



The Bangchak Petroleum Public Company Limited Announcement

No. 10000/048/2016

Title: Corporate Compliance Policy

Date: October 13, 2016

To enable the businesses of The Bangchak Petroleum Public Company Limited (Bangchak) and its subsidiaries to comply with applicable laws and regulations of Thailand and other countries, achieve acceptance from various stakeholders, and avert risks arising from non-compliance with laws and regulations by their directors, management, and employees, Bangchak has established this Corporate Compliance Policy, which holds the directors, management, and employees of itself and its subsidiaries—as well as other parties working on their behalf—directly responsible for compliance with:

1. Antitrust and Competition Law, while advocating free and fair business competition without discrimination or taking advantage of others;
2. Anti-corruption and Anti-bribery Law involving public and private sectors worldwide;
3. Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) Law;
4. Legislation on labor, human rights, human dignity, and respect for the freedom and equality of those granted protection;
5. Intellectual Property Laws, while respecting others' intellectual property rights, promoting works regarded as intellectual property rights, and safeguarding Bangchak's intellectual property rights against infringement;
6. Anti-Strategic Litigation Against Public Participation (Anti-SLAPP);
7. Applicable laws and regulations in all countries related to Bangchak and its subsidiaries businesses; and
8. Bangchak's various policies, including standards, code of conduct, operating guidelines or manuals and actions regarded as proper for Bangchak and subsidiaries, although it has not been explicitly covered by this policy.



In complying with this policy to achieve its objectives and goals, the Top Executive and the Management of Bangchak and its subsidiaries are responsible for performing good examples, and all employees of Bangchak and subsidiaries must perceive and comply to such example by following the attached practical guidelines from this date onwards.

(Chaiwat Kovavisarach)

President and Chief Executive Officer



Corporate Compliance Policy Guidelines

1. Comply with the Antitrust and Competition Laws, while encouraging free and fair business competition without discrimination or taking advantage of others.

Objectives

Bangchak has committed to comply with antitrust and trade competition laws, which are in force in almost every country these days, to provide protection of serious, free, and fair competition and prevent unsuitable trade constraints, collusion, or hindrances to competition. Bangchak and subsidiaries must compete seriously, capably, and fairly without limiting competition or colluding with competitors, without unlawful monopolistic and trade competition violations. These offenses include engagement in a price-fixing agreement with competitors, which calls for prosecution and brings disrepute on to Bangchak. Employees and parties working on Bangchak's behalf who commit in such actions shall be liable for hefty fines or imprisonment and, in some countries, Bangchak could be subjected to the compensation due to such business hindrance.

Guidelines

- 1.1 Never engage in price-fixing collusion between Bangchak and competitors.
- 1.2 Never engage in an agreement with competitors to distort competition, including an agreement to limit outputs or deliver goods, or an agreement to allocate outputs or sales volumes by customer group, zone, or product. Never discuss or negotiate costs or set prices with competitors, which includes returns, sales volumes, price offer formulas, profit margins, prices and discounts, credit terms and also avoiding price competition.
- 1.3 Be caution in engaging in research, information sharing, or activities with competitors. If information is needed, it shall give the first priority to public information.
- 1.4 Never engage in an agreement to distort opportunities for business partners, sales agents, or other parties.
- 1.5 Never join competitors in pressuring the public sector against policy-making or actions taken to promote free and fair trade competition.



- 1.6 Unless permitted by law, never invest, merge with, or acquire a business for a monopoly or diluted market competition.
- 1.7 If Bangchak would like to conduct an overseas business through joint venture, mergers and acquisition, or acquiring another's business, responsible units must first examine legal provisions on anti-monopoly or trade competition of the given country. They must ensure that the counterparty has comply with the regulation related to joint ventures, mergers and acquisitions, or business acquisition.
- 1.8 Never exploit an association or trade group in contacting or accessing competitors to violate the law or Bangchak's policies, including price discussion or sensitive competition issues.

2. Comply with Anti-corruption and Anti-bribery laws involving both public and private sectors worldwide

Objectives

Bangchak has committed to combat corruption activities and avert any act regarded as giving or accepting bribes which is involving public and private sectors, particularly when contacting with public agencies. Corruption activity is contradicted to Bangchak's objectives and also violated the laws. In addition, there are many countries having the laws and regulations against bribery activities both domestically and internationally.

Guidelines

- 2.1 The Top Executives and employees of Bangchak and its subsidiaries shall strictly comply with the corporate governance policy and Anti-Corruption Regulations.
- 2.2 Any types of bribery; an awarding, giving, proposing, agreeing to give, assets entertainments, travel arrangements, or any other special benefits to public official¹,

¹ Public official means a political position holder, government official, local official with a regular position or salary, employee or person serving a state enterprise or public agency, local administrator and local non-political assemblyman, competent officer under local administration laws, and a director, subcommittee member, employee of a public agency, state enterprise, or government agency, person(s) exerting authority or assigned authority to use public administrative power under the law, whether it is establishment of a body under bureaucracy, a state enterprise, or other public businesses, or a political party official.



- including Overseas Public Official² or International Organization Official³, is prohibited, whether such items are actually handed over or not and including any act by its agents.
- 2.3 In case of coordinating with public agency in order to examine the validity of documents and data for the given transactions, if expenses are incurred, the responsible unit shall be liable in considering whether such expenses has complied with the Public Agency regulations and/or appropriate to the transaction of not.
- 2.4 In case of the agent has been appointed for working or coordinating on behalf of Bangchak with Public Agency⁴, Overseas Public Official or International Organization Officials, Bangchak shall not instruct its agents to commit or take any action related to corruption activities.
- 2.5 During the negotiation, never propose a position or promise to employ anyone who is working in a public agency or anyone that can possibly coordinate with Bangchak and such person is authorized to make any decision related to Bangchak's business.
- 2.6 In case of private agency, Bangchak shall follow the same procedure as defined for public agency, except otherwise provided contrary. For instance, selecting new employee that is currently serving in such private agencies. The selection process shall first comply with Bangchak's Human Resources Administration procedures. If there is any difficulty in interpreting procedures, such question(s) shall be referred to the Corporate Compliance division.

3. Comply with Anti-money Laundering and Combating the Financing of Terrorism(AML/CFT) laws

Objectives

Bangchak is committed to against any transaction classified as money laundering and sponsoring of terrorism. "Money laundering" means any engagement in financial transactions by criminals,

² Overseas public official means a position holder in the legislative, administrative, or judiciary branch of a foreign state and anyone performing government service on behalf of a foreign state, through appointment or election (permanent or temporary position) and regardless of compensation.

³ International organization official means a staffer of an international organization or one assigned to serve on its behalf.

⁴ Public agency means a Thai or an international government agency, state enterprise, or public organization.



terrorists, or any other party to conceal sources of unlawful capital. As a rule, money laundering needs a series of transactions, after which it apparently seems lawful. Action by only a single person in Bangchak to aid money laundering—through of personal intention—could bring to Bangchak criminal and civil litigation and defame its reputation.

Guidelines

- 3.1 In contacting customers or business partners, Bangchak shall examine its customers or partners through KYC (Know Your Customer), CIP (Customer Identification Procedure), or CDD (Customer Due Diligence) in order to identify basic information, including authorized directors, the major original shareholder with 10% upward of the capital or as required by the applicable laws and regulations, and customers' objectives and intention of business relationship. For the avoidance of any doubt, cross-check through government documents or credible independent organizations may be required—a simple yet efficient method to prevent Bangchak from becoming a money-laundering or terrorism-sponsoring middleman.
- 3.2 Be caution when engaging in any juristic acts, financial or business contracts or transactions, or actions concerning properties with persons or juristic persons suspected of conducting unlawful activities or breaking money-laundering laws. For Instances of such violations includes:
 - Narcotics;
 - Human trafficking under the prevention and suppression of human trafficking laws or offenses under the criminal code for sexual offenses, including trafficking of women and children;
 - Public fraud under the criminal code or offenses under laws on fraudulent borrowing or offenses involving business embezzlement or fraud in financial institutions;
 - Embezzlement, fraud, or violence toward others' belongings and malfeasance under laws on financial institution business or securities and exchange laws;
 - Bureaucratic malfeasance;
 - Smuggling under customs laws;
 - Terrorism under the criminal code;



- Gambling operation; and
 - Violation of intellectual property rights for goods or commercial offenses under laws on the protection of intellectual property rights.
- 3.3 Never conceal the true nature of acquisition, locations, sales, transfers, or entitlement of property rights including never possess or employ properties involved in the violation of laws on money laundering and sponsoring of terrorism.
- 3.4 Cooperate with applicable agencies in complying with measures to prevent and suppress money laundering and sponsoring of terrorism drawn up in Thailand and overseas.
4. Comply with legislation on labor, human rights, human dignity, and respect for the freedom and equality of those granted protection

Objectives

The work of Bangchak's executives, employees, and contractors shall be based on labor rights , human rights, human dignity, and respect for the freedom and equality of people under the international laws and standards, both domestically and internationally, for Instance the International Labor Standards of ILO (International Labour Organization) and the Universal Declaration of Human Rights.

Guidelines

- 4.1 Never hire unlawfully under the laws of Thailand and Bangchak counterparty regulations. If laws yield for different outcomes, adhere to one with the strictest labor protection standards or consult Corporate Compliance before further action.
- 4.2 Never discriminate or treat people unfairly due to differences in nationality, race, skin color, origin, religious belief, social status, gender, age, physical appearance, language, political opinion, property, or any other status.
- 4.3 Comply with the international labor standard under ILO's conventions, protocols, or recommendations in Thailand and every country where Bangchak operates.



5. Comply with Intellectual Property Laws, while respecting others' Intellectual Property rights, promoting intellectual property works , including protecting Bangchak's intellectual property rights against infringement

Objectives

Bangchak has committed to upgrade its management excellence standard under the Thailand Quality Awards. Bangchak values creativity, management, and protection of innovations, intellectual properties, and other proprietary knowledge to create value for Bangchak, business partners, and stakeholders. In order to sustainably compete in market, Bangchak has established Intellectual Property (IP) Management Policy for compliance by all executives and employees of Bangchak and its subsidiaries.

Guidelines

- 5.1 Comply with laws related to IPs of Thailand and/or every country where Bangchak has its branch office operated, by treating them as primary standards.
- 5.2 Disclose to superiors in complete and accurate of any accomplishments, inventions, and knowledge resulting from duty or Bangchak's support promptly .
- 5.3 Maintain and protect Bangchak's IP rights either domestic or international, while respecting others' IP rights.
- 5.4 Never duplicate, modify, or apply any Bangchak's business partners' or stakeholders' IPs and data for personal or other advantages without prior written consent.
- 5.5 Maintain critical documents, trade secrets, and other information classified as the confidential information of Bangchak, business partners, and stakeholders in secure places with suitable and standard accessible. Never disclose them to any third party who doesn't have right to know. These responsibilities shall survive the termination of Bangchak employment contract.
- 5.6 Report to superiors for any action regarded as violation of IP rights or which could lead to such violation or disputation over the IP rights of Bangchak or others.
- 5.7 Support cooperation on IPs with either public or private agencies.



6. Comply with Anti-Strategic Litigation Against Public Participation (Anti-SLAPP)

Objectives

Bangchak opposes the deployment of the juristic process to retaliate or block any parties that have expressed their views or acted to protect the public interest, for such action is regarded as hampering Bangchak's approach to support, promote, protect, and enable the expression of views or actions taken to protect the public interest while producing transparency for Bangchak's businesses or projects. Such action could bring disrepute to Bangchak.

Guidelines

6.1 Never sue those persons who have expressed their views or acted to protect the public interest against Bangchak's businesses, except for false or dishonest views. Questions can be referred to Corporate Compliance or Legal division.

7. Comply with applicable laws and regulations in all countries where Bangchak and its subsidiaries conduct businesses

Objectives

Bangchak and subsidiaries shall conduct their businesses in full compliance with laws and regulations. All executives and employees are responsible for complying with all applicable laws and regulations in each country where Bangchak and subsidiaries operate.

Guidelines

7.1 All executives and employees are responsible for mastering their duties, specifically how they relate to compliance with laws and regulations. For questions related to these ambiguity, they shall first investigate, ask their superiors or refer further questions to Corporate Compliance or Legal division respectively.

7.2 Executives are responsible for promoting their respective employees' mastery and compliance with applicable laws and regulations and for encouraging them to actively examine laws and regulations relevant to their working obligations so as to fulfill their responsibilities. Any query shall be referred to Corporate Compliance or Legal Division.



- 7.3 All executives and employees are responsible for reporting to their superiors any violations of laws and regulations, and promptly notifying Corporate Compliance or Legal Division.
8. Comply with Bangchak's various policies, including standards, code of conduct, operating guidelines or manuals, and actions regarded as proper for Bangchak and subsidiaries, although not explicitly covered by this policy.

Objectives

To ensure that Bangchak's business performance is in full compliance, Bangchak wants its divisions to strictly comply with its policies and manuals, while taking into consideration alignment with applicable cultures, standards, and code of conduct.

Guidelines

- 8.1 All executives and employees are responsible for complying with Bangchak's policies, compatible with applicable cultures, customs, standards, and code of conduct—which represent the business goals of Bangchak and its subsidiaries.
- 8.2 All executives and employees are responsible for promoting and supporting the real effectiveness of Bangchak's various policies, including the corporate governance policy and anti-corruption regulations; Greenergy policy; and security, safety, health, environmental, and energy policy.