

Anti-corruption Policy

SCG Chemicals Public Company Limited

The Board of Directors Meeting of SCG Chemicals Public Company Limited (“the Company”) No. 276 (12/2021) held on September 22, 2021 resolved to approve the first Anti-corruption Policy, and the Board Meeting No. 282 (3/2022) held on March 30, 2022 subsequently endorsed the continuous enforcement of the Policy upon the conversion of the Company into a public limited company.

SCG Chemicals (the definition as below) conducts its business with fairness based on a philosophy that SCG Chemicals shall demonstrate a keen sense to social responsibility and the best interests of its stakeholders in alignment with the corporate governance principles, SCG Chemicals’s Code of Conduct, and stakeholder engagement policy and guidelines.

The aforesaid Board of Directors, thus, established the written Anti-corruption Policy to provide clear guidelines for business operations and develop the Company into an organization of sustainability, and to ensure that SCG Chemicals has in place a policy that defines responsibilities, guidelines, and appropriate operational requirements to prevent corruption in all of SCG Chemicals’s business activities and that all decisions on business operations potentially incurring risk of corruption are considered and executed with due circumspection.

Definitions

Corruption refers to any types of bribery, whether in the form of offering, promising to give, giving, agreeing to give, requesting, or accepting money, assets, or other benefits to or from a government officer, a government agency, a private organization, or a responsible person, either directly or indirectly, in order that such person acts or refrains from acting in the exercise of his or her duties in order to obtain or retain business or recommend a specific business to SCG Chemicals, or obtain or retain other undue business advantages, except where such act is allowed by laws, rules, notifications, regulations, local customs, or business.

SCG Chemicals means SCG Chemicals Public Company Limited and its subsidiaries.

A subsidiary means a subsidiary of SCG Chemicals Public Company Limited in accordance with its consolidated financial statements.

SCG Chemicals’s personnel means directors, executives, and employees of SCG Chemicals.

Anti-corruption Policy

SCG Chemicals will not accept any form of corruption. SCG Chemicals’s personnel is to strictly comply with the Anti-corruption Policy and is prohibited from engaging in or accepting any form of corruption, either directly or indirectly. This shall apply to all businesses in every country and all agencies involved. Compliance with this policy shall be regularly reviewed. Relevant operational guidelines and requirements shall also be revised to ensure alignment with changes in business, rules, regulations, and legal requirements.

Duties and Responsibilities

1. The Board of Directors is responsible for establishing an anti-corruption policy and putting in place effective anti-corruption systems in order to ensure that SCG Chemicals’s personnel recognize the significance of anti-corruption efforts and cultivate an anti-corruption mindset as part of SCG Chemicals’s organizational culture.

2. The Audit and Risk Management Committee is responsible for reviewing financial and accounting reporting systems, internal control systems, internal audit systems, and risk management systems to ensure their compliance with international standards as well as their prudence, suitability, currency, and effectiveness. The Audit and Risk Management Committee is also in charge of handling submission of information regarding corruption involving SCG Chemicals's personnel, conducting fact-finding investigations, presenting the matter to the Board of Directors to determine disciplinary action or solutions, as well as giving consultation and ensuring compliance with this Anti-corruption Policy.
4. The Chief Executive Officer and President, the Management and the executives are responsible for implementing the Anti-corruption Policy by putting in place relevant systems and promoting the policy as well as communicating it to all employees and related parties. They are also charged with reviewing the suitability of relevant systems and measures to ensure alignment with changes in business, rules, regulations and legal requirements.
5. The Internal Audit Director is responsible for reviewing risk assessment and offering recommendations on the formulation of corruption risk prevention procedures and approaches to present to the Audit and Risk Management Committee and the Board of Directors. The Internal Audit Director is also responsible for auditing and reviewing operations to ensure their compliance with policies, guidelines, Delegation of Authority, procedures, laws, and requirements of regulatory agencies and make certain that SCG Chemicals's control systems are suitable, prudent, and sufficient for handling potential corruption risks. Outcomes of such audits and reviews shall be reported to the Audit and Risk Management Committee.

Anti-corruption Guidelines

1. SCG Chemicals's personnel and subsidiaries shall follow the Anti-corruption Policy and SCG Chemicals's Code of Conduct and avoid any direct or indirect involvement with corruption.
2. SCG Chemicals's personnel shall not be negligent to take action upon detecting an act involving SCG Chemicals which can be construed as corruption. It is their duties to notify their supervisors or responsible persons of such incidents and give full cooperation in the fact finding investigation. Should there be any inquiries or questions, they may consult their supervisors or persons designated to oversee compliance with SCG Chemicals's Code of Conduct through various channels provided.
3. SCG Chemicals shall ensure fairness and provide protection to SCG Chemicals's personnel who refuse to engage in corruption or report corruption cases related to SCG Chemicals through a protection procedure which is intended for those who follow the Anti-corruption Policy, file complaints, or cooperate in reporting corruption as defined in the Whistleblowing Policy
4. SCG Chemicals recognizes the importance of disseminating, educating and fostering an understanding among third parties whose duties involve or may impact SCG Chemicals on matters where compliance with the Anti-corruption Policy is required.
5. SCG Chemicals strives to foster and maintain an organizational culture with zero tolerance against corruption in transactions with both public and private sectors.
6. SCG Chemicals's Risk Management Committee is responsible for preemptively assessing potential corruption risks. The Internal Audit Office has put in place appropriate and efficient audit processes and internal control systems for processes, finance, accounting, record keeping, and others, which are subject to regular review.
7. SCG Chemicals shall comply with laws related to anti-corruption in Thailand and every country where it conducts business.
8. SCG Chemicals and its subsidiaries shall consider taking appropriate action to ensure that its agents, contract counterparties, or any person acting on behalf of SCG Chemicals and its subsidiaries are informed of the principles set forth in this Policy.

Rules of Practice

1. This Anti-corruption Policy shall also apply to human resource processes, including nomination or selection, promotion, training, evaluation, and remuneration. Supervisors at all levels shall communicate the policy to staff so that they can apply it to business activities within their scope of responsibility and supervise its implementation to ensure efficiency.
2. Any implementation of the Anti-corruption Policy shall be in compliance with guidelines set forth in SCG Chemicals's Code of Conduct, Corporate Governance Handbook, stakeholder engagement policy and guidelines, as well as relevant rules and operational handbooks, and additional guidelines to be formulated in the future.
3. Ensure clarity regarding activities involving high risks of corruption, SCG Chemicals's personnel shall exercise caution and comply with SCG Chemicals's Code of Conduct and guidelines as follows:
 - 3.1 Gifts and Hospitality
Any offering or accepting of gifts and hospitality shall comply with SCG Chemicals's Code of Conduct.
 - 3.2 Donations or Sponsorship
Any offering or accepting of donations, sponsorships or assets shall be transparent and legal. It must be made certain that such donations, sponsorship or assets shall not be used as a pretext for bribery.
 - 3.3 Facilitation Payment
All facilitation payment to government employees, both directly and indirectly, is prohibited.
 - 3.4 Political Contributions
 - (1) SCG Chemicals shall maintain political neutrality and shall not act in the interest of or provide financial or other support to political parties, political coalitions, political figures, or political candidates, either directly or indirectly, either at the local, regional, or national level.
 - (2) SCG Chemicals's personnel shall strictly comply with SCG Chemicals's Code of Conduct in relation to political action.
 - 3.5 Hiring of government employees (Revolving Door)
The hiring of government employees or former government employees who have retired from their positions for no more than two years to hold any positions that may create a conflict of interest is prohibited. SCG Chemicals shall set forth the procedures for disclosing the hiring of government employees or former government employees to ensure transparency and verifiability.
 - 3.6 Business relations and procurement with public and private sectors
Any offering or accepting of bribery is prohibited in all business activities. Any dealing with public and private sectors shall be transparent, honest, and in compliance with relevant laws.

Communication and Training

1. SCG Chemicals shall communicate and disseminate the Anti-corruption Policy to SCG Chemicals's personnel through various channels, such as orientation for new directors and employees, training sessions or seminars, as well as internal public relations within SCG Chemicals's workplaces and electronic systems. SCG Chemicals shall also periodically communicate to SCG Chemicals's personnel various forms of corruption, risks of being involved in corruption, and how to submit information. This is to ensure that SCG Chemicals's personnel acknowledge and implement the policy.
2. SCG Chemicals shall communicate and disseminate the Anti-corruption Policy as well as SCG Chemicals's whistleblowing channels to the public, subsidiaries, associates and stakeholders via various channels, such as websites, annual reports, and annual registration statements, to foster an understanding and support anti-corruption efforts.
3. SCG Chemicals's personnel who have any inquiries about this policy may consult their supervisors, Secretary to the Audit and Risk Management Committee, or the Internal Audit Director.

Disciplinary Action

SCG Chemicals's personnel who fail to comply with this policy are subject to disciplinary action and may also be subject to legal punishments if they commit an offense under the law.

Whistleblowing Measures and Channels

SCG Chemicals has established mechanisms for whistleblowing, complaint handling, and the processing of cases related to violation of laws, rules, and SCG Chemicals's Code of Conduct or to behavior of SCG Chemicals's personnel that may be suspicious of corruption. SCG Chemicals has also prescribed appropriate whistleblower protection measures according to the Whistleblowing Policy to provide a clear guideline and enhance the efficiency of corruption and misconduct complaint handling.

This Policy shall be effective from September 22, 2021 onwards.

Announced on April 4, 2022

-signed by-

(Mr. Chumpol NaLamlieng)

Chairman of the Board of Directors