

# **Business Ethics**

**Of**



**Samart Telcoms Public Co., Ltd.**

(The Updated Version has been reviewed by the Board of Directors of the Company on November 9, 2023)

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## Messages from the Chairman

Samart Telcoms is conducting the business with great awareness in ethical and moral issues. The Company distributed handbooks concerning business ethics for all members of the Board of Directors, managerial team and employees of the Company and subsidiaries in 2005 and have been revised continuously. The handbook serves as a guideline for everyone to continue his/her duty with honesty, integrity, morality, and of course, highest quality. It also reminds the Company to bring fair treatment in accordance with legal restrictions, to maximize shareholder value, and to prevent plausible conflicts of interest. Samart Telcoms strongly believes that the propensity to apply ethical practices to the organization will certainly enhance growth within the Company and acceleration of societal progress and country's economy.

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(General Sumpun Bunyanun)  
Chairman

## **Conflicts of Interest**

To prevent conflicts of interest, the Company has drawn out guidelines for directors and employees to follow.

1. Avoid all actions that may cause conflicts of interest with the Company;
2. In case that directors or employees commit any action related to the Company, the particular director and employee will be treated like an outsider, and will play no part in decision-making process;
3. Refuse to use Company's information obtained in their posts for an opportunity to derive personal benefits by creating rivalry with the Company or involving in related businesses;
4. Refuse to use Company's information for securities purchase for personal benefits or to leak Company's information to outsiders for their benefits. Any trading of the Company's securities within 1 month prior to disclosure of either the Company's financial performance or any other information that may affect securities' price is prohibited.
5. Refuse to reveal Company's classified information (e.g. electronic information, financial situation, work's plans, business information and Company's future plans) during and after their posts.

If the conflict of interest is happened, the Audit Committee will consider and propose to inform the Board of Directors about conflict of interest and connected transaction. The Board of Directors should consider carefully and comply with the Securities and Exchange Act. Despite price and condition will be accounted like an outsider (Arm's Length Basis) and disclosed the detail, size, partner of contract, and reason in the Annual Registration Statement / Annual Report (Form 56-1 One Report) as well as notes to financial statements for consideration of connected transaction. The directors who may have conflict of interest will not participate and attend in any agenda that they have conflict of interest in both board and shareholder meeting.

## **Responsibilities to shareholder**

The Company upholds a principle to treat every shareholder without any discrimination.

1. Operate all business affairs with moral conducts. All decisions are carefully made with fullest attention to accomplish fair deal and maximum benefit to every shareholder;
2. Monitor and operate to ensure that appropriate transactions from financial management to administrative strategies are properly carried out to protect and raise benefit for shareholders;
3. Determine to maintain sustainable growth and stability of the Company, thus all shareholders can enjoy long-lasting benefits due to Company's superb performance and its efficiency and effectiveness in delivering all tasks;
4. Respect shareholder's right to information for evaluation purposes. Oblige to truthfully reveal annual income, financial status with other supporting documents with accuracy. Such practice is mandated by the Stock Exchange of Thailand and Office of Securities and Exchange Commission.

## **Employee policies**

The Company highly regards all of the employees as invaluable resources and indispensable factor that propel the Company to meet all objectives and future successes. Henceforth, the Company is responsible to provide just opportunity, reasonable remuneration, promotion, appointment, transfer and development of potential by:

1. Treat every employee with respect to his/her right, honor and privacy;
2. Maintain working atmosphere that is conducive to promote better safety for their lives and properties;
3. Promoting, transferring, awarding and punishing, of employees are conducted with sincerity, and based on each employee's knowledge, effort, and appropriateness;
4. Pay importance on developing skills and potential of employees by constantly organizing various activities, for instance, seminars, training, and handing out scholarships for employees;
5. Avoid all unfair actions that may cause instability of employee's position;
6. Propose reasonable remuneration packages according to market situations, business competitions, job descriptions, work qualities including assessment of company's performance on short term and long term based on Company's capability to pay for that remuneration packages;
7. Provide the appropriate compensation such as medical fee, life insurance, annual checkup, reserve allowance fund, accommodation, subvention in case death of employees or employees' family, bus, fitness, and discount for the Company's products.
8. Provide opportunities for employees to express opinions and file complaints related to their jobs. Those suggestions and complaints will be seriously taken into consideration for formulating solutions. This important policy is meant to draw benefits to all parties and spawn camaraderie in the office.

### **Policies on the safety of life and health of employees**

The Company emphasizes on the safety of life and health of employees as the following policies:

1. The Company is committed to developing and creating safety and health of employees in accordance with the requirements of the law.
2. The Company will perform all necessary measures to ensure the safety of life and health of employees.
3. The Company seeks to control and prevent losses caused by fire, accidents and illness from working and maintain a safe working environment for employees as well as promoting and raising awareness of health care workers.
4. The Company will support adequate and appropriate resources in accordance with the requirements of the law and commit to develop human resources with knowledge and awareness of safety and health of employees.
5. The Company is aware that a safety and health of employees is very important, it was the duties and responsibilities of executive, supervisors at all levels and employee to comply with the rules and the requirements of the law.

### **Ethics of the Employees**

The Company trained and informed the prudent operating guidelines standards with regards to good manner and ethics of the employees via the orientation of the new employees, Employee Manual and HR website ([www.samarthre.com](http://www.samarthre.com)). Such ethics have been written in the working regulations of the Company for the employee's adherence as follows:

1. The employees must respect and comply with the rules and regulations specified by the Company.
2. The employees must respect and comply with the legally orders and recommendations of their superior as well as the persons designated by the Company.

3. The employees must devote themselves and perform their duties and the assigned works with their utmost competency.
4. The employees must protect the Company's benefits.
5. The employees must work on time and on regular basis.
6. The employees must perform the work with integrity.
7. The employees must have good disciplines as well as good morality.

### **Customer policies**

The Company strongly believes in building confidence and bringing satisfaction to all of the customers. Since their trusts are critical to our business, the Company promotes the following policies:

1. Determine to provide and produce commodities and services that are trendy to satiate customers' needs;
2. Provide high-quality products and services at reasonable price;
3. Provide accurate information without any exaggeration that may cause misunderstandings on product's quality and quantity, or special conditions for each product and service;
4. Formulate procedures that permit customers to inform about drawbacks of the products or improper services, because those complaints are valuable for the Company to come up with immediate remedy and improvement for problematic products and services;
5. Provide effective after-sale services for customer's convenience;
6. Guard all customers' information as top secret and refuse to use them for personal benefits;
7. Support all activities that will strengthen, as well as maintain, lasting and healthy relationship between Company and customer.

### **Trade partners policies**

The Company must instigate fair treatment and mutual benefits to all trade partners because they are essential in contributing success to the Company. The Company has duty to:

1. Systematically provide products and services with the highest standard under these principles:
  - Must clearly specify conditions and regulations about purchase, hire and other related procedures;
  - Must compete based on congruent information;
  - Must have clear-cut rules in evaluation and selection of trade partners;
  - Must formulate fair agreements with trade partners, proceed as trading condition, contract and treat all related partner fairly;
  - Must provide systematic operating and monitoring processes to ensure that all conditions stated in the agreement are strictly followed, and at the same time, to prevent corrupt practices that may occur during each process;
  - All payments for business partners must be issued with punctuality and accuracy according to all conditions stated in the agreements;
2. Develop and maintain good relationship between all partners with trust and confidence, keep in touch with customer in order to share each other opinion;
3. Refuse to accept any personal benefit offered by partners;
4. Refuse to fabricate or falsify information that will cause misunderstandings to partners;
5. Do not deal business with partner who may be involved in illegal and immoral activities;

6. Avoid purchase product and/or services with business partner which violates human rights or intellectual property and monitor the news to check whether any partner violates human rights or intellectual property rights. If it found that any partner has such behavior, the Company shall not purchase the product and/or service from such partner who is deemed to have an illegal behavior;
7. Do not disclose any partner's information except getting consent from that partner.

### **Creditors policies**

The Company sticks to operate the business principled and orderly for reliance of creditors. The Company has duty to:

1. To strictly abide by any contract, engagement and condition stated in any contract entered into with creditors straightforwardly, transparently and fairly;
2. In case the company could not follow the covenanted condition or it is likely default payment or there are any financial problem, the Company will foregone notify to creditors for solving problem;
3. To set up financial mitigation plans that consider all stakeholder rights including creditor rights and also monitor management's handling of financial risk. Management must regular report to Executive committee;
4. To consider and actions to improve the company's financial position are reasonable and made for a proper purpose.

### **Counterpart / Competitor policies**

The Company conducts all business affairs under just rules and competitions, support free trading by holding the following principles:

1. Refuse to search for rivals' secret information by all means, dishonestly or inappropriately;
2. Refuse to ruin counterparts/ Competitors' reputations by accusing them of wrongful actions;
3. Refuse to violate intellectual property rights of business' counterparts /Competitor;
4. Not intervene or have a secret transaction that give negative impact to competitor and give benefit to the Company.

### **Anti-Corruption policy**

The Company conducts all business affairs under principles of good corporate governance. Anti-Corruption Policy is set to prevent all corruptions that may arise from operating activities and contacts with stakeholders which the directors, executives and employees of the company , its subsidiaries and associated companies must strictly adherence as follows;

#### **1. Political neutrality and political assistance**

The Company is a politically neutral business entity that supports lawful operations and democratic form of government with the King as Head of State. Directors, Executives, and Employees enjoy their political rights and freedom under the law. However, they must not deprive Company of neutrality and compromise it though their involvement in politics or use its resources to do so.

## **2. Donation for charity and support fund**

The Company supports community and social development to upgrade the quality of life, enhance the economy, and strengthen communities and society through business processes or donation for charity used for public charity only. Moreover, the support fund for Company's business must have a clear proof of documents in compliance with the Company's regulations.

## **3. Receiving and giving present, property or other benefits policies**

Receiving or giving any benefits as tradition and morality to express gratitude or maintaining business relation as usual should be done with appropriateness. The Company will not encourage or expect the receiving person to ignore his/her duty and/or return favor from giving inappropriate present, property or other benefits with the following practices:

1. Receiving and giving property or other benefits that could improperly influence decision making;
  - The employee of company shall not receive or give money, property, merchandise or any benefits involving anyone whose intention is to persuade the employee to commit or omit anything contrary to duty.
  - Receiving present or property shall be compliance with morals, and shall not be illegal as well as such gift or property shall not be illegal.
  - Paying for business expenses such as meals and other forms of hospitality that are directly connected to performance of business commitments is acceptable, but such expenses must be reasonable.
  - Giving present, property or other benefits to government officer in Thailand and other countries must be sure that it shall not against the law and local tradition.
2. Receiving or giving present and the memento:
  - Before receiving or giving present or memento, should make sure that such an action does not violate the law and the Company's regulations. Gifts exchanged in the normal course of business should be inexpensive and appropriate to the occasion.
  - Avoid receiving or giving present or memento that could unfairly influence a decision in the performance of one's duties. If it is necessary to receive a gift of unusually high value from someone doing business with the Company, report the matter to the superior.
  - Keep records of expenses as evidence of the value of present or memento given, so that can be examined later.
  - If the employee has been assigned or permitted by the superior to assist an outside agency, the employee may receive money, item, or present according to the guidelines or standards that agency has set.
3. Transactions with the government sector:
  - Conduct properly and honestly when in contact with government officials or agencies.
  - Always remember that the laws, rules, and customs of each place may have diverse conditions, procedures, or methods of proceeding.
  - Comply with the laws of each country or locality in matters pertaining to hiring government employees as consultants or employees of the Company. Such hiring must be transparent and appropriate.



## **Guidelines to perform of anti-corruption**

### **1. The process of risk assessment and risk management.**

In the aspect of risk management, the Company has an internal audit unit to check the operation in all company's units following the risks topic of each company including the risk of corruption to ensure that all units must have appropriate internal control systems both Preventive Control and Detective Control. In case internal control of any unit is found that it is inadequate or fraud, a report of inspection results will be presented to the Audit Committee and the executive with guidelines for the prevention and the improved internal control system.

### **2. Protection**

To ensure an adequate compensation to employees, aim to make awareness and do not lead to corruption, the Company's Human Resources will collect the results of the compensation survey of the prestigious institutions both in Thailand and abroad in each year to adjust wages, including the exchange of information with the other company's human resources in telecommunications and computers into consideration for employee's compensation.

### **3. Training and Communication**

Supporting best practices for anti-corruption policy by providing a training course to all employees and to promote honesty and guidelines for code of conduct to the company's employees including the company's business ethics through new employee orientation. All employees can access all related information in HR Website ([www.samarthre.com](http://www.samarthre.com)).

### **4. Reporting Channels**

In order to oversee the implementation of anti-corruption policy, the Company encourages its employees and all stakeholders to report the violation of Company's policies and unfair practices by providing the channels for stakeholders to inform any actions which are against the corporate governance principle, ethics, rules and regulations of the Company, laws or any action which may cause damage to the Company to the Internal Audit Department by direct mail or E-mail as informed at the Company's website ([www.samtel.com](http://www.samtel.com)). The Internal Audit Department will inspect and analyze the information according to the procedures and methods on "Notifying the information on misconduct and the protection of the informant". The Company shall protect the informant or whistle-blower by not disclosing the name of the informant or whistle-blower to any person.

### **5. Regulatory and monitoring of the implementation of the policy.**

Internal audit unit will make an audit report of fraud found in the past year and report to the Audit Committee annually with problems and suggest solutions.

## **Penalties**

For any actions that violate this policy whether directly or indirectly will be considered disciplinary in accordance with the rules set by the company including legal penalties, If it is a violation of the law as well.

## **Money Laundering policy**

The Company realizes the importance of and adherence to criteria and law relating to anti-money laundering. The Company will strictly adhere to the laws and regulations and Anti-Money Laundering Act B.E.2542 including its amendments.

## **Tax policy**

The Company's tax practices shall be fully and correctly pursuant to the laws as follows:

1. Tax planning and management by paying tax correctly and completely as per specified by the laws.
2. Remit tax within the period of time specified by the law.
3. Conduct risk assessment which may impact to tax payment correctively.

## **Sustainability Development Policy**

The Company recognizes to the sustainable development of business that it has to develop together with realize to social and environment responsibilities and corporate governance. The Company defines the sustainability management policy and goals as follows:

1. Commit to, on the basis of, developing business under good governance with risk management and response to changes, sustainable value chain management, suitable responses to all stakeholders, value creation and innovation in products and services, and business opportunity seeking for sustainable growth;
2. Commit to conducting business operations with responsibility to consumers, community, and society; respecting human rights; fair treatment to labors; concentration on knowledge and competency development for employees; prioritizing health and safety for people in every segment of business value chain;
3. Prioritize reduction of environment impacts, emphasize on wise use of resources with value appreciation, encourage development and deployment of eco-friendly solutions and technologies, and cultivate consciousness of environmental conservation to employees and all stakeholders.

### **• Responsibility to society as a whole**

The Company recognizes that it can survive and grow in a society that is vigorous and prosperous. Therefore to bring about societal progress, the Company has policies to:

1. Participate in societal improvements with financial support to all activities that aim to maintain beneficial cultures, customs and rituals. Moreover, the Company will involve in religious activities regularly;
2. Support educational activities, vocational development, athletic ability as well as sanction for outreach people;
3. Support and aid society and community, and also always aid sufferer.

### **• Responsibility to community**

The Company has defined the scopes and practices on strengthening the closed relationship with surrounding and nearby communities as follows:

1. Strengthen good relationship with the organizations, both from public and private sectors, as well as the community leaders in various levels so that the works for community development can be harmoniously coordinated on sustainable and concrete basis;
2. To provide the buildings, materials including funds to oversee the livelihood condition and safety of the communities, for instance the construction of bus shelter in front of the Company's office building, donation of rain coats and reflective coats to the traffic police in the areas of Pakkred Local Police Station and Pak Klong Rangsit Local Police Station,

- support the learning materials and sport equipment to the schools in nearby areas, restoration of the temples and donation of money to the poor in the communities;
3. To raise funds and supply the necessities to help the disaster victims, for instance provision of boats to the government agencies to be used for facilitating the people who were suffered from the flood;
  4. To cultivate consciousness to the Company's employees on responsibility to the society, community and environment via media and internal activities continually.

- **Responsibility to environment**

The Company recognizes the importance to operate the business by considering environmental protection and using resources wisely and knowing their value as well as developing and introducing technology that is beneficial to the environment. The Company has supported various environmental projects and raising awareness among employees seriously and continuously to create participation in sustainable environmental stewardship. Therefore, the Company set the environmental policy for affiliated companies to adhere to and comply with as follows:

1. Policy for managing the use of resources with the most value and benefit covered the use of water supply, electricity, office equipment and vehicle fuel, etc.
2. Policy for the development of technology products and services to promote sustainable conservation of natural resources and the environment.
3. Policy for cultivating environmental sustainability awareness among employees and stakeholders of the Company's value chain through media and activities continuously.

### **Human Rights policy**

The Company adheres and follows with human rights policy in business operations in accordance with the Universal Declaration of Human Rights ("UDHR") to ensure that the Company's operations are free from human rights violation. The Company deems it appropriate to formulate policies and guidelines to prevent human rights violation in all business activities of the Company including business partner in business value chain and business associates are aware of the policies in the same principles and practices as follows:

#### **1. Employees treatment with equality**

- The Company treats employees with equality and non-discrimination regardless of race, nationality, language, religion, sex, age and education.
- The Company do not support or affiliated ourselves with child labor—under the legal age or forced labor within the Company or our supply chain.
- The employees show respect and acceptance of others, and act appropriate with job as the Company's regulation and tradition without disgrace to the image of the Company.
- The Company gives employees the opportunities to demonstrate their full abilities by determining appropriate compensation in accordance with the Company's regulation. The Company also provides employees with the opportunities for self-improvement such as higher education, short-term and long-term training.
- Employee assessment will be assessed purely on merit and the process must be done in proper and unbiased method.

- When performing the work, the employees must avoid from comments in regard to difference of physical, mental, race, nationality, language, religion, sex, age, education or any matters that could lead to cause conflict.
- The employees should monitor and reinforce the working environment free from discrimination and injustice.
- The employees show respect and tolerance for each other's opinions.

## **2. Equal treatment and indiscrimination of the Company's stakeholders**

The Company conducts business activities which will not affect both directly and indirectly on human rights of the Company's stakeholders such as employees, communities, suppliers, business partners, customers and treat them equally without discrimination.

## **3. Human Rights Risk and Impact Assessment**

The Company shall continuously develop and conduct human rights management due diligence process to identify human rights risks and impacts and potentially affected stakeholders in order to plan for corrective and preventive actions as well as provide appropriate mitigation plan towards affected groups.

## **4. Suggestions and complaints of human rights violation.**

In order to encourage knowledge, understanding of human rights code of conduct, as well as allowing employees and stakeholders to have a channel of voicing their concerns and comments. Employees and stakeholders can send mail or emails toward the Company's website ([www.samtel.com](http://www.samtel.com)) under "Contact Us" in case there are incidents or misconduct or violations of human rights.

## **5. Monitor and follow up**

The Company shall monitor and follow up on the process of human rights violation management in accordance with the Company's guideline as well as supporting and mitigating the affected groups from the Company's actions.

## **6. Penalty**

Any person who violated this human rights policy are considerate violating against the Company's business ethics and shall be disciplined in accordance of the Company's regulation. In addition, violators may be penalized legal punishment if such action is illegal.

## **Operating policy on non-infringement of intellectual property or copyright**

The Company has an operating policy on non-infringement of intellectual property or copyright. The method employed by the Company regarding this matter is that all employees are required to sign their names in memorandum of understanding to not commit any computer crime and to not infringe any intellectual property. The Company has specified the policy on usage of information technology system of Samart Group of Companies and software program of the employee shall be inspected to prevent any usage of piracy software and software which is unrelated to work.

## **Suggestions and complaints**

The Board of Directors respects the importance of all stakeholders in participation of the Company's success and discloses related important information to stakeholders sufficiently and transparently. The Company provides channels for all stakeholders to send suggestions and complaints that is beneficial to the Company. Those channels consist of direct mail or E-mail as informed at the Company's website (www.samtel.com) under "**Contact Us**" with the following details:

Mailing Address: Internal Audit Department  
Samart Telcoms Public Company Limited  
99/15 Moo 4, Software Park, 21<sup>st</sup> Fl., Chaengwattana Rd.,  
Klong Gluar, Park-kred, Nontaburi 1120.

or E-mail address: Somchai.B@samtel.com

The Internal Audit Department will collect the suggestion and complain, then, inspect and analyze the information according to the procedures and methods on "Notifying the information on misconduct and the protection of the informant"

## **Procedures and methods on "Notifying the information on misconduct and the protection of the informant"**

The Company adheres to good corporate governance principles and encourages its stakeholders to examine and oversee any action which is against the corporate governance principles, ethics, rules and regulations of the Company, laws, corruption or any action which might cause damages to the Company including rights violation. If such action is found, the stakeholders can notify the clue on misconduct behavior to the Company by sending information and/or document and/or concerned evidence (as the Company's form to notify the information on misconduct) to Internal Audit Department. If the name and surname of the informant is specified, it will be more beneficial to the Company for convenience on enquiry and/or contact for more information.

### **The process of information inspection and analysis**

The Internal Audit Department is responsible for preliminary investigation of offenses, both from documentary witness and witness. If misconduct is happened, they will propose the matter to the Executive Chairman for consideration and setting up an investigation committee.

The investigation committee consists of supervisor or representative from Internal Audit Department, Legal Department, and Human Resources Department, responsible for investigating the facts, including collecting all evidences in order to know details of the damage and impact to the Company.

The investigation committee will propose the results of the investigation to the Executive Chairman to consider and proceed and then the Internal Audit Department will propose the matter to the Audit Committee for acknowledgement, respectively.

The Company shall protect the informant or whistle-blower by not disclosing the name of the informant or whistle-blower to any person.