

## PROEN Corp Public Company Limited

### Anti-Corruption Policy

#### 1. Introduction

PROEN Corp Public Company Limited and its subsidiaries (“the **Company**”) is committed to conducting its business with integrity, transparency, responsibility, and compliance with good practices in corporate governance including creation and promotion of corporate governance culture in the organization for compliance by every director and employee with consideration on the ultimate benefit. Therefore, the Company has arranged the anti-corruption policy to counter all kind of corruption since it is aware that corruption will harmfully ruin free and fair competition and will further damage the economic and social development.

This Anti-Corruption Policy (“the **Policy**”) constitutes a part of the Company’s Code of Conduct.

#### 2. Objectives

- 2.1 To demonstrate intent and determination of the company to counter all kind of corruption whether directly or indirectly.
- 2.2 To provide criteria on anti-corruption and prevention to every director, executive and employee for acknowledgment and strict compliance.
- 2.3 To build confidence in our clients, business partners, business alliances and other related persons such as government agencies, employees of the Group and auditors.

#### 3. Definition

Any passages or words used in this policy shall have the following meanings, except for such passages, demonstrate or has been described otherwise.

Corruption means all kind of bribery, whether directly or indirectly and/or use of inside information learned from the work performed for the company to do anything for its advantage or colleagues or the other related persons to acquire money, property, business or any other benefit, whether directly or indirectly, which is inappropriate under the business ethics and bribery in terms of offer, offer agreement, promise, claim or acceptance of money or benefits related to money or other benefit, whether directly or indirectly to procure business or to keep or recommend the business to any particular company or to keep any other benefits inappropriate under the business ethics unless it is the law, regulation, notification, requirement, customs, local tradition or trade practice which could be undertaken.



“Policy” means the Anti-Corruption Policy

“Company” means PROEN Corp Public Company Limited and its subsidiary

“Subsidiary” means Company Limited in which the Company directly and/or indirectly holds shares more than 50 percent or has controlling power.

“Group” means the Company and its subsidiaries

“Director” means Director of the Company

“Executive” means the Chief Executive Officer or the first three executive positions counting after the Chief Executive Officer downward. All persons holding the same level as those of the 3<sup>rd</sup> management positions and meaning including those with management positions in accounting or finance that are department managers level or higher or equivalent (According to the definition of the Securities and Exchange Commission, SEC)

“Employee” means the employee of the Company and its subsidiaries both full-time employees, contract employees, temporary employees.

#### 4. Scope

- 4.1 This policy applies to all employees including directors, executives and all employees of the Group shall comply this policy, as well as other policies that related to the Company's Ethics and Code of Conduct.
- 4.2 The Company hopes that clients, business partners or business alliances shall strictly follow this policy or support the Company in the fight against corruption.

#### 5. Duties and Responsibilities

- 5.1 The Board of Directors has to put its focus on all kind of anti-corruption and has to demonstrate its determination to pursue the practice on good corporate governance principles, code of conduct and business ethics, including major role to initiate the anti-corruption policy and responsibility for consideration and approval on the policy, as well as arrangement of efficient anti-corruption system to ensure that every employee of the Company is aware and has its focus of problems related to corruption.
- 5.2 The Audit Committee has duties and responsibilities as follows:
  - 1) To review the financial and accounting reports, internal control system, internal audit system and risk management related to the risk possibly incurred from fraud to ensure that the operation of the Company is concise, appropriate, effective and in accordance with generally accepted accounting standards.
  - 2) To supervise the anti-corruption policy and measures to ensure that the Company has undertaken its duties in accordance with laws and ethics provided.



- 5.3 The Chief Executive Officer and the Executives have duties and responsibilities to determine the system to encourage and support the anti-corruption policy to communicate to the employees and all related parties and to review the suitability of the systems and measures in accordance with the business changes, regulations, requirements and legal provisions.
- 5.4 The Internal Auditor has duties to audit and review the performance of work on the anti-corruption policy measures, whether it is correct and suitable to the policy, regulations, guidelines provided by the Company and notifications, regulations, rules provided and to report to the Audit Committee and the Board of Directors.
- 5.5 All employee of the Group has duties to comply with the policy and guidelines on anti-corruption strictly and shall sign for acknowledgement and compliance with this policy and submit to the human resource division for retention as evidence and confirmation that all of employee has learned and understood and is ready to implement this policy. In case there is any doubt or any offence is found, shall report to the superior which the Company will keep the information accepted through the system confidential and carefully submit such information to the related agencies.

## 6. Policy and Guideline on Anti-Corruption Policy

### 6.1 General

- 1) Directors, executives and employees of the Company and its subsidiaries are not allowed to undertake, accept or support all kind of corruption whether directly or indirectly, including the contractors or related sub-contractors and to arrange a review on compliance with this anti-corruption policy consistently and the review the guidelines to ensure correlation with the policy, regulations, requirements, rules, notifications, laws and business changes.
- 2) The anti-corruption standard is part of the business conduct and is the duty and responsibility of the Board of Directors, the Executives, the superior, every level of employees, the suppliers or the sub-contractors to participate and provide comments related to the practice to ensure that the anti-corruption work undertaken has accomplished the targets provided in the policy.
- 3) The Company has developed the anti-corruption measure in conformation with related laws, including moral practice with arrangement of risk assessment on activity related to or prone to fraud and corruption and has arranged the practice manual for related parties.
- 4) The Company has not undertaken or supported all kind of bribery or activity under its supervision, including controls of charitable donation, contribution to the political parties, business gift and support to various activities with



transparency and without any intent to convince the officers in the public or private sector to undertake any inappropriate act.

- 5) The Company has consistently arranged proper internal controls to prevent inappropriate action of the employees, especially in purchasing, warehouse management and shipping.
- 6) The company has educated the Board of Directors, the Executives and employees on anticorruption and fraud to encourage integrity, honesty and responsibility to undertake the duties with responsibility and to communicate its determination.
- 7) The Company has in place mechanisms for transparent and accurate financial reporting.
- 8) The Company has provided a variety of communication channels for employees and stakeholders to raise concerns and report suspicious circumstances with confidence of being protected from punishment, unfair transfer or harassment in any way that indicate in Whistle-blower Policy as well as appoint person(s) to investigate and monitor the complaints.

For clarity on how to deal with high-risk corruption manners, employees at all levels are required to treat with caution in action as stated below in Clause 6.2 to Clause 6.6

## 6.2 Political Contributions

The political contribution means the financial assistance or any kind of assistance provided to the political party, politician or the candidate in the political election to provide the political support such as contribution of items or services, advertisement on promotion of political party or support/permission on job absence without wage payment or becoming an agent to participate in the political campaign etc. This however does not include Employees' own participation on the basis of his/her personal rights and freedom, but they must not claim the status of being an employee or use any of company's property or equipment for the purpose of political activities.

The Company has no policy to provide any support to the political activity of any political party as the policy of the company is non-alignment and has not leaned towards any political party or group so there will be no support or assistance to any particular political candidate, whether directly or indirectly.

## 6.3 Bribery or Payment to Government Officers

The Company has a policy for its employees not to propose or accept any bribe, money or payment from the government agency, government officer or any other organization, whether directly or indirectly, to acquire or maintain its business or competitive advantage unless it is the payment provided in the regulations.



## 6.4 Charitable Contributions and Sponsorships

The Company has policy to donate for charity without expecting business returns or sponsorship. The Company shall provide charitable donation and financial support in an appropriate and transparent in accordance with the laws and ethics, under the framework of related cultures, traditions and laws only and shall not undertake any act which is possibly damaging the overall society. The Directors, Executives and employees are required to be careful on charitable contributions because there is a risk to be claimed as corruption or fraud or bribery. Therefore, the company has arranged the criteria related to charitable contributions and sponsorships as follows.

### Charitable Contributions

- 1) The charitable contribution shall be proved with actual activity in accordance with such project and shall be actually the work undertaken to support and accomplish the objectives of the project and beneficial to the society or in accordance with the objectives of the Corporate Social Responsibility (CSR).
- 2) The charitable contribution shall be proved that it is not involved with any counter benefit for any person or agency except the notification on honour in accordance with general business tradition such as affixation of logo, notification on the list at the activity premise or event or in the other public relations media.
- 3) Before making the the charitable contribution shall be submit the requisition form with details of recipient's name and the purpose of making charity, along with all other supporting documents to the Company's authorized persons in order to consider and approve.

### Sponsorships

- 1) The sponsorships shall be proved with actual activity in accordance with such project and shall be actually the work undertaken to support and accomplish the objectives of the project and beneficial to the society or in accordance with the objectives of the Corporate Social Responsibility (CSR).
- 2) The sponsorships shall be proved that the sponsorships or any other benefit possibly computed in monetary term such as arrangement of residence and food is not involved with the counter benefits provided to any person or agency except the notification on honour in accordance with general business traditions.
- 3) Before making sponsorships shall be submit the requisition form with details of recipient's name and the purpose of making sponsorship, along with all other supporting documents to the Company's authorized persons in order to consider and approve.



## 6.5 Acceptance of Gifts, Souvenirs or Other Benefits

Gifts, souvenirs or any other benefits mean any non-monetary item of value provided to each other on any occasion to express goodwill gesture or relationship or reward or to express affection or friendship, including privileges not generally provided to the public through reduction of the selling price or privilege to receive the service, training or entertainment and travelling or tour expenses, lodging expense, food expenses or other items of similar nature whether it is a card, ticket or any evidence, prepaid payment or refund to express friendship or to be normally provided in accordance with the culture, tradition or practice or social manner such as new year gift, birthday gift, gift provide for the new post or retirement.

The Directors, Executives and employees of the Company are not allowed to ask/promise to accept gifts, souvenirs or any other benefits from the clients, business partners or business alliances to convince ones to perform or omit any performance but it may accept gifts, souvenirs or any other benefits during the traditional occasion and not in conflict with the laws if the value of such item (approximate) is over 1,000 baht (one thousand baht), the recipient is required to fill in the “Form of acceptance/ offering of gift, souvenir or any other benefits” and submit such form to the authorized person and submit to the Office of the secretary of the Company together with the items accepted for further examination.

In case, the authorized person or the superior has considered that such gift, souvenir or any other benefits should not be accepted, the recipient shall return to the provider immediately. If unable to the return, such items shall be provided to the Office of the secretary of the Company and they are held the property of the Company, including gift, souvenir provided to the agent of the Company for memory of the special occasion of the Company such as the joint venture agreement signing ceremony, acceptance of honourable reward, souvenir accepted from the social activity, etc., which is allowed to be accepted by personnel of every level of the Company by filling in the form about the acquisition and retention of such souvenirs as detailed in the “Form of acceptance/offering of gift, souvenir or any other benefits”.

Criteria related to acceptance of gift, souvenir or other benefits are as follows.

- 1) Non-monetary items
- 2) Item of value not over 1,000 baht (one thousand baht) from the same source
- 3) Item prepared for sale promotion affixed with the logo of the Company (such as pen, hat, t-shirt, notebook)
- 4) Item prepared for public distribution (such as employees, shareholders or clients of the business partners)
- 5) Item prepared or bought for distribution/giving to business partners during the traditional occasion (such as calendar, notebook, gift basket)
- 6) Privilege to be provided (for sale promotion from the business partner)





## 6.6 Business Relationship

Fraud or corruption or bribery in all kinds of businesses is not allowed whether it is directly incurred or through the third party such as clients, business partners or business alliances. The employee is not allowed to employ the third party with an objective to undertake any fraud, corruption or bribery while the Company will inform the third party with business relationship that the policy of the Company is to prevent all kind of fraud and corruption and to encourage the clients, business partners or business alliances with business relationship to join effort to prevent fraud and corruption.

## 7. Risk Assessment

All Director and Executive of the Company is aware and understand that the business process of the company is exposed to fraud and corruption and bribery. To prevent such risk, the Directors and Executives have determined to make the risk assessment on fraud and corruption and bribery possibly incurred in the Company consistently at least once a year and to review such risk management measure to ensure that it is suitable to keep such risk to the acceptable level. In addition, the Executives of the Company shall communicate with the employees of every level to understand and provide cooperation to efficiently manage such risk.

## 8. Human Resource

The Anti-Corruption Policy is held part of the human resource management of the Company including recruitment or selection process, orientation, training, performance assessment, reward and promotion. Every employee shall be informed and sign to acknowledge this policy to ensure that the employee has understood the essence of compliance with this policy. Besides, the Company has determined to hold that compliance with the anti-corruption policy is the regulations and it has communicate with the employees that the Company shall not accuse any employee or to demote or put any negative impact on the employees who refuses fraud and corruption even though such act may cause the Company to lose its business opportunity from denial of bribery payment.

The employees who fail to comply with the Anti-Corruption Policy and measures or who are offenders shall subject to punishments or consider as disciplinary penalty according to the Company's regulations or may consider terminating and may also be subject to legal punishments if they commit an offense under the law.

## 9. Training and Communication

### Employee

The Anti-Corruption Policy will be circulated to all the Employees of the Company for acknowledgement and the training will be organized to all executives and employee of the Company to raise awareness of this Policy. This Policy including all additions and amendments will be posted on the Company website.



## Clients, Business Partners, Business Alliances and Other Related Persons

The Company shall communicate the Anti-Corruption Policy to all clients, business partners, business alliances and other related persons since the outset of business relationship with the Company and as appropriate thereafter.

The Company encourages clients, business partners, business alliances and other related persons to hold on the social responsibility standard similar to that of the Company.

## 10. Supervision, Monitoring and Review

Human Resources Department of the Company shall review this policy and proposed for the Board of Directors to consider and approve if have any changes, including supervising and monitoring the implementation of this policy and giving advice on an ongoing basis. However, if any improvement is required, it shall be done as soon as possible.

## 11. Penalization Process

The penalty will be made in accordance with the regulation on disciplines of the employees of the Company and/or related laws.

## 12. Effective Date

This Anti-Corruption Policy has been approved by the Board of Directors at the Board of Directors Meeting No. 5/2019 on 14 August 2019. It will be effective from 15 August 2019 onwards.

Mr. Kittipan Sri-bua-iam  
Chief Executive Officer

