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SAPPE's Announcement No. HR 022/2023
Anti-Corruption Policy

The Board of Directors of Sappe Public Company Limited (the "Company") recognizes and places great importance on organizational management based on ethics, morality, and the principles of good corporate governance to ensure transparency and accountability in the Company's operations. To ensure that the Company has appropriate policies, responsibilities, guidelines, and operational procedures in place to prevent corruption in all of its business activities, and to ensure that any business decisions or operations with potential corruption risks are carefully considered and conducted, the Company has reviewed and revised its Anti-Corruption Policy. This revised policy serves as a clearer guideline for business operations and supports the Company's development toward sustainable growth.

The previous Anti-Corruption Policy shall be revoked and replaced by this revised version, which shall take effect henceforth.



Anti–Corruption Policy

Sappe Public Company Limited

Revision History:

Revision No.	Effective Date	Details of Revision
0	February 1, 2014	First issued
1	November 13, 2019	Revised in its entirety
2	May 15, 2020	Revised sections on Duties and Responsibilities, Policy Implementation Guidelines, and Investigation and Disciplinary Actions to cover the Chairman of the Board
3	August 10, 2023	Revised in its entirety



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Ensuring Compliance and Review

1. Any actions taken under this policy shall be aligned with the Company's Code of Conduct, Corporate Governance Policy, as well as any rules, guidelines, and procedures that the Company may establish in the future.
2. The Company shall implement human resources procedures and processes that reflect its commitment to anti-corruption, including recruitment and selection, promotion, training, performance evaluation, compensation, fairness, and employee disciplinary processes.
3. The Company shall conduct regular assessments of overall corruption risks, and consider establishing or updating appropriate measures or guidelines to prevent corruption across all departments.
4. To ensure clarity in operations, for matters with a high risk of corruption, such as giving or receiving gifts, entertainment, charitable donations, sponsorships, political contributions or activities, and conflicts of interest, the Chairman of the Board, directors, executives, and employees must comply with the guidelines set forth in this policy, as well as with applicable ethics, codes of conduct, or other corporate governance policies and documents without exception.
5. The Company shall provide training and briefings on the Anti-Corruption Policy and its implementation during the onboarding of new directors and employees. The training shall be detailed to ensure proper understanding and application. The Company shall also communicate the disciplinary measures for non-compliance and provide ongoing communication and training for the Chairman, directors, executives, and employees to ensure awareness and understanding.
6. All departments shall review and appropriately update operational documents under their responsibility that relate to corruption prevention, ensuring alignment with this policy.
7. The Company shall review and update its anti-corruption policy and measures at least once a year, or whenever there are significant changes, to ensure continuous improvement.



Definitions

Corruption refers to all forms of bribery, including offering, promising, giving, soliciting, or receiving assets, money, or other incentives to induce a person to act unlawfully or against good morals. It also includes other improper benefits provided to officials in government agencies, private organizations, business partners, etc. Corruption encompasses the misuse of one's position or information obtained through work to benefit oneself, associates, or others, leading to actions or omissions that result in inappropriate business gains. Exceptions apply only when such actions are permitted by law, regulations, proclamations, local customs, or trade practices. Corruption can occur through various channels and forms, as follows:

1. **Donations and Sponsorships** refer to the provision of money, goods, or any other benefits to government agencies, customers, partners, individuals, legal entities, or any stakeholders, with the objective of achieving the Company's operational goals.
2. **Giving or Receiving Gifts** refers to giving or receiving money, assets, goods, or any other benefits.
3. **Entertainment and Hospitality** refers to expenditures for business entertainment, such as providing food and beverages, sports-related hospitality, and other expenses directly related to business activities or trade practices, including business-related knowledge sharing.
4. **Political Contributions** refer to providing money, assets, goods, rights, or any other benefits to support, or for any benefit to, political parties, politicians, or individuals involved in political activities, including political activities, whether directly or indirectly.
5. **Conflict of Interest** refers to any action that creates a personal interest or conflict of interest with the Company, whether arising from dealings with the Company's business partners, using opportunities or information obtained through employment for personal gain or for business competing with the Company, or engaging in work outside the Company that affects official duties.
6. **Facilitation Payment** refers to a small, informal payment made to a government official solely to ensure that the official performs a process or to expedite its completion. This process does not require the discretion of the government official and is part of the official's legitimate duties, as well as a right legally entitled to the entity, such as obtaining permits, certificates, or public services.
7. **Hiring of Government Employees (Revolving Door)** refers to political officeholders, civil servants, local government employees with permanent positions or salaries, employees or personnel in state enterprises or government agencies, local executives and local council members who are not political officeholders, and officials under local administrative laws. It also includes directors, subcommittee members, employees of government agencies, state enterprises, or government units, and any individual or group authorized to exercise administrative power in performing any act under the law, whether within the bureaucracy, state enterprises, or other state-run entities.



Duties and Responsibilities

1. Board of Directors

- Establish clear anti-corruption policies and practices to ensure that all employees of the Company understand and recognize the importance of anti-corruption.
- Review reports on compliance with anti-corruption policies and measures, and provide constructive guidance to management for the development and improvement of such measures.

2. Audit Committee

- Review financial and accounting reports, internal control systems, internal audit systems, and risk management to ensure efficiency and effectiveness in accordance with relevant standards.
- Oversee and review to ensure that the Company has appropriate and adequate internal control systems to address corruption risks, as well as supervise and monitor compliance with the Company's anti-corruption measures, and report to the Board of Directors.
- Review the accuracy and completeness of reference documents and self-assessment forms regarding the Company's anti-corruption measures, in line with the Thai Private Sector Collective Action Coalition Against Corruption (CAC) guidelines, and report to the Board of Directors.

3. Risk Management Working Group

- Assess risks related to corruption, develop measures and guidelines to prevent corruption-related risks, and monitor and report the results to the Audit Committee and the Board of Directors.

4. Corporate Compliance Unit

- Oversee, monitor, and review compliance with the Company's anti-corruption policies and measures, and report to the Audit Committee and the Board of Directors.

5. Management

- Implement the anti-corruption policy by establishing internal control measures to prevent corruption within their respective areas of responsibility.
- Establish processes to promote and support the anti-corruption policy, and communicate it to all employees and relevant stakeholders to raise awareness of anti-corruption. Regularly review the appropriateness of systems and measures to ensure alignment with changes in business, regulations, and legal requirements.

6. Employees

- Understand their roles, duties, and responsibilities in managing corruption-related risks relevant to their departments.
- Perform their duties in accordance with the anti-corruption policy.
- Support and cooperate in preventing and combating corruption, such as reporting any suspicious or potentially corrupt activities.



Guidelines for Implementing the Anti-Corruption Policy

This Anti-Corruption Policy covers all activities conducted by the Company. The Chairman, Directors, Executives, and employees of the Company, including its subsidiaries, are required to strictly comply with this policy and the guidelines for its implementation. They are prohibited from soliciting, engaging in, or accepting any form of corruption, whether directly or indirectly. This applies to all relevant departments as follows:

1. Do not ignore or overlook any actions that may constitute corruption related to the Company. Such actions must be reported to a supervisor or the responsible person, and cooperation in any fact-finding investigations is required. In case of doubts or questions, employees should consult their supervisor or the designated person responsible for monitoring compliance with the Company's Code of Conduct through the prescribed channels.
2. The Company shall ensure fairness and provide protection to employees who refuse or report corruption related to the Company in accordance with the Company's policy.
3. Any individual engaging in corruption is in violation of the Company's Code of Conduct and shall be subject to disciplinary action in accordance with the Company's regulations. In addition, legal penalties may apply if the act constitutes a violation of the law.
4. The Company recognizes the importance of raising awareness, providing knowledge, and ensuring understanding among individuals performing duties related to the Company, or whose actions may impact the Company, regarding compliance with this Anti-Corruption Policy. The Company shall communicate and promote the policy both internally and externally to foster understanding, cooperation, and prevention of corruption through appropriate and diverse channels, such as new employee orientation training, the Company's intranet, notices on Company and subsidiary bulletin boards, the Company website, annual reports, and circulars.
5. The Company shall establish clear operational procedures, conduct corruption risk assessments, and implement regular monitoring and review processes to ensure alignment with business and legal/regulatory changes.
6. The Company shall implement human resource processes that reflect its commitment to anti-corruption measures, including recruitment, training, performance evaluation, compensation, and promotion. In addition, the Company shall not demote, penalize, or impose negative consequences on employees who refuse to engage in corruption, even if such actions result in lost business opportunities, and shall ensure clear communication regarding this policy.
7. Any person who observes non-compliance with the anti-corruption policy and measures must urgently report the matter to senior management and the Board of Directors.
8. To ensure clarity in handling high-risk matters related to corruption, the Chairman, Directors, Executives, and all employees of the Company must exercise due care in the following matters:
 - 8.1 **Donations and Sponsorships:** Donations and sponsorships to government agencies or officials, charitable organizations, or stakeholders, whether in the name of individuals or legal entities, shall follow the guidelines as specified.



- 1) All actions must be conducted on behalf of the Company in a transparent manner, in compliance with the law, and in accordance with the Company's regulations.
- 2) Payments should not be made directly to any government official or individual in a personal capacity, unless clearly specified in a formal request for support and supported by written evidence of the approval.
- 3) Proper monitoring should be conducted to ensure that donations and/or sponsorships are used for public benefit and/or in accordance with the intended purpose of the donation and/or sponsorship.

Procedures for Donations and Sponsorships

1. The requester shall consider the appropriateness of the donation or sponsorship, ensuring it complies with the Company's policy. For monetary donations, a memo requesting approval from the authorized personnel for disbursement must be prepared each time.
2. The requester shall submit the proposal to their supervisor for consideration, including details such as the project name, project objectives/reasons, recipient of the donation/sponsorship, project details, and the requested donation/sponsorship amount.
3. Once approved, the requester shall process the disbursement through the Company's online system and submit it for approval by the authorized personnel in accordance with the Company's approval authority framework.
4. The Accounting Department shall verify the accuracy of the approved items and supporting documents. If correct, the Accounting Department shall record the transaction in the accounting system and forward it to the Finance Department to issue payment either by check or bank transfer directly to the donation or sponsorship recipient.
5. Upon completion of the project, the person responsible for the project shall collect all relevant documentation, such as thank-you letters, evidence of receipt of donations/sponsorships, project photographs, etc., and submit them to the Accounting Department for filing, ensuring that all records are accessible for future reference and auditing.

8.2 Giving or Receiving Gifts and Hospitality: The Company does not expect the Chairman, Directors, Executives, and employees to give or receive gifts, items, or hospitality of excessive value from business-related parties. To ensure that giving and receiving gifts or hospitality is not intended for any benefit or consideration that may constitute corruption, the Company has established the following guidelines:

- 1) Gifts and hospitality may be offered to business partners if the Company considers that such actions do not affect the Company's operations and meet all of the following conditions:



- They are not intended to seek improper benefits or to influence decision-making to gain an unfair advantage.
 - They comply with applicable laws, regulations, and Company rules, and are consistent with customary practices.
 - The type and value are appropriate and reasonable according to the circumstances; for example, during a bidding process or product offering, gifts or hospitality should not be given to government officials, Company employees, or relevant agencies.
 - They are appropriate to the situation, such as giving small gifts during festive occasions in accordance with customary practices.
- 2) Gifts or other benefits may be accepted during festive occasions or as part of customary practices, provided that the gifts are not cash or cash-equivalent. In situations where it is not possible to refuse a gift or benefit of excessive value from a business-related party, the recipient must report it to their supervisor in accordance with the reporting hierarchy and hand over the gift for appropriate consideration and handling.
- 3) Acceptance of offers for hospitality, seminars, training, site visits, or business tours funded by business partners or stakeholders (e.g., meals, accommodation, travel expenses) is not permitted unless reviewed and approved by the senior executive of the relevant division. Approval is granted only if the activity is deemed appropriate, beneficial to the Company, of reasonable value, and in accordance with customary practices and applicable laws. Such offers must be made between organizations, not individuals.

Procedures for Giving Gifts

1. The requester shall consider the appropriateness of giving the gift and submit the proposal to their supervisor for review through the Company's online system, and then submit it for approval by the authorized personnel in accordance with the Company's approval authority framework.
2. Once approved, the Accounting Department shall verify the accuracy of the approval and supporting disbursement of documents. If correct, the Accounting Department shall record the transaction in the accounting system and forward it to the Finance Department to make the payment by check or bank transfer.
3. The Accounting Department shall retain all supporting documents related to the gift disbursement to ensure they are accessible for future reference and audit purposes.

Procedures for Hospitality

1. The requester shall consider the appropriateness of the hospitality and submit the proposal to their supervisor for review through the Company's online system, and then submit it for approval by the authorized personnel in accordance with the Company's approval authority framework.



2. Once approved, the Accounting Department shall verify the accuracy of the approval and supporting disbursement documents. If correct, the Accounting Department shall record the transaction in the accounting system and forward it to the Finance Department to make the payment by check or bank transfer to the requester. In cases of advance payments, the requester must settle the advance in accordance with the Company's policy.
3. The Accounting Department shall retain all supporting documents related to the hospitality disbursement to ensure they are accessible for future reference and audit purposes.

Procedures for Receiving Gifts or Other Benefits

1. The Chairman, Directors, Executives, and employees who receive gifts or other benefits (the recipient) must consider whether accepting the gift or benefit is in compliance with the Company's policy.
2. If the gift or benefit is of excessive value, the recipient must report it to their supervisor in the proper reporting hierarchy and hand over the gift or benefit for appropriate review and handling.

Procedures for Accepting Offers of Hospitality

1. The Chairman, Directors, Executives, and employees must consider whether accepting an offer of hospitality complies with the Company's policy.
2. The purpose, duration, details of the activity, participants, and other relevant information must be specified when seeking case-by-case approval from the appropriate supervisor in the reporting hierarchy.

8.3 **Facilitation Payment:** The Company has no policy of making facilitation payments. If an employee is requested to make a payment on behalf of the Company, the employee must exercise caution and consider the purpose and appropriateness of the payment. The employee should obtain a receipt documenting the reason for the payment. Any doubts, concerns, or questions regarding the payment must be reported to the supervisor in the proper reporting hierarchy.

8.4 **Political Contributions:** The guidelines are as follows:

- 1) The Company shall remain politically neutral and shall not engage in any action that favors or supports any political party or individual with political authority.
- 2) Employees have the right to exercise their political rights, such as voting or being a member of a political party. However, employees must not engage in political activities that reflect personal interests during working hours or use the Company's resources (e.g., email, telephone) without authorization from the appropriate authority. Employees must also ensure that their actions do not create a misunderstanding that the Company supports or favors any political party.

8.5 **Conflict of Interest:** The guidelines are as follows:

- 1) Perform duties with the Company's best interests as a priority, in compliance with applicable laws and ethical standards.



- 2) Avoid engaging in any business that competes with or is similar to the Company, and refrain from being a partner, shareholder, or executive in such businesses. If involvement in such a business or any situation that may create a conflict of interest with the Company is unavoidable, it must be reported to the supervisor immediately.
- 3) Do not seek personal gain from any information or assets obtained through one's position and responsibilities.
- 4) Avoid engaging in any external work outside the Company that may adversely affect the performance of one's duties in any way.

8.6 **Hiring of Government Employees (Revolving Door):** The Company has no policy of hiring government employees. However, if it is necessary to hire or appoint a government employee, the Company shall implement appropriate procedures to ensure that such hiring or appointment does not confer any undue benefit to the Company. The Company shall also establish measures to disclose information regarding the hiring of government employees in significant positions to the public, ensuring transparency and accountability.



Channels for Whistleblowing and Complaints

The Company has established measures for whistleblowing or lodging complaints regarding violations of laws, the Code of Conduct, or behaviors that may involve corruption by the Chairman, Directors, Executives, or employees of the Company. Multiple communication channels are provided to enable employees and stakeholders to report issues conveniently and appropriately.

Whistleblowers or complainants are required to provide details of the matter being reported, along with their name, address, and contactable phone number, and submit it through the reporting channels designated by the Company, as follows:

1. Channels for External Parties to Provide Feedback or Report/Whistleblow on Misconduct: Reports may be submitted by letter or email to:
 - (1) The Chairman of the Audit Committee, through the Head of the Compliance and Legal Affairs Department of the Company, at the following address:
 - By mail (addressed to):
The Chairman of the Audit Committee
Through the Head of the Compliance and Legal Affairs Department
Sappe Public Company Limited
71 SP Arcade Building, 3rd Floor, Hua Mak Subdistrict, Bang Kapi District, Bangkok
10240, Thailand
 - By email: compliance@sappe.com
2. Channels for Employees to Provide Feedback or Report/Whistleblow on Misconduct: Reports can be made verbally, or in writing via letter or email, and sent to:
 - (1) Any trusted supervisor at any level; or
 - (2) The Human Resources Manager; or
 - (3) Any member of the Board of Directors.



Protection Measures for Whistleblowers and Complainants, and Confidentiality

To protect the rights of complainants and whistleblowers acting in good faith, the Company shall keep confidential the names, addresses, or any information that could identify the complainant or whistleblower, and shall maintain all related information as confidential. Access to such information shall be limited only to personnel responsible for handling the investigation of the complaint.

Complainants and whistleblowers may choose to remain anonymous if they believe that revealing their identity could cause harm or danger to themselves, provided that there is sufficient evidence to substantiate that an act in violation of the law, regulations, rules, or the Company's code of conduct has occurred.

In cases of complaints regarding corruption involving executives or senior management, the Audit Committee shall be responsible for protecting whistleblowers, complainants, witnesses, and individuals providing information during the investigation, ensuring that they do not suffer any harassment, harm, or unfair treatment as a result of reporting, filing complaints, giving testimony, or providing information.

Whistleblowers, complainants, or individuals assisting in the investigation may request the Company to implement appropriate protection measures if they believe they may face safety risks or potential harm. The Company may also provide such protection measures proactively without a request if there is a likelihood of danger, damage, or insecurity.

Personnel responsible for handling complaints shall keep all information, complaints, and supporting documents of the complainants and whistleblowers confidential. Disclosure to any person not involved in the investigation is strictly prohibited, except as required by law.



Investigation Procedures and Disciplinary Actions

1. Upon receiving a whistleblowing report, the recipient of the complaint shall conduct a fact-finding investigation, or may assign an individual, department, or investigation working group to carry out the investigation. The duration of the investigation shall depend on the complexity of the complaint. The recipient shall record the complaint in writing, and upon completion, summarize the investigation results in detail to the relevant parties for review, to ensure compliance with standardized procedures. Statistical data on whistleblowing shall also be compiled and reported to the Audit Committee and the Board of Directors.
2. If the investigation finds that the information or evidence reasonably indicates that the accused has engaged in acts of fraud or corruption, the Company shall grant the accused the right to be informed of the allegations and to defend themselves by providing additional information or evidence demonstrating that they are not involved in the alleged misconduct.
3. If it is confirmed that the accused has indeed committed the fraudulent or corrupt acts, the individual—whether the Chairman of the Board, a director, an executive, or an employee—shall be considered in violation of the Anti-Corruption Policy and the Company's Code of Conduct, and shall be subject to disciplinary action in accordance with the Company's regulations. Such disciplinary measures may include termination of employment, if deemed necessary or appropriate. If the acts constitute a violation of the law, the offender may also be subject to legal penalties.
4. The decision of the individual, department, or investigation working group responsible for conducting the fact-finding investigation shall be considered final.



Communication and Training

1. The Company shall communicate and disseminate the Anti-Corruption Policy, including channels for whistleblowing or complaints, to all internal personnel through various means such as new employee orientation training, the Company's intranet, notice boards, the Company's website, annual reports, and emails, among others, to ensure that everyone in the organization understands and strictly complies with the anti-corruption policies and practices. This communication shall be conducted annually to refresh awareness and understanding.
2. The Company shall communicate and disseminate the Anti-Corruption Policy, including channels for whistleblowing or complaints, to its subsidiaries through various channels such as circulars, the Company's website, annual reports, and emails, among others, to foster awareness, understanding, and adherence to the same social responsibility standards in anti-corruption as the Company. This communication shall be conducted annually to all relevant personnel.
3. The Company shall communicate and disseminate the Anti-Corruption Policy, including channels for whistleblowing or complaints, to its business partners through various channels such as circulars, the Company's website, annual reports, and emails, among others, to foster understanding and promote adherence to the same social responsibility standards in anti-corruption as the Company. This communication shall be conducted annually to all relevant parties.

This announcement is hereby issued for acknowledgment and strict compliance by all concerned.

Issued on 10 August 2023

(Mr.Natee Onin)

Chairman of the Board, Sappe Public Company Limited