



(Translation)

## **Asia Hotel PCL**

### **The Manual Supplements to The Policy on Anti-Corruption**

#### **1. Introduction**

- 1.1 Asia Hotel PCL adheres to honesty with its business operations and is in compliance with the principles of good governance. It uses the strategy in the business competition with equity and adheres to the service standards and good quality of the hotel and restaurant as priority and complies with the relevant laws strictly. It has well-realized that bribery and corruption are severe threats to destroy fair and free competition, including causing damage to the country's economic and social development. It has a policy of anti-corruption by rejecting any type of corruption whatsoever. It also directs its subsidiaries or other companies with control over them, including the relevant people on the business operations to follow the policy on the anti-corruption, which covers compliance in all of its relevant units.
- 1.2 The company has participated in the project "Private Sector Collective Action Coalition against Corruption "CAC" to create a standard on doing honest business for the inside and outside benefits of the organization.
- 1.3 This policy of anti-corruption "Policy" is considered being an additional part of the policy on good governance and has been approved by its board of directors.

#### **2. Objectives**

This policy has the following objectives

1. It shows its standing point on anti-corruption in the entirety.
2. It sets the guidelines and practices to prevent the company and its employees from violating the law on bribery and anti-corruption.
3. It designates the procedure on verification and follow-up to make sure that there is compliance with this policy.
4. It encourages its employees to be vigilant and report on encountering corruption via the safe communication channel.
5. It supports the subsidiaries and other affiliates, including the relevant persons in doing business with the company against bribery and corruption.

#### **3. Scope**

- This policy is applicable with the directors, management and all employees (hereinafter the "Employees") of the company.
- The company expects its subsidiaries and other companies and affiliates to comply with this policy.



#### **4. Definitions**

Any statements or words used in this policy shall have the following meaning except being shown or explained otherwise.

Fraud means embezzlement of money or property of the company for self-interest, including withdrawing/paying money by fraudulent means and falsification or destruction of the document to derive of personal gain.

Corruption means bribery, demand, acceptance, offer and exploitation of the authority and information received from the performance of duty within the company to do something for self-benefit, friends or other people to derive of anything or benefit unsuitable for the business or by favoritism. It is for self-interest directly and indirectly, including anything in violation of the law or against the business ethics of the company or against the usual trade practices.

Corruption can be perpetrated in multiple forms, e.g.

1. Political contributions.
2. Charitable contributions and sponsorships.
3. Gifts and hospitality.

#### **5. Duties/Responsibilities**

5.1 The board of directors has assigned its audit committee to supervise the policy and the measures on anti-corruption to make sure that the company has complied with its duty according to the laws and the specified code of conduct.

5.2 All the management has the main duty to apply this policy, including following up the effectiveness of this policy, while the managing director has a duty to explain, answer and interpret the asking questions.

5.3 All of the management has a duty to communicate with its subordinates to have realization and understanding in this policy and has been trained sufficiently and regularly.

5.4 The employees shall perform the duty to be consistent with this policy. In case of doubt or encounter a violation of this policy, they shall report to the superior or via the specified channel according to policy on reporting a clue and the protection of the complainant.

#### **6. Policies and guidelines**

##### **6.1 General provisions**

6.1.1 The company has zero-tolerance policy and complies with the entire relevant laws on anti-corruption in Thailand.

6.1.2 The company shall not participate in the corruption directly and indirectly, and determined to apply the control system, rule and practice with effectiveness to use in the anti-corruption.

6.1.3 The company's employees shall not participate in the corruption and bribery with the public and private authorities, e.g. the personnel of the various companies with a joint transaction directly and indirectly to acquire or maintain or exploit a competition.

6.1.4 The company has set up guidelines on the practice and the internal audit to prevent from corruption by designating a policy on risk management and evaluation of the risk on corruption that may happen inside the organization.



6.1.5 The company has evaluated the risk on possible corruption and the support of a political activity, charitable donation and as a patron and giving a gift or expense on the entertainment by setting up the practical guidelines.

## **6.2 Relevant companies and persons**

6.2.1 The subsidiaries and affiliates that the company has the power of control.

The company shall notify and support its subsidiaries within its power to comply with the policy on anti-corruption.

6.2.2 Business agents and middlemen.

It is prohibited the company or employees from hiring an agent or middleman in any business with the purpose for corruption.

6.2.3 Distributors/service providers and contractors.

The company shall arrange a purchase, procurement of goods/service with equity and transparency, including assessment to select the goods/service distributors and the contractors with scrutiny. However, it shall notify them on this policy, and it reserves the right to terminate the purchase and contract, on finding out that the goods distributor/service provider is involved with or have committed corruption or bribery.

## **6.3 Support on political activities**

The company has no policy to help or support a political activity or party or group, regardless of directly or indirectly.

## **6.4 Donation for a charity or becoming a patron**

6.4.1 The company donates for charity in the form of financial assistance or other forms (e.g. giving knowledge or time sacrifice) as part of the activity rewarding the society, including public relations and promoting good images to the company without aiming for business result in return.

6.4.2 Acting as the endorser is a method of business public relations, which is different from a charitable donation. It can be made in multiple forms, e.g. support on the activities in art, culture and education, etc.

6.4.3 The employees shall be careful to make sure that the charitable donations and patronage shall not be an excuse of a bribe, including doing it with transparency and in compliance with the applicable law.

6.4.4 In a donation for charity or as a patron, it shall prepare an application stating the name of the donee/benefactor and the objective of the donation/support with the entire appendices submitted to the authorized person of the company to approve according to the rule of the company.



## **6.5 Gift and Entertainment Expense**

6.5.1 The company is aware of creating good relations with a business ally are an important thing to bring its continuous success.

6.5.2 Giving, presenting or receiving a gift, entertainment or any interest with the customers, trade partners or relevant persons shall comply with the rules on giving/taking of a gift or award.

## **7. Internal Control**

7.1 The company shall maintain its internal audit system effectively is anti-corruption, which covers a mutual audit on accounting, data storing, including other business processes involved with this policy.

7.2 The internal audit system shall consist of the control the whole organization, including control and procedure on the practice as specified specifically, and designed for managing the risk of possible corruption.

7.3 Organization-wide control consists of the policy on business supervision, address on anti-corruption of the management, verification of the internal audit office, policy on human resources, bylaws of the company, authorization and division of the duties suitably, records and reports of accounting and financial data correctly and truly, and handling of the report upon encountering corruption.

## **8. Storing of Data**

8.1 The company has a policy to comply with the standards, principles, including the laws applicable on the report of accounting and financial information.

8.2 All types of the expenditures shall include supplementary documents; including storing and preserving the data of the company shall comply with the relevant laws and regulations.

8.3 The company does not allow false recording of data with a wrong principle, invalidity, or incorrectness or window dressing as well as shall not have an extra accounting for using to support or conceal the inappropriate receipts or payments.

## **9. Training and Communication**

### **9.1 Employees**

All of the employees are trained on anti-corruption regularly just to be aware of this policy, especially on the various forms of the corruption, the risk of participation in it, including the method of reporting in case of encountering or suspecting to have corruption.

All of the employees shall receive a copy of this policy to make sure that they have received and understood of the company's policy on the anti-corruption. Moreover, they can read it, including the updated information from our website at [www.asiahotel.co.th](http://www.asiahotel.co.th). We shall notify our employees for acknowledgement, if there is a change in the essential information.

Training on the knowledge about this policy shall form a part of the orientation or before taking the office of all the new employees.

### **9.2 The Outsiders**

We shall communicate the policy on anti-corruption in the entirety to our agents, middlemen, distributors of our goods/services and the contractors for acknowledgement from the start of the business relations and thereafter as appropriate.



Nevertheless, we encourage our agents, middlemen, distributors of the goods/services and contractors to adhere to the standards on social responsibility the same as ours.

#### **10. Reporting upon encountering corruption**

In a situation that an employee has a question or evidence that there is an employee or person acting on behalf of the company has participated in corruption, they shall report it to the superior promptly, or report via the channel according to the “policy of reporting a clue and protection of the complainant.” After the company has received a report, it shall take up the matter seriously, and shall not punish the whistleblower with integrity.

#### **11. Protection of its employees**

11.1 Our company can assure you that there will be no employee is demoted, punished or affected from refusing a bribe, although such the refusal may cause us to lose business or miss an opportunity to get a new business. We believe that the policy on refusing a bribe and ant-corruption entirely can help to build the value to us. Furthermore, we shall not allow anyone to intimidate or threaten or withhold the employee who intends to comply with this policy.

11.2 Nonetheless, if the employee believes that they are intimidated or threatened or withheld, shall report to the direct superior or the personnel manager promptly. In the event that it has not been remedied, they shall report via the proper channel according to our “policy on reporting a clue and the protection of the complainant.”

#### **12. Violation of the Policy**

12.1 The company shall take a disciplinary action against the employee who violates this policy, including the direct superior who ignores the perpetration or with realization that there is a commission of an offense but failed to remedy it. The method of punishment shall depend on the facts, circumstances and characteristics of the offense by designating a rule punishing the employee violating the policy.

Meanwhile, the ignorance of this policy and/or the relevant laws cannot be excused for not complying with them.

12.2 The agents, middlemen, distributors of goods/services or any contractor of the company may be terminated of the contract, if violating the guidelines of this policy. In addition, when they have recognized the offense against this policy, but failed to report to the management, or has given incorrect information upon our investigators have investigated the information on the action that may be contradictory to this policy as well.

#### **13. Relevant policy, report and record forms**

The employees should read and understand the policies jointly with other manuals of the company as follows:

- 13.1 Policy on supervision
- 13.2 Policy on reporting a clue and the protection of the complainant.
- 13.3 Employee bylaws.
- 13.4 Rules on accepting/giving a gift/reward.

Relevant records are,

- 13.5 Rules on charitable donations and becoming a patron.
- 13.6 Record on an application for a donation or support.
- 13.7 Reporting on accepting a gift/award form.
- 13.8 Reporting on giving a gift/award form.

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#### **14. Supervision, follow-up and investigation**

14.1 The management has to review this policy annually and present to the audit committee and the board of directors for approval. However, if there is a change, including supervision and follow-up for practice continuously or any improvement may be implemented as soon as possible.

14.2 The internal audit shall examine the internal audit system and the operations in accordance with the policy regularly to make sure that the system is effective on the anti-corruption. Nevertheless, it shall consult on the result of the audit jointly with the relevant persons to find suitable and remedial guidelines, and shall report to the management and the audit committee for acknowledgement regularly.

**\*This manual is supplementary to the policy on anti-corruption approved by the board of directors on 11 November 2016\***