



**Gifts and Benefits**  
**Policy and Guidelines**  
**Ascend Group of Companies**



## Contents

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



# **Gifts and Benefits Policy and Guidelines**

## **Ascend Group of Companies**

### **1. Intent**

Ascend Group of Companies is committed to operating its business with transparency, in accordance with good corporate governance principles. The custom of offering and accepting gifts or other benefits is an important part in building and maintaining good relationships with customers, suppliers and stakeholders. However there must be precautions to ensure that these gestures of goodwill are sincere and without the intention to influence – or appear to influence – business decisions.

### **2. Scope**

This Gifts and Benefits 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 Gifts and Benefits Policy and Guidelines. This document shall be reviewed at least once a year, or as conditions require.

### **3. Objective**

For directors, management and staff to exercise careful judgment when offering and accepting gifts and other benefits, in compliance with high standards of integrity and all applicable laws where Ascend Group of Companies operates.

### **4. Roles and Responsibilities**

#### **4.1 Board of Directors**

4.1.1 Ensure the proper implementation of the Gifts and Benefits Policy and Guidelines for directors, management, and staff to fully comply in order to avoid and prevent activities that may lead to bribery and corruption.

4.1.2 Ensure that the policy and guidelines are properly implemented

#### **4.2 Management**

4.2.1 Establish adequate procedures as appropriate to the companies’ business context while remaining in accordance with this Policy and Guidelines, regulations, and laws in countries where the Company operates.

- 4.2.2 Ensure that the organizational structure and related functions are in place.
- 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 Responsible Department/Persons**

- 4.3.1 Provide employees with guidance and information to assist in putting Policy and Guidelines into practice.
- 4.3.2 Produce a register containing offered and accepted gifts and other benefits with values exceeding local laws before submitting to management.
- 4.3.3 Store gifts deposited by directors and employees with values exceeding local laws.
- 4.3.4 Establish a strategy to manage gifts with values exceeding local laws. Activities under this strategy should be in the interest of the company and consequently reduce the number of accepted gifts with values exceeding local laws.
- 4.3.5 Report the Company's compliance of policies, guidelines, and procedures related to gifts and benefits to the Board of Directors or management, including the Compliance Audit Office of Charoen Pokphand Group Co., Ltd. at least once annually.

#### **4.4 Staff**

Fully comply with policies, guidelines, and procedures related to gifts and benefits.

### **5. Guidelines**

All gifts and benefits offered and accepted by all directors, management and staff with third-parties, suppliers, state officials and other stakeholders must comply with the following five guidelines:

- 5.1 Appropriately adhere to ethical standards
- 5.2 Not intended to secure future benefits, and/or inappropriately influence the decision of the recipient
- 5.3 Not violate the local laws of the respective country where Ascend Group of Companies operates
- 5.4 Not violate the policies and procedures of Ascend Group of Companies
- 5.5 Not conflict with the policies of the recipient, including suppliers, state officials and other stakeholders

## **6. Procedures**

### **6.1 Offering or Accepting Gifts**

- 6.1.1 All gifts must comply with the five guidelines on Gifts and Benefits.
- 6.1.2 Gifts must not be made in cash or cash equivalents (cheques, vouchers, gift certificates, red packets, etc.)
- 6.1.3 All directors and employees are prohibited from offering gifts to state officials and their relatives, including in a personal capacity. Exceptions include gifts that are legal by law, or appropriate to local customs and culture.
- 6.1.4 Employees, including their family members, accepting gifts from business partners, customers and competitors that exceed values permitted by local law, must register their gift and submit to their direct supervisor for approval, and deposit the gift(s) that exceeds the permitted amount to the responsible department.

### **6.2 Entertainment**

- 6.2.1 All forms of entertainment must comply with the five guidelines on Gifts and Benefits.
- 6.2.2 Entertainment and related activities are allowed as long as it follows conventional business practices.
- 6.2.3 Directors and employees are prohibited from arranging or attending entertainments during business negotiations, biddings and price auctions.
- 6.2.4 Employees must receive proper approval from their direct supervisor prior to arranging or attending entertainments.
- 6.2.5 All Directors and employees are prohibited from arranging entertainments for state officials and their relatives, including in a personal capacity. Exceptions include entertainments that are legal by law, or appropriate to local customs and culture.

### **6.3 Travelling and Hospitality Expenses**

- 6.3.1 All forms of travelling and hospitality expenses must comply with the five guidelines on Gifts and Benefits.
- 6.3.2 Directors and employees are prohibited from requesting travelling and hospitality fees from third-parties, suppliers and other stakeholders.
- 6.3.3 When directors and employees are invited to attend a site visit, a seminar or project with a legitimate business purpose, they must write a proposal

for the travel or hospitality in advance for approval from management on a case by case basis. Information must include purpose, duration, details of travel and/or hospitality, estimated cost and the list of attendees.

- 6.3.4 When inviting third parties, suppliers or other stakeholders to attend a site visit, a seminar or project, directors and employees must write a proposal for the travel or hospitality in advance for approval from management in ascending line of authority. Information must include purpose, duration, details of the travel and/or hospitality, proposed budget and the list of attendees.
- 6.3.5 All supporting documents related to the travelling/hospitality expense must be stored as evidence for future inspection.

#### **6.4 Charitable Donations and Contributions**

- 6.4.1 All forms of donations and contributions must comply with the five guidelines on Gifts and Benefits.
- 6.4.2 Any donation or contribution must be made to legally registered organizations; donations or contributions made to individual persons are prohibited.
- 6.4.3 Donations or contributions must not create a future obligation of payment.
- 6.4.4 Write a proposal for the donation or contribution and submit to the direct supervisor for approval. Information should include the name of the donee organization, the purpose of the donation/contribution and the proposed amount.
- 6.4.5 All supporting documentation involved in the payment process must be stored as evidence for future inspection.
- 6.4.6 Publish a list of sponsored organizations, foundations and other recipients on an annual basis.

## **7. Training**

The Company shall communicate the Gifts and Benefits 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.

## **8. Whistleblowing**

In case a violation of this Gifts and Benefits 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.

## **9. Policy Advice**

In case of suspicion on the action that may violate laws, regulations and this Gifts and Benefits Policy and Guidelines, the employee can seek advice from her or his supervisors; team or persons responsible for handling gifts and entertainment within the Company, Compliance Department; or Legal Department, before making any decision or carrying out any action.

## **10. 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.

## **11. Related Laws, Regulations, and Policies**

- 11.1 Ascend Group of Companies' Anti-Bribery and Anti-Corruption Policy and Guidelines
- 11.2 Charoen Pokphand Group's Announcement regarding the Procedures and Guidance on Giving and Receiving Gifts and Souvenirs during New Year's Festival and All Occasions.
- 11.3 Ascend Group of Companies' Conflicts of Interest Policy and Guidelines