

## Inoue Rubber (Thailand) Public Company Limited

### The Anti-Corruption Policies and Practices:

The Company determines to operate with integrity, honestly, transparency, and conform to the principles of good corporate governance and complied with Thai's Organic Law on Counter Corruption, as well as encouraging employees at all levels of awareness on anti-corruption in any kinds. Hence, the Board of Directors has established the anti-corruption and anti-bribery policy in the Company's Handbook of Good Corporate Governance and Business Conduct. Additionally, the Company stated the declaration of intent for participating in "Private Sector Collective Action Coalition Against Corruption: CAC" so that the Company shall hold the principles into its clear business practice, which directors, executives, and employees must comply with the policy.

#### Definition:

Corruption refers to the practice or omission in the performance of duties or abuse of power in office illegally whether the acts are offering or accepting bribes or gifts, offering or promising to make a request or a claim on assets, money, things, rights, or other benefits which is contrary to morals, ethics, laws, regulations, and policies to government officers or any other persons who conducts business with the Company no matter where if it is domestically or abroad in order to gain undue advantage was either on organization, him/herself, or related person.

Political Contributions refer to giving money, assets, or other benefits to any political party, politician, or person involved political issues in order to support the policy and / or inappropriate action or any action against the Constitutional Law.

### The Anti-Corruption Policies and Practices:

#### 1. General

The Company does not allow directors, executives, and employees with any action that is associated with all kinds of corruption, both direct and indirect on him/ herself, families, friends, and acquaintances, or for business purposes whether his/ her position is, a giver or receiver, a commission or bribe both in cash and non-cash in exchange for the Company's orders under his/her authority. There is a serious offense that is punishable by dismissal without compensation (as stated in the employee handbook). The Company has taken measures to employees in supportive departments/ divisions such as Purchasing, Marketing, and Human Resources Department to report their conflicts of interest annually.

## **2. Assessing Corruption Risk**

- 2.1) The Company provides the appropriate anti-corruption measure for business conditions and the Company's risk, as well as provides risk assessment related to corruption that may occur to the Company through the Risk Management Committee and report to the Board of Directors further;
- 2.2) The Company provides communication about anti-corruption understanding to employees, suppliers, and other third parties to the appropriate practice.

## **3. Political Contributions**

The Company has no Political Support Policy whether direct or indirect; the Company has political unbiased and thought, judgment free from political parties in Local, Region, and Country level. The Company has practical guidelines as follows;

- 3.1) The Directors, Managers, and Employees of the Company shall not act in anyway what so ever that could be misleading that the Company involved in supporting the political parties, individual with political powers, or any election candidates. For any violation, supervisor could consider disciplined according to the rules and regulations of the Company;
- 3.2) The Company respect the right of Employees who wish to use their right as a good citizenship followed the Constitution of Thailand such as voting in an election or joining the political parties; however, those employee should refrain from showing political idea in workplace.

## **4. Donation to Charity and Sponsorship**

- 4.1) The Company's donations procedure to charities or sponsorships shall be considered to approve regarding to the Company's authority table. Donation forms may be in cash or in kind such as providing scholarships, student internship by having compensation, donating educational equipment e.g. books or computer equipment to schools or temples, and donating when natural disasters occur such as floods, landslides and/ or scarcity and so on, which is not the purpose to claim or be a path for corruption;
- 4.2) The Company set the procedure to regulate donations or sponsorships by given form— specify department/ division which gives/ receives donations or sponsorships, the purpose of donations or sponsorships, together with documents —in order to submit this form for granted approval conforming to the Company's authority table.

## **5. Offering or Accepting Gifts, Hospitality, and Expenses**

- 5.1) The Company set the procedure to offer and accept paid related to gifts, hospitality, and expenses by the following conditions; the hospitality may need to be clear, typically as a provider of clients, or customary practice or on the international festival without affecting the Company's operation or not being a scope of corruption;
- 5.2) The Company set the procedure that the Company's directors, executives, and employees can offer or accept gifts, hospitality, and expenses from any person and shall comply with the specified conditions below;
  - 5.2.1) It is subject to the Company rules and regulations and not against related laws;
  - 5.2.2) It is not done to gain any advantage through inappropriate actions or explicitly/ implicitly exchange of something in order to obtain assistances or benefits;
  - 5.2.3) It is an offering on behalf of the Company.
- 5.3) Directors, executives, and employees are able to;
  - 5.3.1) Accepting a gift with the amount given by the law. In case, a director, executive, or employee who cannot deny to accept a gift valued over than such a given amount, he/she needs to inform his/her supervisor and/ or manager to acknowledge and send such a gift to the Accounting division to register for being employees' rewards and/ or donation to charities as appropriate;
  - 5.3.2) Offering a gift to the government officers including international government's officers and/ or officials of international organizations regarding to the Organic Act on the Prevention of Corruption No.3 (2015) with the amount given by the law. Except for, offering to any other persons, who are not the government officers, needs to comply with the Company's authority table.

## **6. The Duties and Responsibilities of the Organization**

- 6.1) The Board of Directors has duties and responsibilities to set policy, scope of implementation, as well as acts following the Anti-Corruption Policy to monitor anti-corruption efficiently in order to ensure that the management realizes and pays attention to anti-corruption, as well as cultivate it as a corporate culture;
- 6.2) The Audit Committee is responsible for reviewing the financial report and accounting reports, internal audit system and risk management system to ensure compliance with policies and measures to anti-corruption efficiently;
- 6.3) The Risk Management Committee has duties to assess corruption risks and impacts that might occur to the Company;
- 6.4) The Good Corporate Governance and Social Responsibility Committee has duties to review the policy and good practice related to anti-corruption;

- 6.5) The Executive Committee has duties and responsibilities to promote, support, and supervise in order to encourage employees and all related parties to take the anti-corruption policy into practice, as well as to review the appropriateness of regulations and measures in order to comply with business environment and related laws and regulations;
- 6.6) Directors, executives and employees must act in accordance with procedures set in this policy and in case of seeing action in of violation of this policy must be immediately reported to superiors or through the reporting channels defined by this policy.

## **7. Policy Violation**

Directors, executives, and employees who violate this policy compliance, the Company shall consider disciplinary action regarding to the regulations of the Company.

## **8. Company and A Person Who Involves in The Company's Business, and Supportive Departments/ Divisions**

- 8.1) The Company has a Policy to inform its subsidiaries, representatives, and business intermediaries, as well as suppliers/ providers to know the Company's anti-corruption procedure and perform accordingly;
- 8.2) The Company has policy, authority table, and quality procedures in sales and marketing, as well as purchasing which is systematic and verifiable;
- 8.3) The Company manages human resources appropriately to ensure that the Company has adequate skilled persons, as well as provides the human resources management process such as recruitment, training, performance evaluation, compensation and promotion as stated in the Company's regulations and employee handbook.

## **9. Protection for Directors, Executives, and Employees Who Refuse Corruption**

- 9.1) The Company shall ensure a director, executive, and employee that he/ she shall not be demoted, punished, or attain any effect from refusing or taking part in corruption. Although such denial will enable the Company to lose business advantages or missed opportunities for new businesses, the Company believes that the anti-corruption shall create long-term value for the Company;
- 9.2) If a director, executive, and employee believes that he/she is threatened or detained, they shall inform the violations or complaints to their supervisors immediately or through the Company channels of violations and complaints.

## **10. Training and Communication**

- 10.1) The Company provides trainings and informs about the risks of being involved in corruption to all employees continuously, as well as reporting process if seen or suspected any corruption in order to create employees awareness in anti-corruption;
- 10.2) The Company discloses the anti-corruption policy to help ensure that all employees know and understand this policy. In addition, employees and other stakeholders can access this policy on the Company's website [www.ircthailand.com](http://www.ircthailand.com);
- 10.3) The Company provides trainings on this policy as part of the orientation or before the inauguration of directors, executives, and all new employees.

#### **11. Whistleblowing Procedures**

- 11.1) If a director, executive, and employee, who is in doubt whether any action may be concerned as taking corruption or having questions or uncertainty related to corruption, he/she shall consult with his/her supervisor or complaints through whistleblowing channels as followings;
  - 11.1.1) By Filing your report to the Chairman
  - 11.1.2) By Post mail to the Chairman and/or Company Secretary  
258 Soi Rangsit - Nakornnayok 49, Prachathipat, Thunyaburi, Pathumthani 12130
  - 11.1.3) Through email: [listen@ircthailand.com](mailto:listen@ircthailand.com)
  - 11.1.4) Through website; [www.ircthailand.com/en/investor/corporate/whistleblowing](http://www.ircthailand.com/en/investor/corporate/whistleblowing)
- 11.2) The Company shall keep the informant information confidentially by using this information for administration and internal control. Therefore, the informant or complaint shall be seriously taken respond in the whistle-blowing procedure and be protected without fear of fear of authority power to counter the action of the violation or complaint.

#### **12. Internal Control and Data Recording**

- 12.1) The Company set the internal control system to help ensure that the policy and procedure approved by the Board of Directors and executives has been implemented and conforming to the Company's good corporate governance policy, which covers both finance, implementation of the accounting, and data recording, as well as other processes that may cause corruption including the assessment of the adequacy of the internal control system in order to make effective and reliable operation;
- 12.2) The Company provides accounting audit system and appropriate approvals before recording in the accounting system by examining from the Company's policy, laws and regulations relevant to, contracts or agreements, as well as aligning with accounting standards and accounting policies appropriately;

- 12.3) The operating expenses and investment recording need to have accurate and complete evidence, and shall be approved in line with the Company's authority table as defined in the policy's operating expenses and investment;
- 12.4) Financial reports must be accurate, true, and trustworthy, as well as disclose the necessary information completely including related transactions that may occur;
- 12.5) The Company monitors the storage of accounting documents adequately and safely in order to take examination instantly, controls access to account information, and safely stores the backup file.

### **13. Monitoring and Reviewing of the Anti-Corruption Procedure**

- 13.1) The Company has continuously reviewed this policy by considering the circumstances, risks, and regulatory changes, and presented to the Audit Committee for consideration the adequacy and effectiveness of the anti-corruption procedure, as well as reported to the Board of Directors for acknowledgment the risk assessment and recommendation regarding the practices of risk reduction;
- 13.2) The Internal Audit shall examine the internal control system and other procedures regularly, as well as report the finding issues hastily to ensure the effectiveness of the internal control system against corruption. Hence, the Internal Audit's results shall be discussed to related parties in order to find appropriate solutions and report to senior executives and the Audit Committee's acknowledgment further.

The policy is revised on August 10, 2018.