

Policy and Guideline for Preventing Corruption in Procurement

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1. Policy and Guideline for Preventing Corruption in Procurement

The company is committed to conducting business with integrity, adhering to its responsibility toward society and all stakeholders in accordance with good corporate governance principles. The Company conducts business based on transparency and ethics, adherence to the good corporate governance principles, and complying with laws related to the prevention and anti-corruption efforts.

To ensure that the company has a policy to determine responsibilities, guidelines and requirements for appropriate action to prevent corruption in all business activities and to ensure that business decision and operation that may be at risk of corruption are carefully considered and implemented. Therefore, the Company has prepared the "Policy and Guideline for Preventing Corruption in Procurement" in accordance with Notification of Anti-Corruption Cooperation Committee Re: Minimum Standards of the Policy and Guidelines on Prevention of Corruption in Procurement to be Provided by Business Operators under Section 19 of Public Procurement and Supplies Administration Act, B.E. 2560 (A.D. 2017) as a clear guideline for business operation.

Fraud refers to The act of seeking undue benefits for oneself or others in violation of the law.

Corruption means giving, promising to give, receiving, or soliciting of assets whether in the form of documents, information, money, or other improper benefits with the intention of causing an individual to refrain from actions that would obtain or maintain a business or any illicit advantage for oneself, associates, or a company, either directly or indirectly. This also includes any actions that conflict with the company's code of business ethics. Such actions including

- (a) The giving and receiving of gifts, entertainment, and other forms of hospitality refer to various expenses paid for items, entertainment, and all related expenses that have monetary value, including anything that can be exchanged for goods or services. Waiving the right to decline items or services that the company is entitled to means waiving the benefits that the company is entitled to receive from customers, partners, and/or business associates, whether or not these benefits have monetary value
- (b) Illegal political contributions refer to financial assistance or the provision of services, in any form, that is unlawful
- (c) Charitable donations/sponsorships refer to the donation or sponsorship of money, goods, or other benefits, or financial support for business, brand, or the reputation of the donor to an individual or entity with an underlying unlawful objective

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2. Guideline for the implementation of policy and guideline for preventing corruption in procurement
- 2.1 The Board of Directors is responsible for formulating “the policy and guideline for preventing corruption in procurement” and supervising the anti-corruption policy efficiently and effectively. This is to ensure that the management is aware of and attaches great importance to the policy. Executives are responsible for managing the implementation of the policy and guideline for preventing corruption in procurement for all departments to comply with concretely and strictly. Determine channels for whistleblowing or complaint about corruption. If there is a report of corruption in the organization. The management is responsible for providing advice, recommendation and determining penalty according to the proposed report.
- 2.2 Assign the Risk Management and Sustainability Department to conduct a risk assessment of potential corruption and propose a risk assessment report on potential corruption in the responsible department or division to the Risk Management and Sustainable Development Committee.
- 2.3 Require the Internal Audit Department or its assignee to be responsible for monitoring the implementation of the policy and in accordance with the audit plan.
- 2.4 Management and Supervisor must communicate thoroughly with personnel in the organization or those related to the organization and understand the policy and guideline for preventing corruption in procurement.
- 2.5 Executives must organize training for employees on policy and guideline for preventing corruption in procurement in order to implement them efficiently and effectively.
- 2.6 Executive Supervisors, employees, and persons related to the Company must strictly comply with the policy and guideline for preventing corruption in procurement, adhere to the Code of business ethic and not be involved in any form of corruption, whether direct or indirect, and will not be punished whether it is a reduction in position or any negative consequences in rejecting corruption even if that action will cause the company to lose business opportunity.
- (a) Not giving and not accepting gift, reception, service as well as any other property or benefit from the relevant person who they have contacted and coordinated both government and private agencies or any other agencies in order to guide them to refrain from performing their duties and those of others.
- (b) Not to act as an intermediary in the offer of any benefit whether it is money, any goods or property with people related to the business in exchange for privileges that should not be given.

- 2.7 Executives and employees do not ignore or neglect when they see any acts that fall under the category of corruption related to the Company by notifying their supervisors or responsible person and cooperating in investigating the fact.
- 2.8 In Procurement, procedure must be strictly followed for transparency and inspection at every step.
- 2.9 Executives and employees do not take any action that makes the Company considered politically biased. In other words, the Company is an organization that adheres to political neutrality. Support the observance of the law and democratic governance with the monarch as the head of state. The Company does not support political party, either directly or indirectly.
- 2.10 Expense for business hospitality and other expenses related to the performance of the business contract may be made. Anyway, it must be spend reasonably and not fraudulently.
- 2.11 Donation or supporting in various projects can be made only on behalf of the Company. The donation is in the form of a project or an agency. The charity must be a credible project or entity that can be verified as well as the disbursement must have a clear purpose and must be carried out through the correct disbursement process according to the specified company.
- 2.12 The Board of Directors will regularly review the guideline and operational measure in order to comply with change in law and business condition.

3. Communication in the organization

To ensure that everyone in the Company is aware of the policy and guideline for preventing corruption in procurement. The company will implement and disseminate the policy and guideline for preventing corruption in procurement through the Company's communication channels, such as email, the company's website, and its social media platforms

4. Whistleblowing for Preventing Corruption in Procurement

Employees of the Company and the general public who witness or suspect acts of corruption within the company can report facts and tips through the designated channels. Complaints regarding actions that raise suspicion of corruption, either directly or indirectly, involving the company can be submitted via the reporting channels outlined in this policy. The complainant must provide details of the tip or complaint along with sufficient evidence or information for investigation, as well as their name, address, and a contactable phone number. The report can be submitted through the following reporting channels

Audit Committee

Address : Stecon Group Public Company Limited

32/59-60 Sino-Thai Tower, 29th-30th Floor, Sukhumvit 21 Road (Soi Asoke)

Khlong Toei Nua, Wattana, Bangkok 10110
e-mail address : auditcommittee@stecongroup.co.th
Phone: 02-610-4900 Ext. 1530

In addition, the Company confirms that the name, address and telephone number of the complainant will be kept confidential for the safety of the complainant and those related to the complainant.

5. Penalty

Any employee or business associate who violates or fails to comply with the policy and guideline for preventing corruption in procurement will be subject to severe disciplinary penalty, including dismissal or contract termination, as applicable. Furthermore, they may also be prosecuted under relevant anti-corruption laws. The company will determine the appropriate penalties based on the circumstances

the policy and guideline for preventing corruption in procurement Approved by the Board of Directors' Meeting No. 2/2024 on February 27th, 2024 and be effective from February 27th, 2024 onwards.

Promulgated on 27th February 2024

(Mr. Vallop Rungkijvorasathien)

Chairman of the Board of Directors
Stecon Group Public Company Limited