Own Business in Supply Chain and Develop Women in the Community

According to the successful integrating the principles of human rights, equality, and non-discrimination to daily operation and year 2022, the company achieved the first prize for 2022 UN Women's Award (Gender-Inclusive Workplace category).

In 2023, expanding the partnership scope with UN Women, SEC and partners. To integrate the human rights principles to procurement and supplier selection process with fairness and non-discrimination. The data of supplier owner shows female is 51% according to the Women's Empowerment Principles (WEPs), for promote gender equality in business. The Company support fair practices towards women and aim to enhance gender equality throughout the supply chain.

### Female Business Owner in Our Supply Chain



## Support and Develop Women in Community

The Company holds projects which supports and develop women in community such as Koo-Kid Kon Mee Fun (Dreamers' Partner)



[ชีวิตที่ต้องสู้ กับคำนิทาน | อัจฉิ E.JAN](#)

*\*\*For English subtitle, you can switch on Closed captioning (CC) auto-translate to English on YouTube*



[หนึ่งชีวิต "แม่อ้อย" | อัจฉิ E.JAN](#)

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## HR Asia Best Companies to Work for in Asia 2024 Award

The company is committed to conducting business with alignment to human rights and fair labour practices. We promote equal and fair treatment of fundamental rights, aiming to foster a workplace where every employee enjoys a meaningful and empowering experience. By continuously enhancing employee skills and capabilities, we create growth opportunities that align individual development with organizational success—driving sustainable progress toward our shared goals.



## The UN Women 2024 Asia-Pacific and Thailand WEPs Awards

In 2024, the company was honoured with the Winner Award in the Transparency and Reporting category of the WEPs Awards 2024 by UN Women. This prestigious recognition is awarded to organizations that demonstrate the commitment to tracking performance and progress towards greater gender inclusivity in our business practices with clear targets, regular assessment and reporting of how far we have gone. It also recognizes our corporate initiatives on gender inclusivity known to the public.

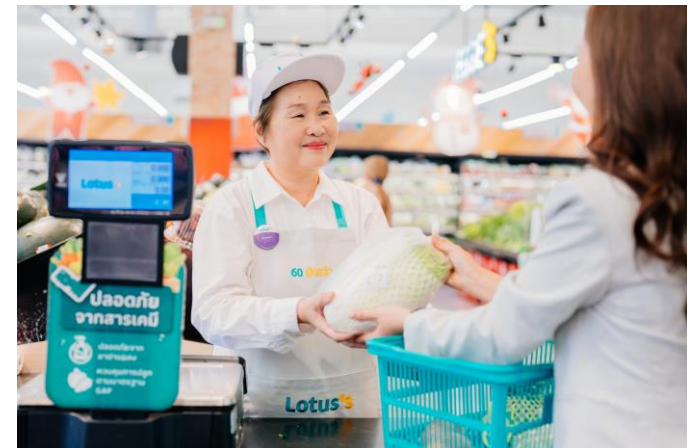


## Model Organization for Promoting Employment and Income Generation for Elderly Award 2024

CP Aextra supports employment and livelihood opportunities for senior citizens through the “Super 60” project, encompassing three key programs:

1. Senior Employment Program: Hiring elderly citizens to take on roles at Makro and Lotus’s stores.
2. Senior Entrepreneur “Tao Kae Wai Gao”: Vocational training and income-generation support for seniors seeking freelance work or operating their own businesses.
3. Happy Elderly Market “Talad Suk Jai Wai Gao”: Providing free booth space at Makro and Lotus’s for elderly vendors to sell their products without incurring any fees.

This project reflects the our unwavering commitment to creating inclusive economic value and delivering positive social impact. In recognition of these efforts, the Company was named a Model Organization for Promoting Employment and Income Generation for the Elderly Award in 2024, awarded by the Director-General of the Department of Older Persons, Ministry of Social Development and Human Security.





## Safety and occupational health at work

The Company prioritizes workplace safety and health through its comprehensive Safety, Occupational Health, and Workplace Policy and Guidelines. To implement this policy effectively, we have appointed the Occupational Safety and Health Committee (OSH Committee) and Safety Officers at both supervisory and management levels. These measures prevent workplace fatalities, accidents, and occupational illnesses. The Company has developed employee safety manuals to support these initiatives, actively participates in safety campaigns with relevant government agencies, and continuously improves our safety protocols.

We have set an ambitious target of achieving zero lost time accidents by 2030, focusing mainly on supervisory and operational staff at our retail stores and distribution centres. Additionally, we have stationed professional safety officers at our stores.

See more [\*\\*\\*\\*Safety, Occupational Health, and Workplace Policy and Guidelines\\*\\*\\*\*](#)

## SHE Governance

Safety, Health and Environment Structure	Persons
SHE committee	1,119
Safety officer - Management level	2,295
Safety officer - Supervisory level	2,908
Safety officer - Professional level	135

The Company follows ISO 45001, with the 15 procedures for preventing work-related injury and occupational illness as well as proactively managing SHE's performance and continuous improvement. In 2023, The Life Saving Rules are announced and implemented the whole organisation with most strictly degree of protection. Including new two performance indicators which are vehicle accident frequency rate and near miss report.

**100%** of working area are audited the compliance of Life Saving Rules

**100%** of employees and contractors are trained and linked to performance evaluation and remuneration.

See More **\*\*\*[Life Saving Rules](#)\*\*\***

## 2024 Target and Accident Statistics

Target : Zero lost-time injuries							
Employee				Vendors			
Lost Time Injury Frequency Rate (LTIFR)				Lost Time Injury Frequency Rate (LTIFR)			
CP AXTRA	Makro-TH	Lotus's-TH	Lotus's-MY	CP AXTRA	Makro-TH	Lotus's-TH	Lotus's-MY
1.47	3.2	0.35	5.21	1.19	1.54	0.31	0.86
Fatality Rate				Fatality Rate			
CP AXTRA	Makro-TH	Lotus's-TH	Lotus's-MY	CP AXTRA	Makro-TH	Lotus's-TH	Lotus's-MY
0.005 (1 person)	0.00	0.01 (1 person)	0.00	0.01 (1 person)	0.01 (1 person)	0.00	0.00

*Remark: Accident rate per 1,000,000 working hours*

## Occupational Health and Safety Management System

The company, follows the guideline of ISO 45000 (Occupational Health and Safety Management System). The procedures are established and implemented to ensure the significant risks are effectively managed and continuously improved as the detail of activities as;

Process	Procedure	2024 Results
<b>Identify and evaluate risk</b>	The safety risk assessment is integrated into the corporate risk assessment system, In 2023, the Life Saving Rule compliance audit and gap are identified as risk. The road accident and injury is the most significant and is risen to the risk committee and integrated to ERM's risk map. To leverage the preventive prevention plan.	<ul style="list-style-type: none"><li>• Announced Life Saving Rules and onsite SHE audit.</li><li>• <b>100%</b> of sites and key activities are reviewed cover all area, change, new business unit, normal operation, abnormal operation, and crisis.</li><li>• All drivers are enforced to attended Defensive Driving training</li></ul>
<b>Prioritize</b>	Risk assessments are considered by severity x opportunity and categorize to as Critical, Important, Moderate and Low level. (The significant risk starts from moderate and up). All significant risk must be corrected and followed up within the quarterly risk committee meeting.	<ul style="list-style-type: none"><li>• <b>78</b> risks are identified, assessed, and prioritized. All risks from moderate level and above are corrected and followed up within the quarterly risk committee meeting.</li></ul>
<b>Improvement plan</b>	Significant risk are corrected and also reviewed gap of compliance with laws and regulations for the annual SHE action plan. Since 2023, the safety action and performance are reviewed as criteria for remuneration and annual performance evaluation of employee and supplier.	<ul style="list-style-type: none"><li>• Annual SHE Action Plan and progress each dimension</li><li>• <b>100%</b> initiate PPE Application.</li><li>• <b>100%</b> safety training.</li><li>• <b>100%</b> Defensive Driving training.</li><li>• Use AI technology with camera to detect any unsafe activity</li></ul>
<b>Emergency response and preparedness</b>	The annual emergency exercise, fire drill, and evacuation drill as a legal requirement. Also practice the Business Continuity Management plan for response plan of other crises such as floods, pandemic crises, etc.	<ul style="list-style-type: none"><li>• <b>100%</b> action for ER drill.</li><li>• <b>100%</b> for business continuity plan / crisis plan.</li></ul>

Process	Procedure	2024 Results
<b>Monitoring &amp; Evaluation</b>	Plan, Target, performance, suggestion, and improvement are monitored within the SHE committee and Risk steering committee as a quarterly basis.	<ul style="list-style-type: none"> <li>• <b>100%</b> update performance to the SHE committee and Risk steering committee meeting.</li> </ul>
<b>Inspection &amp; Internal audit</b>	Store manager accountable for SHE Daily Inspection at stores and distribution centers to ensure the safety procedure is implied during the working task of employees and contractors including customer safety are inspected.	<ul style="list-style-type: none"> <li>• <b>100%</b> Monthly SHE compliance audit.</li> <li>• <b>100%</b> Daily safety inspections.</li> <li>• <b>100%</b> Unsafe activity prevention by CCTV.</li> </ul>
<b>Incident Reporting &amp; Investigation</b>	The incident witness must notify their supervisor and manager, then the store manager will immediately report to top management. After the initial response and recovery back to a safe condition, the incident's root cause must be investigated within 24 hours and must be reported including corrective preventive action.	<ul style="list-style-type: none"> <li>• <b>100%</b> case or incident are investigated for the cause.</li> <li>• <b>100%</b> corrective preventive action.</li> </ul>
<b>SHE Training and Motivation Program</b>	Continuously training and motivate safety culture to raise the safety awareness to worker through the general safety indoctrination, or job specific such as Forklift Training etc. The store manager will conduct daily Safety Talk also the Annual SHE Audit are conducted at stores and distribution centers to motivate the employee and contractor safety awareness.	<ul style="list-style-type: none"> <li>• Safety training topic</li> <li>• <b>100%</b> Employees are trained as legally required topics.</li> <li>• <b>100%</b> Contractor &amp; vendor trained safety program.</li> </ul>
<b>Occupational Health &amp; Safety criteria introduced in procurement and contractual requirements</b>	All supplier & vendor (both tier 1 and non tier 1) must be evaluated and passed the safety and health criteria including review historical safety statistic. Also the SHE criterias are included into the contractual requirement with statement that the company stop doing business whenever their safety standard or performance does not meets the Company's SHE requirement or regulation.	<ul style="list-style-type: none"> <li>• <b>100%</b> Contractor &amp; vendor are assessed and passed the occupational health &amp; safety criteria.</li> <li>• <b>100%</b> High risk contractor &amp; vendor are onsite safety audited.</li> <li>• <b>100%</b> supplier / vendor signed the contract of substandard safety punishment.</li> </ul>

## Example of Training and Promoting Awareness on Safety

### Forklift Safety Training

To ensure work safety and safety in customer service in the company's sales area. Require forklift drivers to complete a training course on how to drive a forklift safely and correctly. Both theory and practice, including requiring a spotter to block off work areas in the sales area during forklift use. In order to work properly and safely for employees and customers.



### 2024 Result

**100%** of forklift related workers are trained

## Defensive Driving Training and Onsite Safety Audit

Defensive Driving with 6 steps of preventive driving principles, consisting of pre- and post-departure inspections. Follow the life protection rules Driving techniques to prevent accidents, understand area of blind spots around the vehicle, keep safety distance, avoid distractions and safe parking. Emphasize employees and contractors to driving with knowledge and awareness leads to reduce risk of road accidents that may impact to driver, other vehicle and pedestrian and the public.



### 2024 Result

**100%** drivers are trained and passed the testing

## PPE Management Application

The Company has developed the PPE Management application that helps classify proper personal protective equipment by job risks and provide used life of each PPE. Employees can log in or scan a QR Code to request the PPE. Convenience and paperless for the PPE withdrawal, monitor stock and reduce risk at workplace.



## 2024 Result

**100%** implement to every workplace.