

Translation
Anti-Corruption Directive
Thanulux Public Company Limited.

No. 1

Thanulux Public Company Ltd. (“Company”) agrees that bribery and corruption are serious threats to the nation’s security, society, and economy. When the Collective Action Coalition of Thai private sector against corruption called for participation in the declaration of intent against corruption, the Company’s Board of Directors in meeting No. 1/2557 on 19th February, 2014, approved the signing of the declaration of intent. Board of Directors meeting No. 1/2558 on 26th February, 2015 further approved an Anti-corruption policy.

In order to comply with the above-mentioned policy, the board of directors resolved on 3rd March, 2016 to approve the following Anti-Corruption Directive:

1. Definition and forms of corruption

As specified in the appendix to this Directive.

2. Role and responsibilities

2.1 Board of directors are responsible for setting policies and establishing mechanisms that effectively support anti-corruption practices to ensure that working team appreciates the importance of anti-corruption practices and to encourage these practices to become a part of organizational culture.

2.2 Audit committee has the duty of reviewing the financial and accounting reports, internal control, internal audit, risk management mechanisms, including potential corruption risks, as well as a duty to ensure that anti-corruption measures are in compliance with international standards, and that they remain appropriate and effective.

2.3 Risk management committee has a duty to monitor and promote risk management practices by evaluate the company’s risk and corruption risk, including review the sufficiency of risk management and anti-corruption mechanisms, before report to the board of directors.

2.4 Executive committee and managements have the duty of establishing mechanisms for

support and promotion of anti-corruption policy, and communicating those policies to employees and all relevant persons. These duties include the review of related mechanisms and measures to ensure that they are proper and in conformity with changes in business, law, company's rules and regulations, notifications and other measures (if any).

3. Practice guidelines

3.1 Company shall not conduct any act regarded as bribery or corrupt practice, whether directly or indirectly.

Directors, managements and employees shall not overlook or ignore any suspected corrupt practice related with the company that he has witnessed. The witness shall report to the supervisors or person in charge and shall cooperate with the investigation. Questions and enquiries if any shall be made with supervisors or designated person who are responsible for compliance with company's business ethics.

3.2 The company shall cooperate and support both government and private sectors to combat corruption or misconduct.

3.3 The company will not support or conduct any act regarded as being biased to any political party. In case of political support to promote democracy, such support shall not be in contrary with law, and shall not be given with expectation of preferential treatment in return.

3.4 Gift, gratuity, and entertainment shall be permitted only to the extent permitted by law, acceptable with respect to social tradition and commercial practices. Details are specified in appendix to this Directive.

3.5 The company requires all directors, managements, and employees to be aware of and comply with the Anti-corruption policy including applicable directives.

3.6 Reports and complaints

Employees or stakeholders who witness, possess evidence or suspect that an employee or a person acting on behalf of the company involve, whether directly or indirectly, with bribery or corruption, violation of law, non-compliance of the company's rules and regulations including policies or code of conduct for directors, managements, and employees, or unfair treatment in workplace, can report or complaint as detail below:

3.6.1 Complaint channels

1. Verbal or correspondence complaints to
 - Internal audit manager, Tel: 0-2295-0911 ext. 168
 - Accounting manager, Tel: 0-2295-0911 ext. 250
 - HR manager, Tel: 0-2295-0911 ext. 286
 - Company secretary, Tel: 0-2295-0911 ext. 323
2. E-mail Address: anticorruption@thanulux.com
3. Suggestion box
4. PO Box.27, Sathupradit post office, Bangkok 10124
5. In case of anonymous whistleblower, detail of facts or sufficient evidence

shall be provided to demonstrate that there is an involvement with bribery or corruption.

Relevant information will be strictly kept in confidential, taking into account safety of the whistleblower, unless required to be disclosed by law.

Complaints in bad faith

If any evidence, complaints, statements, or information is proven to be an act in bad faith, resulting in damages to any person or the company, if the bad faith whistleblower is an employee of the company, he shall be subject to disciplinary action in accordance with the company's regulations and/or legal action. If the bad faith whistleblower who causes damages to the company is a third party, the company reserves the right to take legal action against such person.

3.6.2 Conditions and procedures for complaints

1. Complaint or evidence of misconduct must be true, clear and contain sufficient details to initiate investigation.
2. The information received shall be kept strictly confidential. The identity of the whistleblower shall not be disclosed without consent.
3. The whistleblower who reports misconduct in good faith shall be treated properly and fairly whether he is the company's employee or outside third party.
4. Proceedings timeframe depends on the complexity of the case, sufficiency of the evidence and statement received from the whistleblower.

5. Report receiver and investigation participants shall keep relevant information confidential. Information shall be disclosed to the extent necessary with respect to safety of the whistleblower, collaborator, and related persons.

3.6.3 Related personnel

1. Whistleblower means a person who files a complaint or report of a suspected misconduct

2. Report receiver means the person described in clause 3.6.1 no.1

3.7 Investigation

3.7.1 Report receiver shall conduct investigation and examine the facts, or he may assign a reliable person or department to act on his behalf.

3.7.2 Report receiver or assigned personnel is authorized to summon an employee to make statement or demand from him documents necessary for investigation.

3.7.3 Report receiver shall report the examined case to top management in order to report to risk management committee, audit committee and board of directors respectively.

For the case concluded as misconduct with disciplinary or legal action to be imposed, HR department shall submit a summary report with recommendation to top management for final decision.

The company shall propose proper and fair remedies to the injured person in order to relieve damages incurred as a result of complaints in bad faith.

3.8 Protection for whistleblower

The company shall protect the rights of the good faith whistleblower by maintaining the confidentiality of the name, address, or any information that could identify the whistleblower. Such information shall be treated as confidential and accessible only by the person responsible for the case investigation pursuant to the provisions concerning whistleblower protection as described in the code of conduct for directors, managements, and employees.

3.9 Protection for employees

The company shall treat and protect employees who comply with Anti-corruption policy and this Directive pursuant to the provisions concerning whistleblower protection as described in the code of conduct for directors, managements, and employees.

3.10 Human Resource

The company shall apply Anti-corruption policy as part of human resource management, not only for recruitment but also for training, evaluation, remuneration and promotion. It is mandatory for supervisors at all level to communicate with their subordinates in order to apply with the business activities and to ensure effective compliance.

3.11 Training and communication

3.11.1 The company shall regularly provide education and training on anti-corruption through a variety channels such as orientation, seminar, public announcement etc. to raise awareness of Anti-corruption policy, form and risk of being involve in corruption, as well as how to report corruption witnessed or suspected, including penalty in case of violation.

3.11.2 The company shall communicate the Anti-corruption policy to subsidiaries, associated, directors, managements, employees, shareholders, customers, business partners, all stakeholders, persons with business relationship and business representatives through appropriate channels.

3.12 Recording and storage of data

The company manages its data in compliance with governing policy of its group, with the objective to maintain the standards of work system, computer system, data communication system, as important fundamentals for the development of an effective control system. Actions shall be taken to ensure that information, work system and computer system are well-protected and ready for business operation at all time. In addition, structure and cost of all measures in the company's control are appropriate with risk of data, work system and computer system.

For achievement of the said objective, the following standards and practices shall be applied:

1. Determine scope of responsibility for user and administrator in all work system and computer system.
2. Evaluate risk and develop an appropriate risk controlling system to support changing of environment
3. Develop protection system for data, work system, computer system including responsible person.

4. Develop security system to protect data from illegal access, editing, or misuse regardless of accident or intention.

3.13 Process monitoring / Internal control

The company respects independent of the auditor and does not limit the scope of the auditor during performance of audit. The audit is also conducted by a certified public accountant quarterly and yearly in accordance with regulations of the relevant authorities.

The audit committee shall monitor internal control practices to ensure that business activities are operated within correct and appropriate scope, in compliance with company's policies, law and regulations, including applicable business standards.

3.14 Penalty

The company shall impose disciplinary action on violators or persons who ignore corrupted practices in accordance with Anti-corruption policy and this procedure. Also, such person is subject to punishment under provisions of law (if applicable).

This procedure is effective as of 4th March 2015.

Varindr Leelanuwatana

(Mrs.Varindr Leelanuwatana)

Chairman of the Board of Directors

Thanulux Public Company Limited

Appendix to Anti-Corruption Directive

Thanulux Public Company Limited.

No.1/2559

Definition

Words or phrases used in this procedure shall have the meaning as described below unless otherwise specified in the context.

“Corruption” means

1. Usage of power entrusted by position to obtain benefit for oneself or others.
2. Bribery, regardless of form, whether by offering, promising, giving, acceptance, or demanding for benefit, to persuade any person to act illegally, in contrary with good moral, or undermine trust.

Except those actions permitted or acceptable by law and regulations, rules, social tradition, or commercial practices.

“Political support” means financial support, gift, lending or donation, supplies, advertisement to promote or support political party, event ticket purchasing for the purpose to donate funds or supplies to organization with close relationship with political party, including devotion of employee’s working period for benefit of political party or political candidate.

Forms of corruption

1. Political support

1.1 The company strongly adheres to the democratic regime of government with the King as Head of State with political neutrality. The company shall not support or conduct any act regarded as a bias to any political party.

1.2 In case of political support to promote democracy, such support shall not be in contrary with law, and shall not be made with expectation of preferential treatment in return. In such case, support shall be made in compliance with company’s regulations concerning withdrawal of funds by specifying name of receiver, purpose of support, transaction detail, amount, withdrawal date with related documents attached and send to person in charge with respect to approval authority.

1.3 Employees have freedom to participate in political activities under the provisions of law,

but shall not use employment status or the company's properties or equipment for political benefit. Employees should participate with awareness of any act which may lead to misunderstanding that the company is a political partisan or support any political party.

2. Charity donation whether in the form of financial support or other forms, as part of corporate social responsibility activities to promote and improve the company's reputation and image, without expectation for business benefit in return, shall be in accordance with following guidelines:

2.1 The company shall be aware and ensure that the charity donation is not hidden transaction to avoid bribery. Moreover, it shall be made in transparent manner and in accordance with law.

2.2 Charity donation shall be made in compliance with company's regulations concerning withdrawal of funds by specifying name of donee, purpose of donation with related documents attached, and deliver to HR department to verify and comment before sending to person in charge with respect to approval authority.

3. Sponsorship to promote the company's business, brand or reputation can be made in many forms such as supporting educational activities, arts, cultures, etc. The guidelines are as described below:

3.1 The company shall be aware and ensure that the sponsorship is not hidden transaction to avoid bribery. Moreover, it shall be made in transparent manner and in accordance with law.

3.2 Sponsorship shall be made in compliance with company's regulations concerning withdrawal of funds by specifying name of receiver, purpose and detail of transaction, amount, withdrawal date, with related documents attached and send for approval with respect to level of authority.

4. Gift, gratuity, and entertainment shall be made in accordance with the company's business ethics

4.1 Employees may offer/ accept gift, gratuity, or entertainment to/ from any person if such transaction:

- (1) is in accordance with company's business ethics, regulations and applicable law.
- (2) is made openly in name of the company, not in name of directors, managements, and employees.
- (3) is not made in a form of cash or cash equivalent such as gift card or voucher.

(4) is properly made due to time and place such as occasional gift made during festival.

4.2 Employees can accept occasional gift and gratuity with a value not more than 3,000 Baht. Otherwise, such employees shall report to their supervisors accordingly.

5. Conflict of Interest

The company shall control transactions made with a person who has conflict of interest in accordance with the principles of good corporate governance, company's business ethics, and notification of the Capital Market Supervisory Board and the Stock Exchange of Thailand.

6. Business relationships and procurement with government and private sectors

The company's business operations and communication with government or private sectors shall be made in transparent and straightforward manner in accordance with company's regulations concerning procurement and applicable law, without any bribery in any business transactions.

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