

## Announcement No. 18/2023

### Standard of Procedure for Anti-Corruption Policy

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In order for executives and employees of the company and subsidiary to concretely comply with Anti-Corruption Policy and contribute to the fight against all forms of corruption in accordance with the Corporate Governance Principle and applicable legislation in Thailand, the company has established the Standard of Procedure across 4 course of Anti-Corruption approaches as follows:

1. **Political Contribution** - a contribution made in the form of money or items for political purposes or an encouragement of the company to have its staff participating in any political activities under the name of the company, in order to seek a business advantage. This, however, excludes the case where the staff is willing to participate in such political campaigns or activities on the basis of democratic rights.

Erawan has adopted a policy of political neutrality in conducting the business. We will neither align or attach to the politics or professional politicians of any party nor donate our funds or other forms of assistance for political purposes as defined in paragraph one for the benefit of our business.

#### Procedure for Political Contribution:

- 1) The Board of Directors, management and employees of the company and subsidiaries have political rights and liberty under the democracy governance, to participate in political activities in terms of an individual that neither conflicts to the company regulation nor use of company's resource to direct or indirect support the political activities. If the employees engage in political activities, they must take particular care not to imply that they are acting on behalf of the Company in any way.
  - 2) The company prohibited the political parties from utilizing the resources or places of the company in organizing the political activities.
  - 3) The company prohibited the Board of Director, management and employees of the company and subsidiaries from being the committee member or representative of the political party to do the public activities that may cause the misunderstanding that the Company's participation in or support to a political party or group.
  - 4) The company prohibited the Board of Director, management and employees of the company and subsidiaries from using his/her authority to direct or indirect induce, direct, persuade, enforce or compel the company personnel to support the political activities.
2. **Charity donation** – a financial contribution made for religious, educational and public interest purposes and etc. that may lead to the risk of corruption since the activity relates to a payment without any tangible returns. Such activity can become an excuse or a means of corruption. To avoid the hidden purpose of any charitable contribution, Erawan has established the procedure on charitable contribution as follows.

- 1) The requestor must be at least the Head of Division/Head of Department who should consider the appropriateness of the donation that may not violate the company policy.
- 2) The requestor must prepare the request for permission document, "Charity Donation Request Form", from President through the respective supervisor. The requested details must contain the following:
  - Project name and project objective or reason of donation.
  - Details of recipient person or organization.
  - Project's details and the requested amount of contribution/donation.
  - Relationship between the recipient and company/company personnel.
- 3) Once the donation request is approved, the requestor must proceed with the disbursement through an established process to ensure the accuracy of payment procedures. In addition, the donation receiver must be same as the approved recipient person or organization.

#### Additional Procedure for Requestor

- 4) The requestor must verify to ensure that the donation is aligned with the applicable legislation, the company's regulation and policy.
  - 5) The recipient organization must be the government property, government agencies, charitable organizations as identified by Ministry of Finance, or the certified and trustworthy social benefit organization and it is not considered as the related party transaction.
  - 6) It must be proven that the project actually exists, and action has been taken to support the achievement of the project's objectives and bring about genuine social benefits. The project must be irrelevant to reciprocal return with anyone or any organization, however, such return will not include an action of honor announcement as normal business practice such as displaying the logo, mentioning the name at the event or on PR media etc.
  - 7) Donation documents must be accurate and completely provided in order its expense can be posted on Donation/Charity Account and complied with the Revenue Department requirements. The documents such as project's photo and receipt must be properly kept for auditing purposes.
3. **Sponsorships** – a financial contribution made for the promotional purposes on company business, logo or reputation that may lead to the risk of bribery since such money is paid for service or benefits which are difficult to measure and monitor. The sponsorships could be related to bribery, hence, Erawan has established a policy, review process, control details and assessment methods on sponsorships as follows.
- 1) The requestor must be at least the Head of Division/Head of Department who should consider the appropriateness of the sponsorship that may not violate the company policy.
  - 2) The requestor must prepare the request for permission document, "Sponsorship Request Form", from President through the respective supervisor. The requested details must contain the following:
    - Project name and project objective or reason of sponsorship.
    - Details of recipient person or organization.
    - Project's details and the requested amount of sponsorship.
    - Relationship between the recipient and company/company personnel.



- 3) Once the sponsorship request is approved, the requestor must proceed with the disbursement through an established process to ensure the accuracy of payment procedures. In addition, the donation receiver must be same as the approved recipient person or organization.

**Additional Procedure for Requestor**

- 4) The requestor must verify to ensure that the sponsorship is aligned with the applicable legislation, company's regulation and policy.
  - 5) It must be proven that the requestor for sponsorship has actually run the project and the actions have been taken to support the achievement of the project's objectives and bring about genuine social benefits.
  - 6) It must be proven that sponsorship or any form of benefits which have monetary value, such as the offering of accommodation and food, are irrelevant to reciprocal return with anyone or any organization, however, such return will not include an action of honor announcement as normal business practice.
4. **Gift, Hospitality and Expense** – the expense that occurred and related to the special occasion, tradition or business manners which may lead to the risk of fraud or corruption, hence, Erawan has established a policy and criteria on giving or accepting gifts to ensure that the company strictly complied with the tradition and normal business manners as follows:
- 1) The requestor must be at least the Head of Division/Head of Department who should consider the appropriateness of giving gifts, favors or other benefits with the value that must not exceed 3,000 baht/person/occasion and must not be given to the company management, employee, or personnel.
  - 2) The requestor must prepare the request for permission document as company format and approve by the Top of Division or Department, the request form must include the details of recipient which are Name of recipient, organization, amount or value of gift/benefits that not exceed the company policy and relationship between the recipient organization and the company.
  - 3) Once the transaction is approved, the requestor must proceed with the disbursement through an established process to ensure the accuracy of payment procedures.

**Additional Procedure for Receiving Gifts, Items or Other benefits.**

- 1) The Board of Director, management and employee must not request, accept gifts, favors or any benefits with a monetary value exceeding 3,000 baht from appropriate occasions or business manner and must not request, accept gifts or other benefit derived from performing company duties.
- 2) Receivers should consider handling on gift, favors, or other benefits as follows:
  - Fruits, desserts, foods or other consumer products which have expiry can be distributed to the division or department's colleagues.
  - The items value exceeding 1,000 baht should be submitted to the Corporate HR Division or Hotels' Human Resources Department to check and record for receiving gifts, favors to be useful utilization according to the company's policy.

- The items derived from the Project Procurement such as giveaway or complimentary items for only items related to fixed assets as per fixed asset company's policy must be recorded as the company's assets. The received division or department must submit details to the fixed asset team for recording in the fixed asset registration.

Announced and enforced on 31<sup>st</sup> October 2023.



(Mr. Youssef EL KHOMRI)

Director and President

The Erawan Group Public Company Limited