

# KARMART



## Code of Conducts for Business

KARMARTS PUBLIC COMPANY LIMITED

## CODE OF CONDUCTS FOR BUSINESS

### 1. Responsibility to Stakeholders

The Board of Directors has established ethical guidelines and a code of conduct to ensure that all directors and employees are informed of and adhere to these principles. Ethical and responsible business practices contribute to effective internal control and corporate governance, forming an ongoing and interrelated cycle of sustainable business. The Company adheres to the following operational principles:

#### 1. Shareholders and Investors

The Company places significant emphasis on the relay of information to its shareholders, investors, and all stakeholder groups and ensures the timely disclosure of accurate, reliable, and sufficient information. It is committed to providing equal and fair access to information, guaranteeing consistent and transparent communication for all parties without discrimination.

The Board of Directors, executives, and employees are committed to executing their responsibilities with honesty, integrity, and transparency, always prioritizing the best interests of shareholders. The Company strictly prohibits the misuse of insider information for personal or affiliated gain and ensures that confidential information remains protected from external disclosure.

All material information that could affect shareholders' rights and benefits, including periodic financial reports and event-driven disclosures, is provided in compliance with applicable laws and regulations. The Company upholds shareholders' rights to access corporate information without any restrictive practices.

The Company posts the notice of the shareholders' meeting on its website at least 30 days prior to the meeting date, in both Thai and English, to ensure shareholders are well-informed and have ample time to review the information.

The Company also supports shareholder participation by choosing a date, time, venue, and meeting format that minimizes any barriers to attendance. Furthermore, shareholders unable to attend in person are given the option to appoint a proxy to attend and vote on their behalf.

The Company refrains from any actions that may lead to conflicts of interest, safeguards its assets as a prudent person would protect their own, and ensures the elimination of improper personal gains, whether directly or indirectly.

## 2. Customers

The Company acknowledges that customer satisfaction and trust are essential for achieving long-term success. As such, it is dedicated to continually enhancing products and services, fostering innovation, and adding value to meet customer needs and demands, all while upholding integrity, honesty, and fairness. The Company strictly avoids any action that could compromise customer rights, protects the confidentiality of customer information, and refrains from using such information for personal or unauthorized gain.

Furthermore, the Company provides clear communication channels for customers to submit complaints, ensuring that all concerns are addressed with fairness and appropriate corrective action where applicable.

## 3. Business Partners

The Company conducts business with its partners based on integrity, fairness, and equality, ensuring that all business transactions are appropriate, ethical, and mutually beneficial. It aims to foster long-term partnerships with sustainable development in mind. The Company strictly adheres to trade agreements and provides accurate and transparent information. In cases where obligations cannot be met, the Company proactively communicates with partners in advance to find suitable solutions and prevent potential damage to any party.

Furthermore, the Company upholds the confidentiality of its partners' information and does not use it for personal or third-party gain without explicit consent.

## 4. Competitors

The Board of Directors ensures the Company conducts its business in full compliance with legal requirements by implementing the following policies and operational guidelines:

- 1) Operate within the framework of fair competition, adhering to business ethics and trade competition laws in all countries where the Company operates.
- 2) Refrain from any action that could damage the reputation of competitors.

## 5. Creditors

The Company fosters and sustains relationships with creditors founded on integrity, aiming to build mutual trust and credibility. It fulfills its obligations by strictly adhering to agreed terms and conditions and maintaining compliance with the highest standards.

## 6. Employees

The Company values its employees as one of its most important resources. It upholds fair treatment by complying with labor laws, company regulations, and social welfare policies while respecting human dignity. The Company is committed to fostering a positive attitude among employees, promoting equality in employment, and ensuring a non-discriminatory workplace. No employee shall be excluded or disadvantaged based on gender, skin color, race, religion, age, disability, or any other status unrelated to job performance.

The Company supports and promotes employee training and knowledge exchange to enhance their skills and competencies. It aims to foster career stability and provide opportunities for professional growth in alignment with each individual's potential. Additionally, the Company ensures fair and appropriate compensation based on employees' knowledge and abilities while offering suitable welfare benefits, such as medical care and provident fund.

The Company also provides employees with the opportunity to file complaints, submit grievances, and offer suggestions regarding their work to benefit all parties and foster a positive working relationship. It is responsible for providing necessary workplace facilities, maintaining a safe and hygienic working environment, and creating conditions that support productivity while enhancing employees' quality of life.

## 7. Community, Society, and Environment

The Company is dedicated to conducting its business with social responsibility at large, ensuring that its operations uphold societal well-being, respect individual rights, and avoid contributing to social decline. It actively collaborates with various organizations to support community development and engages in initiatives that serve the greater public good.

Moreover, the Company also prioritizes environmental sustainability by promoting the efficient and responsible use of resources to maximize benefits while minimizing waste. It strictly complies with environmental laws, regulations, and policies, carefully evaluating the impact of its business activities on natural resources and the environment.

## 8. Government

The Company conducts its business in strict compliance with all applicable laws, regulations, and established legal frameworks. It strictly prohibits the engagement of any activity that may contravene the law.

When interacting or conducting transactions with government officials or agencies, the Company ensures all dealings are conducted lawfully and ethically, fostering positive relationships within appropriate boundaries. It adheres to legal requirements and respects the customs and traditions relevant to business operations in each country where it operates.

## 2. Conflict of Interest

To prevent conflicts of interest, the Board of Directors has established ethical guidelines requiring directors to manage the Company while avoiding any personal conflicts of interest that may compromise the organization's best interests.

Directors must perform their duties with maximal efficiency, without seeking personal gain from their positions, and must not misuse confidential company information for personal benefit. The Board has also assigned the Audit Committee to oversee and report any cases of potential conflicts of interest.

## 3. Anti-Corruption and Fraud Prevention

The Board of Directors has overseen the establishment of an anti-corruption policy, which includes mechanisms for filing complaints and whistleblowing, investigative procedures for fraud and misconduct, measures for reporting false information, and corresponding penalties. Additionally, the Company ensures the confidentiality and protection of whistleblowers' identities and rights. The primary guidelines include:

- 1) Foster a corporate culture that promotes honesty, integrity, and strict compliance with laws and regulations.
- 2) Implement a robust internal control system with appropriate checks and balances to prevent fraud and corruption while ensuring accountability in decision-making.
- 3) Prohibit board members, executives, and employees from soliciting, accepting, or receiving any assets or benefits for themselves or others in a manner that could improperly influence their duties or compromise legitimate interests.
- 4) Prohibit board members, executives, and employees from offering or promising any assets or benefits to external parties to persuade them to act unlawfully or improperly in their official capacity.
- 5) Ensure that financial reporting processes are transparent, accurate, and reliable, reflecting the true financial position of the Company.
- 6) Provide accessible and secure channels for employees and stakeholders to report any suspicion of illegal activity, fraud, misconduct, or unethical behavior that could harm the Company. This includes mechanisms to report concerns related to compliance violations or actions that could lead to financial or reputational damage.

## 4. Non-Infringement of Intellectual Property

The Board of Directors has established a policy to ensure the protection and respect of intellectual property rights. The Company adheres to the following guidelines in the aforementioned aspect:

- 1) Conduct business in full compliance with laws, regulations, and contractual obligations related to intellectual property rights.
- 2) Safeguard the Company's intellectual property and prevent unauthorized use or disclosure by employees or third parties.
- 3) Prohibit the infringement of intellectual property of others for personal or corporate gain without proper authorization or compensation to the rightful owner.
- 4) Retain ownership of any intellectual property developed by employees during their tenure or as part of their duties, and require employees to return all intellectual property assets, regardless of the storage format, upon termination of employment.

## 5. Non-Infringement of Human Rights

The Board of Directors has established a human rights policy that aligns with relevant legal frameworks and international standards, including the Universal Declaration of Human Rights (UDHR).

Human Rights Practices:

- 1) Respect for Human Rights: Treat all individuals with dignity, mutual respect, and fairness, ensuring equality without discrimination based on physical or mental conditions, race, nationality, ethnicity, religion, gender, language, age, skin color, education, social status, culture, customs, or any other distinguishing factor
- 2) Risk Prevention in Business Operations: Exercise caution in carrying out duties to prevent the risk of human rights violations in business activities, ensuring constant oversight and adherence to human rights principles.
- 3) Promotion and Protection of Human Rights: Actively support and encourage initiatives that uphold and safeguard human rights in all business operations.

- 4) **Communication and Support for Business Partners:** Disseminate knowledge, establish clear guidelines, and provide support to business partners across the value chain to encourage ethical practices, respect for human rights, and fair treatment of all individuals.
- 5) **Human Rights Monitoring and Reporting:** Ensure continuous monitoring of human rights compliance and take action against any observed violation. Any act potentially violating human rights must not be ignored or overlooked; instead, they must be reported to supervisors or responsible personnel. Employees are also encouraged to cooperate in verifying facts and seek guidance from supervisors or designated personnel through established reporting channels.
- 6) **Protection for Whistleblowers:** Ensure fairness and protection for individuals who report human rights violations. Implement measures to safeguard whistleblowers and those who cooperate in reporting human rights breaches, preventing any form of retaliation against them.
- 7) **Ongoing Human Rights Management:** Develop and continuously implement human rights management processes to identify key issues, assess risks, and evaluate the impact of potential human rights violations, ensuring proactive and responsible business operations.
- 8) **Monitoring and Remediation of Human Rights Violations:** Regularly review and track the effectiveness of human rights management and corrective actions, ensuring processes for investigation, follow-up, and support in remedying any adverse impacts from human rights violations.
- 9) **Commitment to a Human Rights-Centered Organizational Culture:** Strive to build and maintain a corporate culture that upholds respect for human rights at all levels of the organization.
- 10) **Disciplinary Actions for Human Rights Violations:** Any act of human rights violation is considered a breach of the Company's code of conduct. Offenders will be subject to disciplinary action as per company regulations. Additionally, if the violation constitutes a legal offense, the individual responsible may also be subjected to legal consequences.

## 6. Safety and Occupational Health

The Board of Directors prioritizes workplace safety and occupational health, and the Company has implemented the following guidelines:

- 1) Operate in accordance with safety, occupational health, and workplace environment laws, regulations, and policies while ensuring the safety of lives, assets, and the health of employees, business partners, and stakeholders.
- 2) Establish regulations, procedures, and safety standards that align in ways to tackle with risk factors. Continuously improve working conditions, workplace environments, and working methods, including the provision of appropriate safety equipment and protective gear for employees.
- 3) Develop, conduct training on, and regularly update emergency response plans to prevent and minimize risks of injury, loss of life, and damage and/or injuries to company property, employees, business partners, and related parties.
- 4) Promote a corporate culture that prioritizes workplace safety to ensure long-term, sustainable safety practices.