

(Unofficial Translation)

Anti-Corruption Program

Message from the Chairman

The Stock Exchange of Thailand Group (“**SET Group**”) has always upheld the spirit of honest and transparent performance of work through the adoption of Anti-Corruption Program as well as the Code of Conduct in relation to anti-corruption for governors, committees, experts, advisors and employees of the SET Group to strictly abide by so as to reflect the value and culture of the organization.

“The Anti-Corruption Program” is adopted with the objective of prescribing duties and responsibilities of all personnel within the organization in encouraging anti-corruption action as indicated by its commitment and reflected through the spirit of the SET Group. The Board of Governors of the Stock Exchange of Thailand (the “**Board**”) expects everyone within the organization to strictly comply with this program to maintain the confidence of all stakeholders from all segments in the Stock Exchange of Thailand (“**SET**”) and the Thai capital market.

Introduction

Corruption is considered a type of crime that has an impact on the economy, society and international confidence. Acts of corruption are various and include the use of one’s own position to pursue benefits, acceptance of money or values for the purpose of inducing any action or omission, or the abuse of one’s own power for an inappropriate reason, regardless whether the benefits gained from such acts are for oneself or other related persons.

Even though Thailand has not yet issued any law in relation to corruption for enforcement in particular, any violation of rules or measures in relation to corruption of various organizations especially those of the public sector as well as international law equally puts the violators’ reputation at risk or may give rise to any other risks associated with the violation of such rules or measures.

The Board is aware of the importance of honesty and transparency in the performance of work through its approval of the Policy of Corporate Governance regarding Anti-Corruption. In order to prescribe a clear practice guideline to all personnel of the SET Group, the Board has also approved the “**Anti-Corruption Program**”, which constitutes a part of the Anti-Corruption Policy of the SET Group.

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Definition

SET	means the Stock Exchange of Thailand
SET Group	means the Stock Exchange of Thailand and its subsidiaries
Subsidiaries	means companies or juristic persons in which the SET holds the shares of more than 50% whether directly or indirectly
Employee	means a President and an employee of the Stock Exchange of Thailand Group according to the rules of the Stock Exchange of Thailand regarding human resources management
Related person	means a spouse, child, parent, sibling, uncle, aunt and cousin who are blood relations, including friends and acquaintance
Person related through business	means a broker, agent, contract party, middleman, who does business with the Stock Exchange of Thailand Group

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Corruption	means the abuse of one's power or unlawful use of assets in one's possession for the benefit of oneself or related person, or to the detriment of others. Acts of corruption shall include any offer or acceptance of bribe, valuable item, object or other forms of benefit, overlapping benefits, fraud, money laundering, embezzlement, concealment of fact, obstruction of justice, etc. In this regard, acts of corruption are not limited to those carried out in the course of relationships between the private and public sectors, but extend to transactions between persons or business between the private sectors.
Bribery	means offering, promising or conferring, including demanding or accepting a benefit in relation to something of value whether directly or indirectly in order to acquire business, to maintain or introduce business to any particular company, or to preserve any other inappropriate benefit according to the Code of Conduct.
Items or other benefits	means money, assets or any other benefits given for amity, reward, ex gratia, or support, as remuneration, conferral of privilege that is not granted to general public in the event of discount, or conferral of privilege with respect to services/entertainment, as well as defrayment of costs of transportation, travelling, accommodation and meal, or any other like benefits including card, ticket or other basis, advance payment, subsequent reimbursement, business opportunity, offer of employment, etc.
Customs	means festivals or important days when there may be exchanges of gifts, and includes any opportunity to offer congratulations, gratitude, welcome, condolence, or offer of assistance as a matter of courtesy as practiced ordinarily within the society.
Public officer	means a political office holder, government official or local officer with fixed position or salary, officer or person who carries out their duties in a public enterprise or governmental institution, local administrator and local council member who is not a political office holder, officer according to the law on local administration, and includes a director, sub-committee, an employee of an administrative agency, public enterprise or governmental institution, and a person or a group of persons who exercises or is authorized to exercise administrative power of the state in perform certain act in accordance with the law, be it established within the bureaucracy, public enterprise or other state business.
Political assistance	means the use of fund, assets, resources, or time for the performance of work of the organization including assistance provided through the provision of tools, equipment, communication channel, or services of the SET Group for the purpose of any political aid or support or assisting a political party, politician or any political candidate.
Charitable contributions	means voluntary provision of resources such as time, money, assets or personnel to an organization or person for charitable purpose without any expectation of commercial benefit.

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Anti-Corruption Policy

“Every personnel within the agency is to comply strictly with the relevant laws, rules and regulations in relation to anti-corruption to create confidence for the stakeholders that the SET Group will operate its business honestly, in good faith and transparently as well as supporting any activities aimed at combatting corruption.”

Duty and Responsibility

The governors, committees, experts, advisors and all employees in the SET Group strictly adhere to and comply with the Anti-Corruption Policy as well as the Code of Conduct in relation to anti-corruption. In order to create confidence for the stakeholders and ensure that the SET Group will operate its business honestly, in good faith and transparently, the following duties and responsibilities for the prevention of corruption shall be adopted.

1. The Board of Governors of the SET

- Prescribe the Anti-Corruption Policy for governors, committees, experts, advisors and employees of the SET Group as well as specifying relevant measures to implement the policy.
- Arrange to be put in place the internal control system and risk management that are responsive to the Anti-Corruption Policy so that warning can be given of any action, which may lead to the impairment of the process of administration and management and which may bring about risk of corruption.
- Clearly assign the duties and responsibilities to the committees, presidents and employees to review the Anti-Corruption Program and put it into implementation. In this regard, the Board shall keep informed the report on results of operation from time to time.
- In an event of contravention or non-compliance with the Anti-Corruption Program by governors, report shall be made to the Board.

2. The Audit Committee

- Carry out a joint review with the management team regarding the effectiveness of the internal control system in responding to the implementation of the Anti-Corruption Program as well as considering provision of advice and recommendation on how to improve any defect of the internal control system.
- Ensure that steps are taken to guarantee that presidents and employees comply with the Anti-Corruption Program.
- When there is suspicion as to the existence of contravention or non-compliance with the Anti-Corruption Program by governors, committees, experts or advisors, the Audit Committee has the power to investigate such matter and if found that there is contravention of such program, report shall be made to the Board.

3. The Corporate Governance and Social Responsibility Committee

- Consider the adequacy and appropriateness of the Anti-Corruption Program so as to conform to the practice guideline of good corporate governance.
- Carry out a joint review with the management team of matter in relation to compliance with the Anti-Corruption Program.
- Provide advice and recommendations to the governors, committees, experts and advisors of the SET Group to achieve compliance with the Anti-Corruption Program.

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4. The Risk Management Committee

- Ensure and encourage the SET Group to have in place risk management policy that covers all risks of corruption.
- Ensure that there is in place an appropriate process for the evaluation of risk of corruption regularly and consider reviewing the evaluation results of the risk of corruption jointly with the management team as well as overseeing the adequacy and appropriateness of such risk management.

5. Executives

- Consistently evaluate the risks of corruption in the performance of their work and encourage the management of such risk.
- Ensure that the process of the performance of work is consistent with the Anti-Corruption Program, including ensuring that the subordinates are aware of the importance of, and have comprehensiveness on, compliance.
- In an event there is a matter of significance or urgency, which may give rise to risk of corruption, the executives shall have the duty to report to their superiors and the presidents of the SET respectively.

6. Employees at all levels

- Review the process of the performance of work to ensure there is always in place an internal control system which is appropriate and consistent with the risk management guideline of the organization in order to reduce the risk that may arise from corruption.
- Be responsible for informing and reporting any action discovered or suspected to constitute contravention of this program to trusted superiors or executives, corporate affairs compliance team or any other team carrying out the same function under a different name, for consideration in accordance with the disciplinary process as prescribed by the SET rules regarding human resources management.

1. Anti-Bribery and Anti-Corruption

The SET Group has the responsibility to comply with the domestic law and standard in relation to anti-corruption domestically. This includes the laws of other relevant countries where the SET Group operates business with. In addition, the SET Group also supports anti-corruption activities.

Main policy includes

- (1) Not undertake any promise or be involved in any bribery or corruption whether for its own benefit or for the benefit of related persons in relation to the obtaining of inappropriate business benefit or which has an influence on unfair business decision-making. This policy shall apply to contacts with the public and private sectors, as well as public enterprises.
- (2) Not offer or give items or other benefits to public officers, regardless of the amount, with a view to solicit assistance or facilitation from such officers or to hasten any operation or service undertaken by such officers, which would amount to an inappropriate use of power.
- (3) Avoid or not encourage any business/transactions with any persons or institutions involving corruption or having behavior that may be regarded as corruption such as being charged with, or having grounds for guilt being pointed out by the governing authority.

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- (4) Under some circumstances, the SET Group may hire a public officer to engage in work or provide service as long as it constitutes lawful action for the business benefit and does not conflict with the performance of duties of such public officer such as hiring a police officer to provide security in the area around the SET buildings, etc.

2. Conferral of Gifts or Other Benefits

Gifts or other benefits may generate risk of corruption since such action may be carried out with the objective of bribing and creating familiarity with a view of becoming a business partner or of pursuing future business benefits.

Main policy includes

- (1) Not demand or request for any gifts or other benefits from a person with the duties or business related to the SET Group. In this regard, regardless whether it is for the benefit of one's own or related persons, the SET Group shall deem such action to constitute an inappropriate use of power, which will bring the SET Group's image and reputation into disrepute.
- (2) Not accept or give any gifts or other benefits for the performance of duties for the SET Group, which amounts to conflict of interest with the SET Group, regardless of whether such action is for the benefit one's own or related persons. The criteria shall be as follows:
 - (a) Any acceptance or giving of gifts or other benefits shall be done only on occasions or festivals amounting to customs ordinarily practiced, taking into account the value appropriate in each occasion, person and position of both the provider and receiver. In this regard, such action shall not have any influence on unfair business decision-making or unfair benefits. In the case of employees, the 'no gift policy' and the Code of Conduct of the SET Group shall be observed.
 - (b) Exercise discretion cautiously in receiving or giving valuable gifts such as cash or its equivalent items, especially to public officers, due to the risk of such action being perceived as bribery.
 - (c) Business banquets can be held as necessary within reasonable costs i.e. shall not be more than what is necessary, too extravagant or frequent.

3. Political Independence

The SET Group strictly upholds fairness, transparency and political independence in its operation. It is understood that the SET Group will come into contacts with public officers, politicians and related persons in its operation. Therefore, any undertaking of activities in relation to politics by the SET Group will need to be carried out with transparency and shall not contravene the various relevant laws and rules.

Main policy includes

- (1) Preserve political independence by not offering any political assistance or support to any particular political party or coalition in the name of the SET Group including not being involved in any activities that may create a perception that the organization is involved with or is supporting a particular political party or coalition.

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- (2) Not be involved in any political activities that are of personal interest using assets, resources, or time for the performance of duties for the SET Group. The SET Group may deem that such action amounts to an inappropriate political support.
- (3) The SET Group shall support personal exercise of political right as good citizens in accordance with the Constitution and other relevant laws.

4. Donation to Charity and Provision of Financial Subsidy

The SET Group places emphasis on performance of work coupled with social responsibility, and has arranged social activities in various forms including educational development and learning support, improvement on the quality of life, religion, art and culture, etc. This donation to charity is deemed to constitute a means of assisting the society.

Grant of financial subsidy is different from the donation to charity since financial subsidy is for the business objective or benefit of brand or the company's reputation. This may generate risk since it may amount to payment of money or other assets for service or benefit that is difficult to measure and follow up.

Nevertheless, donation to charity or grant of financial subsidy may be used as an excuse for bribery or corruption such as donating to customers or those empowered to make decision. Thus, this program is adopted to reduce the risk associated with corruption.

Main policy includes

- (1) Donation to charity and grant of financial subsidy by the SET Group needs to be accompanied by the transparent process of determination and steps for follow-up inspection to ensure that such donation or grant is not being used as an excuse for bribery and corruption, and that there is no association with any particular political party or politician.
- (2) Donation to charity shall be accompanied by a careful determination whether the objective of the donating organization or institution is truly for social benefit, and whether such organization or institution is against the law as well as considering the consistency with the policy on social activities of the SET Group.
- (3) Grant of financial subsidy, whether in the form of money, gifts or assets, to any activity or project shall be determined to be consistent with the objective or policy on the operation of the SET Group, and shall have in place a transparent determination process free from conflict of interest.

Compliance and Supervision

1. The Anti-Corruption Program is deemed to constitute a part of the Policy of Corporate Governance of the SET Group which the SET stipulates that the governors, committees, experts, advisors and employees of the SET Group shall strictly observe. No one shall be penalized or be adversely affected in any way by refusing to partake in any corruption and thus foregoing any business opportunity for the SET Group.

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2. The Anti-Corruption Program cannot cover all aspects of performance. Therefore, when there is any doubt as to compliance with this program, corporate affairs compliance team or any other team carrying out the same function under a different name shall be consulted.
3. The Corporate Governance and Social Responsibility Committee shall consider the adequacy and appropriateness of the Anti-Corruption Program for the governors, committees, experts, advisors and employees so as to conform to the practice of good corporate governance. Any revision or amendment shall be proposed to the Board for consideration and approval.
4. The presidents of the SET shall have the power to add or amend the attachments in relation to the list of examples of conduct and situation that may arise in the performance of work, as well as giving advice for compliance, taking into account the appropriateness and conformity to the condition and risk that may occur from the operation of the SET Group.

Complaint and Procedure in Case of Violation

1. The employees of the SET Group shall have the responsibility to report in an event there is suspicion of violation or non-compliance with this program. Clarification of any matter or report shall be made to the following responsible people:

- their own supervisor;
- a trustworthy executives;
- corporate affairs compliance team or any other team carrying out the same function under a different name.

The SET Group will provide fairness to the complainant and the person who is the subject of the complaint, through a fact-finding process and inspection carried out systematically and transparently. Relevant measures for protection of rights of the complainants or persons who cooperated in the inspection shall be provided in order that they will not be adversely affected or impaired according to details as prescribed in the Code of Conduct of the SET Group.

2. In an event of any suspicion of violation or non-compliance with this program:
 - In the case of governors, committees, experts and advisors: the Audit Committee shall have the power to consider carrying out inspection, and if found that there is any contravention, report shall be made to the Board for further action. In an event of actual contravention by a governor, the Board shall report to the Security and Exchange Commission.
 - In the case of employees: Consideration shall be made in accordance with the disciplinary process as prescribed by the SET rules regarding human resources management.

The SET Board of Governors
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