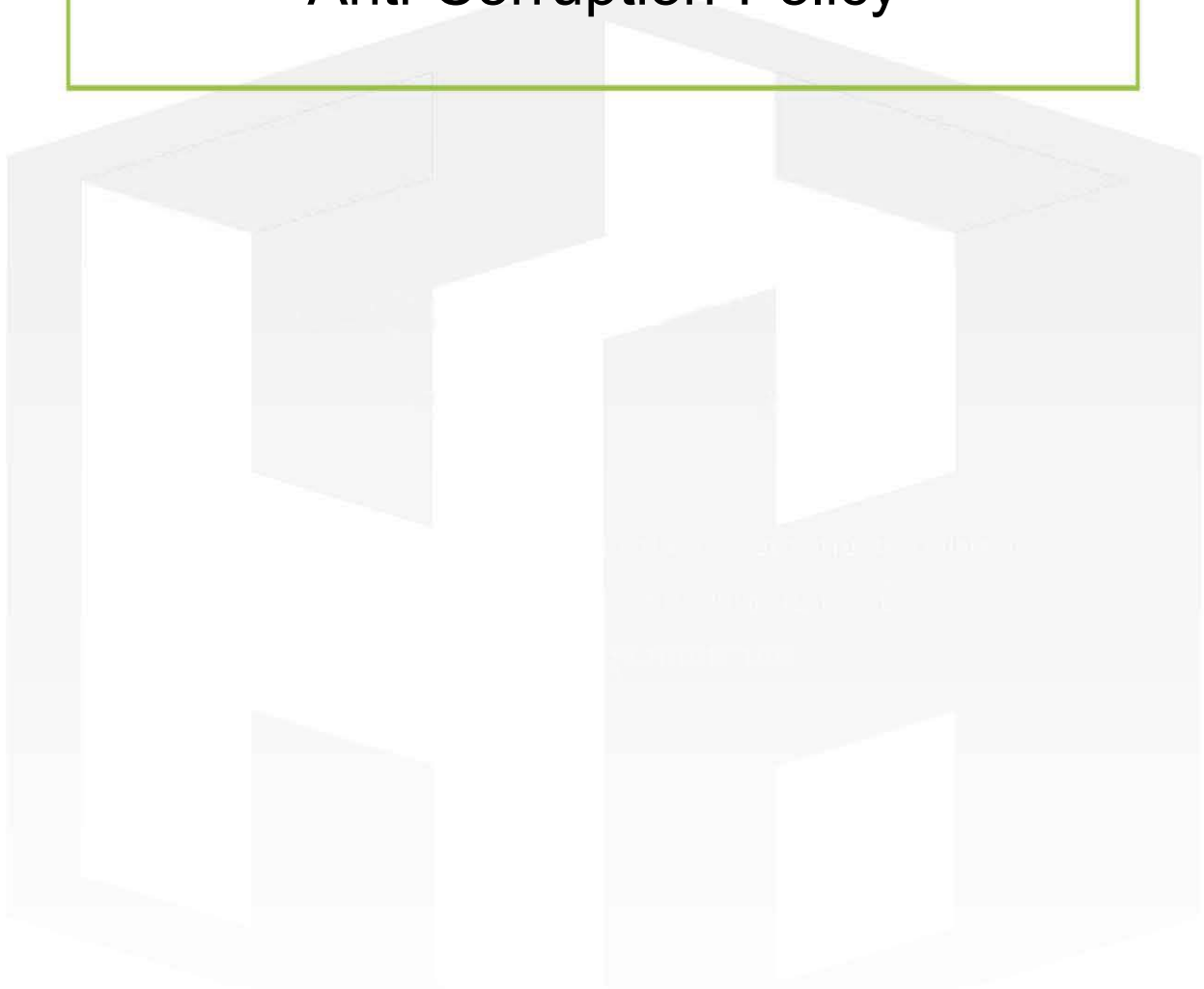




HARN ENGINEERING SOLUTIONS PUBLIC COMPANY LIMITED

## Anti-Corruption Policy



## Introduction

While attaching importance to delivery of quality products and services which ultimately leads to our good operating results, Harn Engineering Solutions Plc. also conducts business with accountability, rationality, fairness, integrity, transparency, independence and responsibility to society and all groups of stakeholders in a bid to build confidence among the stakeholders and foster sustainable growth. We are fully aware that corruption is a major hindrance not only to the achievement of such goal but also to fair competition and to the country's economic and social development.

The Board of Directors accordingly gives priority to upholding the principles of corporate governance and the standards of ethics, transparency, examination and fairness to all parties concerned, and also to complying with legal provisions regarding the fight against corruption in all its forms, and seeks to incorporate these into our corporate culture and values.

To demonstrate our intention and commitment to combat corruption in all forms, the Company on March 13, 2017 filed a declaration of intent to enter a process of the Private Sector Collective Action Coalition against Corruption (CAC). In this respect, we have established a "Policy on Anti-Corruption" and defined the roles, duties, responsibilities, procedures and measures to be a clear guideline on business operation and development into a sustainable organization. The Policy is communicated to the Board of Directors, executives and employees at all levels in order for them to study, familiarize themselves with, and strictly adhere to the Policy, which shall be deemed as part of our "Work Discipline," and also is communicated to other external parties concerned.

The Policy shall come into force and effect as from *12 June, 2020* onwards.

- Sign -

(Wirat Sukchai)

Chief Executive Officer

Harn Engineering Solutions Plc.

### Definition

#### Corruption

refers to any of the following four offences committed against the Company:

- Asset Misappropriation means a theft, deception, embezzlement or exploitation of the Company's resources ,concealment of evidence or use of information, obtained from discharge of duty for the Company for performing any act that provides an advantage for oneself and/or the related person.
- Falsification of Financial Statements means an omission to provide information or intentional misrepresentation of the Company's financial condition report.
- Corruption means any act of offering, promising, asking for, demanding, giving or accepting cash or its equivalent or asset or any other benefit, and offering any form of bribe to a state official or any other person in either the public or the private sector, whether directly or indirectly, in order for that person to perform or omit to perform his/her duty so as to obtain or protect any other advantage which is deemed as an unfair business practice, except where it is allowed by laws or rules or indigenous tradition or commercial custom.

## Policy on Anti-Corruption

The Company's directors, executives and employees, including its subsidiary (if any), shall not perform or participate in or accept an act of corruption in any of its forms for the direct and indirect benefit of themselves and their related person, whether as a recipient or giver or offeror of monetary or non-monetary bribe to a state agency or private agency or trade partner with which the Company has contacted or transacted business.

The Company has established practice guidelines, measures, roles and duties and designated the responsible persons, as well as updated and reviewed the compliance with the "Handbook on Anti-Corruption Measures" on a regular basis to be compatible with changes in business and relevant laws, rules and regulations.

### Practice Guidelines

1. The Company's directors, executives and employees, including its subsidiary (if any), must abide by the anti-corruption policy and measures, the corporate governance principles and the code of ethics and must not be involved in corruption, whether directly or indirectly.

2. The directors, executives and employees shall not neglect or ignore any act of corruption they have detected or suspected and must so notified their supervisor or the person held responsible or the Audit Committee or through the designated reporting channel and cooperate in the investigation of all facts.

3. The Company shall provide fairness and protection for employees who refuse or report an act of corruption that is related to the Company's activities and shall not demote or punish or pose an adverse impact on them.

4. Those who have committed a corruption offence, which is deemed a breach of the Company's Code of Ethics, must be subject to disciplinary action pursuant to the Company's regulations and may face legal punishment if such offence is against the law.

5. The Company will communicate the anti-corruption policy and measures and advise methods for whistleblowing, lodging complaints or providing suggestions in and outside the Company through various media such as announcement board, internal broadcasting, employee & director orientation program, the Company's Intranet, website, annual registration statements (Forms 56-1 and 56-2), etc. to create knowledge and understanding about adoption of the policy and embed it into the organizational culture.

6. The directors, executives and employees shall avoid giving or accepting gifts, assets or other benefits, including hospitality or entertainment, excessive in value to or from the persons having business relationship with the Company or any other persons in order not to provide the opportunity to commit fraud or cause unfairness to other related persons and in order to ensure an efficient and appropriate procurement and employment process.

## Duties and Responsibilities

1. The Board of Directors has duties and responsibilities to establish a policy and to monitor and ensure that there is an efficient anti-corruption system in place to make certain that the management recognizes and gives importance to the combat against corruption and the inculcation of the anti-corruption culture into the organization.

2. The Audit Committee has duties and responsibilities as follows:

2.1 To acknowledge and give opinion on compliance with the anti-corruption measures and to review the financial reporting and accounting system, internal control system, internal audit system and risk management system in relation to potential corruption risks so as to ensure that the Company's operation is carried out in a thorough, proper, modern and efficient manner in accordance with the generally accepted standards.

2.2 To receive from within and outside the organization complaints and whistleblowing disclosures relative to corrupt practices in which the Company's directors, executives or employees are involved and to examine the reported facts and propose to the Board of Directors to jointly decide on disciplinary action or corrective action under the Policy on Anti-Corruption.

3. The Executive Committee has duties and responsibilities as follows:

3.1 To ensure there is a system in place together with promotion and support of the Policy on Anti-Corruption for further communication to employees and all parties concerned.

3.2 To review appropriateness of all systems and measures to be compatible with changes in business, rules, regulations and legal provisions.

3.3 To assist the Audit Committee in investigating the reported facts or in the task assigned by the Audit Committee pertaining to examination of the corruption cases, whereby the Executive Committee may reassign the task to a team of executives deemed capable of such fact finding.

4. The Risk Management Committee has duties and responsibilities to assess corruption risks in various activities of the Company and to monitor and formulate measures for efficient risk prevention and mitigation, as well as to follow up and evaluate such performance.

5. All executives of the Company have duties and responsibilities to assure that their respective subordinates are aware of and understand this Handbook and undergo adequate and regular training thereon.

6. All employees must perform their duties in conformity with the Policy on Anti-Corruption and, when suspecting or coming across any violations, must so report their supervisors or through the channels provided by the Company.