



# **MEASUREMENT OF SSSC ANTI CORRUPTION**



**TOGETHER FIGHT AGAINST ALL FORMS OF CORRUPTION**

**Update in 2020**

**Approved by the Board of Director resolution dated February 28, 2020**

**Siam Steel Service Center Public Company Limited**

# **PREFACE**

The Company is committed to conduct its business with integrity, transparency and social responsibility, good corporate governance and anti-corruption by denying receiving and offering bribery strictly. In addition, the Company also reviews every working process regularly in order to ensure that the Company has strict risk prevention system to prevent corruption in the organization.

The Company has set up anti-corruption measures for all Company's related persons such as Board of Director, Management and all employees at all levels in all sections etc. to operate and perform business in the same direction. The measures of anti-corruption are consisted of the following items.

1. Anti-corruption policy
2. Policy of receiving and offering customary gifts, assets or other benefits
3. Policy of political support
4. Policy of the whistle blowing or complaints and suggestions

The above measures are effective from March 1, 2015 onwards. Update and approved by the Board of Director resolution dated February 28, 2020.

Board of Directors

Siam Steel Service Center Public Company Limited

# **ANTI-CORRUPTION POLICY**

Operating business with fairness, parallel concentrating in producing premium quality product, the Company definitely refuses corruption whatever in the manner of offer, give, promise, request, give-take bribery, which will lead to wrongful act or loss of trust. This also covers all related business, business decaled in all countries, every business unit as well. This includes one or more working persons, may be employee, executives or relating outsiders, who jointly proceeds something illegal for the benefit of himself or themselves. The “benefit” is not defined only money, but also the other issues.

Thus, the Company has set policy : directors, executives, employees are prohibited to conduct or agree directly or indirectly with all kinds of corruption. This also spans to all related business in all countries and all dealing units. In addition, the Company has measures of regular follow-up, together with revising methods of practice and requirements to comply to the change of business, regulations and laws.

Procedure of anti-corruption is written thoroughly in order to support the policy. The Company will also revise the procedure regularly for responding the alteration of law, business and maintaining its fame. It is a must that directors, executives, employees, including staffs of subsidiaries, co-business units follow this policy.

## **“Anti-Corruption” Definition of SSSC**

The definition of “anti-corruption” are to give/take bribery, to take advantage from the company position, duty and/or data for his or their own benefits both directly or indirectly, including any act against the company code of conduct, except the case allowed by law, regulations, announcement, business tradition or custom.

# ANTI-CORRUPTION PROCEDURE

## *Duty and Responsibility*

- 1) To ensure that the management team is aware, concentrates on anti-corruption and implant it to be corporate culture, the committee of the Company has duty and responsibility in setting policy, superintending the system to supporting anti-corruption efficiently. It is obligation to update the policy annually as well.
- 2) It's the duty and responsibility of the audit committee to audit financial and accounting report, internal control system, internal audit system and risk management system for ensuring that they are proper, preventive, updated, efficient, conforming to international standard.
- 3) The committee of risk management is in charge of regularly assessing risk from corruption which may be incurred in each step of system, such as, sales & marketing, purchasing, contracting, human resources service, financial & accounting. The provision of practicable solution is also included in this duty
- 4) It's the duty of the executives to settle system and support the anti-corruption policy, communicate to all employees and every party concerned. Also the executives revise and up-date the suitability of the systems and the measures in order to conform to the change of business, regulations and laws.
- 5) The Secretary of the Company and **Justice Committee** to be responsible for audit and revise whether the practice conforms to policy, procedure, regulations, laws for ensuring that the control system is suitable and fighting enough to the risk of potentially incurred corruption and then they report to the Audit Committee.

# **ANTI-CORRUPTION PROCEDURE**

- 1) Directors, executives and employees must not request/accept money, favor or anything dishonestly or beyond the norm of people dealing business with the Company
- 2) Directors, executives and employees must refrain from request/accept money, favor, or gift from a person or juristic person running business with the Company neither for themselves nor others which induce wrongful act or carrying out/omission from their particular duties.
- 3) Do not give or offer to give gifts or any other benefits to third parties, such as government officials, suppliers, agents, partners, customers or authorized persons etc., with intent to induce that person to act or refrain from action that is illegal or misconduct against the position of that person in exchange for the privilege that should not be.

Giving or receiving donation or support money, must be transparent and legally. That donation or support money must be ensured that it is not used as an excuse to bribery.

- 4) If any juristic person or outside person relating to the Company business offers gift or benefit to the Company executives or employees for encouraging , they must be discreet on righteousness based on governmental regulations. If the refuse will impact to the business relation, that receipt is acceptable, but the value of the gift or benefit must not more than the prohibited by the government.
- 5) Gift or property acceptance from any relating person should be righteous in the manner of etiquette, general act without any specific mention but with reasonable value. The gift or property must not be illegal.
- 6) The personnel of the Company and their family members are prohibited to request, accept gifts or property or any benefit from contractor, sub-contractor, customer, partner or any person dealing business with the Company that may impact to unfairness or embarrassment in making decision or conflict of interest.

# **ANTI-CORRUPTION PROCEDURE**

- 7) Personnel of the Company must not bribe or give favor as bribery to personnel of the Company or outsiders. They shall keep in mind that offering gift, property or any form of favor to government services in and out of the Kingdom shall not in contrary to local laws and customs.
- 8) Not to offer or receive over valued gift between supervisor and subordinate.
- 9) Directors, executives and employees including their family members must avoid offer or receive anything or benefits from partner, the person dealing business with the Company, except for the case of company benefit for usual business operation or festival occasion or traditional practice .
- 10) Co-business with other parties, such as, government agency, state enterprises, local and foreign business, must be run transparently, fairly, righteously, conforming to both Thai and foreign laws. This includes to follow the law of anti-corruption in anywhere that the Company operates business.
- 11) Directors, executives and employees must make clear to customer, partner, contractor, person or juristic person dealing business with the Company that the Company has not supported any corruption act and will not relate the corruption neither request nor acceptance nor every kind of bribe It is a must to report to the Company any corruption act found.
- 12) This policy to be exercised in every subsidiary company, affiliated company or company under control. This also includes the person relating to the Company business operation.
- 13) Whoever – director, executive and employee- does not follow this policy are decided breaking the Company regulations. In addition, if this breach is illegal, the Company will report to legal authorities for further legal action.

# **Policy of Receiving and Offering**

## **Customary Gifts, Assets or other Benefits**

- 1) Directors, , executives, and employees must not solicit, nor receive money, benefits or anything that does not fit which would cause dishonest from stakeholders of the company.
- 2) Directors, , executives, and employees must not solicit, nor receive money, benefits, gifts or other benefits from any person or entity doing business for themselves or others sensitive to the incentives for action or omission of duty does or breach of law.
- 3) Do not give or offer to give gifts or any other benefits to third parties, such as government officials, suppliers, agents, partners, customers or authorized persons etc., with intent to induce that person to act or refrain from action that is illegal or misconduct against the position of that person in exchange for the privilege that should not be.  
Giving or receiving donation or support money, must be transparent and legally. That donation or support money must be ensured that it is not used as an excuse to bribery.
- 4) If the business entity or third party related to the Company. Give gifts or benefits to executives or employees to remunerative executives or employees to make judgment. Considered appropriate, appropriate and / or accurately. Taking into account the rules of the government. If executives or employees will not be discouraged. And effect relationships. Business was to get. But must not exceed the authorities of the state prohibition receivable
- 5) Ethical and legal gifts or assets of appropriate value may be received from persons with whom personnel have associated if it is the general practice and there are no ulterior reasons. The Company personnel must not illegally accept gifts.
- 6) The Company prohibits its personnel and their family members at all levels, under any circumstances, to solicit or receive gifts, assets or other benefits from contractors, sub-contractors, customers, trade partners or other related parties, which may lead to unfair judgments, impair decision-making or create conflicts of interest.
- 7) The Company personnel shall not offer bribes or other similar benefits to other the Company personnel or outsiders, especially government officials. When offering gifts, assets or other benefits to government officers in Thailand and other countries, it must be ensured that such offerings are not against the local law and customs.
- 8) Never give or receive a gift with a value in excess of the usual Reserved between supervisors and subordinates.
- 9) Directors, executives and employees and their family members at all levels must to avoid giving or receiving gifts or any other benefits from partners or stakeholders. Except for the benefits of company or festival or tradition.
- 10) Business with entities such as government agencies, state enterprises, private in Thailand and other countries must to conducted in a transparent, fair legalization of Thailand and foreign laws.

# **Policy of Political Support**

The company is a politically neutral organization and does not support any political party, group, or politician at the national, international or global level. The company supports activities that align with the local governing system and encourages its personnel to exercise their political rights in compliance with law. Thus the company operations will remain free from political and public pressures.

- 1) The company supports democratic politics and prohibits impersonating an employee or employees to the company's resources to support the activities of political parties or politicians of any political group, either directly or indirectly.
- 2) The company encourages employees to use their rights as citizens under the law. But do not allow employees to participate in activities that may cause the Company's participation or support any political party to another.
- 3) The company encourages its employees to express, join, support, and exercise their political rights outside office hours, using their personal resources only. The company personnel are prohibited from using the company's authority, resources, capital or reputation for fundraising or political purposes.
- 4) Non supervisory. Employees at all levels of command or influence in any way the staff and subordinates to participate in political activities of all types.
- 5) Directors, executives and employees should avoid commenting on politics in the workplace or at work may cause conflict of ideas.



# Policy of the the Whistle blowing and Complaints

The Board of Directors had provided the opportunities for employees and stakeholders, having a channel for complaints and reporting illegal acts. The company secretary is serves as the complaints of corporate governance and business ethics of the company are as follows:

## **1. Complaints and suggestions channels**

Independent Director

E-mail: **id@ssseth.com**

Mr. Boonchai Chiencharoenthanakij

Senior General Manager Administrative, Accounting & Financial Dept.

E-mail: **boonchai@ssseth.com**

Mr.Hirun Komolhirun

Company Secretary & Manager Legal Dept.

E-mail: **hiran@ssseth.com**

or by postal mail to      Legal Dept. Siam Steel Service Center Public Company Limited)

*51/3 Poochao Road, Bangyaprak, Phrapradaeng, Samutprakarn 10130 Thailand*

## **2. Upon receipt of the complaint process**

The channels are for employees to file complaints and suggestions freely to lead to the Company developments and sustenance as follows:

1. The complaints receiver compiles the information on the offence / ethics incompliance.
2. The complaint receiver then reports the information to the independent directors who are responsible for the investigation. The submitted information will be considered for individual areas such as management, knowledge development, fact inspection etc.
3. Action: Complaints shall be forwarded to the independent directors for investigation and lodging actions to suppress the offences / incompliance.
4. Result report: The investigation result shall be informed to the complainant if he / she discloses himself / herself. If a serious case the result shall be reported to the chairman and / or the Board of Directors.

**Siam Steel Service Center Public Company Limited**

# Policy of Complaints and Suggestions

## **3. Measure to protect the complaint**

1. A complainant can select to undisclosed himself / herself if the complaint may introduce unsafely. However if discloses the process progress report and clarification can be made to him / her.
2. Complaints shall be kept confidential / safety – concerned. The Company has set the measure to protect the complainers and / or informants and / or the persons who cooperate to investigations against unfair acts such as position, job and workplace change, intimidation, working annoyance, dismissal etc. due to complaints.

## **4. Procedures for investigations and penalties**

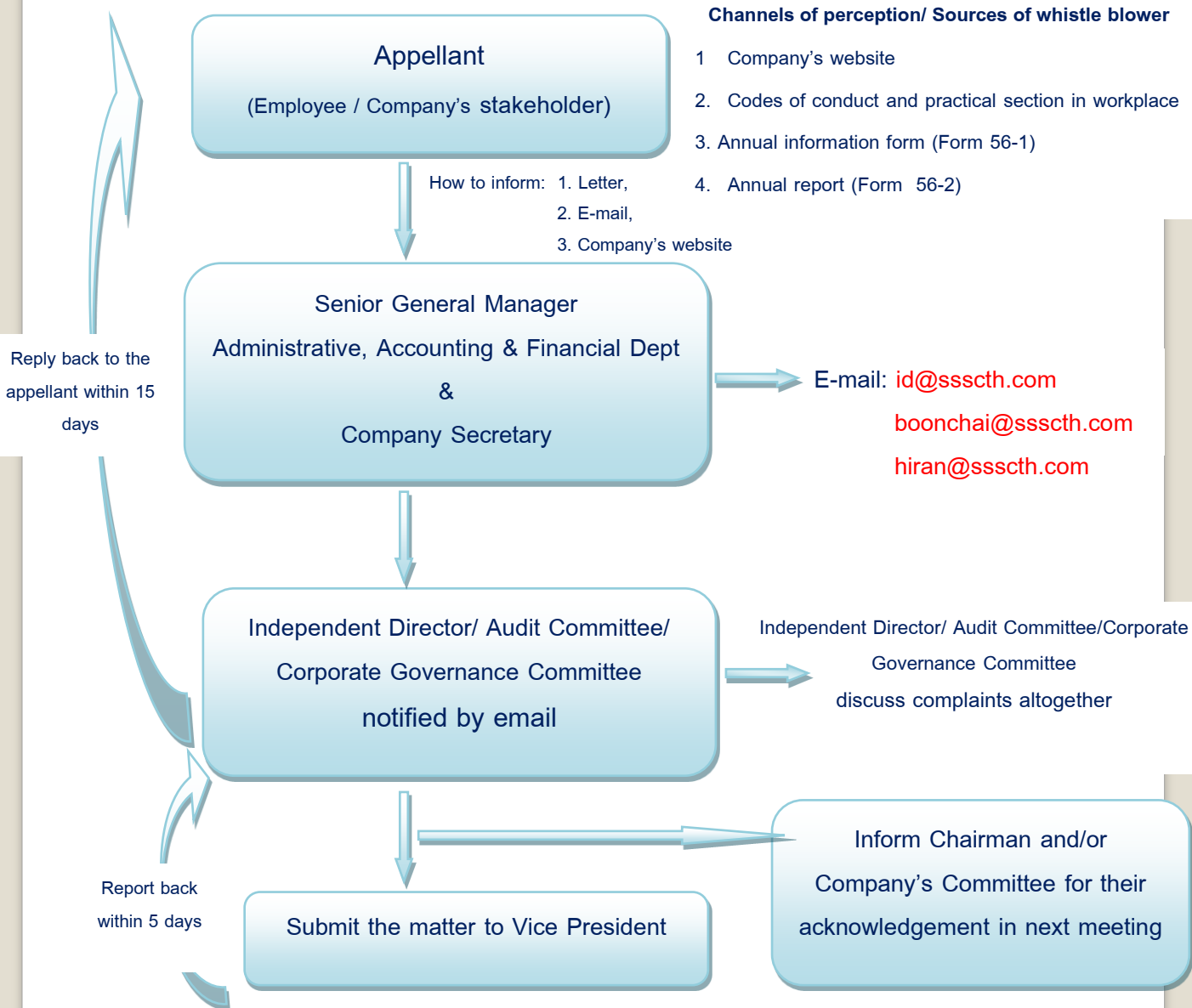
1. When a clue is received, Audit Committee will assign Internal Auditor or appoint Fact Investigation Committee to be the investigator of the facts and notify the results of the periodic inspection to whistle-blower or complainant.
2. If the investigation found that available information or evidence is reasonable to believe that the alleged offenders have committed real corruption. The Company will grant the accused person the right to know the allegations and self-identification by finding more data or evidence which can show that accused person is not involved in the alleged fraud.
3. If the accused person is actual fraud, whether he is a director, an executive or an employee, is considered to be an offense against the anti-corruption policy and Company Code of Conduct, so he must be disciplinary action by the company regulations. Moreover, if the act of corruption is illegal, the offender may be subject to legal penalties. The decision of the Audit Committee is final.

# Policy of Complaints and Suggestions

## 5. Training and Communication

1. The Company provides communication and publicizing of anti-corruption policy including channels for clues or complaints to the persons within the company for their acknowledgement through variety of channels such as Director and new staff orientation, Annual training or seminar, posted in announcement, intranet, email, company website etc. So that everyone in the organization to understand and comply with policies and measures to combat corruption seriously.
2. The Company communicates and publicizes anti-corruption policy including channels to report clues or complaints to the public, subsidiaries, associates, as well as business representatives, relevant business partners and stakeholders through various channels such as the company's website, annual report etc. in order to provide understanding and support to adhere to CSR standards on the anti-corruption like as the company.

# Process of whistle blowing, complaint and suggestion



## Channels of perception/ Sources of whistle blower

1. Company's website
2. Codes of conduct and practical section in workplace
3. Annual information form (Form 56-1)
4. Annual report (Form 56-2)

## Measures to protect appellants

The company sets measures to protect appellants as following criteria.

1. Appellants can choose not to reveal themselves if that disclosure is not secure. However, the disclosure can enable the organization reporting progress and fact.
2. Complaints recipient keep the information confidential/ consider about security by setting measures protecting employees who appeal and/or those who provide information and/or corporation in data monitoring, those persons will be protected from unfair practices such as position change, job description, workplace, suspended from work, intimidate, work interference, dismissal due to the cause of complaints.

## **Monitoring Process**

The Board has stipulated that it is a responsibility of every director, executive, and employee to acknowledge, study and strictly comply with the policies and practices as determined by the business ethics and work performance guidelines (Code of Conduct). The Company has no desire of any unlawful act or act in contrary to the ethical principles be committed. Director, executive, employee committing such action shall be punished according to the applicable laws and regulations.

In 2019, the Company reviewed and stipulated the Corporate Compliance Policy, having been in effect since 2017, that it is an obligation of all directors, executives, and employees as well as contractors to comply with the policy as follows:

1. Compliance with Antitrust Law and Competition Law, promoting free and fair trade competition, be impartial.
2. Compliance with laws relating to Anti-corruption and Anti-bribery laws involving state officers, foreign-state officers, private-company personnel.
3. Compliance with laws relating to Anti-money Laundering and Combating the Financing of Terrorism (AML/CFT)
4. Upholding laws relating to labor, human rights, human dignity as well as the liberty and equality of those certified by and protected under the laws.
5. Safeguarding of the law relating to intellectual property rights, respecting and not infringing intellectual property rights' of others, upholding others' intellectual property rights, protecting intellectual properties of the Company from being infringed by others.
6. Not using any strategic litigation against public participation by excluding them from expressing opinion or taking action concerning the protection of public interests (Anti- SLAPP).
7. Compliance with laws and regulations of the country where business of the Company is operated.
8. Compliance with Company's policies, standards, business ethics and code of conducts including any other rights and appropriate actions not being defined in the Company's policy.

The said policy binds the management to behave as role models, and employees of all levels to fully comply with. Disciplinary action shall be taken against whoever fails to achieve such policy intent and the Company's code of conducts.

## **Compliance Unit**

Monitoring process is in place to ensure full compliance with business ethics, anti- corruption, and applicable laws e.g. environment, energy, safety, health, and employment conditions. In this regard, the Legal Department is entrusted with overseeing the Compliance unit which are responsible for:

1. Compiling, drafting, and revising the Compliance Checklist, law, government rules and regulations, and business agreement for all departments to comply with.
2. Preparing, no later than 15 January each year, the annual assessment plan according to the applicable laws, regulations, Code of Conduct, and anti-corruption measures.
3. Investigating, monitoring and assessing to determine full compliancy.
4. Assessing risk incurred as a result of the amended laws and regulations affecting the operational practices of the Company, seeking alternatives to avoid possible negative impacts.
5. Cooperating with responsible unit for alternatives and preventive measures, and presenting the results to concerned units.
6. Monitoring, reviewing and amending legal information and other related information inducing negative impact, assessing risk and other obstacles affecting the Company.
7. Concluding the aforesaid assessments, presenting the assessment findings at the executive meeting on a quarterly basis for acknowledgement and consideration prior to submitting to the Company's Board.

**The Company's Anti-corruption goal and operational plan** (2018-2022) is implemented continuously through the provision of superintendence and communication campaign as well as training for the Company's all personnel of every level concerning the policy guidelines as defined in the Code of Ethics and Work Performance Guidelines Handbook.

The Risk Management Committee conducts the assessment on risk management of corruption taking into account risk factors, impacts, probability, severity, and risk level as well as controlling measures and responsible unit for precaution. In 2019, the Risk Management Committee reviewed and assessed corruption risks through operational processes as follows.

<b>Process</b>	<b>Possible Risk Factors on Corruption</b>	<b>Risk Level</b>
<b>1. License applications and extension</b>	<ul style="list-style-type: none"> <li>• Tea money to expedite the process</li> <li>• Bribery</li> </ul>	<p>(Level 2)</p> <p><b>Acceptable risk, no additional risk control and management required</b></p>
<b>2. Marketing and Sale</b>	<ul style="list-style-type: none"> <li>• Privilege in the auction process</li> <li>• Terms of agreement to benefit the Company</li> </ul>	<p>(Level 6)</p> <p><b>Acceptable risk with controlling measure in place to prevent unacceptable risk</b></p>
<b>3. Procurement</b>	<ul style="list-style-type: none"> <li>• procurement of goods/raw materials not meet required specification, or exceed the demand; authorized personnel demand for benefits which induce unnecessary cost on the Company</li> </ul>	<p>(Level 6)</p>
<b>4. Logistics</b>	<ul style="list-style-type: none"> <li>• Violation of traffic law e.g. drive at speed exceeding the limit as provided by law, overloading, benefit offered to personnel in charge</li> </ul>	<p>(Level 6)</p>
<b>5. Recruitment and Employment</b>	<ul style="list-style-type: none"> <li>• Benefit given to personnel as bribery to get away from being caught with misconduct or illegal acts</li> </ul>	<p>(Level 2)</p>
<b>6. Environmental Monitoring</b>	<ul style="list-style-type: none"> <li>• Benefits offered by the Company's employee to responsible personnel as bribery to get away from being caught with a noncompliance action</li> </ul>	<p>(Level 4)</p> <p><b>Acceptable risk with controlling measure in place to prevent unacceptable risk</b></p>
<b>7. Taxation</b>	<ul style="list-style-type: none"> <li>• Benefit offered by Company's personnel to officer as bribery for tax refund by mean of creative accounting.</li> </ul>	<p>(Level 4)</p>

The Compliance Unit has been established as responsible unit to monitor and assess the compliancy in this regard. **In 2019, neither report nor wrongful act of corruption relating to the Company has been found.**

**Siam Steel Service Center Public Company Limited**

# **SSSC ANTI CORRUPTION**



**SSSC'S COALITION AGAINST CORRUPTION**

**Siam Steel Service Center Public Company Limited**