



# **Policy and Procedure on Anti-Corruption**

Version : 7<sup>th</sup> Revision  
Date : 25 June 2021

## 1. Introduction

The Bank refuses any acts of corruption that may occur in businesses and transactions in any countries and relevant work units. To fulfill that intention, it has put in place an anti-corruption policy which determines the thorough procedures on anti-corruption for compliance. Besides, regular reviews on operational procedures will be made to ensure their consistency with the changing laws and regulations, business natures and economic situation, and to retain the Bank's good reputation as well as business transparency. All directors and employees of the Bank as well as the subsidiaries in the financial business group shall comply with this policy.

## 2. Objective

This policy aims for all directors and employees of the Bank and the subsidiaries in the financial business group to comply with the anti-corruption measures, and, at the same time, review their practices, responsibility structures, risk management, internal control and examination systems in a bid to prevent internal frauds.

## 3. Policy ownership

This policy is a property of the Bank, any contents of which shall not be disclosed to the outsiders or copied in any formats without prior consent from Head of CIMB Thai's Office of the President.

## 4. Definitions

**Corruption** refers to a unlawful seeking of benefits whether by means of offering, promising, soliciting, demanding, giving or accepting bribes, or giving gifts of any other properties or benefits, either cash, thing in lieu of cash, or service, or an act or behavior that implies corruption that is committed with government official or agency or between private agencies or with any person doing a business with the Bank, either directly or indirectly, in order for that person to perform or abstain from performing a duty to acquire or retain any other business benefits that are improper, unless it is allowed by local laws, regulations, traditions or business customs.

**Trading partner** refers to a supplier of goods and services to the Bank.

**Stakeholder** refers to a related person, e.g. shareholder, employee, customer, trading partner, debtor, business rival, government agency, and any other organization in the society.

**Customer** refers to a user of and a person who contacts for using the Bank's service.

**Facilitation payments** refer to a small amount of money unofficially paid to a government official to ensure that he/she will take action under the prevailing process, or to accelerate the process, while that process, in fact, needs no discretion of his/hers, and it is regarded as his duty to perform. Besides, it is the legal right for an entity to obtain, e.g. requests for permits or certificates, or receipt of public services.

**Employment of government official (revolving door)** refers to engaging a person who is or has ever been a government official, namely civil servant; political position holder; government official; official of local government organization who holds a position or earns fixed salary; employee or person working in a state enterprise or government agency; local administration executive and member of local council who does not hold a political position; officer pursuant to the local administration law, including a member of committee or sub-committee, advisor and employee of a government unit, state enterprise or government agency; and person or group of persons who exercises or is designated to exercise the government administration power to perform any particular act as allowed by the law, regardless of whether it is established by the government as a government agency, state enterprise or other types of business.

**Bribe** refers to money, asset, gift or other benefits given in order for a person to act or abstain from an act as desired by a bribe giver. It includes an act in any form to offer, promise, give, accept, or demand that brings about benefits in different forms, which motivates a person to act against the laws or his/her duty and responsibility.

**Donation** refers to giving or receiving money or any other benefits with no expecting of return, by a person or entity or through an entity for charity and/or support of any particular event. Donation can be in various forms, including giving cash, services, or new or used items, such as clothing, toys, food and vehicles. It also means provision of emergency supplies, rescue, humanitarian aid, support, assistance, development, or necessary medical care items.

**Political contributions** refer to financial assistance in any form, either directly or indirectly, in support of political activities, such as provision of loans, provision of items or services, advertising in support of any political party, funds raising, or donation of proceeds for participation in activities of the organizations.

## **5. Anti-Corruption Policy**

- 5.1 The Bank has a policy to operate businesses with integrity, transparency and ethics. It emphasizes the importance of all directors and staff having mutual attitudes to countering, resolving and being accountable for the corruption issue, and encourages all directors and employees to have common knowledge and understanding and work with integrity and in accordance with the Bank's Corporate Governance Policy and Code of Ethics and Conduct.
- 5.2 The Bank totally refuses any acts of corruption. It is determined to operate businesses like a professional with justice and integrity. Executives and staff are banned from demanding, making or accepting corruption acts for the sake of the Bank or themselves or their family, friends or acquaintances. The Bank is determined to formulate and implement efficient measures to oppose corruption that can be subject to legal penalties.

- 5.3 The Bank will cooperate and support external agencies in preventing and suppressing fraudulent acts, by encouraging its directors and employees' involvement in monitoring and examining frauds and developing an examination system and mechanism to ensure the control and check and balance that are proper, clear and efficient, as well as the employees' compliance with the laws relating to anti-corruption applicable in the areas of operation and business operation.
- 5.4 The Bank has standardized work systems and methods of investigation, interrogation and consideration of the case to ensure efficient operational procedures.

## **6. Scope of the policy**

- 6.1 This policy is applicable to all levels of the Bank's directors, advisors and workers, from contract-based routine workers, either under fixed term or temporary contract, to advisors, trainees, those sent to work somewhere else for temporary or those working abroad, temporary employees, representatives, supporters or any other relevant persons.
- 6.2 Compliance with this policy is regarded as one of the employment conditions for all employees.
- 6.3 The Bank will abide by the anti-corruption laws applicable in any areas in which it has business operation. In case of any conflict of interest or any discrepancies that contradict the Bank's policies or any relevant laws and regulations, the stricter rules and regulations shall be complied with.
- 6.4 This policy is also applicable to the subsidiaries in the financial business group, who shall develop their own anti-corruption policies.

## **7. Examples of acts regarded as bribery**

### Offering a bribe

The employee offered a ticket for an important match to a person who can be a customer, provided that he/she must accept a business deal with the Bank. This act is regarded as an offence, because it is an offer aimed at making a trading and contractual appointment. The Bank may also be considered committing an offence because the offer was made to acquire a business.

### Accepting a bribe

The manufacturer offered a job to the employee's relative, and requested that employee to abuse power making the Bank continue its business relationship with it. That offer of the manufacturer was considered an offence, and the employee's acceptance of the offer was a fraud as it is done for his/her own benefit.

### Giving a bribe to an official

The employee gave an extra pay to an official to accelerate the process, e.g. custom clearance of the Bank's product. It was considered an offence of giving a bribe to an official right after the offer was made as it aimed for the Bank's business benefit. And the Bank may also be considered committing an offence.

## **8. Roles, duties and responsibilities**

- 8.1 **The Board of Directors** has a duty and responsibility to approve this Policy and Procedure on Anti-Corruption, and oversee regular reviews of the Policy and Procedure. It should ensure that availability of the Bank's measures to support anti-corruption and its implementation within the organization.
- 8.2 **The Audit Committee** has a duty and responsibility to review and ensure that systems on financial and accounting reporting, internal control, internal audit and risk management meet international standards and are tight, proper, up-to-date and efficient.
- 8.3 **Management Committee**, which consists of heads and senior executives of different work units, has a duty and responsibility to establish a policy on anti-corruption, as well as review, examine, update and propose it to the Board of Directors for approval on an annual basis. It shall also ensure a timely renewal of a member of Private Sector Collective Action Coalition Against Corruption (CAC) within the specified timeframe, and that the policy is communicated to employees at all levels for acknowledgment and compliance. The Management Committee will take necessary actions to assure the Bank has in place the best practices on anti-corruption and relevant measures are implemented within the organization.
- 8.4 **Supervisors of all levels** shall ensure that their staff members are aware of and understand this policy and obtain adequate and regular training sessions.
- 8.5 **All employees** must sign on the Acknowledgment and Compliance Form (as attached), which shall be submitted to Human Resources Management Division to assure that every staff member acknowledge, understand and will put the policy into practice.

## **9. Facilitation fee and bribe**

- 9.1 The Bank has a policy not to pay and accept a facilitation fee or "bribe".
- 9.2 If the employee receives a request to make a payment on behalf of the Bank, he/she should be cautious and consider the purpose of such payment and whether the payment amount is reasonable for those goods or services. The employee should also request a receipt that describes a purpose of payment. If having any enquiries, concerns or questions relating to such payment, he/she should report it to the supervisor.
- 9.3 Bribery is a payment in return of any business aiding or benefit. Employees shall avoid any activities that may lead to or convey that the Bank pays or accepts a facilitation fee or a bribe.

## **10. Employment of government official**

- 10.1 Before engaging a government official as a director or an employee in any position of the Bank or the subsidiaries in the financial business group, such person must be vacated from a government position, to prevent any means to use such employment in exchange for gaining a benefit, which may lead to a risk of fraud, corruption, conflict of interest, unfair government supervision or government favor.

10.2 In case of employing a person who has ever been a government official to be a director or an employee in any position of the Bank or the subsidiaries in the financial business group, the Bank must check his/her profile to find any possible conflict of interest prior to an appointment.

10.3 In the event that an employee of the Bank or the subsidiaries in the financial business group wishes to perform a policy-related work in the public sector, he/she must vacate from being employed as an employee of the Bank or the subsidiaries in the financial business group first, to prevent possible unlawful favor granting to the entity.

## **11. Political contributions**

11.1 The Bank has no policy to make political contributions or to have close connections with any political party in a manner deemed as a quid pro quo and wrongful.

11.2 The Bank does not support the employees' participation in political activities with permission for them to take paid leave or represent the Bank in political activities. However, the Bank respects the rights of employees to be engaged in political activities subject to the applicable laws and provided that such participation is done in the way not viewed as connected with their position in the Bank and does not involve the use of the time or resources of the Bank.

## **12. Donation**

12.1 Donation to be made or received by the Bank must be proper and transparent in accordance with morality, norm and relevant laws, and be assured of no use as a means of bribery.

12.2 Employees shall not offer or make any donation before getting approval from their supervisors under the line of command or as per the Bank's DA.

## **13. Measures**

13.1 All directors and employees have duty to comply with Policy and Procedure on Anti-Corruption, Corporate Governance Policy, Code of Ethics and Conduct and Staff Handbook, and shall not be involved with or accept any kind of corruption directly or indirectly.

13.2 The Bank has internal control systems covering finance, accounting, data storage and other internal processes related to anti-corruption measures. It also has in place the examination of internal systems covering the Bank's businesses.

13.3 The Bank has specified the scope of duty and credit limit approval authority of each management level clearly and in writing which is approved by the Board of Directors. The Bank also formulated the SOP re: Scope of Duty and Credit Limit Approval Authority of Each Management Level. In addition, the revision is conducted regularly to ensure the appropriateness and alignment with the Bank's organization structure and management.

#### **14. Record storage**

- 14.1 Financial records (including related evidence) shall be stored and have proper internal control method so that they can be used as evidence showing the business rationale for accepting/giving money or gift from/to the third party.
- 14.2 Employees shall ensure that any reimbursement of relevant expenses occurred with the third party is in line with the payment approval authority prescribed in the Bank's DA, especially the clarification of rationale behind such expenses.
- 14.3 The preparation and storage of accounts, invoices, records, other documents and evidence related to the contact with the third party and the person with business contact shall be made correctly and completely.
- 14.4 There shall be no transaction stored outside the account or not put in the account for the purpose of convenience, or concealment of improper payment.

#### **15. Human resources**

- 15.1 The Bank will apply the Policy to be part of personnel management regarding nomination, training, performance assessment, remuneration and promotion. The new employees will be informed and asked to sign acknowledging the Policy to ensure they understand the importance of policy compliance.
- 15.2 The Bank has organizational structure that separates functions having chance of fraud from each other. The authority and levels of approval are properly determined for check and balance. In addition, actions are taken to ensure that there are resources and personnel with sufficient and appropriate skills for applying the Policy.

#### **16. Communication**

- 16.1 The Policy is communicated to the employees. In addition, channels are provided for internal whistle-blowing, complaints or suggestion via, for example, Sync-Up and orientation course. In addition, the employees are requested to sign the Acknowledgement and Compliance Form of the Policy to ensure they have sufficient understanding for measure implementation.
- 16.2 Before and after starting business relationship (as deemed appropriate), the Bank communicates with the public and stakeholders about the Policy, and channels for whistle-blowing, complaints or suggestion via, for example, the Bank's website and annual report, for the related persons' acknowledgement.
- 16.3 The Bank communicates with the sellers/ vendors and service providers through CIMB eProcurement Portal System of CIMB Group to be aware of our commitment to operate businesses in line with the code of ethics, and that the Bank will refuse all acts regarded as bribery and corruption.

## **17. Whistle-blowing on fraud or complaints**

The Board of Directors has put in place channels to receive report on suspicious fraud incidents or behaviors and encouraged the employees to report such conduct as soon as possible. When the employees and stakeholders believe or suspect that such conduct may violate the Policy or there may be fraud in the future, they can report via the following channels:

- If an employee finds corruption in the Bank or the employee is unsure whether such conduct is considered corruption, he/she can report, seek advice or recommendation by sending e-mail to [internalfraud@cimbthai.com](mailto:internalfraud@cimbthai.com) or Fraud Control and Investigation, Compliance.
- A stakeholder who finds illegal conduct, fraud or action against this Policy can report to the Chairman, the Audit Committee Chairman, or the President and Chief Executive Officer:

Address: CIMB Thai Bank Plc.

44, 21<sup>st</sup> Floor, Langsuan Road, Lumpini, Parumwan, Bangkok 10330

E-mail: [chairman@cimbthai.com](mailto:chairman@cimbthai.com), [ac\\_chairman@cimbthai.com](mailto:ac_chairman@cimbthai.com) or [ceo@cimbthai.com](mailto:ceo@cimbthai.com)

Tel. 02 626 7000 or 02 638 8000

Fax: 02 657 3399

- The whistleblower shall provide real name and surname, address and phone number or e-mail address as well as the name of persons or the incident in question to show that the whistle-blowing is made with sincerity, without intention to defame or cause damage to the Bank or other persons.
- The Bank will investigate without disclosing the whistleblower or the complainant's names to protect them from any impact. The Bank will proceed with the investigation process and procedure as prescribed by the Bank's regulations and make record in writing. The whistleblowing/complaint information will be kept confidential and can be accessed by only related persons.
- General enquiries such as the Bank's working hours, interest rate or general information are not complaints. These enquiries will be passed to responsible work units to reply to the enquirer.

## **18. Protection**

18.1 The Bank aims to encourage and provide channels for the employees to report fraud incident as per the Policy, although it is found later that the whistleblowing was made from misunderstanding. At the same time, the Bank does not have policy to demote, punish or cause negative impact to the employee who rejects corruption even though such rejection will cause the Bank to lose business opportunity.

18.2 The Bank confirms that no employee will be disadvantaged for rejecting to be involved with corruption and for reporting with good intention of suspicious bribery or fraud happening or may happen in the future.



18.3 If an employee deems he/she receives negative treatments such as dismissal, disciplinary action, threat, agreement cancellation or other unpleasant treatment due to the employee's whistle-blowing, he/she shall immediately inform the Head of Group/Division/Department or supervisor under the line of command.

## **19. Violation and penalty**

All directors and employees shall comply with the Policy and shall not be involved with corruption directly or indirectly. Those being involved with or making corruption-related misconduct, either a director or employee, shall be brought into disciplinary action process as prescribed by the Bank's regulations with possible result of dismissal, and legal penalties if such misconduct violates the law.

The Bank reserves the rights to review agreements or terminate contract relationship with clients, trading partners or stakeholders if the Bank finds that they are involved or make misconduct against the Policy.

## **20. Related policies**

The directors and employees should read and understand this Policy as well as other policies and handbooks as follows:

- Corporate Governance Policy
- Policy and Procedure on Giving and Acceptance of Gifts and Entertainment
- Code of Ethics and Conduct
- CIMBTHAI Regulations

## **21. Monitoring and examination**

21.1 It is the duty and responsibility of all directors and employees to acknowledge, understand and strictly comply with the Policy. In case of any violation or action against the Policy, the Bank shall proceed with appropriate measures.

21.2 Executives of all levels shall monitor and be responsible to ensure that their subordinates strictly comply with the Policy.

21.3 In case of enquiries about compliance with the Policy, the enquirer can ask his/her supervisor or seek advice from Office of the President.

21.4 This policy is to be reviewed, examined and updated by Office of the President before reporting to the Board of Directors every year, to ensure that the policy remains current and meets the CIMBT's business and operational requirements that may change and lead to a risk of fraud and corruption.

**Note** This Policy is pursuant to the Personal Data Protection Act, B.E. 2562. It should thus be considered together with such Act and the Bank's Personal Data Protection Policy.

## Acknowledgement and Compliance Form

I acknowledge, understand and strictly comply with the Policy and Procedure on Anti-Corruption.

Signature: .....  
(.....)  
Corporate Title: .....  
Date: ...../...../.....

Please submit this form to Human Resources.