

Summary of Anti-Corruption Policy

■ Purpose

The Bank intends and is committed to taking a stand against corruption in any form by adhering to Guidelines for Business Conduct of Kiatnakin Phatra Financial Group, Corporate Governance Principles and regulations according to the laws on anti-corruption which is to be strictly followed. The Bank has implemented the Anti-Corruption Policy to be used by the Board of Directors, the executives and the staff as a guideline to perform their duties in a transparent manner, paving the way to building a sustainable organization.

The Bank will not demote or take disciplinary action against anybody who has refused to be involved in a corruption scheme even though it may have made the Bank lose a business opportunity.

■ Principle

The Bank's policy forbids bribes, payoffs or payments of any kind to any person, government official or entity for the purpose of improperly obtaining or retaining business or influencing consideration of any business activity. This policy covers all types of payments that may or may not be considered legal under the circumstances. Special rules may apply to payments or gifts (including entertainment) to officers, directors, employees or other affiliates of government owned or controlled entities.

The Bank will not cooperate or support any illegal activities which involve corruption, or are a threat to society and national security.

Furthermore, No director, employee or member of their families may, directly or indirectly, accept or receive gifts, frequent or excessive entertainment, or any similar form of consideration that is of more than nominal value from any person or entity with which the Bank does, or seeks to do, business.

■ Political Contributions

Assistance in any form, namely cash or other means of political support, directly or indirectly, to any political party, party member, candidates, organizations or individuals related to political parties must be done with transparency and within the confines of the law.

■ Charitable Contributions and Sponsorships

Any charitable contributions and sponsorships provided by the Bank must be done with transparency and under the law.

- **Charitable Contributions** The Bank supports and promotes the development of communities, society and the environment such as providing educational scholarships, development of culture and social immunity, relief and public charities which are clearly aimed at benefiting the society as a whole.

The Bank has set aside a suitable budget for social and charitable works without limiting them to tax-deductible projects. The use of funds in this manner must be clear and be supported with documentation and duly recorded in accordance with the specified procedures that have been laid down by the Bank.

- **Sponsorships** is the giving of money or gifts of the Bank under written agreement with the purpose of facilitating business, brand name or for the reputation of the Bank. It should be appropriate in consideration to those offered by the host. The Bank is forbidden into entering into any agreement or entertaining other kinds of offers that could give the Bank an undue advantage over the competitors by any illegal means. It is also forbidden to support any activities arranged by individuals or any organizations with any purpose that is not in conjecture with the guidelines of conducting business of the Bank or that may result in a negative impact on the good name of the Bank. Any provisions of financial support must be done according to the procedures in relation to seeking approval and the authorization as regulated by the Bank.

- **Receiving and Giving of Gifts, Entertainment and other Benefits**

The giving of gifts, arranging official entertainment or incurring any expenses within the law, to help in building relationships between the Bank and its customers/ those involved in doing business with the Bank must be done with care and caution so that the activity of receiving and giving is done in an adequate way and valued appropriately without leading to corruption.

The Bank forbids the staff to offer, promise, offer assurances, solicit, receive benefits or other items of value, either directly or indirectly, from/to customers, government officials or third parties so as to improperly influence the performance of their duties, or to receive inappropriate benefits which would cause the recipient unable to make an unbiased decision.

The benefits given or received does not refer to only gifts, hosting meals or entertaining events but also payments on behalf of, facilitating procurement and providing business opportunities.

■ **Procurement of goods and services**

The Bank has implemented regulations for the procurement of goods and services for sellers, contracted parties or the consultants so that the Bank may obtain highest benefits, in a system that is transparent, honest and free from bias and auditable and forbids any staff from receiving benefits from selected bidders. In the event, that there is any information involving solicitation, receiving or payment of any benefits that are not proper, a full disclosure must be made to trading partners and co-operation must be sought to find a fair solution timely. The Bank will inform sellers, contracting parties or the consultants from whom the Bank procures goods and services, of its policy on anti-corruption. The contracting party must comply with the laws of the Kingdom of Thailand and abide by the anti-corruption policy as stated by the Bank.

■ **Human Resources Management**

The Bank has implemented procedures for the human resources management which reflects the Bank's commitment to anti-corruption. This includes the structure of a transparent and efficient organization, a division of responsibilities, procedures for work, a clear chain of command to provide the appropriate balance of power, the recruitment of employees, advancement, training, employee assessment and remunerations, a process for taking disciplinary action against employees for not following the policy, an internal communications to directors, the management and employees of the Bank of the policy and encouraging the management to promote understanding of the policy among the employees.

■ **Communications and Channels for complaints**

Communications

The Bank arranges for the distribution of information on the policy of anti-corruption which is an important aspect on the ethics of doing business, to all employees which will be used a guideline for performing their duties together with the rules and regulations of the Bank.

The Bank communicates the anti-corruption policy through many channels such as the intranet, orientation training, reviewing for directors, the management and employees annually through E-learning, together with an assessment form for understanding by employees. Furthermore, the Bank also distributes information on the anti-corruption policy to the companies within the financial group as well as companies with the authority over other business representatives, to the general public, trading partners and other stakeholders through channels such as E-mail, the Bank's website, annual reports, reports on corporate social responsibility and other publications of the Bank.

Channels for complaints

The Bank has arranged for channels to be used for complaints or reporting for stakeholders such as shareholders, customers, employees and trading partners so as to build a trust that all stakeholders will be treated honestly, in accordance with the rights and agreements that they have with the Bank. The Bank has guidelines for acting on complaints through arranging procedures for dealing with complaints from employees.

Employees and other stakeholders may contact the Bank through the various channels such as E-mail to independent directors as published on the Bank's website or through the Center for Complaints by phone or by using the on-line form on the Bank's website, including fax, mail or direct contact. Furthermore, employees may approach The Chairman of the Board of Directors, Chief Executive Committee, President or Chief Governance Officer directly so as to report complaints about any activities which are illegal, unethical or could involve corruption or misconduct of individuals within the organization. The Bank has mechanisms to protect the person who reports such activity and places importance on maintaining secrecy on the complainants, reports and documents. Furthermore, the complainant may choose not to disclose his/her identity, to assure them of confidentiality. The Bank will process the complaint and investigate the matter and take disciplinary action as stated by the Bank.

■ **Internal Control and Risk Assessment.**

Internal Controls

The Bank has arranged for internal controls that cover money, accounts and record-keeping of information as well as other procedures that are related to the guidelines for anti-corruption. These are collated so that the Bank has a system for internal control and internal audit which is appropriate and efficient.

Risk Assessment

The Bank has a department responsible for operational risk management, who designs and develops tools for assessing risks which are used by the departments within the Bank and group companies. This is so that they may follow-up and control the risks of operations effectively. They also review and submit policies, rules and regulations in relation to operational risk management to manage the risk of corruption for the Bank.