

Human Rights

Key Performances 2024: Human Rights



100%

of hotel employees, from operational staff to high-level executives, have received training in Human Rights.



HUMAN RIGHTS DUE DILIGENCE

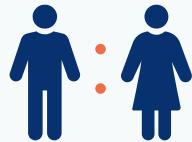
Review of Human Rights Due Diligence



Concluded a

100%

Review of human rights assessments for TIER 1 supplier partners



42 : 58

Gender diversity in the employee ratio of permanent male and female employees

Challenges

- Human rights issues are considered fundamental rights and freedoms that continue to receive significant national and international attention. Particularly as there has been an increasing focus on monitoring and scrutinizing human rights practices to meet stakeholder expectations and comply with regulations and laws related to labor practices. Organizations, including ESG assessors, expect companies to "know and show" that their activities align with human rights principles. This underscores the importance of extending stewardship to supply chains involved in the Company's activities. Therefore, operating responsibly and upholding human rights is both a significant challenge and risk that may impact the Company's operations, requiring careful and continuous management.

Opportunities

- To respond to challenges, the Company prioritizes transparent and fair management and governance, adhering to human rights principles. Recognizing that human resources are a key driver of its business, the Company places great emphasis on effectively managing human rights risks. Such risk management strengthens an organizational culture that respects human rights and values the diversity of employees and labor groups within the value chain. This not only mitigates reputational risks, litigation, and potential damages in the supply chain but also enhances investor confidence and strengthens credibility and trust among relevant stakeholders. These actions also enhance competitiveness while generating both economic and social returns. Additionally, they have a positive impact on the recruitment, motivation, and retention of potential employees, strengthening labor stability that aligns with sustainable business operations and supports the long-term continuity of the business.

Human Rights Operations

The Company recognizes the risks and opportunities associated with sensitive human rights issues and their positive and negative impacts on business activities. Therefore, it prioritizes responsible management and ensures that its operations are free from human rights violations, aligning with the principles of good corporate governance and demonstrating respect for human rights in accordance with the expectations of all stakeholders. The Company upholds human rights principles in accordance with its human rights policy framework, which aligns with the Sustainable Development Goals (SDGs), Thai legal principles, and international principles, including the United Nations Guiding Principles on Business and Human Rights (UNGPs), the United Nations Global Compact (UNGC), the fundamental principles and rights at work according to the International Labour Organization (ILO), and the labor laws of each country in which the Company operates. The Company is committed to non-discrimination, ensuring equal treatment regardless of race, nationality, religion, gender, sexual orientation, age, skin color, language, ethnicity, disability, or any other status.

The Company has established policies and practices addressing key human rights issues for its employees and has communicated its commitment to business partners within its business relationships. These policies cover areas such as child labor, forced labor, discrimination, human trafficking, sexual harassment, collective bargaining, freedom of association, and the promotion of fair and equal compensation to ensure proper standard of living, etc.

The Company also recognizes the protection of human rights for vulnerable and marginalized groups, with a particular focus on children's rights. It upholds this commitment by adhering to the United Nations Children's Fund (UNICEF) guidelines on Children's Rights and Business Principles (CRBP). The Company operates in alignment with the CRBP framework, emphasizing the promotion of children's access to safe services. This includes providing dedicated kids' areas, such as the Kids Club and Kids Spa, under the supervision of experienced staff. Additionally, the Company offers a children's menu focused on nutrition and has established a Child Protection Policy to ensure the safety and well-being of child customers. Additionally, this principle supports the elimination of child labor in business operations and business relationships, in accordance with international laws and regulations, ensuring that underage children are not employed. This commitment extends to business partners, including inspections to identify any use of child labor. If a risk of child labor or a violation of children's rights is detected in a business partner's operations, the Company will take strict measures, including the potential termination of the business relationship.

The Board of Directors and Management place great importance on human rights risks and have established a systematic and continuous risk management process to ensure compliance with human rights principles. The organization identifies and assesses human rights risks through a comprehensive Human Rights Due Diligence process, which serves as a framework for its current operations. Additionally, the Risk Management Department mandates that human rights issues be considered and assessed before entering into any new business partnerships to ensure alignment with the organization's human rights practices. Relevant departments are responsible for identifying, preventing, and mitigating potential human rights impacts across the Company's value chain, working in the same direction and prioritizing risks based on their severity and likelihood of impact. This risk assessment process follows the United Nations Guiding Principles on Business and Human Rights (UNGPs), which serve as guidelines for organizations to respect human rights. A comprehensive human rights due diligence process includes policy formulation and commitment, risk and impact identification, risk integration and action on risks, performance monitoring, reporting, and is supported by grievance mechanisms and remediation. To enhance its human rights management mechanism, the Company conducts an annual review of its human rights policy to stay updated on changes and ensure it covers key human rights issues.

The Company communicates its human rights policy to all partners and business partners across relevant business relationships. It reviews business partners' ethical standards and practices through Supplier Desk Assessments, On-site Visits, and Sustainability Surveys to collaboratively prevent and avoid human rights violations. In 2024, the food business achieved a 100% assessment rate for Critical Tier 1, with 357 business partners receiving human rights training. The hotel business assessed 38.96% of its Critical Tier 1 and had 180 business partners participate in human rights training.

Additionally, the Company promotes an organizational culture that emphasizes compliance with international human rights principles and collective agreements, as outlined in its policies and practices in the employee handbook. New employees receive training from the start of their employment, while existing employees undergo continuous training, supplemented by periodic assessments to evaluate their understanding. This ensures that all employees possess the knowledge and skills necessary to meet the specified standards. In 2024, 100% of employees, from operational staff to high-level executives, participated in human rights training.

Human Rights Due Diligence Framework





Human Rights Risk Assessment Process

The Company has assessed risks within the framework of its systematic risk assessment process to guide its risk management operations in the same direction and ensure compliance with international standards. The company has identified human rights risks as a material topic in sustainability management which must be assessed in order to prepare for, identify measures to respond to, prevent, and reduce such risks to an acceptable level. In 2024, the Company conducted a comprehensive review of the Human Rights Due Diligence process related to service provision in Thailand, covering the hotel and food businesses, as well as all customers, business partners, and relevant stakeholders (100%). The assessment found that the identified human rights risks remained significant, as in the previous year. Additionally, issues were identified in the operational process regarding the management of complaints, cybersecurity and personal data protection, and the working environment. The Company has assigned relevant departments to take action in controlling these risks. Regarding human rights risks associated with business partners, issues such as complaint management, cybersecurity, personal data protection, and the use of child labor were identified as key risks. The Company has communicated with business partners to monitor and control these risks.

The Company has incorporated its systematic risk management and assessment framework into the evaluation of human rights risks as follows:

1. An analysis of the organization's internal environment, covering aspects such as organizational culture, executive policies, personnel practices, work procedures, and information systems, etc.
2. Determination of objectives and scope in managing human rights risks, aligned with the Company's context and business strategy.
3. Human rights risks are identified by collecting and analyzing data from the same industry group and comparing them with internal risks identified through internal discussions. Potential human rights risks within the organization and across the supply chain include forced labor, child labor, working conditions, labor practices, discrimination, freedom of association and collective bargaining, freedom of expression, environmental and community rights, access to remedies, cybersecurity, and data privacy.
4. Risk assessment is conducted by evaluating the likelihood of risk and the impact of risk events in comparison with the risk map. This map assesses risk levels based on impact and probability, using a scoring scale from 1 to 5. It establishes risk scoring criteria aligned with human rights issues to prioritize and classify risk levels in various issues. The salient human rights issues include the right to access to effective remedy and the right to privacy.
5. For the risk response and mitigation plan, the Company utilizes the results of risk assessment and prioritization to determine appropriate risk response measures. These measures help address and manage risks to acceptable levels, including developing a human rights impact mitigation plan and implementing solutions in collaboration with stakeholders.
6. For performance monitoring, the Company monitors the results of risk management within the specified timeframe as outlined in the Control Activity Plan. The Company is required to report risk management results to the Risk Management, Corporate Governance and Sustainability Committee on a quarterly basis to ensure that the implemented measures effectively mitigate human rights impacts.
7. For the communication of impact remedies, the Company communicates and explains its operational guidelines to both internal and external stakeholders through various communication channels, including the Company's website, annual report, and other public platforms.

Grievance Mechanism Management

The Company has analyzed and identified human rights-related risks both internally and externally. It has developed a comprehensive mitigation and remediation plan covering 100% of identified risks. Additionally, the Company has implemented a whistleblowing policy to track potential human rights violations arising from its activities. This policy outlines the reporting process, the timeframe for fact-finding, and the responsible unit for handling complaints. Furthermore, the Company has enhanced its complaints policy by establishing measures for whistleblower protection, ensuring that whistleblowers are safeguarded from harassment, threats, or punitive actions. It also enforces a strict non-retaliation policy to prevent any form of retaliation against individuals who report misconduct, including human rights violations.

Remedial Measures

Remedial measures are determined based on the level of impact of human rights risks associated with the issue. The Company provides both monetary and non-monetary remedies, including assistance in accessing the remedial process and other relevant corrective measures. In 2024, there were two complaints related to human rights violations in the hotel business. One complaint has been investigated, resolved, and compensated according to the established measures, while the other is still under investigation. Additionally, there were nine complaints related to human rights violations, including sexual harassment, and discrimination, in the food business. Of these, eight have been investigated, resolved, and compensated according to the established measures, while one remains under investigation.

Read more Human Rights Policy
<https://investor.centarahotelsresorts.com/storage/download/cg-document/20190401-centel-human-rights-policy-en.pdf>