



**Anti-Bribery and Anti-Corruption
Policy and Guidelines
Ascend Group of Companies**



Contents

1. Intent	1
2. Scope	1
3. Objectives	1
4. Roles and Responsibilities	1
5. Guidelines	2
6. Training	6
7. Whistleblowing	6
8. Policy Advice	6
9. Penalties	6
10. Related Laws, Regulations, and Policies	6
11. Appendix	7
Appendix A Definitions	8



Anti-Bribery and Anti-Corruption Policy and Guidelines

Ascend Group of Companies

1. Intent

Ascend Group of Companies is committed to doing business with integrity, honesty and transparency in accordance with good corporate governance, by realizing that bribery and corruption can cause seriously consequences to the country, its people and the organization in the long-term, all of which are directly against Ascend Group of Companies' core values

2. Scope

This Anti-Bribery and Anti-Corruption Policy and Guidelines apply to Charoen Pokphand Group, (hereafter "the Group") which includes Charoen Pokphand Group Co., Ltd., and all of its subsidiary companies. The term "company" hereafter refers to any such company individually that has adopted this Anti-Bribery and Anti-Corruption Policy and Guidelines. This document shall be reviewed at least once a year, or as conditions require.

3. Objectives

For directors, management and staff to comply with their roles and responsibilities contained in the Anti-Bribery & Anti-Corruption Policy and Guidelines as well as laws and regulations related to anti-corruption. This is to maintain Ascend Group of Companies' zero tolerance against fraud and corruption, which is the strong foundation in how business is conducted sustainably.

4. Roles and Responsibilities

4.1 Board of Directors

- 4.1.1 Establish and oversee to ensure that this Policy and Guidelines are in place to support anti-bribery and anti-corruption practices while also ensuring that management recognizes and prioritizes the importance of embedding those practices into the corporate culture.
- 4.1.2 Ensure that the internal control systems and a risk management system are in line with international standards.

4.1.3 Ensure that there are appropriate whistleblowing channels and procedures, including protective measures for reporters, witnesses, and whistleblowers.

4.2 Management

4.2.1 Establish adequate procedures that promote and support the effective and ongoing implementation of this Policy and Guidelines.

4.2.2 Ensure that the organizational structure and related functions are in place for monitoring operations consistent with this Policy and Guidelines, rules, regulations and related laws.

4.2.3 Monitor the effective implementation of policy, guidelines, and regulations and identify areas for improvement, in addition to ensuring regular performance reports related to this Policy and Guidelines.

4.3 Internal Audit Department / Responsible Department or Persons

4.3.1 Communicate and provide guidance for employees to ensure policy compliance.

4.3.2 Inspect and review to ensure that business operations are in line with the Policy and Guidelines, approval authorities and standards to ensure that internal controls are sufficient and appropriate to corruption risk.

4.3.3 Compile and submit the Policy Compliance Report to the Board of Directors/management quarterly, in addition sending to Compliance Audit Department at Charoen Pokphand Group Co., Ltd. at least once annually.

4.4 Staff

4.4.1 Comply with the Policy and Guidelines, as well as related laws and regulations related to Anti-Corruption.

4.4.2 Report to the responsible department/persons, or report through the available whistleblowing channels whenever any evidence of actual or possible activities related to corruption are detected.

5. Guidelines

5.1 Directors, management and staff must not accept any form of corruption, whether directly or indirectly, for the benefits of themselves, relatives, friends or acquaintances, and shall not give or receive bribes. All transactions and operations involving state officials must be made with transparency, honesty and

in accordance with the Policy and Guidelines, in addition to any applicable laws. They must comply with the following:

5.1.1 Offering or accepting gifts

Directors, management and staff must not offer or accept gifts that may influence business decisions.*

5.1.2 Entertainment

Entertainments are allowed for the purpose of maintaining a business relationship, but must conform to business norms and do not have an influence on business decisions.*

5.1.3 Facilitation payments

- (1) All facilitating or expediting payments, both directly and indirectly, are prohibited under any circumstances. This includes facilitation payments that are made under conventional business practices and payments to a third-party, in particular expediting payments made to state officials.
- (2) Find alternatives or workarounds to eliminate the need for facilitation payments.
- (3) Any director or employee likely to encounter risks of making facilitation payments must complete additional training or ask for guidance on how to deal with these payments.
- (4) If in a situation that there is no workaround or that facilitation payment is unavoidable, employees should inform their supervisor in order to agree to a solution.

5.1.4 Charitable donations and contributions

Charitable donations and contributions must be carried out through a transparent process. Donations and contributions, whether in the form of money or other forms, must have procedures and disbursements that are clear and secure to ensure that they cannot be used as a channel for corruption.*

5.1.5 Related persons acting on behalf of Ascend Group of Companies

When nominating a third-party to represent Ascend Group of Companies, including agents and consultants acting on behalf of Ascend Group of Companies, make sure that all procedures comply with the following:

*For further information, you may also refer to **Ascend Group of Companies'** Gifts and Benefits Policy and Guidelines

- (1) Provide information and communicate to the representative to ensure they acknowledge and comply with Ascend Group of Companies' Anti-Bribery and Anti-Corruption Policy and Guidelines.
- (2) Communicate with the individual or entity, whether from the private or public sector, to ensure they acknowledge and comply with Ascend Group of Companies' Anti-Bribery and Anti-Corruption Policy and Guidelines.

5.1.6 Political Contributions

Ascend Group of Companies allows the participation in political contributions, which must be conducted transparently and verifiably, in order to avoid discrimination or appear to benefit both political parties and the the organization. The principles are as follows:

- (1) Ascend Group of Companies shall remain politically neutral, and not favor any political group.
- (2) Ascend Group of Companies can provide support, whether in the form of money or assets to political parties but such actions need to be transparent and not for the purpose of attempting to influence any improper exercise of functions, duties or judgment.
- (3) Directors and employees have the freedom and the right to participate in political activities in a personal capacity, as provided under the Constitution, but shall not refer to Ascend Group of Companies and shall not use any property, equipment or device owned by the organization to support such personal political involvement/activity.

5.2 Risk Assessment

Anti-corruption risk assessment is designed to ensure that any corruption risk is managed systematically. Management in all departments of Ascend Group of Companies are required to work proactively to prevent corruption in their respective departments by completing the following:

- 5.2.1 Conduct a corruption risk assessment of business transactions that may have processes or procedures with corruption risk on an annual basis.
- 5.2.2 Implement the corruption risk management measures by identifying activities and situations highly susceptible to corruption that may occur in normal

business operations. In addition, the company must perform risk assessments, both in terms of opportunities and impacts, as well as regularly following up on risk management through reviewing risk management measures to ensure they appropriately reflect the existing corruption risk.

5.3 Data Management

All companies in Ascend Group of Companies must have data management procedures and records of disbursements, by complying with International Financial Reporting Standards (IFRS), in particular:

- 5.3.1 Ensure the preparation of data and reports in a timely, complete and accurate manner.
- 5.3.2 Ensure the provision of necessary documents for approval in accordance with the rules and regulations before any payment or approval of payment is made.
- 5.3.3 No undisclosed or unrecorded accounting records are allowed under any circumstances, including the recording of fraudulent or falsified entries in company reports.

5.4 Assessment Procedures and Internal Controls

All companies in Ascend Group of Companies must have an assessment procedure and an internal control system to prevent corruption, to ensure that the prescribed corruption risk management policy has achieved its goals and effectively prevent corruption, as well as to monitor and ensure that internal operations are in compliance with applicable rules and regulations, in relation to the Policy and Guidelines. In particular:

- 5.4.1 Ensure that assessments by internal audit departments are conducted regularly on an annual basis.
- 5.4.2 Provide protection for any whistleblower and complainant, ensure fairness and protection of directors, management, staff or any other persons providing evidence of corruption within the organization, as well as the person who is denying corruption allegations. These measures protect the whistleblower and/or whoever cooperates in reporting corruption, as defined in Ascend Group of Companies' Whistleblowing Policy and Guidelines.
- 5.4.3 Submit the results of assessments and internal control reports to the Board of Directors/management on a quarterly basis.

6. Training

The Company shall communicate the Anti-Bribery and Anti-Corruption Policy and Guidelines and cascade it through training programs, conferences, and other appropriate channels to its directors, management, and staff. The effectiveness of such training and communications programs shall be evaluated on a regular basis.

7. Whistleblowing

In case a violation of this Anti-Bribery and Anti-Corruption Policy and Guidelines is found, a report must be filed by following the procedure stated in the Whistleblowing Policy and Guidelines. The information of complainant or whistleblower will be protected and the information will be kept confidential during the investigation and after the completion of the investigation process

8. Policy Advice

In case of suspicion on the action that may violate laws, regulations and this Anti-Bribery and Anti-Corruption Policy and Guidelines, the employee can seek advice from her or his supervisors; team or persons responsible for anti-bribery and anti-corruption within the Company, the Compliance Department or Legal Department before making any decision or carrying out any action.

9. Penalties

In the event of an investigation, all employees must fully cooperate with internal and external entities. If an employee violates or fails to comply with this Policy and Guidelines, either directly or indirectly, the employee will be subject to disciplinary action in accordance with Company's regulations.

10. Related Laws, Regulations, and Policies

- 10.1 Organic Act on Anti-Corruption B.E. 2542 (1999)
- 10.2 Ascend Group of Companies' Gifts and Benefits Policy and Guidelines
- 10.3 Ascend Group of Companies' Supplier Code of Conduct
- 10.4 Ascend Group of Companies' Anti-Money Laundering Policy and Guidelines
- 10.5 Ascend Group of Companies' Whistleblowing Policy and Guidelines
- 10.6 Ascend Group of Companies' Conflicts of Interest Policy and Guidelines



11. Appendix

The following Appendix is attached to this Policy and Guidelines

11.1 Appendix A: Definitions

Appendix A

Definitions

1. Bribe

A bribe is an incentive, payment, reward or benefit offered, promised or provided to any person to influence that person's actions or decisions to obtain a business, commercial, contractual, regulatory or personal advantage.

A bribe can be anything of value, including cash, gifts, inside information, favors, hospitality or entertainment, offering to hire relatives, remuneration or reimbursement, charitable donation or social contributions etc. Bribes do not necessarily have to be a large value.

Some (non-exhaustive) examples of bribes are as follows:

- Lavish gifts, meals, entertainment or travelling expenses, especially when these goods are disproportionate, frequent or appear to be in the context of on-going business negotiation
- The use of services, facilities or assets owned by Ascend Group of Companies without any compensation
- Cash payments
- Payment of kickbacks or of a similar form
- Provision of benefits to relatives of customers or prospective customers, civil servants and state officials, for example, providing tuition fees, healthcare or medical treatment
- Subcontract to people connected to individuals who are involved in the main contract
- Participation in a local company owned by relatives of a customer or prospective customer, civil servant or state official

2. Bribery

Bribery is a promise to accept or offer money or other benefits, both directly and indirectly, resulting in improper action (includes breach of trust, acting dishonestly, or acting in an unfair and biased way.)

The benefit in question can be an offer, a receipt, or an inappropriate action either direct or indirect (such as conducting business through an intermediary, or supplier of goods and services). Inappropriate actions can be related to business-related activities of Ascend Group of Companies (for example, action of a director or an employee or third-party on behalf of Ascend

Group of Companies) or involving a government agency or department. Bribery is a crime under the jurisdiction of the court and the law. Ascend Group of Companies also prohibits bribery in all its forms.

3. Corruption

Corruption is a broad term that covers a wide variety of misconduct for persons performing on duty, persons with authority or persons assigned with important responsibilities through illegal channels or means according to ethical standards, such as theft, fraud, embezzlement, misappropriation etc.

Corruption also covers the misuse of authority (whether it be that authority is acquired through tradition, education, election, marriage, appointment or any other method) for personal gain.

Corruption practices and misuse of authority can not only be perpetuated by civil servants or state officials, but also in the private sector as well, all for personal benefit.

4. Fraud

Fraud refers to acts of theft or criminal harm by any director or employee against the company, resulting in direct or indirect loss of goods or financial value by the company, for example, misappropriation of assets, including both tangible items such as cash and goods, as well as intangible items such as time card manipulation, fraudulent accounting, forging financial documents, conflict of interest, cronyism and nepotism, etc.

5. Facilitation payment

Facilitation payments are small compensations awarded to civil servants or state officials in exchange for providing the payer with special benefits not awarded normally.

Normally, facilitation payments are made to help expedite the process, or ensure that the state official will perform for the payer or relaxing any incoming inspections. Facilitation payments are illegal in almost all countries, including Thailand.

6. Political support

Political support refers to sponsoring politicians or political parties, both monetary and non-monetary, as well as lending or donating equipment and services free of charge, or encouraging directors or employees to participate in political activities on behalf of Ascend Group of Companies, all in order to gain a competitive advantage.



7. Civil servant or state official

Civil servant or state official, including employees of state enterprises or government agencies, or government representative or election candidate, political party member or international public organization (i.e. United Nations, World Bank) or any person acting on behalf of the groups mentioned above. Governments include state, local, regional and national governments, both with respect to legislative power, executive power, and judicial power