



ASSET WORLD
CORPORATION

Human Rights Risk Assessment Summary Report 2023


BUILDING
A BETTER FUTURE

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HUMAN RIGHTS POLICY

Purpose and Objectives

Asset World Corp Public Company Limited (Company) is committed to operating the business to create sustainable values for all stakeholders, **while recognizing the human rights for all in its own operations and throughout the supply chain.** The Company adopts the Human Rights Policy in line with relevant national laws and international standards, which include the United Declaration of Human Rights, the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, the United Nations Guiding Principles on Business and Human Rights (UNGP), and the United Nations Global Compact.

Scope of Application:

This policy is applicable to protect all people in AWC's own operations whether they are our employees, partners including joint venture and consortia partners, customers, local communities, and anyone who works for the Company's suppliers or business partners throughout the supply chain.

PRINCIPLES: RESPECT HUMAN RIGHTS & LABOUR RIGHTS FOR ALL

AWC proactively champions upholding, at the minimum, the following inherent human rights and labor rights:

- ☐ Protect rights to life, liberty and security.
- ☐ Abolish the use of child labor, all forms of forced labor, human trafficking, and modern-day slavery in its own operations and throughout the supply chain.
- ☐ Eliminate discrimination in employment or occupation while strongly advancing diversity, equity and inclusion, including equal remuneration for work of equal value.
- ☐ End all forms of violence and sexual and non-sexual harassment (Zero tolerance) at work.
- ☐ Promote freedom of association and the right to collective bargaining.
- ☐ Promote a safe and healthy working environment.
- ☐ Ensure decent employment and fair recruitment with fair wages, benefits and welfare for a decent living for employees and their families.
- ☐ Respect the right to privacy
- ☐ Respect community rights and human rights of people in communities, in terms of their quality of life, health and safety, and access to land and natural resources while ensuring community engagement.

ROLE & RESPONSIBILITIES

AWC Board of Directors, AWC Chief Executive Officer and President, Chiefs of Business Units and Functions, and AWC People Managers govern the policy and ensure that all units of the businesses are informed and aware of their responsibility with respect to human rights.

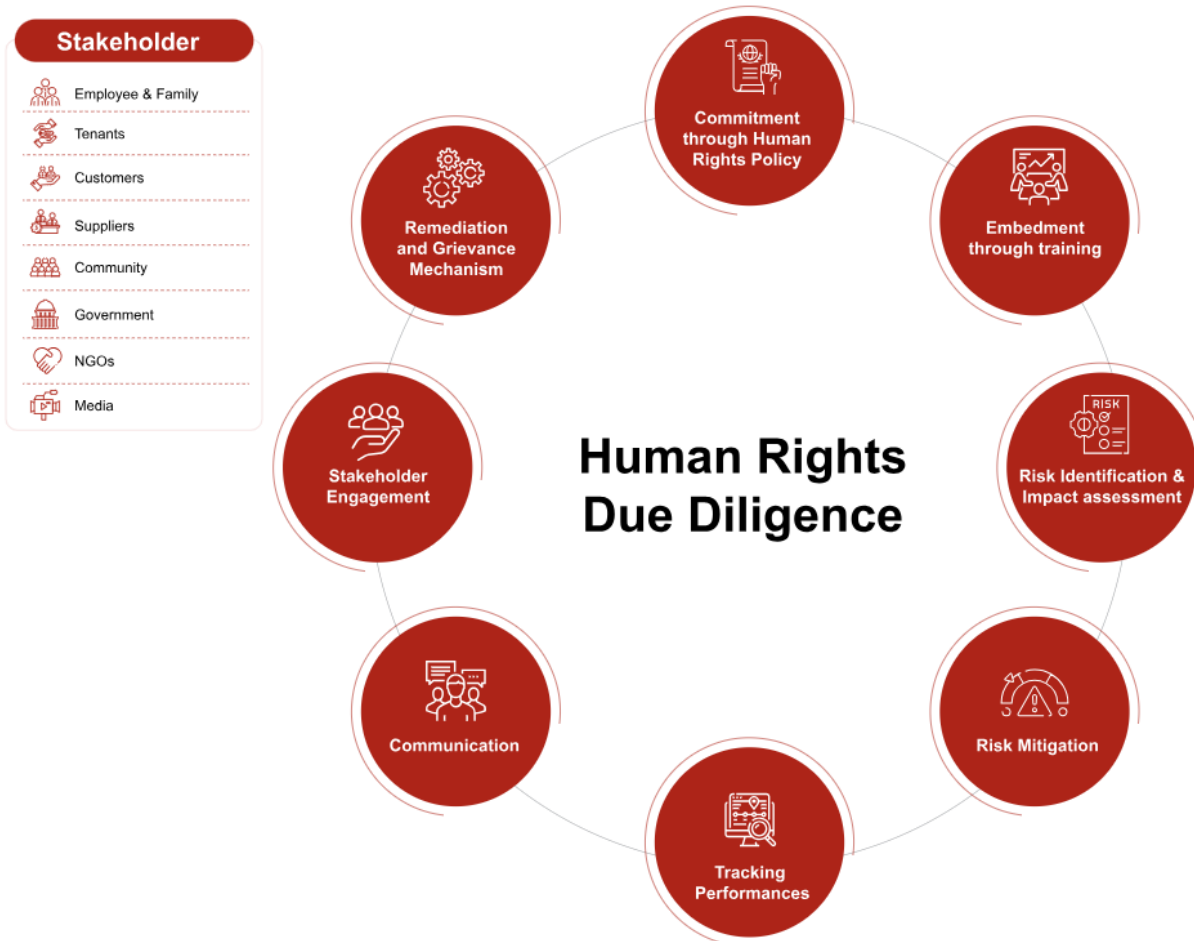
Human Resources Department communicates with all employees in the organization to promote the policy and increases awareness of the stakeholders who would act upon the principles stated, coordinates and supports the implementation of the policy and controls, monitors, supervises on human rights related issues.

Risk Management, Compliance, Internal Audit, and Transformation Excellence co-evaluates and investigates the human rights related cases

All Employees, and business partners operate in accordance with the principles stated in the policy

HUMAN RIGHTS MANAGEMENT APPROACH

HUMAN RIGHTS DUE DILIGENCE



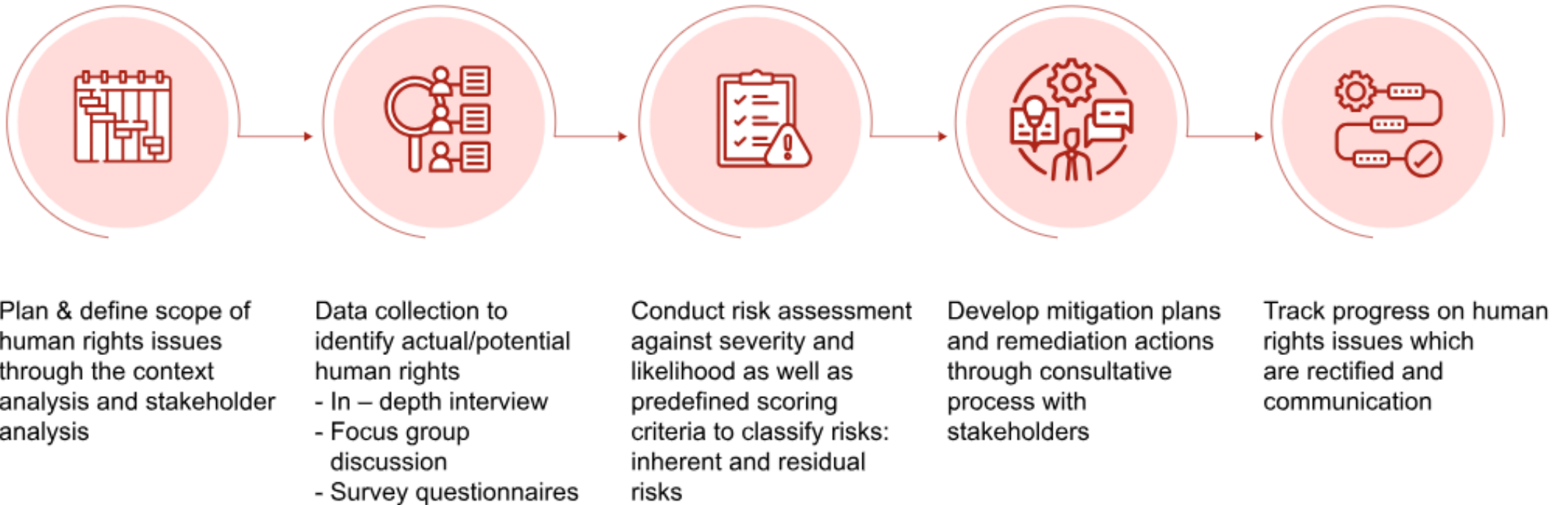
Under the responsibility to respect human rights of all stakeholders, we are aligned our commitment to the **UN Guiding Principles (UNGP)** 17 – 21, to identify, prevent, mitigate and account for how AWC address human rights risks/impacts. We shall carry out **the robust human rights due diligence** (Principle 17). The process of which include **assessing actual and human rights impacts** (Principle 18), **integrating and acting upon findings** (Principle 19), **tracking responses** (Principle 20) and **communicating how impacts are addressed** (Principle 21)

Where risks are identified, we mitigate them through “**risk mitigation & remediation plan**” which are **comprehensively consulted** with relevant internal and external stakeholders to ensure the human rights of those affected are guaranteed with fair and transparent process.

HUMAN RIGHTS RISK ASSESSMENT

AWC conducts the human rights risk assessment to identify, prevent and mitigate potential and actual human rights concerns/risks as a result of its activities throughout the supply chain.

PROCESS AND METHODOLOGY



HUMAN RIGHTS RISK ASSESSMENT: PROCESS

As part of the **Human Rights Due Diligence Process**, AWC conducts **human rights risk assessment on an annual basis and impact assessment on a three - year basis or when there are incidents that might alter the risks/impacts** which covers all of the AWC's operations, its subsidiaries, and throughout the supply chain. Relevant stakeholders/right holders, both internal (e.g. employees) and external (e.g. suppliers, contractors, joint ventures, and community) as well as vulnerable groups (i.e. children, disability people, migrant workers, indigenous people, women, and LGBTQ+) – that may be or have been impacted by the company's activities are included as part of the process.

Scoping

Scopes out the most relevant human rights issues to the AWC's context (hotel and real estate sectors) through reviewing the identified risks within the geography of operation and peer benchmarking to determine industry risks. AWC also reviews news coverage, issues and complaints raised by international and national civil society organizations and government reports

Identification

Having based on the scoping process, AWC conducts desktop review, engagement sessions with internal stakeholders, survey, focus group discussion and interview are conducted to identify potential and actual human rights risks associated with the AWC business activities

Prioritization

Determines the level of severity and likelihood, in accordance with the UNGP 14. AWC seeks to prioritize actions to address actual and potential human rights risks and impacts by the prevention and mitigation of identified risks that have higher impact to the company or where delayed response would make them irremediable.

SCOPING HUMAN RIGHTS ISSUES: CONTEXT ANALYSIS

Labour Rights (8)	Occupational health and safety (OHS) (4)	Community rights (8)	Other human rights (10)
<ul style="list-style-type: none">• Forced and compulsory labour• Child labour• Trafficking and modern slavery• Freedom of association and collective bargaining• Non – Discrimination at work, concerning recruitment, placement, remuneration, benefits, promotion and termination• Diversity, Equity and Inclusion• Working conditions – working hours, rest time, leave entitlements• Ethical recruitment	<ul style="list-style-type: none">• Violence and all forms of harassment• Hazardous working conditions• Sub standard living conditions• Lack of security and privacy	<ul style="list-style-type: none">• Standards of living and quality of life• Community health and safety• Community engagement• Respect for Cultural heritage• Minorities Including Indigenous Peoples• Resettlement• Rights to access to land, water and natural resources & Environmental Protection• Right to access to employment	<ul style="list-style-type: none">• Right to privacy• Right to access information and news• Right to vote• Right to work in a safe and healthy environment• Right to be heard• Freedom of expression• Freedom of religion• Right to consumer education• Right to satisfaction of basic needs• Right to non – discrimination practices

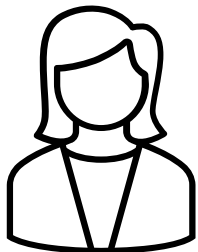
SCOPING HUMAN RIGHTS ISSUES

STAKEHOLDERS / RIGHT HOLDERS ANALYSIS

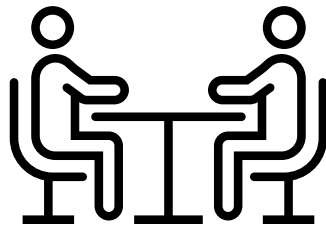


IDENTIFYING POTENTIAL & ACTUAL HUMAN RIGHTS CONCERNS/RISKS

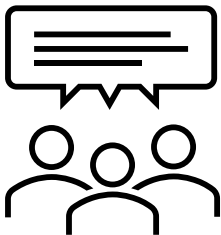
It is important that the data collection is a critical step to identify potential and actual human rights risk associated with the AWC operations and throughout the supply chain. The AWC employed a range of methods to help identify human rights concerns of stakeholders/right holders. These are desk review, engagement sessions with internal stakeholders, survey, focus groups discussion as well as interview to assess the level of stakeholders' awareness to human rights issues and direct and indirect experience to human rights challenges.



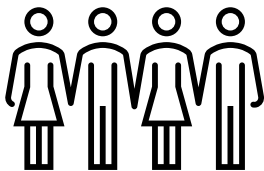
AWC Employee



Business partners - Tenants,
Supplier, and Joint venture



Customers



Community

Scope: respondents from 19 hotels, AWC head office, AWC retails and commercial buildings

Method: survey & desk review

Scope: respondents from tenants of the retails and commercial buildings and suppliers

Method: survey

Scope: respondents from customers

Method: survey

Scope: key informants from community (prior to/during construction and existing operations)

Method: focus group discussion and interview

PRIORITIZING HUMAN RIGHTS CONCERNS THROUGH RISK ASSESSMENT CRITERIA

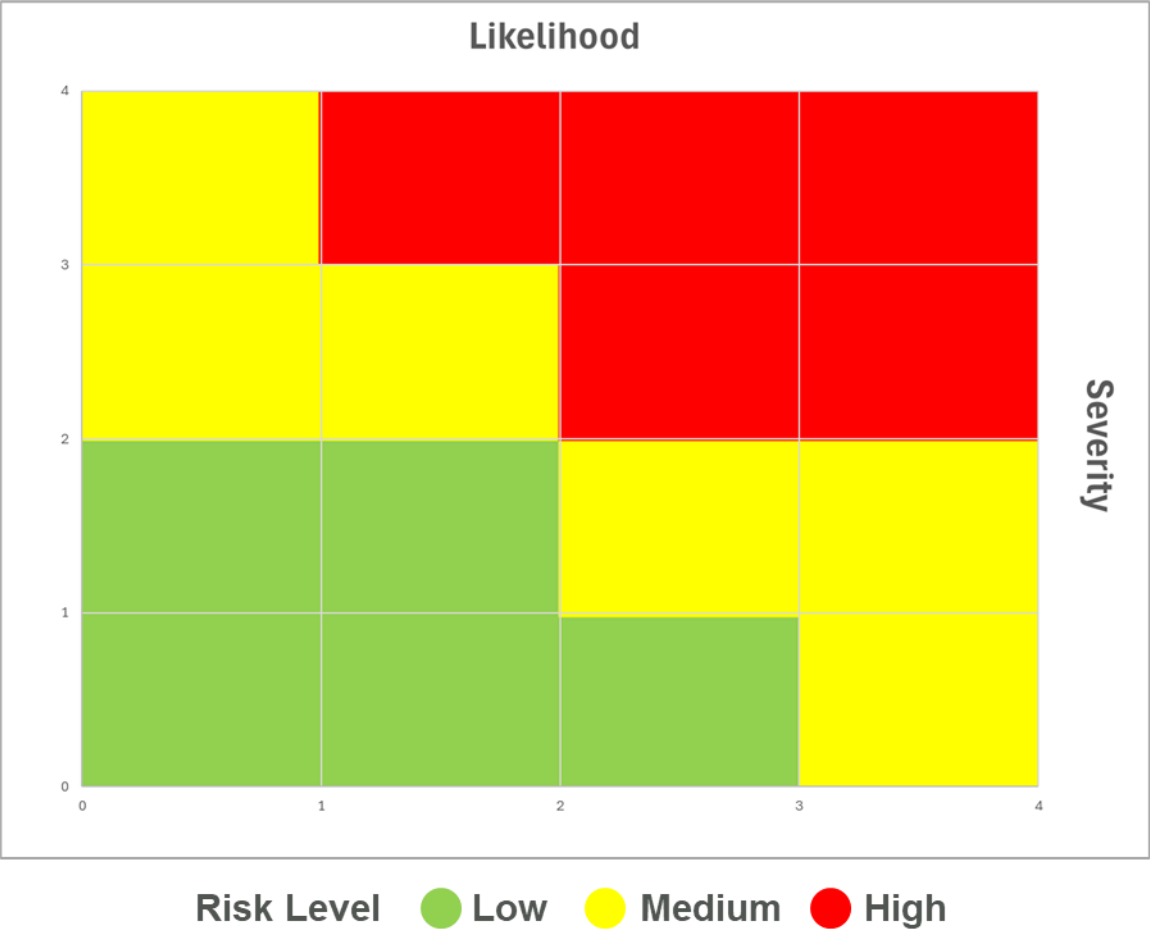
According to the UNGP, the human rights risk assessment is determined against severity and likelihood (probability) criteria

A level of severity will be determined based on the scale – how many people could be affected by the adverse impact, scope – how serious would the adverse impacts be for the victim? And remendability – will remedy restore the victim to the same or equivalent position before the harm. Level of severity is not an absolute value, yet it is relative to the other human rights risks and impacts that have been identified (UN Guiding Principle 14).

A level of likelihood will be determined based on the local environment or/and sector context – the likelihood of a risk occurring is greater in a high-risk operating environment: conflict zone, weak governance (policy, procedure, mechanism, etc.), a mismatch between local practices and international human rights and labor standards, higher risk economic sectors breach of human rights/labor cases, records of previous complaints, and media coverages on human rights (UN Guiding Principle 19).

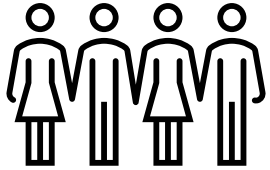
In addition, the report analysis will focus on different types of human rights concerns/risks against the company’s existing mitigation & remediation measures and identify areas for improvement of those measures and /or of new development measures

According to the assessment, **three types of human rights risks are identified: inherent** (based on the nature of the context when not mitigation measures are in place); **residual** (level of risks where mitigation measures & control are in place) and **salient** (high priority areas which still require mitigation actions and without the mitigation actions the salient human rights issues may result in a higher impact to the company)



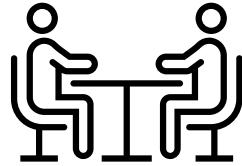
SALIENT HUMAN RIGHTS RISKS

6 significant human rights issues affecting different groups of AWC's stakeholders, or right holders, were identified in the evaluation out of 30 issues that have been assessed against the risk criteria. The company plans to take proactive measures to mitigate these issues in 2024.



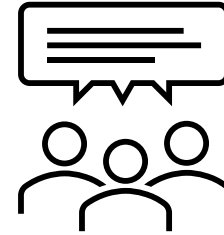
AWC Employee

- 1. Fair & Equal pay
- 2. Discrimination



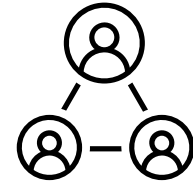
**Business partners –
suppliers**

- 3. Exploitation and unfair treatment of migrant workers



Customers

- 4. Right to information about the grievance mechanism



Community

- 5. Right to health and safety environment (during the construction)
- 6. Right to Access to Resources (Land and Water).

MITIGATION MEASURES

STAKEHOLDER/ RIGHT HOLDER	SALIENT HUMAN RIGHT RISKS	MITIGATION MEASURES	MONITORING PERIOD
Employee	Fair & Equal pay	<ol style="list-style-type: none"> 1. HR Implements transparent salary structures to comply with the Living Wage Policy. 2. Establish a salary review committee to monitor and address discrepancies in pay and regular audits. 	Quarterly
	Discrimination	<ol style="list-style-type: none"> 1. Communicate and enforce a Human Rights Policy and non-discrimination policy 2. Conduct regular training sessions on diversity and inclusion, and establish a clear reporting mechanism for discrimination cases. 3. Communicate a grievance mechanism procedure that focuses more on accessibility, transparency, and confidentiality 	Quarterly

MITIGATION MEASURES

STAKEHOLDER / RIGHT HOLDER	SALIENT HUMAN RIGHT RISKS	MITIGATION MEASURES	MONITORING PERIOD
Business Partners- Suppliers	Migrant workers (Exploitation and unfair treatment of migrant workers)	<ol style="list-style-type: none"> 1. Communicate the Supplier Code of Conduct on good labor practices and Human Rights Policy to all suppliers. 2. Regularly monitor the employment of migrant workers in the TOR (procurement process) 3. Addressing potential risks and promoting a Business Code of Conduct in their business partners' operations. 	Quarterly
Customers	Right to information about the grievance mechanism	<ol style="list-style-type: none"> 1. Communicate widely about the information on existing grievance mechanisms through – online or offline channels 2. Use social listening tools to monitor customers' concerns and develop a mitigation plan to address the issue accordingly 3. Review a grievance mechanism procedure that focuses more on accessibility, transparency, and confidentiality 	Monthly (especially item 2)

MITIGATION MEASURES

STAKEHOLDER / RIGHT HOLDER	SALIENT HUMAN RIGHT RISKS	MITIGATION MEASURES	MONITORING PERIOD
Community	Right to safety and healthy environment (during the construction phase)	<ol style="list-style-type: none"> 1. Conduct regular community visits and organize activities for sharing concerns 2. Establish multiple communication channels (online, offline) to monitor community needs regarding safety and health 3. Promote a communication mechanism, and referral procedures to ensure the community can actively engage and their recommendations are being addressed. In addition, it is to ensure that positive actions are taken to redress the community's concerns in timely manner 	Quarterly
	Right to Access to Resources (Land and Water).	<ol style="list-style-type: none"> 1. Conduct fair valuation of land and resources to be acquired, ensuring transparency and accuracy. 2. Provide fair compensation to affected community members in line with local laws and international standards. 3. Use multiple channels (online, offline) to reach a broad audience and maintain a dedicated website or information center for project updates and community queries. 4. Establish a specific grievance mechanism for land and water issues and ensure it is well-publicized and accessible. 	Quarterly

REMEDIATION ACTIONS

In 2023, AWC is dedicated to upholding the highest standards of human rights for all stakeholders. Should any negative human rights impacts arise from company operations or supply chain, AWC will take the following remediation actions:

1. Immediate Response	<ul style="list-style-type: none">▪ Quickly address and respond to any reported human rights violations.▪ Provide immediate support to affected individuals and communities.
2. Investigation	<ul style="list-style-type: none">▪ Conduct thorough investigations to understand the issue.▪ Use independent experts if needed for unbiased assessments..
3.Communication	<ul style="list-style-type: none">▪ Keep affected parties informed throughout the process.▪ Share updates and information with all stakeholders.
4.Compensation and Support:	<ul style="list-style-type: none">▪ Offer fair compensation to those affected.▪ Provide necessary support services, such as medical care and legal help.
5.Corrective Measures	<ul style="list-style-type: none">▪ Implement actions to prevent similar issues in the future.▪ Update policies and practices to address any gaps.
6.Monitoring and Follow-up	<ul style="list-style-type: none">▪ Monitor the effectiveness of remediation actions.▪ Ensure affected parties have received adequate support and remediation.
7.Stakeholder Engagement	<ul style="list-style-type: none">▪ Engage with communities and stakeholders for their input and feedback.▪ Collaborate with local organizations to protect and promote human rights.

With the robust monitoring system, **It is noted that AWC has not encountered any instances of human rights violations throughout its operations and value chain in 2023.**



BUILDING A BETTER FUTURE