Anti-Corruption Policy
Southland Rubber Group

1. Introduction

Southland Rubber group is strongly committed to conducting an ethical business adhering to Good Governance and the Group’s Code of Conduct to ensure transparent and fair business practices. The company has therefore formulated the Anti-Corruption Policy with clear guidelines for its employees to adhere to.

2. Definition

Corruption refers to the direct or indirect act of offering gifts, services, cash, or other forms of monetary benefits for unlawful personal exploitation. The acts considered corruption may include offering political support, charitable donations, support funds, hospitality fees, and other expenses, etc., especially when such action is the abuse of power; for instance, making an offer or a promise, accepting, requesting or offering bribes, an offense against the law, breach of trust, or any acts suggesting corruption. The abuse of power can raise injustice and cause damages to the company, economy, and society, including violating the trust of related persons.

Bribe refers to the act of offering, promising, or giving an incentive that can lead to illegal or unethical actions. The incentive varies in forms such as monetary benefits, gifts, awards, or any other benefits (e.g., tax burden, services, donation, and so on).

Conflicts of Interest can occur at a personal level or an organizational level. It is the situation of which personal benefits of an employee affect his or her decision making and how the employee performs the duties defined by job positions. This situation may have adverse effects on the common interest of the organization seeing that it negatively affects the equitable and transparent decision making of the employee.

Facilitation Payment refers to a small amount of expense unofficially paid to a government officer to ensure that the government officer will perform his or her duties promptly, following the defined procedures. The procedures mentioned do not require the discretion of the government officer as they are under his or her duties, and it is the rights that a juristic person has under the law. These rights, for instance, include the right to make a requisition for a license or a certificate, and the right to access public services.

3. Guidelines
The board of directors, members of the executive committee, and all employees are prohibited from requesting, proceeding, or accepting corruption for personal exploitation or to benefit their families, friends, acquaintances, and related persons. They are all required to ensure full compliance with the Anti-Corruption Policy.

3.1. The board of directors shall appoint the working team to be in charge of ensuring compliance with the Anti-Corruption Policy.

3.2. Determine the process of making risk assessment as well as assessing the risks of corruption, covering all related departments and the company's activities, including the activities carried out by the representatives under the company's name.

3.3. Determine measures, operating procedures, and internal control systems for managing the storage of important information and documents to prevent the risk of corruption and ensure compliance with the Anti-Corruption Policy, covering all activities at risks of corruption in an adequate and appropriate manner.

3.4. Communicate the Anti-Corruption Policy including relevant anti-corruption measures to the board of directors, members of the executive committee, all employees of the company and its subsidiaries, and business representatives for implementation. The communication channels include training and initiative programs aiming to create mutual understanding among related persons and provide whistleblowing opportunities.

All employees must perform their duties based on the common interests of the company and transparent and fair practices. The employees must not commit any acts that can affect the credibility and trust of how they perform their duties. In the same way, the employees must not be involved in any conflicts of interest whether it is at personal or organizational level.

3.5 The company prohibits all employees from using the power defined by their job positions for personal exploitation or privileges, which are not related to the company.

3.6. The company prohibits all employees from using the power defined by their job positions to commit sexual harassment or discriminate against others based on races, genders, disabilities, or religions. Also, intimidation is not allowed to happen.

3.7. When an employee introduces a third person to the company, such introduction must not affect the company’s benefits or violate against the procurement procedures of the company. Also, it must not be for the purpose of seeking personal benefits.

3.8. Facilitation Payment paid to government officers directly or indirectly is prohibited.
3.9. When hiring a government officer, transparent and auditable disclosure of related information must be made public. Additionally, clear and proper measures of the hiring process for particular work must be in place to prevent conflicts of interest and corruption opportunities.

3.10. The company shall not impose a direct and indirect punishment to the employee who denies corruption even though such act of denying corruption causes the company to lose business opportunities.

3.11. Giving and Accepting Gifts & Offering Entertainment and Hospitality

3.11.1. Giving and accepting gifts, including offering entertainment and hospitality must not be under the purpose of personal exploitation. Every act of giving and accepting gifts is to be approved by the responsible person of the department, and the record of those acts must be kept.

3.11.2. The types and value of the gifts given and received, including entertainment and hospitality are to be transparent and in compliance with the company’s policy regarding giving and receiving gifts, offering entertainment and hospitality, and other benefits of the company.

3.12. The board of directors, members of the executive committee, and all employees of the company must perform duties with prudence in the following matters.

3.12.1. All must not be involved in political contribution such as providing monetary support, objects, or participating in any political activities on behalf of the company under the purpose of commercial business benefits or any other unethical benefits.

3.12.2. The company does not provide monetary support or non-monetary support to any political parties, politicians, or political candidates for seeking business benefits.

3.12.3. All has the right to participate in political activities under the provisions of the constitution, not on behalf of the company. Employees cannot use any assets, equipment, and tools owned by the company in political activities and must avoid any actions suggesting that the company supports a political party.

3.13. Giving and accepting support, including charitable donations

3.13.1. Giving and accepting monetary and non-monetary support or charitable donations to use in any activities and projects must be in a transparent and legal manner. In addition to that, it must be guaranteed that the support mentioned will be used for social development, which is various in forms, e.g., cultural affairs,
social development activities, environmental activities, educational activities, and sport activities, etc.

3.13.12. Giving and accepting other forms of support such as knowledge support, which is an integral part of social responsibilities, is to be proceeded in a transparent manner, not for business benefits.

3.13.3. Giving and accepting support or charitable donations must be transparent and in consistent with the company’s policy regarding giving and accepting gifts, offering entertainment and hospitality, or any other benefits of the company.

3.14. Formulate the monitoring system for ensuring the compliance with the company’s policies, measures, requirements, and regulations with respect to corruption.

3.15. Promote consultation and engagement among supervision sections, auditors, measure planers, and related employees in order for them to collectively enhance the internal control system or work procedures for the business activities at risks of corruption.

3.16. Those who violate against the Anti-Corruption Policy whether they are the board of director, members of the executive committee, or the company’s employees shall be disciplined according to company regulations. In some cases, there may be an offense under applicable law, regulation, or other related requirements.

3.17. Those who witness the act considered corruption must report such misconduct through whistleblowing channels provided.

3.18. The company provides protection for the whistleblower reporting misconduct in regards to corruption. The protection measures defined in the Whistleblowing Policy and Procedures shall be adopted.

The Anti-Corruption Policy is to be reviewed, improve, and reported to the relevance committee annually for its effectiveness measurement and continual improvement.

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