

# **Anti-Corruption Policy**



**Delta Electronics (Thailand) Public Company Limited**

Revision 4

August 31, 2020



## **Delta Electronics (Thailand) Public Company Limited Anti-Corruption Policy**

Delta Electronics (Thailand) Public Company Limited commits towards business conduct with transparency and integrity by regulating policy to prohibit directors, directors of sub-committees, management, employee and the Related Business Partner of the Company to act or consent to corruption in any form, both directly and indirectly, with the objective to enhance the stakeholders' confidence in the Company's operation. This Anti-Corruption Policy is formulated to indicate a concise approach in performing the business in compliance with the Company's good corporate governance and code of conduct, regulations, procedure and related Thailand laws, in order to further develop organization into sustainability.

A handwritten signature in black ink, appearing to read 'Jackie Chang', written over a horizontal dotted line.

**Jackie Chang**  
**President**



## Anti-Corruption Policy

### Objectives:

1. To ensure there is no involvement of the company's committee, subcommittees, management and Delta employees or related business partners at all levels with any form of corruption
2. To encourage the role and participation of Delta employees to resist and help prevent and combat all corruption relating to the Company's business
3. To build confidence among internal and external stakeholders for business cooperation towards integrity

### Scope:

Relevant stakeholders in this anti-corruption policy are categorized into two following groups;

1. **Internal parties** include directors, directors of sub-committees, management, Delta employees of Delta Electronics (Thailand) Public Company Limited and its subsidiaries (together called "Delta employee")
2. **External parties** include customers, vendors or suppliers, agencies, intermediaries, contractors and consultants acting on behalf of Delta, business partners, competitors, creditors, debtors, government agencies and private entities (together called "Related business partners")

### Definition:

**"The Company"** means Delta Electronics (Thailand) Public Company Limited and its subsidiaries as inform in the 56-1 form reported annually to the Stock Exchange of Thailand.

**"Corruption"** means bribery in any form whether by means of offering, promising, giving, pledging, soliciting or accepting of money, assets, gifts, services or any other improper benefits; to/from authorities, government officials, state agencies, private entity or responsible officials, either directly or indirectly, as an inducement for an act or omission of duty to bring about inappropriate business benefits involving obtaining, retaining, recommending business to the Company in particular or to be able to acquire or preserve. However, an act accredited by law, rules and regulations, or local customs and commercial traditions are not deemed corruption.

### Duties and Responsibilities

**The Board of Directors** has the duty and responsibility to outline the policy and regulate to ensure existence of a system that not only promotes efficiency of the anti-corruption practices but also signifies



how management realizes and attaches great importance to combat corruption which ultimately becomes part of the Company's corporate culture.

**The Corporate Governance Committee** has the duty to consider, review whether the policy is appropriate and regularly make updates including promoting the policy to Delta employees for clear understanding and actual implementation.

**The President and Executive Committee** have the duty and responsibility to put in place a scheme that promotes and supports the anti-corruption policy communicated to Delta employee and related business partners as well as periodical assess and review its suitability to encompass dynamic environments such as business conditions, regulations, rules and legal requirements.

**The Audit Committee** is responsible for auditing the systems used for financial and accounting reporting, internal control, internal audit, and risk management to ensure compliance with international standards, suitability, modernization and efficiency.

**The Anti-Corruption Committee** is responsible for inspecting, collecting related data and evidence. They provide necessary information and collaboration and proceed the legal process to handle allegations of fraud and corruption. They provide advice to Management regarding the corruption risk assessment as well as collate and document risk assessment results.

**The Internal Audit** has the duty and responsibility to monitor, review, and report to the Audit Committee whether anti-corruption operations are performed accurately as regulated in the policy, operational guidelines, line of authorization, and in compliance with rules, laws and regulations in order to secure existence of an appropriate control system containing adequate measures against risk of potential corruptions.

**Delta Employee** is responsible for acknowledging and reviewing this policy and never be negligent when encountering any corruption issue suspected to impact the Company's business. Hence, Delta employees cannot make assertions of innocence to avoid admission of error.

**Company Secretary** is responsible for consolidating the result of anti-corruption activities to report to the Board of Directors annually.

## **Anti-Corruption Operational Guidelines**

1. Delta employees must not ignore any encountered act of possible corruption related to the Company and must notify the incident to the superior or the responsible person through various available channels (as presented below in this policy statement) while providing full cooperation when fact findings are needed.



2. Delta employees who commit, conspires with, or is connected to corruption must face disciplinary punishment and related legal penalties.
3. The Company will ensure fairness and provide protective measures to complainants or whistleblowers for collaboration in reporting malpractice and corruption.
4. The Company ensures that no employee will suffer demotion, penalty or other adverse consequences for refusing to pay bribes even if such refusal may result in the Company losing business.
5. To clearly demonstrate its commitment in fighting against corruption, the Company puts emphasis on publicizing, communicating and training in order to constantly educate Delta employees about the Anti-Corruption Policy
6. The Internal Audit has the duty and responsibility to monitor and review while reporting to the Audit Committee whether implementation of the anti-corruption is in accordance with the policy and operational guidelines to ensure suitability and adequate countermeasures against potential corruption risk.

## **Operational Measures**

### **Combating malpractice and corruption (business contact with business partners and third parties)**

Delta employee must adhere to the anti-corruption policy in business dealings with customers, suppliers, trade partners or third parties in relevant to the Company's business (hereinafter collectively referred to as "relevant business-related third parties").

1. Delta employees must comply with laws, rules, business traditions and manners when interacting with relevant business-related third parties.
2. Delta employees must not accept/give or solicit, both directly and indirectly for their own benefit or family, friends, associated or acquaintances, money, gift voucher, check, stock, present, bribe, special compensation or incentives of any value from relevant business-related third parties.
3. Delta employees may accept non-cash gifts of any valuable items from the relevant business-related third parties if given prior consent from his/her direct superior. Nonetheless, this acceptance of gift must be comply with Giving/Receiving of Gifts and Entertainment Policy, business traditions or manners and have no influence to business decision of the Delta employee.
4. Delta employee must not seek any benefit from their positions in the Company in receiving or soliciting any business-related third party or relevant individual to provide service that has no connection to the Company's business.
5. When Delta employee recommend an individual to the Company, such action must not induce a conflict of interests or interfere with the company's recruitment process and must not be unlawful acts for personal gain.



6. Within the same working unit, superior-subordinate relationship of Delta employee shall not apply to relatives such as spouse, parents, or child.
7. Delta employees must not bribe authorities or government officials by offering money, gift vouchers, check, stock, present, or any bribe, special compensation or valuable incentives.
8. Delta employee who violate the provisions in the preceding paragraph will face disciplinary punishment ruled in relevant regulations of the Company and may also be legally prosecuted.
9. Delta employee must obtain consent from their direct superior prior to offering gifts (such as company's products) or providing hospitality to related business partners while activities shall arrange in accordance with business traditions or manners, local laws and the related company's regulations. In the case where emergency causes the inability to receive permission in advance, it is the Delta employee's unavoidable responsibility to obtain retrospective approval from direct superiors. It is still necessary after giving gifts or arranging hospitality to relate business partners or third parties
10. Delta employee shall not take advantage of their positions in the Company to attain illegitimate relationships, sexual harassment, discrimination in any manner (inclusive of prejudice of race, sex, disability or religion), burglary, threat, coercion, or other unlawful actions.
11. Delta employee should seek advice from his/her direct superior whenever he/she is in doubt of anti-corruption and fraud in order to avoid any dispute.

In order to ensure clarity in the implementation of the issue with high risk of corruption, the Company director, executives and employees at all levels shall perform duties with care in the following areas.

## **Gift and Entertainment**

1. Directors, executives and employees can give gifts and entertain business partners in case the following conditions are met.
  - (1) It is not an act to dominate, induce or reward any person to gain an advantage through inappropriate actions or be concealed in order to obtain help or benefit.
  - (2) It complies with relevant laws, rules and regulations of the Company.
  - (3) It is a grant on behalf of the Company. Not on behalf of the employee and act openly, not concealing.
  - (4) Appropriate in manner, value and propriety.
  - (5) Suitable for situations such as giving small gifts during important festivals which are customary.
2. Directors, executives and employees can receive gifts or any benefits according to the festival or normal practice. The value shall not exceed Baht 1,000 (one thousand baht), and gifts received



from the same giver within the same year shall be limited to Baht 3,000 (three thousand baht). Gifts shall not be cash or cash equivalent, such as gift vouchers and gift cards, etc.

## **Political Contributions**

Political Contributions means financial support, material and participation in activities. As well as encouraging employees to participate in political activities on behalf of the Company in order to gain an advantage in business. The Company has the following guidelines;

1. The Company operates the business with political neutrality, not participating and siding to any certain political party.
2. The Company does not provide financial support or resources to support political parties, politicians or political candidates with the objective of facilitating business benefits for the Company
3. Employees have freedom to participate in political activities under the provisions of the Constitution but shall not impersonate a Company employee or use Company property, equipment or tools to benefit political activities. If participating, they must be careful not to take any action or cause an understanding that the company supports any political party.

## **Donation and Sponsorships**

1. Charitable donations in the form of financial assistance or other forms can be done as part of a social contribution activities, public relations and enhance a good image for the Company without aiming for business returns.
2. Sponsorships, regardless of whether it is money or assets to any activity or project, shall be conducted transparently and legally through the Company's approval process and budget set in the name of the Company only. The objectives are for public relations, promote business and good image of the Company.

## **Facilitation Payment**

The Company prohibits payment facilitation.

Facilitation payment means a small amount of payment to convince the contacted business unit to expedite the proceeding or to make sure that the said person who has a duty do their job by paying more than the legal rate (if any)

## **Whistleblowing or Complaints**

1. Issue to whistleblowing or complaints
  - (1) An action of malpractice and corruption connected to the organization, directly or indirectly



- (2) A practice of wrong procedures contrary to Company's regulations or acts of adverse effect on the Company's internal control system that raise suspicion as a possible channel for malpractice
  - (3) An act that is misconduct for gain or destroys the Company's benefits and damages the Company's reputation
  - (4) An act of illegal nature and immoral business ethics
2. Channel for whistleblowing or filing complaints
- It is the duty of all Delta employee to report the issue to an assigned person or working units (described hereinafter) whenever encountering malpractice or corruption associated with the Company's activities that violate this policy.
3. Mechanisms for internal complaints (Delta employee's complainant)
- (1) Heads of working units where Delta employee belongs
  - (2) Suggestion box
  - (3) Electronic mail box ([HR.GRIEVANCE.SEA@deltaww.com](mailto:HR.GRIEVANCE.SEA@deltaww.com))
4. Mechanisms for external complaints (third-party complainant)
- (1) PO Box 50, Bang Poo, Samutprakan Province, 10280
  - (2) Electronic mail box ([Whistleblow@deltathailand.com](mailto:Whistleblow@deltathailand.com))
  - (3) Website [www.deltathailand.com](http://www.deltathailand.com)
5. Urgent case, contact Company's Secretary : [wilailak@delaww.com](mailto:wilailak@delaww.com)

## **Protection of whistleblower and confidentiality**

### **1. Protection of the whistleblower and related person**

Because filing complaints and providing information of malpractice in good faith can be of immense benefit to the Company and Delta employees as a whole, the person who files a complaint, testify, provides information and facts or gives relevant evidence to the complaint, despite trouble that might follow, will be guaranteed of no lay-off, punishment, or any harmful affect to career growth, performance assessment, welfare and related benefits eligible to Delta employees. This guarantee also applies to the employee in charge of complaint's investigation. The Company has a policy to ensure fairness and equitable treatment to all stakeholders in accordance with to the Company's regulations. The whistleblower will receive protection and the complaints will be held confidential.

### **2. The anonymity and confidentiality**

Delta employee or external whistleblower may choose to stay anonymous when reporting violations of other Delta employee. However, the Company encourages Delta employees to identify themselves when filing the report for ease of communication and investigation.



Upon completion of a report filing by Delta employees or related business partners or the external whistleblower, the working team who takes the complaint shall act for a reasonable protection and prevention measures towards efficient investigation in order to safeguard the Delta employee or the external whistleblower from harassment or unfair treatment.

## **Investigation and Punishment**

1. After receiving complaint, it will be scrutinized and investigated for fact finding by the Anti-Corruption Committee.
2. During the investigation, the Anti-Corruption Committee will appoint representatives (of management) to keep the whistleblower or the complainant informed of progress.
3. If fact findings from the investigation unveil information or evidence reasonable to believe that the alleged person is corrupted or guilty of malpractice, the Company will inform such allegations to the alleged person. The alleged person has rights to prove him/herself of no connection with the acts of malpractice as alleged.
4. Malpractice of the alleged person is considered violation to the anti-corruption policy and they will face a disciplinary hearing regulated by the Company. If the malpractice is illegal, the legal penalty will also apply. As for disciplinary consideration, ruling of the Executive Committee or Labor Relations Committee or the Audit Committee or Management deems final.

## **Dissemination of Anti-Corruption Policy**

For the anti-corruption policy to become known among Delta employees and related business partner, the Company has the following procedures;

1. The Company will put out announcements of the anti-corruption policy for broad acknowledgement by Delta employees.
2. The Company will publish the anti-corruption policy through various in-house communication channels such as electronic mail, company's website, Annual report and Sustainable Development Report.
3. The Company will schedule periodic review of the anti-corruption policy.

### **Edition History**

The first edition in Nov 2013

The first amendment in Apr 2014

The second amendment in Jun 2016

The third amendment in Oct 2019

The fourth amendment in Aug 2020