



# Anti-Fraud and Anti-Corruption Policy

Khon Kaen Sugar Industry Public Company Limited  
and Group Companies

## Anti-Fraud and Anti-Corruption Policy

Khon Kaen Sugar Industry Public Company Limited has established a policy requiring directors, executives, employees, and staff to refrain from engaging in any acts related to fraud and corruption in all forms, in order to reduce or eliminate corruption which causes inequality in business operations, hinders fair competition, and undermines society and the economy as a whole. The Company has formulated policies and established operational guidelines in compliance with laws related to anti-fraud and anti-corruption processes in Thailand and internationally.

### Definition

#### Corruption

Refer the giving, offering, promising to give, or soliciting of money, property, or any other form of benefit, whether directly or indirectly, to induce such person to act or refrain from acting in any manner that enables oneself or the Company to improperly obtain or retain permits, approvals, or any other rights or benefits, or to enable oneself or external parties to improperly receive business contracts or any other benefits from the Company in violation of law or business ethics.

#### Fraud

Refer the improper use of position, authority, influence, or existing assets by directors, executives, and employees of the Company to unlawfully seek undue benefits for themselves, family members, friends, or acquaintances, including the personal use of Company assets, embezzlement, misappropriation, fraudulent acts, conduct involving conflicts of interest, etc.

#### Conflict of Interest

Refer cases where there is a conflict between personal interests and the overall interests of the Company, which influences work performance or decision-making in various transactions. This includes cases arising from inappropriate segregation of duties or overlapping roles and responsibilities.

#### Bribery

Refer property or any other benefit. In this context, "property" refers to tangible and intangible assets which may have value and may be possessed, such as money, houses, cars. "Any other benefit" includes such things as free housing accommodation, debt forgiveness, travel arrangements, etc. This constitutes inducement, offering, promising to give, or giving in order to obtain commercial, contractual, regulatory, legal, or personal advantages.

#### Facilitation Payment

Refer a small amount of expense paid informally to government officials, given solely to ensure that government officials will carry out procedures or to encourage expedited action, where such procedures do not require the discretion of government officials and constitute lawful duties of such government officials, including rights that legal entities are already entitled to by law, such as applying for permits, requesting certificates, and receiving public services, etc.

### Charitable Donation

Refer money, items, or any other benefits given to any person or juristic person established without ulterior motives, and constitutes donations for public benefit, society, or environment to charitable organizations, foundations, or funds which are non-profit entities. If the donation does not create benefits for the overall economy or society, it is considered fraud.

### Financial Sponsorship

Refer money paid with the objective of benefiting the Company's business or reputation, enhancing commercial credibility, and strengthening business relationships. The sponsored funds will be used for public benefit or in accordance with the sponsorship objectives, and will not be used for any dishonest purposes.

### Gift Expenses

Refer expenses incurred in conducting corporate activities to build good relationships or, on certain occasions, as an expression of social courtesy. Gifts may take various forms, whether money, goods, services, gift cards, etc. However, these expenses may be considered bribes if given to induce government officials to act improperly in their duties, and are often concealed in accounting records through false entries that do not reflect the true nature of the transactions.

### Government Official

Refer a person holding a political position, civil servant, or local government employee with a permanent position or salary; employee or person working in state enterprises or government agencies; local administrators and local council members who are not political position holders; officials under laws concerning local administration; and includes directors, sub-committee members, employees of government departments, state enterprises, or government agencies; and any person or group of persons who exercise authority or are delegated to exercise administrative authority of the state in carrying out any action according to law.

## Duties and Responsibilities

1. The Company's Board of Directors has the duty and responsibility to establish policies and oversee the Company's implementation of an effective anti-corruption system, ensuring that all employees in the Company understand and recognize the importance of anti-corruption efforts, and to cultivate this understanding until it becomes part of the organizational culture.
2. The Chief Executive Officer, **President** and executives have the duty and responsibility to establish systems and mechanisms for risk management and corruption prevention, measures to promote anti-corruption efforts, guidelines for monitoring and evaluating compliance with this policy, and communicating the anti-corruption policy to employees at all levels of the Company, subsidiaries, and associated companies.

3. The Audit Committee has the duty to oversee anti-fraud and anti-corruption policies and measures to ensure that the Company complies with its legal obligations and the established ethical standards.
4. The Internal Audit Office has the duty and responsibility to audit and review the operations of various departments to ensure compliance with the Company's anti-corruption policy, to ensure that there are appropriate and adequate internal control systems for fraud and corruption risks, and to report regularly to the Audit Committee.
5. Directors, executives, and employees must comply with the anti-fraud and anti-corruption policy and the business code of conduct of Khon Kaen Sugar Industry Public Company Limited and Group companies, by not engaging in or supporting fraud and corruption in any form.
6. The Anti-Fraud and Anti-Corruption Working Committee has the duty to assess fraud and corruption risks in order to regularly summarize the impact of anti-fraud and anti-corruption risks that may occur in each process, including collecting and proposing appropriate preventive and corrective measures, and reporting to management, directors, and the Company's Board of Directors.

### Guidelines for Implementation

1. The Company shall apply this policy to all departments of the Company, subsidiaries, associated companies, and other companies over which the Company has control authority, and to all types of third parties involved in business activities.
2. The Company does not tolerate any acts related to fraud and corruption in any form, and has designed internal controls for processes involving various expenses, particularly payments for gifts, hospitality services, charitable donations, and financial sponsorships, to ensure they are conducted properly and are auditable.
3. The Company will communicate and disclose anti-fraud and anti-corruption policies and measures to stakeholders such as directors, executives, employees, customers, business partners, and related companies, to inform them of the firm intention to oppose fraud and corruption, as well as operational guidelines, so that business operations proceed in the correct and consistent direction.
4. The Company has established mechanisms for investigating cases related to fraud and corruption, and has defined penalties for directors, executives, employees, and internal personnel when it is conclusively determined that such personnel are involved and have actually committed wrongdoing. The Company will not impose penalties or negative consequences on internal Company personnel who refuse to engage in fraud and corruption, even if such refusal causes the Company to lose commercial benefits.

5. The Company has established complaint channels for cases where both internal and external personnel have doubts or witness acts related to fraud and corruption, and has implemented measures to protect, safeguard, and maintain the confidentiality of those providing information about wrongdoing.
6. The Company has designed adequate and appropriate internal controls, along with regular monitoring of the effectiveness of internal control systems across various departments, to ensure that personnel operations comply with laws and anti-fraud and anti-corruption policies.
7. The Company conducts fraud and corruption risk assessments and manages emerging risks to prevent and correct potential errors, and utilizes this information to improve anti-fraud and anti-corruption policies and guidelines.

### **Penalties**

Directors and employees of the Company must understand and comply with the anti-corruption policy in all stages of their work performance. If there is any violation or non-compliance with anti-corruption measures, whether directly or indirectly, and whether by any director or personnel of the Company, there will be an investigation according to the Company's disciplinary consideration process, and there may be warnings, penalties, or termination of employment, or there may be both civil and criminal legal proceedings if found to be intentional violation or non-compliance.