



# **Anti-Corruption Policy**

**Delta Electronics (Thailand) Public Company Limited**

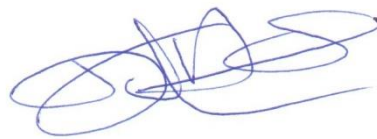
(Revised on 25 June 2016)

## Anti-Corruption Policy

Delta Electronics (Thailand) Public Company Limited is committed to conducting business with transparency and integrity. The Company regulates its policy to prohibit directors, directors of sub-committees, management, personnel and related business partners of the Company from acting or consenting, both directly and indirectly, in any form corruption. The objective of this policy is to enhance the stakeholders' confidence in the Company's operation. This Anti-Corruption Policy is formed as a concise guideline on performing business in compliance with the Company's corporate governance policy, code of conduct, regulations, procedure and related laws for sustainable development.



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(Mr. Anusorn Muttaraid)



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(Mr. Hsieh Shen-yen)

## Anti-Corruption Policy

### Objectives:

1. To ensure that there is no involvement in any form of corruption by the company's committee, subcommittees, management, personnel and related business partners on all levels.
2. To encourage the role and participation of Delta's personnel to resist, prevent and combat all forms of corruption.
3. To build confidence among internal and external stakeholders for business cooperation with integrity.

### Scope:

Relevant stakeholders in this anti-corruption policy are categorized into the two following groups;

1. **Internal parties** include directors, directors of sub-committees, management, Delta personnel of Delta Electronics (Thailand) PCL. and its subsidiaries (together called "Delta personnel or the Company's personnel")
2. **External parties** include customers, vendors or suppliers, agencies, intermediaries, contractors and consultants acting on behalf of Delta, business partners, competitors, creditors, debtors, government agencies and private entities (together called "Related business partners" )

### Definitions:

**"The Company"** means Delta Electronics (Thailand) Public Company Limited and its subsidiaries as informed in the 56-1 form annually reported to the Stock Exchange of Thailand.

**"Corruption"** means bribery in any form whether by means of offering, promising, giving, pledging, soliciting or accepting of money, assets or any other improper benefits; to/from authorities, government officials, state agencies, private entities or responsible officials, either directly or indirectly, as an inducement for an act or omission of duty to bring about inappropriate business benefits involving obtaining, retaining, recommending business to the Company in particular or for

the ability to acquire or preserve benefits. However, an act permitted by law, rules and regulations, or local customs and commercial traditions are not deemed corruption.

## **Duties and Responsibilities**

**The Board of Directors** has the duty and responsibility to outline policy and regulations to ensure a system that promotes efficient anti-corruption practices and demonstrates the importance management places on combatting corruption and making integrity a part of the Company's corporate culture.

**The President and Executive Committee** have the duty and responsibility to put in place a scheme that promotes and supports the anti-corruption policy communicated to Delta personnel and related business partners as well as periodically assess and review its suitability to encompass dynamic environments such as diverse business conditions, regulations, rules and legal requirements.

**The Audit Committee** is responsible to audit the systems used in financial and accounting reporting, internal control, internal audit and risk management to ensure compliance with international standards, suitability, modernization and efficiency.

**The Head of Internal Audit** has the duty and responsibility to monitor, review, and report to the Audit Committee whether the anti-corruption operations are performed according to policy regulations, operational guidelines, the line of authorization and in compliance with rules, laws and regulations. This is to secure an appropriate control system that contains adequate countermeasures for potential corruption.

**Delta Personnel** are responsible to acknowledge and review this policy. Personnel must always be vigilant regarding any suspected corruption issue that could impact the Company's business. Further, Delta personnel cannot claim ignorance of company regulations to avoid penalization.

**Working Teams** are responsible to inspect, collect related data and evidence, provide necessary information, collaborate and execute legal process. For effective processing, appropriate Delta

personnel will be appointed to the working team handling each case based on case-specific conditions. In addition, the Company's Labor Relations and Legal functions will provide necessary guidelines and collaboration for the cases where disciplinary or legal action is required.

**Company Secretary** is responsible for consolidating the result of anti-corruption activities to report to the Board of Directors annually.

## **Anti-Corruption Operational Guidelines**

1. Delta personnel must not dismiss or ignore any encountered act of suspected corruption related to the Company. Personnel must report the incident to a superior or a responsible person through available channels (as presented below in this policy statement) and cooperate when fact finding is necessary.
2. Delta personnel who commit, conspire, or are connected to corruption must face disciplinary punishment and related legal penalties.
3. The Company will ensure fairness and provide protective measures to complainants or whistleblowers for their collaboration in reporting malpractice and corruption.
4. The Company puts an emphasis on publicizing, communicating and training in order to constantly educate Delta personnel on the Anti-Corruption Policy.
5. The Head of Internal Audit has the duty and responsibility to monitor, review and report to the Audit Committee whether implementation of the anti-corruption is in accordance with the policy and operational guidelines to ensure adequate countermeasures for potential corruption.

## **Operational Measures**

**Combating malpractice and corruption (business contact with business partners and third parties)**

Delta personnel must adhere to the anti-corruption policy when conducting business with customers, suppliers, trade partners or third parties in relevance to the Company's business (hereafter collectively referred to as "relevant business-related third parties").

1. Delta personnel must comply with laws, rules, business customs and manners when interacting with relevant business-related third parties.
2. Delta personnel must not accept or solicit, either directly and indirectly, money, gift vouchers, checks, stocks, and presents or any form of bribe, special compensation or incentives of any value from relevant business-related third parties.
3. Delta personnel may accept non-cash gift items of any value from relevant business-related third parties, when given prior consent from a direct superior. This acceptance of a gift, however, must comply with rules, business customs or manners and has no influence on business decisions of the Delta personnel.
4. Delta personnel must not seek any benefit from their positions in the Company in receiving or soliciting, from any business-related third party or relevant individual, the provision of services unrelated to the Company's business.
5. When Delta personnel recommend an individual to the Company, such action must not cause a conflict of interest or interfere with the company's recruitment process. Such action must not be an unlawful act for personal gain.
6. Delta personnel shall not have spouses, parents, or child relatives as superior-subordinate positions in the same working unit.
7. Delta personnel must not bribe authorities or government officials by offering money, gift vouchers, checks, stock and presents or any form of bribe, special compensation or valuable incentives.
8. Delta personnel who violate the provisions in the preceding paragraph will face disciplinary punishment as ruled in relevant Company regulations and may also be legally prosecuted.
9. Delta personnel must obtain consent from their direct superior prior to offering gifts (such as the Company's products) or providing hospitality to related business partners. Such activities shall be arranged in accordance with business customs or manners, local laws and related

company's regulations. In emergency cases where it is not possible to receive permission in advance, Delta personnel are obligated to obtain subsequent approval from a direct superior after giving gifts or arranging hospitality to related business partners or third parties.

10. Delta personnel shall not take advantage of their positions in the Company for illegitimate relationships, sexual harassment, any form of discrimination (including prejudice based on race, sex, disability or religion), theft, intimidation, coercion, or other unlawful actions.
11. Delta personnel should seek advice from his/her direct superior whenever he/she is in doubt of any anti-corruption and fraud matter in order to avoid any dispute.

## **Whistleblowing or Complaints**

### 1. Issues warranting whistleblowing or a complaint

- 1.1. An action connected to malpractice or corruption that is related, directly or indirectly, to the Company
- 1.2. An incorrect procedure that is contrary to the Company's regulations or has an adverse effect on the Company's internal control system, which makes it a suspected channel for malpractice
- 1.3. An act of misconduct to obtain or use Company benefits that damage the Company's reputation
- 1.4. An act of an illegal nature and immoral business ethics

### 2. Channel for whistleblowing or filing complaints

Whenever encountering malpractice or corruption associated with the Company's activities, it is the duty of all Delta personnel to report the issue that violates this policy to the assigned person or working units (described hereinafter).

### 3. Mechanisms for internal complaints (Delta personnel complainants)

- 3.1. Heads of the working unit which the Delta personnel belongs to
- 3.2. Head of the Audit Department, Head of Human Resources or Head of the Legal Department
- 3.3. Company Suggestion box
- 3.4. Electronic mail box (Whistleblow@deltathailand.com)

### 4. Mechanisms for external complaints (third-party complainants)

- 4.1. Suggestion box (PO Box 50, Bang Poo, Samutprakan Province, 10280).
- 4.2. Electronic mail box (Whistleblow@deltathailand.com)
- 4.3. Website [www.deltathailand.com](http://www.deltathailand.com)

## **Protection for whistleblowers and confidentiality**

### **1. Protection for whistleblowers and related persons**

Complaints and information on malpractice that are provided in good faith can be tremendously beneficial to the Company and to Delta personnel as a whole. Therefore, anyone who will file a complaint, testify, provide information or any relevant evidence for a complaint is guaranteed immunity from dismissal, punishment, or adverse effects to their career growth, performance assessment, welfare and related benefits eligible to Delta personnel. This guarantee is also applied to the personnel in charge of the complaint investigation. The Company has a policy to ensure fairness and equitable treatment to all stakeholders in accordance with to the Company's regulations. The whistleblower will receive protection and the complaints will be kept strictly confidential.

### **2. Anonymity and confidentiality**

Delta personnel or an external whistleblower may choose to stay anonymous when reporting violations of other Delta personnel. However, the Company encourages Delta personnel to identify themselves when filing the report for ease of communication and investigation.

Upon completion of the report filing process by Delta personnel, related business partners or an external whistleblower, the working team who receives the complaint shall execute appropriate protection and prevention measures to ensure an efficient investigation and to safeguard Delta personnel or an external whistleblower from harassment or unfair treatment.

## **Investigation and Punishment**

1. After a complaint is received, it will be scrutinized and investigated for further fact finding by the Executive Committee, Labor Relations Committee or the Audit Committee.



2. During the investigation, the Executive Committee, Labor Relations Committee, or the Audit Committee will appoint a representative (of management) to keep the whistleblower or the complainant informed of the case's progress.
3. If fact finding from the investigation finds reasonable evidence to suspect the alleged person of corruption or malpractice, the Company will inform such allegations to the alleged person. The alleged person has the right to prove him/herself free of any connection with the alleged acts of malpractice.
4. Malpractice by the alleged person is considered a violation of the anti-corruption policy and will warrant a disciplinary hearing regulated by the Company. If the malpractice is illegal, any legal penalties will also apply. In the case of disciplinary considerations, the ruling of the Executive Committee, Labor Relations Committee or the Audit Committee or Management is considered final.

## **Dissemination of Anti-Corruption Policy**

For the anti-corruption policy to become known among Delta personnel and related business partners, the Company carries out the following procedures;

1. The Company will put out announcements of the anti-corruption policy for the general acknowledgement of Delta personnel.
2. The Company will publish the anti-corruption policy through various in-house communication channels such as electronic mail, company's website, Annual report and Sustainable Development Report.
3. The Company will schedule periodic reviews of the anti-corruption policy.