



# **HUMAN RIGHTS AND LABOR PRACTICES POLICY AND GUIDELINES**



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# Human Rights and Labor Practices Policy and Guidelines

## 1. Intent

Charoen Pokphand Group recognizes that all human beings are born with equal rights and dignity. Therefore, the organization is committed to treating all employees equally, and not to discriminate against them in any way, allowing them to demonstrate their full talents and capabilities. Furthermore, Charoen Pokphand Group also complies with international labor standards.

As a global conglomerate and as a part of the international community, Charoen Pokphand Group strives to expand its scope of operations in its upholding and respecting of human rights, as well as the rights of its directors, management, employees, customers, suppliers and all parties involved in the supply chains. This is reflected by Charoen Pokphand Group's adherence to the United Nations Universal Declaration of Human Rights ("UNDHR"), the Ten Principles of the United Nations Global Compact ("UN Global Compact"), UN Guiding Principles on Business and Human Rights ("UNGPs"), the International Labor Organization's ("ILO") Declaration on the Principles and Fundamental Rights at Work and local labor laws in each country where Charoen Pokphand Group operates.

## 2. Objective

- 2.1. Preventing any form of human rights abuse within Charoen Pokphand Group as a result of its business operations, including with its affiliated supply chains.
- 2.2. Protecting directors, management and staff from all types of discrimination and harassment.
- 2.3. Promoting collaboration between all directors, management and staff while also providing opportunities to develop themselves equally.

## 3. Definitions

- 3.1. **Human Rights** are basic freedoms inherent to all human beings, regardless of race, ethnicity, sex, nationality, language, religion or any other status. Everyone is entitled to these rights, without discrimination.
- 3.2. **Diversity** refers to different values, attitudes, cultural perspectives, beliefs, ethnic background, nationality, sexual orientation, gender identity, ability, health, social status, skill and other specific personal characteristics.



- 3.3. **Inclusion** refers to valuing the differences between people with different identities, where employees feel valued and welcomed within the workplace, and where all parties are treated fairly and equally.
- 3.4. **Harassment** is improper and unwelcome conduct that might reasonably be expected or perceived to cause offense or humiliation to another. This includes, but is not limited to - words, gestures or actions which tend to annoy, alarm, abuse, demean, intimidate, belittle or cause personal humiliation or embarrassment to another; or that cause an intimidating, hostile or offensive work environment.
- 3.5. **Sexual Harassment** means any behavior that infringes the rights of others in a sexual manner, whether verbal or physical conduct. This includes any forced sexual favors, rape, invasion of privacy, and any unwelcome, non-consensual conduct that causes shame or embarrassment.
- 3.6. **Forced Labor** is any work or service of which the laborer is coerced to work using violence, intimidation, or by more subtle means such as accumulated debt, retention of identity papers or threats of denunciation to immigration authorities.
- 3.7. **Discrimination** refers to any different treatment or distinction or special treatment to an individual or group of people based, but not limited to, personal characteristic on race, nationality, color, ethnic, religion, social status, gender, age, physical features or disability, political beliefs and marital status.

## 4. Roles and Responsibilities

### 4.1. Board of Directors

Ensure the implementation of the Human Rights & Labor Practices Policy and Guidelines (“Policy and Guidelines”) to prevent violations of Human Rights in all business activities of Charoen Pokphand Group, including in its business value chains and joint ventures.

### 4.2. Management

- 4.2.1. Communicate Policy and Guidelines to employees and all related departments to ensure correct practice.
- 4.2.2. Ensure there is an organizational structure and responsibility in place, including the human rights department or responsible department/person, to oversee, monitor and review operations consistent with the Policy and Guidelines, rules, regulations and related laws.



4.2.3. Monitor the implementation to ensure compliance of policy, guidelines, regulations, and reporting of company performance.

### **4.3. Human Rights Department or Responsible Department/Person**

4.3.1. Communicate concepts and objectives, build up knowledge and understanding for employees, in addition to stakeholders throughout the supply chains

4.3.2. Complete the Human Rights Due Diligence process, which consists of the following:

- 1) Incorporate duties and responsibilities to respect human rights and labor practices in Charoen Pokphand Group's policies.
- 2) Review stakeholder groups and management opinions for guidance on how to create a participatory process that involves affected groups and other stakeholders.
- 3) Complete Human Rights Risk & Impact Assessment by gathering and assessing issues from stakeholders.
- 4) Implement remediation procedures to reduce the impacts, while setting preventive measures and solutions to reduce internal and external risks.
- 5) Track and monitor the effectiveness of preventive measures and whistleblowing mechanisms.
- 6) Communicate performance reports for affected persons, as well as the public on human rights impacts and remediation procedures, while also disclosing the approaches made to address human rights violations.
- 7) Commit to stakeholder engagement with all sectors through open dialogue with affected groups, human rights experts and civil society organizations.
- 8) Ensure that there are whistleblowing and grievance mechanisms in place for persons affected by human rights and labor practices violations.

4.3.3. Monitor impacts of human rights and labor practices within their own company.



- 4.3.4. Report the compliance of human rights and labor practices to the Board of Directors or management, including the Compliance Audit Office at least once annually.

## 4.4. Employees

Understand and comply with Policy and Guidelines, as well as to file a report if any actual or potential violations to Human Rights and Labor Practices are discovered.

## 5. Guidelines

### 5.1. Respect for Human Rights

#### 5.1.1. Civil and Political Rights

- 1) Promote inclusion between employees to foster coexistence on the basis of equality.
- 2) Any action that might create a hostile or unfriendly work environment is not permitted. This includes verbal, written, physical or mental harassment, violence and intimidation.
- 3) Any action that might interfere with other employees' work performance or cause a nuisance is not permitted.
- 4) Sexual harassment and other immoral behaviors are not permitted. Such behaviors include molestation, indecent exposure and obscene acts (both physical and verbal), all of which can cause the victim to be humiliated, intimidated or offended.
- 5) Any restrictions on freedom of expression and freedom to participate in political activities are not allowed, as they are both fundamental human rights. On the contrary, neither the mentioning of Charoen Pokphand Group nor the use of its corporate assets in political activities are permitted under any circumstances.

#### 5.1.2. Economic, Social and Cultural Rights

- 1) Employees are entitled to access to social security, medical insurance and other welfare benefits.
- 2) Employees are entitled to rests during working days, working hours that do not exceed local labor laws and remuneration during public holidays.



- 3) Infringements on any persons' right to practice their religions and cultures are not permitted.

## 5.2. Labor Practices

### 5.2.1. Forced Labor

Do not engage in or support forced labor in all of its forms, including servicing customers, through the using of coercion, using penalties or forcing the laborer to work unwillingly. Such acts include involuntary work, coercion using intimidation, physical violence, sexual abuse, restriction of movement, withholding or non-payment of wages, debt bondage and retention of identity documents unless the actions do not conflict with local laws.

### 5.2.2. Non-Discrimination in Respect of Employment and Occupation

- 1) Salaries, wages and benefits are to be paid on time, in compliance with legal requirements. No deductions from employees' wages are allowed, except if local laws state otherwise.
- 2) Remuneration is equal for both men and women with jobs of equal weight and responsibility.
- 3) Discrimination towards or between employees is not permitted under any circumstances, including those that bring inequality or inferiority due to prejudice in matters not related to work.
- 4) Discrimination towards job applicants based on age, physical or mental disability, ethnicity, sex, color, religion and marital status is not permitted. Job requirements and qualifications for applicants should be carefully considered.
- 5) Development programs for directors, management and staff must be equally arranged and not discriminated, while also depending on their training needs for their current position and for their career progression.
- 6) Determine and disclose performance appraisal criteria for all directors, management and staff.
- 7) Disclose performance appraisal results to employees in a transparent and fair manner in order for them to be able to improve their performance.
- 8) Job transfers must be equally fair in career progression and without discrimination.



- 9) Dismissals must be on grounds of not meeting performance evaluation criteria, disciplinary action, health problems based on medical doctor diagnosis or any other reasons which are not viewed as discrimination.

#### 5.2.3. Right to Peaceful Assembly

- 1) The Right to assembly is allowed under the conditions that gatherings are peaceful and their participants do not carry weapons.
- 2) The Right to assembly can be done only without compromising on work performance and interfering with continuity in servicing customers.
- 3) Do not infringe on the right to assembly, except if the said infringements are done to protect public interests, to maintain peace and order, or to prevent any violation of local laws or the Code of Conduct.
- 4) Respect the right of assembly and association, including participation in collective bargaining, all of which are fundamental rights, will lead to the protection of other rights that will maintain and advance social and sustainable development.

#### 5.2.4. Abolition of Child Labor

- 1) Hiring of child labor is prohibited, as defined by local applicable laws.
- 2) Hiring of child labor to work in unsafe conditions or environments is not permitted, depending on local laws, as it can be hazardous to their health, harm their growth and development, as well as interfering with their compulsory education.
- 3) Child labor is not allowed to work overtime or during public holidays.

## 6. Whistleblowing

Further information on filing reports can be found in the Whistleblowing Policy and Guidelines.

## 7. Related Policies

7.1. Whistleblowing Policy and Guidelines

7.2. Charoen Pokphand Group Announcement Letter KJP. 040/B.E. 2560 regarding Human Rights and Labor Practices Policy



## **8. Laws and Agreements in relation to this Policy**

- 8.1. Universal Declaration of Human Rights (UDHR) of the United Nations
- 8.2. The 10 Principles of the United Nations Global Compact (UNGC)
- 8.3. UN Guiding Principles on Business and Human Rights: UNGPs
- 8.4. The Declaration on the Principles and Fundamental Rights at Work of the International Labor Organization (ILO)
- 8.5. The International Labor Organization's Fundamental Conventions
- 8.6. Local labor laws in in each country where Charoen Pokphand Group operates

## **9. Review of Policy**

The Corporate Governance department and Compliance department of the Sustainability, Good Governance and Corporate Communication Office, in addition to the Internal Audit department, Human Resources department and other related departments shall review this policy at least once annually.



## **Appendix: The International Labor Organization's Fundamental Conventions**

### **1. Forced Labor**

- 1.1. Forced Labor Convention, 1930 (No. 29)
- 1.2. Abolition of Forced Labor Convention, 1957 (No. 105)

### **2. Non-Discrimination in Respect of Employment and Occupation**

- 2.1. Equal Remuneration Convention, 1951 (No. 100)
- 2.2. Discrimination (Employment and Occupation) Convention, 1958 (No. 111)

### **3. Right to Peaceful Assembly**

- 3.1. Freedom of Association and Protection of the Right to Organize Convention, 1948 (No. 87)
- 3.2. Right to Organize and Collective Bargaining Convention, 1949 (No. 98)

### **4. Abolition of Child Labor**

- 4.1. Minimum Age Convention, 1973 (No. 138)
- 4.2. Worst Forms of Child Labor Convention, 1999 (No. 182)