



AAPICO GROUP COMPANIES

No. 026/2023

ANNOUNCEMENT

Subject: Anti-Corruption Policy

AAPICO HITECH Public Company Limited and its Subsidiaries (collectively referred to as “**Company**”) intend to do business and operate with integrity, honesty, fairness, and transparency. We aim to be a responsible partner and act with integrity towards our employees, customers, business partners, shareholders, investors as well as the wider community in which we operate.

The Company is firmly opposed to all forms of corruption. We support and encourage directors, executives, and employees at all levels to consciously stand against corruption. The Anti-Corruption Policy serve as AAPICO’s business behavioral guideline for directors, executives, and employees and shall be used as a tool to govern our business decisions and apply equally to corporate actions throughout the organization. Company would like to announce this Policy with the following:

1. **Definition**

Bribery, giving or receiving bribes is an inducement of any kind or giving/offering reward, sponsoring, promising, or providing incentives in order to obtain any commercial, contractual, regulatory or personal advantage.

Corruption means the misuse or abuse of power for personal gain. It means bribery in any form. This can be referred to an offering, giving, promising, or agreeing to give, demanding or accepting money, asset, property, gifts, services, or other benefits that are not appropriate to/from government officials, state agencies, public sectors and private sectors, whether directly or indirectly, for that individual or the agency to act or omit the duty in order to acquire or retain the business or recommend business to a particular company or to acquire or maintain other benefits that are improper to the business. However, exceptions shall be applied in case of laws, regulations, statements, standards, customs, or business traditions enable to do so.

Facilitation payments mean a payment, typically small, unofficial payments, made to a government official to secure or expedite a routine government action. Non-discretionary government actions are also considered as facilitation payment.

Kickbacks are typically payments made in return for a business favor or advantage.

Conflict of Interest means the act of performing a duty that should benefit or should align with the objectives of the company, but instead favors oneself or those related, causing damages to the company.

Donations are financial support or goods and services, whether in money or in kind, to organizations.

Political Contributions are contributions, financial or in kind, to support a political cause. This includes contributions to politicians or political parties, whether director or indirectly, such as loans, goods or services, advertising or promotional activities endorsing a political party, the purchase of tickets to events and contributions to organizations with close associations with a political party

Sponsorships are financial support, or goods and services to organization or events, in exchange for visibility of the Company’s brands, reputations or products and services.



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In this policy, **Third Party** means any individual or organization you come into contact with during the course of your work, and includes actual and potential customers, suppliers, family, friends, acquaintances, distributors, business partners, agents, advisors, government and public bodies, including their advisors, representatives and officials, politicians and political parties.

2. Scope and Deployment

This Anti-Corruption Policy applies to directors, executives, and employees at all levels of AAPICO Hitech PLC and its controlled subsidiaries. Any action is to be taken in conjunction with the guidelines set forth in the Good Corporate Governance Policy, business ethics, work regulations, and any other guidelines set forth by the Company. Nevertheless, this policy is not all-encompassing, but formulates minimum standards of behavior. The directors and executives may specify and list out further regulations and guidelines as deemed appropriate.

3. Responsibilities

The Board of Directors is responsible for formulating, reviewing, and approving the policy, as well as ensuring this policy complies with the Company's legal and ethical obligations. The Board members shall act as a role model. They shall provide oversight and support to fight against the corruption issues and ensure that such corruption matters are handled appropriately with due care.

The Audit Committee is responsible for reviewing the financial and accounting report system, internal control system, internal audit system, and risk management system, particularly possible corruption risk, as well as review and set standards for corruption prevention to ensure that all measures are in accordance with the international standards, and are concise, appropriate, and efficient. This could include the establishment of an anti-corruption committee.

The Risk Management Committee is responsible for assessing corporate risks, especially around corruption, requiring an extensive evaluation of risk management and anti-corruption measures and reporting to the Board of Directors.

The Management is responsible for following the policy and the deployment of the policy throughout the organization, in compliance with local rules of business conduct, laws and regulation in the country and community where it operates. The management and senior staff are not only responsible for following the policy, but also ensuring those reporting to them are aware and are in compliance with such policies.

Internal Audit is responsible for auditing and reviewing the annual internal audit plan approved by the Audit Committee by presenting the report of an internal audit system, corruption risk and conflict of interest assessment. Should there be any, the Internal Audit is also responsible to immediately notify the Audit Committee.

Employees are responsible to read, understand and comply with this policy. The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for the Company or under its control. Employees shall not be involved in bribery and corruption in every case, whether directly or indirectly. Employees are required to avoid any activity that might lead to, or suggest, a breach of this policy.

Employees shall raise their concerns to their direct supervisor/department manager if they become aware of an infringement of laws, regulations or suspect that a conflict with this policy has occurred or may occur in the future. If this is not possible or inappropriate, employees shall raise the issue or report such "red flags" that may indicate bribery or corruption directly to the Audit Committee for further investigation.



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4. Anti-Corruption Policy

4.1. Principles

It is the Company's policy to conduct all of the business in a fair, honest, ethical and legal manner. The Company takes a zero-tolerance approach to bribery and corruption, where it will not tolerate the directors and employees being involved in bribery whether by offering, promising, soliciting, demanding, giving or accepting bribes or behaving corruptly in the expectation of a bribe.

The Company commits to acting professionally, honestly, fairly and with integrity in all our relationships and business dealings and transactions wherever the Company operates and to implementing and enforcing effective systems and programs to counter bribery.

The Company will uphold all laws relevant to countering bribery and corruption. It is bound by the laws of Thailand in respect of the Company conduct and also comply with laws relevant to countering bribery and corruption in the jurisdictions in which it operates.

Bribery and corruption are criminal offenses and are punishable for individuals, and if the Company is found to have taken part in corruption, it may face a significant fine and damage to the Company reputation. AAPICO therefore takes its legal responsibilities very seriously and expects all its directors, executives, and employees of all levels to do the same.

Any violation of this policy will be regarded as a serious matter and is likely to result in disciplinary action, including termination, consistent with local laws. The punishment for violating the laws will be against the employee as an individual.

4.2. Measures and Forms of Corruption

Corruption can take place in many types of activities. The Company has identified areas of activities that may create risks related to corruption for the organization, in particular in the following:

4.2.1 Gift, Entertainment, Hospitality, and Political Contributions

Gifts, entertainment or hospitality are acceptable if they are reasonable, proportionate, and made in good faith in order to strengthen and build legitimate business relationships. However, as personal favors and gifts may influence business relationships negatively, they should not be requested or given in circumstances that may compromise the integrity of business decisions or create the appearance of impropriety.

Examples of gifts, entertainment or hospitality include the receipt or offer of gifts, meals or tokens of appreciation or gratitude, invitations to events, functions, or other social gatherings, in connection with matters related to the Company's business. These activities are acceptable provided that they fall within reasonable bounds of value and are given at an appropriate occurrence. For example, it is customary for small gifts or baskets to be given at New Year or festive season. Expensive gifts shall not be given or received. The gifts with the appearance of improper influence shall never be given or received.

Gifts must not be in a form of cash or cash equivalent (such as gift certificates or vouchers). They shall be given openly, not secretly, and in the Company's name, not individual. Gifts and entertainment shall not be offered to or accepted from government officials or representatives, or politicians or political parties, without prior approval. However, political contributions, whether direct or indirect, must comply with the law, be transparent, and appropriately disclosed and approved by the Board of Directors and the Audit Committee with proper paperwork as required by the Company.

Employees are responsible for considering the value of the gifts, entertainment and hospitalities. They shall ensure that these activities must be in compliance with the Company's policy (No Gift Policy) and its business code of conduct. Gifts must not be in the form of cash or cash equivalent (gift certificates or vouchers), and whose value must not exceed THB 3,000. Should the executives or employees be put in a position where



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refusing gifts that exceed THB 3,000 is difficult to do, they must notify their supervisors immediately, filing the report and submitting it to the Personnel Department, who shall take further appropriate action.

4.2.2 Facilitation Payments and Kickbacks

Facilitation payments and kickbacks are not allowed or accepted. The Company does not make, and will not accept, facilitation payments or kickbacks of any kind whether related to government and private sectors. All staff must avoid from any engaging in any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by the Company. Any action involving the government officials can be carried out in compliance with the law, with proper documents, and in accordance with the regulations approved by the Board of Directors.

4.2.3 Conflict of Interest

Conflict of interest could lead to damages to the Company. Directors, executives, and employees are prohibited from engaging in any direct or indirect business transactions that may cause a conflict of interest, must not exploit their authority to seek benefits either for themselves or those of their acquaintances, and must avoid any business transactions.

4.2.4 Donations and Contributions

Donations to charitable organizations and communities are regarded as good corporate citizenship and must only be done lawfully and ethically under general behavior guidelines.

The Company only makes charitable donations that are legal and ethical under local laws and practices. Donations permitted by laws must be approved in advance by the Company's executive and senior management and are subjected to review by the Board of Directors. Contributions made to community projects or charities need to be made in good faith and in compliance with our code of conduct where careful consideration must be taken in order to ensure such donations are not means to avoid bribery. They must be transparent and done lawfully.

Charitable contributions must be done under regulations regarding charitable contributions, where the donor name and purpose of the donation are clearly specified, paperwork properly documented and submitted to the Personnel, Accounting and Finance Department. Authorized person will then evaluate and authorize the limit accordingly.

The Company supports employees who are involved in their communities provided that activities or projects in which they take part are aimed at improving the quality of life of a community in which the Company is present.

4.2.5 Sponsorships

Sponsorships are permissible, provided that the organizations, projects, or events that the Company partners with must be in line with the corporate's culture, values and business objectives. Sponsorships must allow the Company to showcase its activities. Requests for sponsorship must meet at least one of the following objectives.

- Increase the AAPICO Group's visibility among its customers, suppliers, business partners, investors, graduates and job seekers.
- Position the Company as an employer or supplier of choice.
- Promote the Company's products and services as well as the multiple career opportunities that are available within the AAPICO Group.
- Contribute to the advancement of corporate values and culture.



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The Company also supports sponsorship that is related to corporate social responsibility (CSR) activities of the Company, for example, the sponsorship to support activities or events of the community or school in the vicinity area in which the Company operates.

All sponsorship requests must be approved in advance by the Company's executive and/or senior management and are subjected to review by the Board of Directors given proper documents including the name and purpose of the sponsorship are clearly specified.

4.2.6 Collaboration and Joint Venture Relations

Integrity is a vital part of AAPICO's businesses. It is important that the Company's business partners, whether new investments, partners, agents, consultants, banks, contractors or suppliers, are reputable and do not risk AAPICO being associated with corrupted activities of all types. All the business partners shall act fairly and with integrity towards their stakeholders and shall comply with the restrictions, applicable rules and laws of the country they operate in.

4.2.7 Competition

Marketing

The Company shall operate under no circumstances cause or be part of any breach of general or special competition regulations, such as illegal cooperation on pricing, illegal market sharing or any other behavior that is in breach of relevant competition laws.

Purchasing

The Company shall adhere to the system of internal controls around supplier selection. Supplier selection should never be based on receipt of a gift, hospitality or payment. The Company shall ensure that invitation to a private agency for the supply of products and services and to the public sector in such competition for the use of public money is open, fair and free from corruption. That no parties are having the unfair advantage of separate, prior, closed-door negotiations for the contract where a bidding process is open to all qualified bidders, and where the sealed bids are in the open for scrutiny and are chosen on the basis of price and quality.

4.2.8 Money Laundering

The Company is opposed to all forms of money laundering and aims to prevent its financial transactions from being used by others to launder money. The Company will not participate in money laundering by entering any agreement which is known or there is reason to suspect that it will be used to facilitate any acquisition, retention, use or control of any property or money intended to disguise the proceeds of crime. Any suspect situation of money laundering shall be informed to the Audit Committee.

4.2.9 Business and Procurement Relationship with the Public or Private Sectors

Operations and dealings with the government or private sectors must be transparent, honest, and undertaken in accordance with the regulations on procurement and relevant laws, and must not involve giving or offering bribes of any kinds.

4.2.10 Payment to Third Parties

Payments shall be made only for the products and services received. Any payment shall be made to the Company. Payment to individuals is only allowed when transacted under the laws, regulations, standards, customs, or business traditions, and must be transparent and auditable with evidence of the payment and approval from management. All payments must be properly and fairly recorded in appropriate books of account available for audit. There must be no books or secret accounts. No payments shall be channeled through an Agent. All payments made to an Agent should be intended for the Agent itself.



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4.2.11 Agents, Distributors, Commissioners

The remuneration of an agent, distributor, commissioner and the like may not exceed the normal and reasonable commercial rates for the legitimate service rendered by the agent. An agent shall be appointed by virtue of a service contract in writing. An agent shall not be a government official. The background of the agent shall be thoroughly reviewed and assessed with evidence of such review be kept and available for audit.

5. Books, Records and Internal Control Requirements

Bribery and corruption may be hidden by incomplete or false documentation. To prevent this, the Company requires detailed books and accounting records of the Company's transactions and assets, including cash and bank accounts, and has appropriate internal controls in place which evidence the business reasons for making payments to third parties.

The Company must maintain accurate books, records, and financial reporting. Expenses must not be hidden or purposefully misclassified. All expense claims relating to gifts, entertainments, hospitalities and expenses incurred to third parties are submitted and approved according to the Company's policies and specifically recorded the reason for the expenditure. A written record of gifts, entertainments, and hospitalities accepted and offered is declared and properly documented, which will be subjected for management review.

All accounts, invoices, memorandum and other documents and records relating to dealings with third parties, such as customers, suppliers, government officers and business partners, should be prepared and maintained with strict accuracy and completeness. No accounts must be kept "off-the-book" to facilitate or conceal improper payments.

6. Whistleblowing

Employees are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. In the event that the employees are unsure whether a particular act constitutes bribery or corruption, or if the employees have other queries, these should be raised the issues with their direct supervisor/department manager and/or Personnel department directly for further investigation in accordance with the whistleblowing policy.

If the employees face a dilemma or difficult business decision, the employees are strongly encouraged to seek advice when in doubt. The Employees may raise this issue with your direct supervisor/department manager or consult the Company's legal department and/or the Corporate Office.

If the employees are offered a bribe by a third party, are asked to make one, suspect that this may happen in the future, or believe that they are a victim of another form of unlawful activity, it is important that the employees report the case to Personnel Department and/or the Audit Committee as soon as possible.

7. Protection

Employees who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. The Company aims to encourage openness and will support anyone who raises genuine concerns in good faith under this policy.

The Company commits to ensure that no one suffers from detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offense has taken place, or may take place in the future, even though it means the Company might lose business opportunity. Detrimental treatment includes demotion, punishment, dismissal, subjecting one to a disciplinary action, threats, and other unfavorable treatment connected with raising a concern. If employees believe they have suffered any such treatment, they shall inform the company's whistleblowing channel immediately.



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In order to promote the reporting of violations and misconduct, the Whistle Blower Policy is in place, enabling employees to submit complaints on an anonymous basis without fear of the complaints leading to disciplinary action.

8. Training and Communications

As one of our means of communication to prevent all types of business corruption both internal and external, directors, executives, and employees will all receive regular training on how to implement and adhere to the Anti-Corruption Policy. The Company's zero-tolerance approach to bribery and corruption must be communicated to all suppliers, customers, contractors, agents, and all other business partner at the outset of the relationship via appropriate communication channel such as email, verbal communication, announcement on the Company's website and etc.

9. Monitoring and Compliance

The Company has conducted anti-corruption and bribery measurement and assessments of its business operations and controlled subsidiaries including suppliers and third-party entities to raise overall awareness, detect potential misconduct, and monitor compliance with anti-corruption laws and policy. The Company schedules a regular review to ensure that the anti-bribery compliance program elements are functioning properly, especially in high-risk areas and forbids directors, executives, and employees to get involved in all types of corruption that may benefit themselves and a third party. The frequency of review can be defined as of following:

On immediate basis

Escalation of concerns or suspicions of bribery and corruption acts, which have happened or may happen in the future, shall be determined by the Management and/or the Audit Committee.

On Quarterly basis

The status of issues concerning bribery or corruption and treatment actions are reported to the Board of Directors for review and acknowledgement.

Any new or changes of risks related to bribery and corruption are identified and reported to the Risk Management Committee, the Audit Committee and the Board of Directors respectively.

Learnings and completed practices are identified and documented for sharing and implementation across organizations.

On Annual basis

The Company regularly monitors the effectiveness and reviews the implementation and compliance of this policy, considering the suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible.

The Company assesses local processes and practices for risks related to bribery and corruption, identifies areas of high risks, and implements necessary mitigation practices.

Internal control systems and procedures are audited to provide assurance that they are effective in countering bribery and corruption.

10. Violation and Punishment

Directors, executives, and employees must comply with the Anti-Corruption Policy and must not involve themselves in all types of corruption, directly or indirectly, with no exception. Those involved or committed corruption-related offenses will be subject to disciplinary action in accordance with the regulations set forth by the Company, which may result in termination of employment. In case of illegal actions, they may also be punishable by law. The company reserves all rights to review or terminate



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contractual relations with customers, suppliers, or stakeholders should corruption-related offenses in accordance with this policy is found.

Review and Approval

The Anti-Corruption Policy shall be reviewed at least annually to ensure effectiveness and its relevance to the Company's business and its operations.

This policy is owned by Corporate Office and has been approved by the Board of Directors at the Board Meeting No.120/2022 held on November 14, 2022.

Contact Information

Enquires or questions on Anti-Corruption Policy can be addressed to the following channels:

Postal mail

Chairman of Audit Committee

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Announcement on March 23, 2023

(Mr. Yeap Swee Chuan)
President & CEO