

Anti Corruption Policy

Centara Hotels & Resorts

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Message from the Chairman and CEO

Valuing and committed to running business with transparency, integrity, and strict compliance with the law, Central Plaza Hotel Public Company Limited ("CENTEL") recognizes that corrupt practices—besides harming business, reputation, and image—pose huge obstacles to the company's sustainable growth and national development.

As part of society with high hopes of ridding Thailand of corruption, CENTEL joined the Collective Action Coalition against Corruption and developed this "Anti-Corruption Measures" document for all personnel to observe and for stakeholders to become aware of CENTEL's desire and business guidelines.

The Anti-Corruption Policy and Measures form part of work discipline, directors, executives, and employees that violate them will be subjected to investigation and disciplinary action under CENTEL's regulations, as well as applicable charters and laws. However, CENTEL must not demote, punish, or negatively affect directors, executives, and employees that refuse to take part in corruption even though such refusal could deprive CENTEL of business opportunities.

On behalf of the Board of Directors and the management, we request all our directors, executives, and employees to master and strictly conform to the guidelines spelled out in this document to jointly turn CENTEL into a transparent entity, trusted by all stakeholders. The achievement would be a key foundation for business and sustainable growth.

-Suthikiati Chirathivat-
(Mr. Suthikiati Chirathivat)
Chairman
1 January 2016

- Thirayuth Chirathivat -
(Mr. Thirayuth Chirathivat)
Chief Executive Officer
1 January 2016

2) Definitions

CENTEL/company means Central Plaza Hotel Public Company Limited

Subsidiary/associate means companies as defined by the Securities and Exchange Act and the announcement of the Office of the Securities and Exchange Commission ("SEC")

Personnel/CENTEL Employees means CENTEL's directors, executives, and employees

Directors means CENTEL directors

Executives means the company's executives from executive vice president upwards as well as the executives of the Hotel from the general manager upwards

Employees means employees from the level of executives downwards, whether rank-and-file employees, specially contracted employees, or temporary employees

Business partners means suppliers of goods and services to the company, designers, consultants, contractors, and sub-contractors

Stakeholders means shareholders, customers, business partners, creditors, employees, business competitors, the public sector, organizations, and other related people in society e.g. local community.

Corruption means direct or indirect offering, promising, delivering, demanding, giving or acceptance of bribes or benefits (cash or others) or behavior implicit of corrupt practices of all forms, undertaken to achieve business purposes to keep or recommend business to any companies in particular, or to preserve other unlawful or improper benefits under CENTEL's Code of Business Conduct and Corporate Governance Policy

Political contribution means direct or indirect financial or other contributions in support of political activities, including loans, provision of articles or services, advertisement in support of political parties, or donation to join activities of entities closely related to political parties conducive to mutual, improper benefits.

3) **Policy on anti-corruption**

No CENTEL directors, executives, and employees may demand, engage in, or tolerate corruption in any country and any public or private agency involved in CENTEL's business. Rather, they must cooperate in promoting the value of integrity and responsibility as a corporate culture. The policy encompasses the actions specified below:

- 3.1 CENTEL institutes risk assessment concerning anti-corruption and develops practical measures in line with the identified risks and the internal control system alike.
- 3.2 CENTEL develops procedures with enough details for conformance to this policy to prevent business corruption.
- 3.3 CENTEL stages orientation and training for its employees, adding to their mastery of the anti-corruption policy, measures, and procedures.
- 3.4 CENTEL institutes an internal control system to ensure the efficiency and effectiveness of the policy on anti-corruption, which encompasses compilation processes of financial and accounting data; human capital management processes; and other processes under CENTEL's operation.
- 3.5 CENTEL institutes reporting, monitoring, and reviews of conformance to the policy on anti-corruption, all of which follow suitable procedures to ensure a complete, adequate, and timely policy.
- 3.6 CENTEL institutes safe communication channels for its employees and all stakeholders to seek guidance, give tips or comments, or file complaints about corrupt practices, while enjoying protective measures.
- 3.7 CENTEL institutes internal and external communication of this policy for widespread conformance, which includes notifications made to subsidiaries, associates, other companies under CENTEL's control, and business representatives so that they may in turn implement this CENTEL policy.
- 3.8 CENTEL encourages sharing of knowledge, experience, and good practices among peer companies, including all related parties, to form allies. It also participates in anti-corruption activities hosted by other companies, associations, chambers of commerce, or regulators.

4) Relevant practical measures

To prevent risks of corruption facing CENTEL, all directors, executives, and employees must conform to the following policies:

4.1 Policy on political participation

- 4.1.1 CENTEL is politically neutral and has no policy to provide political contribution or engage in actions affiliated with political parties or groups.
- 4.1.2 CENTEL employees command the rights and freedom under the constitution and other applicable legislation, including the exercising of their voting rights.
- 4.1.3 CENTEL employees must not employ company assets or provide its service in support of political activities or other actions potentially implying CENTEL's participation or support to political parties or groups.

4.2 Policy on charitable contribution

All donations or contribution to charitable causes must bear the following characteristics:

- 4.2.1 Undertaken properly, openly, transparently, morally, and under company regulations, as well as those of government agencies, state enterprises, and relevant agencies
- 4.2.2 Compatible with the policy on society, communities, and the environment, or activities to lead to company sustainability, or classified as public services
- 4.2.3 Not used as an excuse for corrupt practices
- 4.2.4 Without hidden purposes to bolster advantages or induce business favors
- 4.2.5 Not leading to conflicts of interest between oneself and CENTEL
- 4.2.6 Donations or contribution must be put in writing as a memorandum for approval, stating objectives and clear names/recipient agencies complete with supporting documents, for CENTEL's authorities to approve before proceeding further.

4.3 Policy on using Sponsorship

All donations or contribution to charitable causes must bear the following characteristics:

- 4.3.1 Undertaken properly, openly, transparently, morally, and under company regulations
- 4.3.2 Compatible with the policy on procurement or activities to lead to company sustainability, or classified as public services
- 4.3.3 Not used as an excuse for corrupt practices
- 4.3.4 Without hidden purposes to bolster advantages or induce business favors
- 4.3.5 Not leading to conflicts of interest between oneself and CENTEL
- 4.3.6 Request for using Sponsorship must be put in writing as a memorandum for approval, stating objectives and proposal of using, complete with supporting documents, for CENTEL's authorities to approve before proceeding further.

4.4 Policy on giving and acceptance of gifts, entertainment, or other benefits

Giving and acceptance of gifts, entertainment, or other benefits can occur under the following circumstances:

- 4.4.1 Undertaken properly, openly, transparently, morally, and under laws and company regulations, as well as those of government agencies, state enterprises, and relevant agencies
- 4.4.2 Fitting the circumstances, festivals, and customs of each local area
- 4.4.3 Not used as an excuse for corrupt practices
- 4.4.4 Not leading to conflicts of interest between oneself and CENTEL
- 4.4.5 No gifts, entertainment, or other benefits are to be given or accepted if such action affects CENTEL's business.

To implement these Anti-Corruption Measures across the company, CENTEL has instituted adequate supportive processes to ward off corrupt practices, including processes to audit sales and marketing activities, hiring and purchasing, human capital management, and finance and accounting. Protocols for internal conduct must accompany internal controls that encompass efficient prevention of corrupt practices.



5) Data recording and retention process

CENTEL's financial and accounting data must be properly recorded and stored accurately, completely, transparently, and accountably, to be verified by an efficient, reliable internal control system and internal audit under the supervision of the Audit Committee.

The guidelines for recording and storing data are to follow the Code of Business Conduct and Corporate Governance Policy through announcements, regulations, and relevant policies.

6) Communication and training

6.1 Communication

- 6.1.1 Communication must be done on the Anti-Corruption Policy and Measures with related parties, namely directors, executives, employees, subsidiaries, associates, CENTEL-controlled companies, business representatives, and business partners
- 6.1.2 Communication must be done on punitive measures for violators of the Anti-Corruption Policy and Measures. Also, it must be communicated that no demotion, punishment, or negative repercussions are to affect directors, executives, and employees that refuse to take part in corrupt practices even if such refusal could deprive CENTEL of business opportunities.
- 6.1.3 CENTEL must stage public disclosure about its Anti-Corruption Policy and Measures.

Each time related policies and measures are edited, communication and disclosure must follow through proper channels, including letters, Emails, website, intranet, printed media, and bulletin boards.

6.2 Training

- 6.2.1 CENTEL must stage orientation and training on the Anti-Corruption Policy and Measures for directors, executives, and employees
- 6.2.2 CENTEL must encourage directors' and executives' participation in employee education to set good examples for observance of the Anti-Corruption Policy and Measures.

7) Whistle blowing and request for guidance

Whistleblowing

When discovering acts of possible violation of the Anti-Corruption Policy and Measures, directors, executives, and employees must inform CENTEL through one of the following channels:

• **The secretary of Audit Committee**

Tel.: (02) 769-1234 ext. 6658

Email: whistleblower_centel@chr.co.th

Mail: Audit Committee
Central Plaza Hotel Public Company Limited
999/99 Rama 1 Road, Pathumwan
Bangkok 10330

If urgent reporting is required, directors, executives, and employees must inform senior executives or the Board.

Conditions and consideration of the information, as well as protection of employees, workers, or other parties serving CENTEL, must follow the Code of Business Conduct and Corporate Governance Policy.

Other stakeholders may also use the above channels to provide the information.

Request for guidance

Should directors, executives, employees, or stakeholders have questions about the Anti-Corruption Policy and Measures, they can seek preliminary guidance at:

• **Office of the Company Secretary**

Tel.: (02) 769-1234 ext. 6131

Email: co.secretary_centel@chr.co.th

Mail: Office of the Company Secretary
Central Plaza Hotel Public Company Limited
999/99 Rama 1 Road, Pathumwan
Bangkok 10330

8) Enforcement of compliance

To ensure thorough conformance across the company to the Anti-Corruption Policy, Measures, and clear supervision, CENTEL has defined the responsibilities of the following parties or agencies:

Board of Directors:

- Put in place a current Anti-Corruption Policy and Measures compatible with circumstances and risk factors, with an annual review at the minimum
- Define an adequate scope of Anti-Corruption Measures. Support and supervise CENTEL's execution of such measures.
- Review reports on implementation of the Anti-Corruption Policy and Measures
- Examine urgent issues about corruption to ensure timely supervision

Audit Committee:

- Review the internal control system, internal audit, and risk assessment of corruption to ensure efficient, effective conduct
- Review reports on the implementation of the Anti-Corruption Policy and Measures
- Examine urgent issues about corruption to ensure timely supervision

Management:

- Put in place tools and an internal control system in support of the Anti-Corruption Policy and Measures
- Submit urgent issues on corruption to the Audit Committee and the Board
- Put in place an audit findings report of the Anti-Corruption Policy and Measures to the Audit Committee and the Board for their regular acknowledgment
- Encourage all subordinates to recognize the value of conformance to the Anti-Corruption Policy and Measures

Human Capital & Organization Development:

- Put in place a human capital management process echoing CENTEL's commitment to conformance to the Anti-Corruption Policy and Measures
- Communicate the Anti-Corruption Policy and Measures with all relevant stakeholders
- Monitor and collect employees' signed acknowledgment and conformance forms under the Anti-Corruption Measures

Internal Audit:

- Review the internal control system, internal audit, and corruption risk assessment before reporting to the Audit Committee. Inform and follow up with relevant agencies to ensure corrective actions taken by the management
- Prepare a report on conformance to the Anti-Corruption Policy and Measures for the Audit Committee

Office of the Company Secretary:

- Coordinate with regulators, information-sharing with other agencies for use in improving anti-corruption activities
- Coordinate and communicate the Board-defined scope of measures with relevant departments
- Mentor others about preliminary points of the Anti-Corruption Policy and Measures. Coordinate or consult with other related departments on provision of accurate, complete, and clear advice.

9) Punishment

Since the Anti-Corruption Policy and Measures form part of work discipline, directors, executives, and employees that violate them will be subjected to investigation and disciplinary action under CENTEL's regulations, as well as applicable charters and laws, which may include dismissal from CENTEL.

CENTEL must not demote, punish, or negatively affect directors, executives, and employees that refuse to take part in corruption even though such refusal could deprive CENTEL of business opportunities.

This Policy is effective as of 1 January 2016.

Approved by

Mr. Bhisit Kuslasayanon
Chairman, Audit Committee

Mr. Sudhitham Chirathivat
Acting Chairman of
the Enterprise Risk Management
and Corporate Governance Committee

Mr. Suthikiati Chirathivat

Chairman of the Board