

## **Anti-Corruption Policy of L.P.N. Development Public Co., Ltd.**

L.P.N. Development Public Co., Ltd. (“LPN”) and associated companies have established the direction of the business operation in accordance with ethical principles, good corporate governance emphasizing the responsibilities towards the society and stakeholders and the Code of Conduct of the Company. The Company has participated in Thailand’s Private Sector Collective Action Coalition Against Corruption (CAC) to demonstrate our intention and commitment against corruption in all forms. The Company was certified as a member of CAC for the first time on 9 February 2017.

The Company has formulated the anti-corruption policy in writing as a guideline for business operation and organization development towards sustainability. The Company has revised the anti-corruption policy announced and effective on 11 December 2014 in order to be in accordance with changes in business, law and regulations.

### **Definition**

**Corruption** refers to any types of bribery such as an offer or promise on money, asset or other inappropriate benefits from the government officers, government sectors or private sectors either directly or indirectly so that such person could proceed or disregard his/her function in order to acquire, retain the business or achieve any improper benefits in business transactions. Exception shall be applied in case of laws, regulations, customs, local traditions enable to do so.

**Conflict of Interests** refers to a conflict between personal interests and common interests, situation or action of the Company’s directors, executives, staff and employees with interest which affects the decision-making or the ability to perform their duty as well as the common interests. They may be aware or unaware of the action and such action may be intentional or unintentional in various forms. The action may become a common practice, resulting in their inability to perform their duties impartially due to personal interests.

**Facilitation Payment** refers to a small fee paid unofficially to government officials to ensure that they will facilitate the administrative process or expedite the process without the discretion of the government officials. It is solicited to facilitate or expedite the performance of a routine transaction to which the Company is legally entitled to receive, for example, a license, a certificate and public services.

**Revolving Door** refers to the hiring of government employees or former government employees to work for the Company. They may use their connection or internal information for the benefit of the Company or create a conflict of interest with a government agency or between a business regulator and the Company. The outcome of such action is aimed at creating an unfair business advantage or establishing a policy for the benefit of the company that the former government officials work for.

### **Anti-Corruption Policy**

- Directors, executives and all employees of the Company and associated companies are prohibited from engaging in or accepting any form of corruption both directly and indirectly.
- The operational guideline and business operation regulations shall be regularly revised to be in accordance with changes in business, law and regulations.
- Compliance with the anti-corruption policy shall be regularly reviewed.

### **Duties and Responsibilities**

1. The Board of Directors, with the presentation from the Nomination, Remuneration and Good Corporate Governance Committee, is responsible for establishing an anti-corruption policy and effective anti-corruption systems to ensure that the personnel of the Company is aware and recognizes the importance of the Anti-Corruption Policy and guideline and cultivate an anti-corruption culture in the organization.
2. The Audit Committee is responsible for reviewing financial and accounting reporting systems, internal control systems, internal audit systems and risk management systems to ensure that they are in compliance with international standards as well as prudent, suitable, up to date and effective. The Audit Committee is also responsible for handling submission of information regarding corruption of the Company's personnel, conducting fact-finding investigations and presenting the issue to the Board of Directors to determine disciplinary action or solutions, as well as giving consultation and ensuring compliance with the Anti-Corruption Policy.
3. The Executive Committee, Managing Director and executives are responsible for implementing the Anti-Corruption Policy and promoting compliance with the policy as well as communicating it to all employees and related parties. They are also responsible for reviewing the suitability of the systems and measures to be in accordance with changes in business, law and regulations.
4. The Internal Audit Department is responsible for reviewing risk assessment and providing recommendations on the establishment of corruption risk prevention measures and guidelines. The Internal Audit Department is also in charge of auditing and reviewing operations to ensure their compliance with policies, guidelines, authority, procedures and laws in order to ensure that the internal anti-corruption control systems are suitable and report to the Audit Committee.

### **Guidelines and Operations**

1. Executive Directors and all employees must strictly comply with the Anti-Corruption Policy without any exception.
2. The employees must not neglect or ignore when detecting an act involving the Company that can be construed as corruption. They must notify their supervisors or responsible persons. Should there be any questions or inquiries, they shall consult their supervisors or responsible persons designated to oversee compliance with the Code of Conduct through various channels provided.

3. The Company will ensure fairness and protect the whistleblower as defined in the Whistleblower Policy.
4. The corrupt employee shall be subject to disciplinary action without any exception.
5. The Company shall educate and build an understanding among third parties whose duties involve the operation of the Company on matters where compliance with the Anti-Corruption Policy is required.
6. The Company shall regularly and continuously organize trainings and maintain organizational culture (CLASSIC) on Integrity for the employees to be aware of corruption.
7. This Anti-Corruption Policy shall also apply to human resource management processes, including nomination, selection, promotion, training, evaluation and remuneration. Supervisors at all levels shall communicate the policy to staff so that they can apply it to business activities within their scope of responsibility and supervise its implementation to ensure efficiency.
8. To ensure clarity regarding activities involving high risks or corruption, the directors, executives and all employees shall exercise caution on the followings:
  - 8.1 Gifts and hospitality – any offering or accepting of gifts and hospitality shall comply with the Company's Code of Conduct.
  - 8.2 Donations or sponsorships – any offering or accepting of donations or sponsorships shall be transparent and legal. It must be ensured that such donations or sponsorships will not be used as a pretext for bribery.
  - 8.3 Business relations – any offering or accepting of bribery is prohibited in all business activities. Any dealing with the government shall be transparent, honest and in compliance with relevant laws.
  - 8.4 Conflict of Interests – the principles and guidelines shall be in accordance with the Company's Code of Conduct as follows:

#### **Principles**

The Company focuses on doing the right thing. The employees shall thus perform their duties in the best interests of the organization while adhering to legal and ethical standards. The external or internal conflict of interest that may affect their decision-making and duty shall be avoided.

#### **Guidelines**

- The employees must avoid engaging in any transaction with parties that are related to them such as families, close relatives and close persons. Should any family members of employees are involved with or become shareholders of any business that may cause conflict of interests with the organization, they must notify the Executive Committee in writing.

- The employees must not operate a competing business, become shareholders, be shareholders with decision-making power, be directors or executives in a business that is competitive or of the same nature as the business of the Company.
  - The employees must avoid conflict of personal interests and that of the Company's in connection with business partners and any other persons.
  - Both during the employment and after employment ends, the employees must not disclose confidential information or information that has a significant impact on the Company.
  - The employees must avoid doing any work for personal interests which may affect the work under their responsibilities or image of the organization other than working for the Company, such as becoming a director or advisor of other company, organization or business association, except being approved by the Executive Committee.
  - The employees must not ask for a loan from business partners of the Company except from financial institutions as this may influence the performance of the staff as the representative of the Company.
  - The employees must not seek benefit from information learned or acquired as a result of their position and responsibilities.
  - The employees are prohibited from spending office hours searching for information, contacting or trading any securities or assets on a regular basis for their personal or other people's benefit and not for the benefit of the Company.
- 8.5 Facilitation payment - the employees are "prohibited" from making facilitation payment directly or indirectly to government officials under all circumstances. Allowing the Company's personnel to make facilitation payment to government officials, there is a very high risk that it will become a bribe. It will also increase business costs, increase a chance of reputational risk and violate the Anti-Corruption Policy of the Company. Any contact with the government sector must be done in a transparent and honest manner and must strictly comply with related regulations.
- 8.6 Revolving Door – the Company establishes the policy on hiring government officials to hold a position of director, executive or advisor of the Company which may cause corruption risk or conflict of interest of the individual. As preventive measures, the Company has established the following guidelines:
- 1) During the selection, approval of employment and determination of remuneration for the hiring of a government official as a director, executive or advisor of the Company, due diligence must be done prior to the appointment to prevent any conflict of interests.
  - 2) The Company will not hire or appoint government officials who are still in office.
  - 3) The cooling-off period is 2 years for hiring or appointment of former government officials or individuals who had worked with business regulators that are directly involved with the Company, unless there is a reasonable cause otherwise.

- 4) The Company will disclose the information of government officials who are hired or appointed as directors, executives or advisors of the Company.

#### **Communication and Training**

In order to effectively implement the Anti-Corruption Policy and guidelines for the benefit of the organization and related parties, the Company shall communicate and disseminate the policy and guidelines through internal electronic channel. The training for employees will be organized at least once a year for them to be aware of the importance of the policy. As for third parties and business associates, the Company will disseminate the information on the website of the Company, in the Annual Report, annual registration forms and through electronic channels or any other channels as appropriate to build understanding and support anti-corruption action.

#### **Disciplinary Action**

Any personnel who fail to comply with this policy and guideline are subject to disciplinary action and may also be subject to legal punishments if they commit an offense under the law.

#### **Whistleblowing Measures**

The Company has established mechanisms for whistleblowing, complaint handling, and the processing of cases related to violation of laws, rules, and Code of Conduct or to behavior of employees that may be suspicious of corruption or misconduct. The Company has also established appropriate whistleblower protection measures according to the Whistleblower Policy for stakeholders to efficiently take part in monitoring the policy and business for the benefit of the Company.

The Board of Directors' Meeting Ref.3/2022 on 5 May 2022 has considered and resolved to approve the Anti-Corruption Policy above, effective from the date of announcement until further notice.

Announced on 5 May 2022

Mr. Amornsuk Noparumpa  
Chairman of the Board of Directors  
L.P.N. Development Public Co., Ltd.