

## Human Rights Due Diligence (HRDD)

The company has implemented a comprehensive human rights due diligence process as part of its ongoing risk management efforts. The purpose of this process is to identify, prevent, mitigate, and address the company’s management of human rights impacts throughout its business activities. The company follows a five-step human rights due diligence process based on the United Nations Guiding Principles on Business and Human Rights (UNGP).

### Human Rights Due Diligence Process



#### 1. A Statement of Policy Commitment to Respect Human Rights

The company is committed to respecting the human rights of all stakeholders and adheres to international human rights and labor standards, including the Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights. This commitment encompasses the prevention of human trafficking, forced labor, child labor, discrimination, and any form of sexual harassment or abuse, as well as ensuring freedom of association, the right to collective bargaining, equal pay, and other human rights protections.

The company has established a Human Rights Policy that fully respects international human rights principles and labor standards. The scope of this policy outlines the company’s expectations for upholding human rights, not only within its own operations but also extending to its subsidiaries and business partners.

*The Human Rights Policy can be further reviewed in detail on the company's website.*

<https://www.mcgroupnet.com/storage/document/cg-policy/20230209-human-rights-policy-th.pdf>

The company has also required its business partners to complete a sustainability questionnaire, which covers economic, social, and environmental aspects. This includes human rights topics to raise awareness among business partners about the importance of human rights issues.

## 2. Assessment of Actual and Potential Human Rights Impacts of Company Activities and Relationship

The company has conducted a human rights risk assessment to identify actual and potential risks arising from involvement or connection through business relationships. This assessment considers both internal and external stakeholders who may be directly or indirectly affected by the company’s business activities across the supply chain.

Additionally, the company places special consideration on vulnerable groups, such as forced laborers, women, children, indigenous people, migrant workers, third-party contract workers, and local communities that may be impacted by business activities. The human rights risk assessment covers issues such as equal pay and discrimination risks.

The assessment is focused on the company’s entire business activities, categorized into two main groups:

### Core Business Activities:

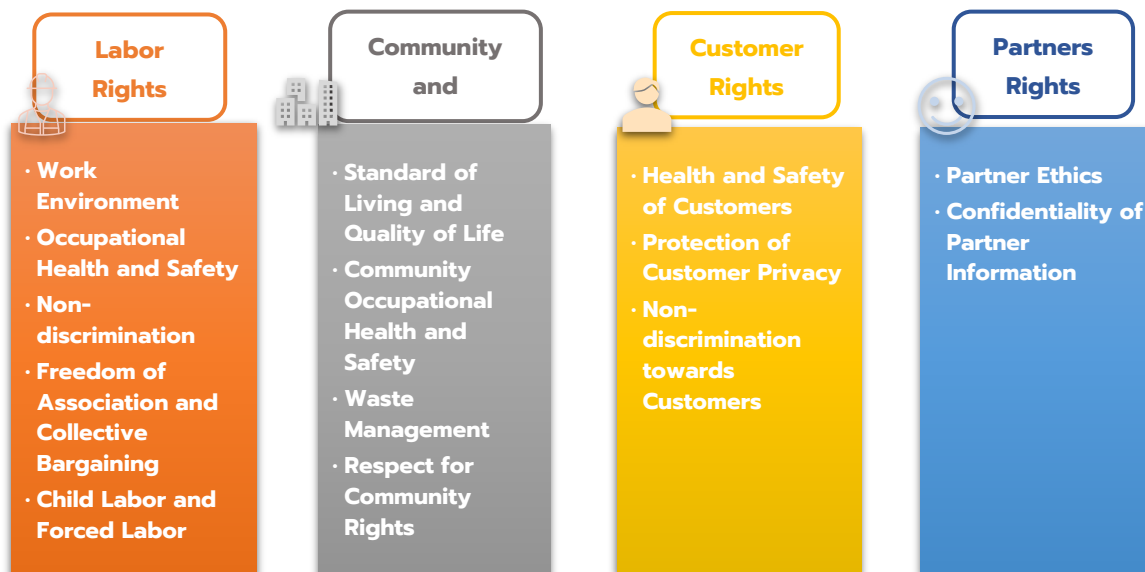
- Product operations
- Service operations
- Distribution operations
- Branch operations

### Supporting Business Activities:

- Business partners
- Employees
- Customers
- Society and Community
- Shareholders

## 3. Incorporating into Company Procedures and Addressing Impacts

**Step 1: Human Rights Identification** The identification of human rights issues related to the company’s business activities is conducted by benchmarking against companies in the service and retail sectors. The scope of relevant human rights issues for the company is outlined below:



**Labor Rights**

- **Work Environment:** Ensuring a safe physical work environment, including proper workspace, noise levels, lighting, and overall working atmosphere. This also covers working hours and other environmental factors, such as tools and equipment that promote effective and efficient employee performance.
- **Occupational Health and Safety:** Managing the occupational health and safety of employees at the company's operating sites. This includes plans for assistance, raising awareness, and ensuring that all employees have access to occupational health and safety measures.
- **Non-discrimination:** Treating all employees equally, including providing fair and equal wages without discrimination based on ethnicity, skin color, gender, religion, region, educational background, political views, or other factors.
- **Freedom of Association and Collective Bargaining:** Employees have the right to fair negotiations concerning work-related benefits and the freedom to associate without interference.
- **Child Labor and Forced Labor:** The company prohibits the use of forced labor or child labor and is committed to preventing human trafficking.

**Community and Environmental Rights**

- **Standard of Living and Quality of Life:** The company's operations must not negatively impact the neighboring community's human rights, such as undermining local income through unfair competition.
- **Community Occupational Health and Safety:** The company must carefully manage its operations to avoid causing negative impacts on the community's occupational health and safety. This includes preventing accidents related to company activities and mitigating pollution that affects the local community.
- **Waste Management:** The company must properly manage waste and hazardous materials, ensuring they are handled or disposed of responsibly without harming the environment or surrounding communities. This includes processes like wastewater treatment and chemical management.
- **Respect for Community Rights:** The company must recognize and respect the rights of local communities, actively listening to their concerns, and supporting their participation in decisions affecting their well-being.

Customer Rights	
•	<b>Health and Safety of Customers:</b> The company selects products and services that meet quality standards, are fairly priced, and prioritize the health and safety of customers during their use.
•	<b>Protection of Customer Privacy:</b> The company commits to safeguarding customer personal data and has established guidelines for managing and protecting privacy.
•	<b>Non-discrimination towards Customers:</b> The company has policies in place to prevent discrimination against customers, ensuring fair treatment for all.
Partner Rights	
•	<b>Partner Ethics:</b> The company’s operations must adhere to good ethical practices, engage in fair trade, and operate transparently, ensuring that both parties receive fair returns.
•	<b>Confidentiality of Partner Information:</b> The company will not violate the confidentiality of partner information, including intellectual property, copyrights, and patents.

## Step 2: Risk Ranking

The company assesses the level of human rights risks using criteria of likelihood and impact level to prioritize human rights risks.

In 2024, the company has ranked human rights risks based on their potential impact and likelihood, categorized into five key areas as follows:

		Impact				
		1 Low	2 Medium	3 High	4 Major	
Likelihood	4 High Likely					1. Occupational Health and Safety
	3 Likely					2. Protection of Customer Privacy
	2 Unlikely		2,5			3. Health and Safety of Customers
	1 Rare		1,3,4			4. Community Occupational Health
						5. Confidentiality of Partner Information

## Step 3: Risk Management

The identified human rights risk issues from the five ranked areas have been analyzed by the company to assess potential risks. The company has also developed impact mitigation measures and remedial processes as follows:

Risk Issues	Related Issues	Impact Reduction and Mitigations
Occupational Health and Safety	<ul style="list-style-type: none"> <li>• Unsafe Working Environment: For example, malfunctioning equipment used in operations.</li> <li>• Non-compliance with Safety and Occupational Health Regulations: Employee work practices that do not adhere to safety standards may lead to accidents during work.</li> </ul>	<ul style="list-style-type: none"> <li>• Establish a Safety, Occupational Health, and Work Environment Policy.</li> <li>• Conduct Regular Health and Safety Risk Assessments for Employees.</li> <li>• Implement a Process for Regular Oversight by Safety Personnel.</li> <li>• Perform Routine Inspections and Maintenance of Work Equipment.</li> <li>• Provide Ongoing Training on Safety and Occupational Health Standards.</li> <li>• Establish a System for Receiving Employee Complaints.</li> </ul>
Customer Data Privacy	<ul style="list-style-type: none"> <li>• Customer Data Breaches.</li> </ul>	<ul style="list-style-type: none"> <li>• Establish a Personal Data Protection Task Force to ensure compliance with the company's data protection regulations.</li> <li>• Conduct Regular Assessments of the Company's Cybersecurity Preparedness.</li> <li>• Provide Ongoing Training for Employees on the Personal Data Protection Act.</li> </ul>
Customer Health and Safety	<ul style="list-style-type: none"> <li>• Substandard Products That Pose Safety Risks to Customers.</li> <li>• Accidents Occurring During In-store Shopping.</li> <li>• Store Management During Viral Outbreaks.</li> </ul>	<ul style="list-style-type: none"> <li>• Implement a Quality Control System for Selecting Products and Services, with Regular Audits.</li> <li>• Clearly Label Products in Compliance with Legal Requirements.</li> <li>• Maintain Compliance with Government Regulations.</li> <li>• Establish a Customer Complaint Handling System.</li> </ul>
Community Occupational Health and Safety	<ul style="list-style-type: none"> <li>• Road Accidents During Product Transportation and Service Delivery</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct Vehicle Performance Checks.</li> <li>• Assess Driver Competence Regularly.</li> <li>• Implement a Complaint Handling System.</li> </ul>
Confidentiality of Partner Information	<ul style="list-style-type: none"> <li>• Violation of Partner Confidentiality, Such as Intellectual Property and Patent Information.</li> </ul>	<ul style="list-style-type: none"> <li>• Adhere to the Trade Competition Act of 2017.</li> <li>• Comply with Intellectual Property Laws.</li> <li>• Establish Procedures for Verifying Copyrights or Patents of Products Before Sale.</li> </ul>

## Step 4 : Tracking and Reporting Performance

The company conducts ongoing monitoring of human rights performance and provides continuous education and training to employees on human rights issues. This is aimed at preventing problems that pose risks of negative impacts through the company's activities and business relationships. The results of the operations in 2024 are as follows:

- The company's business activities have not presented any high-level human rights risks, and there have been no cases or incidents of human rights violations. This includes issues related to human trafficking, forced labor, child labor, discrimination, sexual harassment or assault in any form, freedom of association, rights to collective bargaining, pay equity, and other human rights matters.

Additionally, the company reports on human rights performance annually through its annual report or the company website and provides channels for all stakeholders to report human rights violations to the company through the specified channels below:

### Communication Channels

Mc Group Public Company Limited  
448, 450 On Nut Road, Prawet District, Bangkok 10250  
Phone: +66(0)2 117 9999  
Fax: +66(0)2 117 9998

## Step 5 : . Remediation and Remedy

The company recognizes that its business activities may support or be linked to human rights violations affecting relevant stakeholders. Therefore, the company is committed to reducing the risks and potential violations that may arise, in line with its obligations. An annual human rights risk assessment will be conducted to identify situations of human rights violations related to the company's business activities. This will include the establishment of impact mitigation measures aimed at addressing and reducing the likelihood of human rights violations arising from the company's business activities.

### **In the event of any human rights violations, the company has a fair investigation process and the following disciplinary measures:**

1. Verbal or written warnings
2. Reduction in salary or job position
3. Suspension from work
4. Reduction or suspension of annual bonuses
5. Consideration for salary adjustments
6. Termination or dismissal

### **Human Rights Remediation Measures**

Affected individuals will receive appropriate and fair compensation or redress from the company under management mechanisms and legal frameworks, including the establishment of preventive measures or policies to avoid similar impacts in the future.