



Anti-Corruption Policy

Scope: Asia Cement Public Company Limited and all subsidiaries
Author: Legal Department
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Dear colleagues,

This Anti-Corruption and Conflict of Interest Policy has been established to reaffirm the commitment of Asia Cement Public Company Limited and its affiliates (“Asia cement) to conducting business with transparency, fairness, and good corporate governance. The Policy sets out clear principles and practices covering the giving and receiving of gifts, hospitality and benefits, relationships with business partners and customers, interactions with government officials, conflicts of interest, the appointment of agents and consultants, corporate social responsibility activities, mergers and acquisitions, as well as internal control measures, personnel rotation, dual-control procedures, and the preparation and retention of records.

This Policy applies to all employees and all departments, stipulating prohibitions, permissible exceptions, and necessary approval frameworks. It also provides a SpeakUp channel for reporting concerns and requires regular training appropriate to employees’ roles and responsibilities.

Failure to comply with this Policy will result in disciplinary action as deemed appropriate. The ultimate purpose of this Policy is to ensure that all employees are aware of their individual responsibilities, adhere to applicable laws, regulations, and corporate standards, and safeguard the reputation and long-term best interests of the organization.

Sincerely yours,



Mr.Salvatore Palazzo

Managing Director



Mr. Nopadol Ramyarupa

Managing Director

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1. Introduction

One of the objectives of Asia Cement Public Company Limited and its subsidiaries (“Asia Cement”) compliance programme is to prevent corrupt conduct by group companies and their employees. Sections 2.3 to 2.5 of the Code of Business Conduct (“Anti-Corruption,” “Gifts, Hospitality, and Advantages,” and “Conflicts of Interest”) set out the general principles on anti-corruption. This Policy forms part of the Group compliance programme and serves as guidance for employees by providing further detail on this important topic.

This Policy addresses not only criminal offences under applicable anti-corruption laws; it also identifies and prohibits unethical conduct even where such conduct may not constitute a criminal offence. The Policy is guided by the fundamental principle of avoiding any action that could suggest that business or governmental decisions are influenced by the acceptance or offering of benefits whether personal or for any third party.

Separate compliance documents for specific situations (e.g., procurement, taxation, finance) may impose additional requirements

This Policy applies to all employees, as corruption and conflicts of interest can arise throughout the organisation. Elevated risk areas include:

- Employees involved in procurement, including purchasing staff and engineers who specify goods and services and their technical requirements.
- Employees in specialist departments engaging external service providers (e.g., law firms, accounting firms, auditors, consultants);
- Employees responsible for obtaining governmental licenses and approvals of any kind.
- Sales employees.
- Employees involved in mergers and acquisitions; and
- Employees involved in corporate citizenship activities (sponsorships, donations, etc.).

Non-compliance with this Policy may result in disciplinary action, up to and including termination of employment.

2. Legal Principles

- 2.1 Corruption constitutes a punishable offence for companies within the Asia Cement. Conduct amounting to corruption is also subject to penalties under the criminal laws of the relevant jurisdictions.
- 2.2 Bribery in business can occur as either the giving or receiving of a bribe. Both the person or company offering, promising, authorising, or giving a benefit, and the person requesting or accepting it, may be liable. “Bribery” includes offering, promising, authorising, giving, requesting, or accepting any personal advantage directly or indirectly to induce an act or omission (favourable treatment, whether fair or unfair) for the benefit of the bribe-giver, the company they represent, or any third party.
- 2.3 Bribery is a criminal offence. Many jurisdictions apply their anti-corruption laws extraterritorially. A single act may therefore be prosecuted in multiple courts. Penalties for individuals may include fines, imprisonment, disqualification, and confiscation of assets. Companies on whose behalf a person offers, promises, authorizes, or gives a bribe may face criminal or administrative fines and disgorgement.
- 2.4 Offering, promising, authorising, or giving personal or third-party benefits to public officials in connection with official duties constitutes bribery of public officials. In addition to the above consequences, companies may be debarred from tendering for public contracts.
- 2.5 Bribery may also constitute criminal breach of trust where a person misuses corporate assets or funds for unlawful advantage, causing damage to the company.

3. Gifts from Suppliers, Service Providers, or Other Business Partners

- 3.1 Asia Cement is an important customer for suppliers and service providers (“Suppliers”). From time to time, employees particularly those with procurement responsibilities may receive unethical or improper offers from Suppliers or other business partners. The following paragraphs in this section apply to all employees, especially those involved in procurement processes.
- 3.2 Supplier selection must be based solely on competition and merit. Attempts by Suppliers to influence employees through gifts, advantages, or any form of consideration are unacceptable, whether benefiting the employee personally or any third party. Suppliers must be informed that such inducements are prohibited. Serious or repeated violations will result in cessation of orders and the Supplier being flagged within Group Procurement.
- 3.3 Except as expressly permitted below, employees must not directly or indirectly accept inappropriate gifts, advantages, or anything of value, including prizes of any kind (e.g., loans,

commissions, valuable collateral, property or property interests, employment, release from obligations or liabilities, services, assistance, or other benefits).

Permissible exceptions (all conditions must be met):

- Infrequent (no more than 1–2 times per year per business partner).
- Low monetary value as defined in 3.4.
- Consistent with customary corporate hospitality;
- Compliant with law and regulations
- No reasonable likelihood of influencing contracting decisions.

Accordingly, the following may be acceptable depending on context:

- Promotional items (e.g., keychains, pens, calendars, notebooks, mugs, low-value apparel) and other generally low-value gifts;
- Occasional business meals where the purpose is genuinely business-related (e.g., in connection with a meeting) and the cost is appropriate for the employee's position.

Strictly prohibited are gifts, advantages, consideration, or invitations that could reasonably influence the employee to act improperly (e.g., linked to ordering or contracting). Employees must exercise particular caution where invitations include travel or accommodation or cover costs for spouses/companions. As a rule, such costs must not be accepted from Suppliers except for unavoidable cultural/social obligations (e.g., an event requiring spouses/guests) and only with prior line-manager approval.

- 3.4 “Low monetary value” generally means not exceeding the typical cost of an ordinary business meal. In exceptional, pre-approved cases (with written line-manager approval), gifts/advantages/invitations above this threshold may be treated as low value. Employees must remember that in many countries such items may constitute taxable income, and employees are responsible for complying with relevant tax laws.
- 3.5 Acceptance of cash or cash equivalents (e.g., gift cards/vouchers) for personal use or for third parties is prohibited. Any attempted offer must be reported immediately to the line manager. If the direct manager fails to act, the employee must escalate to a higher manager or report via SpeakUp.

3.6 Employees may accept occasional invitations (no more than 1–2 times per year per partner) to events such as sports, concerts, cultural events, trade fairs, or conferences, subject to all of the following:

- a direct business purpose (not tied to ongoing contract negotiations),
- employee's business relationship with the host, and
- reasonable ticket price for the employee's position.

The acceptance of such an invitation is subject to approval by the employee's supervisor. The coverage of travel or accommodation costs by the inviting company must normally be declined as well as the invitation of spouses/companions. Exceptions require explicit prior approval by the employee's supervisor

3.7 Where acceptance is not permitted, the employee must politely decline, citing this, Policy. If a gift has already been delivered, it must be returned. If return is impracticable, the employee must notify their line manager and seek guidance.

4. Gifts Offered to Employees of Customers or Other Business Partners

Asia Cement expects that our customers and partners do not wish their employees' purchasing decisions to be influenced by personal gifts. Therefore, gifts, invitations, and other consideration offered to customer/partner employees must be restricted so as not to suggest inducement. Any benefit exceeding ordinary promotional items and routine business meals may be offered only if disclosed to and approved by the customer/partner's line manager or authorized body. Cash or cash equivalents are strictly prohibited, and invitations to adult-only entertainment venues are not permitted. These rules also apply to benefits offered to persons closely related to customer/partner employees (e.g., family members) or other third parties

5. Gifts Offered to Public Officials

5.1 The principles in Section 2 apply to gifts, advantages, consideration, or invitations offered, promised, authorized, or given to government agencies and public officials for any personal benefit or for the benefit of any related third party. Many public bodies have strict rules prohibiting all gifts and invitations, even of low value. Employees must therefore exercise extreme caution and avoid any personal gifts to public officials that could influence an official act or omission. Employees must not take any action to that effect. Offering, promising, authorizing, or giving money or cash equivalents, gifts, advantages, or any consideration to public officials—or to persons closely connected to them (e.g., family members)—is prohibited, whether directly or indirectly. Any exception requires prior approval from the Company and the country Compliance

Officer. Invitations to meals for public officials require prior line-manager approval; only light refreshments/coffee during meetings as general corporate courtesy may be provided where lawful.

- 5.2 Employees must not circumvent this Policy by channeling money, cash equivalents, gifts, advantages, or consideration of any kind to persons, companies, or institutions connected to public officials.
- 5.3 Facilitation payments (cash or non-cash benefits, invitations, gifts, or advantages intended to expedite routine actions by public officials or private employees) are prohibited.
- 5.4 Employees must not provide any improper advantage to public officials who inspect business premises, sites, or plants, directly or indirectly, to influence their opinions or decisions. This applies to all audits/reviews, including (without limitation) tax, customs, technical, quality, health and safety, antitrust, environmental, and other inspections carried out by public authorities and/or certified private entities acting for them, for the purpose of issuing licences, permits, approvals, or concessions. After each inspection, an internal report must be prepared to ensure transparency and traceability.
- 5.5 Political contributions to candidates are permitted only where allowed by applicable law (international, national, state, or local) and where Asia Cement policy authorizes such contributions.

6. Conflicts of Interest

A conflict of interest arises when an employee's personal interests conflict with the Group's interests. In any situation where outside activities, personal interests, or financial interests may conflict with the Group's interests, employees must fully disclose such interests to the Company. Employees must not participate in Group business where personal relationships could impair objective decision-making. Employees must avoid personal interests that conflict with loyalty and duties owed to Asia Cement. All employees must act in the best interests of the Group and maintain independence from personal gain or relationships. Employees must adhere to both the letter and spirit of this Policy and disclose any relationship that could create a conflict to their line manager.

- 6.1 Employees must maintain impartial relationships with customers and Suppliers and act solely for Asia Cement's best interests. Employees (or close family members spouses, children, or immediate family) must disclose any gifts, consideration, or other benefits received from Suppliers

or customers. This requirement does not apply to holdings of less than 0.5% in listed public companies.

- 6.2 Employees must not hold interests in companies competing with the Group's product lines (cement, concrete, concrete mixes, or other building materials). Employees must disclose any gifts/benefits received from Suppliers or customers by themselves or close family members; the 0.5% public-company exception in 6.1 applies. Employees must not undertake any work for Group competitors. Employees must inform the Company if a spouse, child, or other close family member works for a competitor.

7. **Corporate Volunteering Activities**

As a leading building materials company, Asia Cement recognizes its social responsibility to contribute where we are most capable. The Company therefore supports public-interest projects through sponsorships and donations in areas such as:

- Buildings, architecture, and infrastructure.
- Environment, climate, and biodiversity.
- Education, training, and culture.

Corporate citizenship activities can, however, be perceived as influence-building (e.g., relating to permits or approvals), especially for investment projects (M&A, brownfield, greenfield, etc.). To ensure compliance in investment contexts, employees must observe the following:

- 7.1 Comply at all times with applicable laws and corporate governance documents governing sponsorships and donations.
- 7.2 Ensure the Group derives no improper competitive advantage from such activities.
- 7.3 Activities must not create material personal benefits for public officials responsible for permitting Group investments, nor for related third parties.
- 7.4 Activities must not support individuals or profit-making projects.
- 7.5 Activities conducted with public authorities must be strictly politically neutral.
- 7.6 All corporate volunteering activities must be conducted transparently, properly recorded, and approved.

8. Appointment of Agents and Advisors

- 8.1 The prohibitions on bribery and improper gifts to business partners' employees or public officials must not be circumvented through the appointment of agents or advisors.
- 8.2 Contracts with agents/advisors may be reviewed by tax and law-enforcement authorities. Inability to demonstrate a legitimate business purpose may raise suspicion of using intermediaries to evade anti-bribery prohibitions. Inadequate due diligence may amount to inadvertent receipt of benefits or bribery. To ensure that engagements serve legitimate business purposes, employees must observe the following:
 - 8.2.1 The identity of all contracting parties must be clear, including individuals acting for any company, partnership, or other entity. For new partners in unfamiliar jurisdictions (or where uncertain), individuals must provide identification; companies must provide official proof of existence (e.g., certificate of incorporation, good-standing certificate).
 - 8.2.2 Contracts must state the counterparty's legal name, business address, and, where feasible, the identity of the authorized signatory, as well as the bank account for payments.
 - 8.2.3 Where possible, contracts should not be entered into with companies from offshore tax havens ("offshore companies"). If a contract with such an offshore company is unavoidable, make sure the owner or owners of this company are identified and retain this documentation separate from the contract. Special caution is to be paid in case of contracts with letterbox companies.
 - 8.2.4 Asia Cement that directly benefits from the agent or advisory service shall be the contracting party. If, due to exceptional circumstances, this is not possible, the rights and obligations under the contract must be transferred to the company that benefits, and the related fee must be charged to that company.
 - 8.2.5 The agent or advisory service must be described in specific terms. If compensation is due on the successful completion of a transaction, the contract must contain clear language defining what it means to complete a transaction. This may be defined as the execution of a contract by all parties, or different benchmarks may be used.
 - 8.2.6 If an advisor is to provide consulting services, there must be an indication of whether, by what means (oral/written? in how much detail? evidence?), and at what intervals reporting is required. The reporting duty of the advisor or consultant must be monitored. If no written reporting duty is required of the advisor or consultant, then the employee must maintain evidence of oral reports, telephone conversations, meetings, etc.
 - 8.2.7 Contract term and any renewal/extension options must be clearly stated.

- 8.2.8 Fees must be commensurate with the services.
- 8.2.9 The contract must contain clauses requiring the agent or advisor to expressly agree to comply with all applicable laws in connection with the contract, including tax, anti-corruption, trade sanctions, and competition or antitrust laws. Any breach of these clauses by the agent or advisor shall be deemed a material breach of the contract and shall entitle Asia Cement to terminate the contract immediately.
- 8.2.10 The relevant Legal Department must be involved at a sufficiently early stage so that it can provide constructive legal advice and ensure compliance with Asia Cement governance documents.
- 8.2.11 Except in rare circumstances, public officials and politicians should not be parties to agent or advisor contracts. If, however, such a contract is considered, careful attention must be paid to ensure that the contract does not require a particular vote or regulatory decision in which Asia Cement has an interest.

9. Mergers and Acquisitions

- 9.1 As a successor entity, Asia Cement may be held liable for past violations of anticorruption laws committed by any company merged or acquired: thus, the consequences may be relevant for the Group, the company and individuals involved, both in terms of reputations and legal prosecution. Asia Cement is therefore committed to avoiding the risk of acquiring controlling interest in a third company with potential exposure to corruption or characterized by ineffective anticorruption compliance practices.
- 9.2 When Asia Cement is involved in merger and acquisition projects it is recommended to review, as part of the due diligence process, the activities of the target company in order to reasonably determine that it will not become involved in past, present and future corruption activities. In addition, specific representations and warranties and where applicable the appropriate indemnities should be inserted in the relevant agreements.
- 9.3 In the performance of the due diligence activity, it is recommended to pay attention to the following types of information:
- the percentage of the target company's business derived from government contracts
 - the types and identities of the intermediaries that the target company uses and their compensation.

- the involvement of public officials in the target company's business (as owner, directors, employees or their relatives)
- the compliance of the target company's internal controls, books and records with the applicable laws and international standards.
- whether the target company has ever been accused of violating anticorruption laws, requiring it to disclose any prior relevant issues including incidents of bribery, corruption or criminal allegations.

10. Training

- 10.1 All employees must receive training commensurate with the obligations in this Policy.
- 10.2 Line managers must provide initial training when assigning duties, with comprehensive coverage of this Policy and access to the materials in written or electronic form. Refresher training should be provided through internal/external programs and regular expert sessions (e.g., Procurement, Sales, departmental meetings).
- 10.3 Initial and refresher training must be recorded. All employees must receive anti-corruption training at least once every two (2) years.

11. Job Rotation, Four-Eyes Principle, and Documentation

- 11.1 In addition to appropriate recruitment and training practices, Group companies must adopt other measures to reduce corruption risk.
- 11.2 One way to reduce the risk of corruption is to regularly change or rotate personnel assignments which are particularly exposed to corruption such as the purchasing function. Such changes reduce the risk that an employee will be exposed to advantages or gifts, be it personal or for a third party, from business partners or become too close to business partners and thereby lose the critical distance necessary to represent the interests of the Asia cement.
- 11.3 Employees are urged to apply the two-person integrity principle in all business transactions of significant value. Not only does this make business sense for the company because two people will always see and perceive more than a single person, but it forms an effective control against conscious or unconscious misconduct in procurement and supply activities.
- 11.4 The two-person integrity principle also applies to the separation of operational and monitoring functions. For example, the checking and allocation of an invoice may not be performed by the same person who made the decision to place the order. Only very low value orders are exceptions to this rule.

- 11.5 Every business transaction that leads to payments or deliveries must be documented following best business practices and included in the company's accounting records. The documentation and accounting entries must accurately represent the actual situation. If documents or accounting entries are not produced or do not accurately represent the actual situation, this discrepancy must be investigated.

12. Compliance, Speak Up Hotline, and Enquiries

Any actual or suspected breach of this Policy must be reported immediately to the line manager (or their manager), the Compliance Officer, the Company's Legal Counsel, relevant department heads, or via the SpeakUp hotline. Business partners may also report concerns via SpeakUp if they believe Group employees have acted improperly.

- 12.1 Questions about this Policy should be directed to a supervisor, compliance officer, or company attorney.

13. Contact and Further Information

For further information, please contact: Legal and Compliance Department

Tel: +66 2 641 5600 ext. 1379, 1386

Email: legalandcompliance@acc.co.th

Or Speak Up QR Code :



Phone: 006 628 449 693