

SCG Code of Conduct

**Doing
the Right
Things**



**Message from
the Chairman**

02

Introduction

05

Definitions

09

**Guidelines of
SCG Code of
Conduct**

12

Contents

1	Human and Labor Rights	13	7	Handling of Information and Assets	32
2	Environment, Health and Safety	16	7.1	Personal Information	33
	2.1 Environment	17	7.2	Recording, Reporting, and Storing Information	35
	2.2 Health and Safety	19	7.3	Buying and Selling Securities and Use of Inside Information	37
	2.3 Safety of Products and Services	21	7.4	Use and Protection of Company's Assets	39
3	Anti-Corruption	25	7.5	Use and Protection of Information Technology System	41
4	Gifts and Entertainment	27	7.6	Use and Protection of Intellectual Property	43
5	Conflicts of Interest	29	8	Information Disclosure and Communication	45
6	Political Activities	31	8.1	Information Disclosure	46
			8.2	Communication	47
			9	SCG's Transactions	49
			9.1	Transactions between Companies in SCG	50
			9.2	Transactions between SCG and External Parties	51
			10	Doing Business Abroad and International Trading	53
			10.1	Doing Business Abroad	54
			10.2	International Trading	55
			11	Business Competition	57
			12	Anti-Laundering Measures	58



Message from the Chairman

Having encountered number of business variations dating back to the Company's inception in 1913, SCG has strongly upheld business credence to SCG's Core Values or the fundamental principles of corporate ethics and social responsibility that govern SCG's employee's professional behaviors, later drawn up as "SCG Code of Conduct."

"SCG Code of Conduct" was first compiled in writing in 1987, followed by five revisions to the Code. This latest 6th edition introduced clearer categorization and modification of contents that met all relevant regulations and policy with wider range of practice guidelines on stakeholders being laid down to accommodate current business administration.

All SCG Employees are obliged to study the guidelines to their understanding and at all time have full discretion in how to conduct work activities in compliance with the principles of SCG Code of Conduct to inherit what have been earnestly upheld by the Board of Directors, Management and employees in all levels for more than 100 years.

In this occasion, I wish to convey to all SCG employees my most sincere appreciation for committing to standards of SCG Code of Conduct and adequately fulfilling civil duties which partially contribute to the long-term consequences of the Company's reputation.

Dr. Chirayu Isarangkun Na Ayuthaya

Chairman

The Siam Cement Public Company Limited

December 23, 2015

Four Core Values of SCG

The present prosperity, success, and stability of SCG are the result of doing business according to its ethical core values – the ideals that have been held in high regard and put into practice by the Board of Directors, by management, and by staff at all levels. They are:



Adherence to Fairness

It is the responsibility of **SCG** to ensure that all who come in contact with us are treated with equal fairness. For example:

- Customers who use our goods and services will obtain maximum benefit in terms of quality and cost.
- Shareholders will receive a proper rate of return on their investment.
- Employees will enjoy both appropriate compensation and a good standard of living.
- All groups of stakeholders will be fairly treated.

Examples of Practice for SCG Employees

- Work honestly, transparently, and traceably and treat all stakeholders with respect, sincerity, friendliness and fairness.
- Work fairly without bias on class, generation or institution.



Dedication to Excellence

SCG is dedicated to right conduct and achieving the best results in all we undertake. All employees and persons who come into contact with SCG recognize the total effort, knowledge, and skill we devote to constantly improving what we do. We strive to learn and pursue whatever we can to help us overcome obstacles and advance in the path of growth and sustainability. This dedication will generate the best results for both SCG and all stakeholders.

Examples of Practice for SCG Employees

- Dedicate all the efforts to create valuable innovation to bring benefits to all stakeholders.
- Be determined and dedicate all efforts, knowledge and skills for work expecting better results to strive to excellence considering synergy of benefits and impacts on all stakeholders.
- Catch up with the latest situation and be ready to face ever-changing situation.

As an individual prospers in life through moral conduct,
So does a company through ethical practices.



Belief in the Value of the Individual

SCG is convinced that each of our staff constitutes our most valuable assets. SCG has managed to prosper through the efforts of our good and knowledgeable people, who have chosen to spend their careers with us. We select the most ethical and capable individuals we can find, and then enrich them to cope with challenges of our changing times. In return, we provide all our employees with security and a sense of belonging. With such care and concern between the company and staff, little wonder that our personnel work so hard and skillfully for the progress of SCG.

Examples of Practice for SCG Employees

- Work together like family members, give care, concern, praise, compliment and advice to give moral support to each other and respect each other's idea.
- Work as a team and help each other.

Concern for Social Responsibility

SCG behaves as a good corporate citizen in all communities and countries where we operate. We diligently perform our social duties and responsibilities while engaging in activities to preserve natural resources and sustainability of the environment.

Examples of Practice for SCG Employees

- Always pay attention to safety standard, occupational health and environment while working.
- Be conscious in using resources to create optimal values, and preserve nature at home and work and extend this practice to outside community.
- Take part in natural preservation, community care and social development activities.

Introduction



What is **SCG Code of Conduct?**

SCG Code of Conduct means good business practices that conform to SCG Four Core Values for all SCG employees to hold on to and adopt as guidelines for work appropriately. It forms part of Employee Regulations.



Who has to be obliged to observe SCG Code of Conduct?

All employees of **SCG** are obliged to observe the principles and guidelines of SCG Code of Conduct, and the Directors must serve as role models of such conduct.



What happens if one does not comply with SCG Code of Conduct?

What do you have to do with SCG Code of Conduct?

1. **Acquire** an understanding of the principles and guidelines of SCG Code of Conduct especially those relating to your duties and responsibilities.
2. **Consult** your superior or enquire in SCG consulting system when you are not sure if what you are going to do complies with SCG Code of Conduct.
3. **Convey** your knowledge and understanding of business conduct of SCG staffs according to SCG Code of Conduct to others you work with or who are involved with SCG.
4. **Inform** when you find non-compliance with SCG Code of Conduct via assigned channel and give cooperation to fact-finding investigation.

- Failure to comply with the principles and guidelines of SCG Code of Conduct may result in disciplinary or legal action as the case may be and may be subject to penalties pursuant to specified regulations.
- Besides failure to comply with SCG Code of Conduct as mentioned above, supporting others to breach SCG Code of Conduct, ignoring when a non-compliance with SCG Code of Conduct is noticed, obstructing of an investigation process and unfair treatment to fact providers are also considered non-compliance with SCG Code of Conduct.

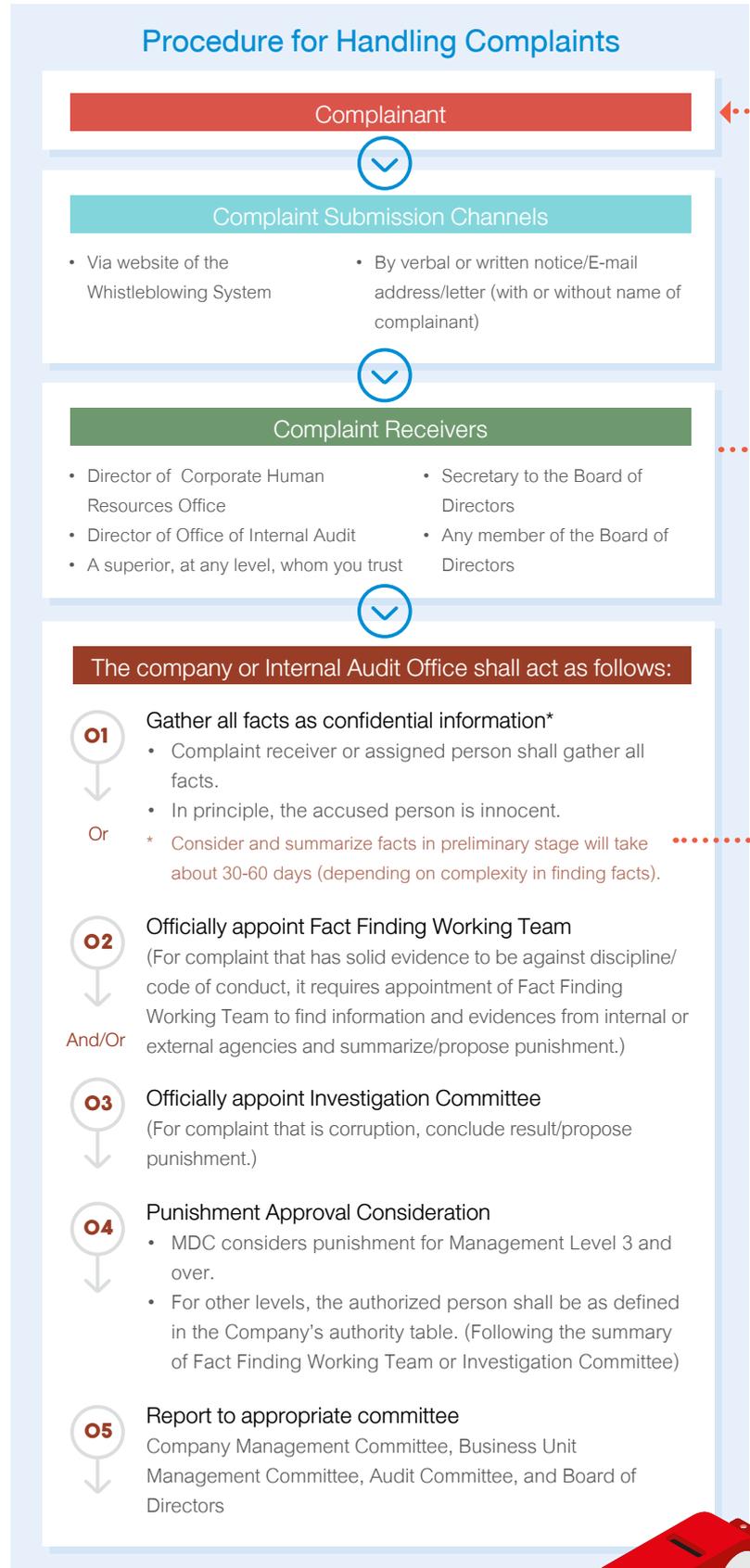
What should you do when finding Non-compliance with SCG Code of Conduct?

SCG provides the Whistleblowing System which is a complaint system in line with international standard. In case you learn about or notice any action or become a victim of corruption and violation of laws, regulations, company's rules and code of conduct, you can inform of such action by following these procedures:

- Report to complaint receiver via the assigned channels. However, the information must not be false or made up to defame others which are considered disciplinary guilt according to human resource management regulations.
- SCG has complaint handling and whistleblower protection procedures.



More information can be found in the [SCG Whistleblowing Policy](#) or on SCG Intranet



If the complainant reveals his/her name, he/she shall be notified within 7 working days starting from the result conclusion day.

Definitions

SCG

1. The Siam Cement Public Company Limited
2. Subsidiaries of The Siam Cement Public Company Limited.

Subsidiaries

Subsidiaries defined pursuant to consolidated financial statements of The Siam Cement Public Company Limited.

Stakeholders

Persons or group of persons directly or indirectly impacted by SCG's business or involved with SCG's interests or impacting on SCG's business, such as Company directors, employees, shareholders, contractual parties, contractors, business contacts, creditors, debtors, society at large, and communities where SCG operates.

Company directors

The directors of The Siam Cement Public Company Limited.

SCG Employee

Permanent employees under employment agreement, probationary employees and employees under special employment agreement made with and companies in SCG in every country where SCG operates.



Business contact

A person or legal entity with whom SCG has to deal in the normal course of business, including the government, state agencies, state enterprises, private-sector organizations, etc.

Vendor

Goods seller, lessor or hire-purchaser who hands over goods to SCG.

Transaction

Activity relating to legal transaction, contract or any action made with other parties in terms of finance, business or asset such as service providing, purchasing, selling, hiring, financial support and technical or human resource support etc.



Business Partner or Contractor

One hired to work or provide services to SCG or hired as service contractual parties to SCG.

Contractual Party

One who enter into contractual obligations, namely mutual rights, duties and responsibilities specified in a contract made with SCG.

Customer

A purchaser, user of goods and service receiver.

Belief in the Value of the Individual



Guidelines of SCG Code of Conduct





Human and Labor Rights

Principle

SCG is aware of respecting human rights of every individual so it treats everyone fairly without discrimination. It promotes and supports human rights and avoids human rights violation. Moreover, SCG has realized importance of labour so it treats the employees in compliance with labour laws and relevant regulations on a fair basis.

Guidelines

1. Show respect to and acceptance of one another and treat others fairly without considering differences in physical and mental aspects, race, nationality, religion, gender, language, age, skin, education, social status or any other factors.
2. Take great care at work to prevent risk in human rights violation in business operation including relevant parties in the value chain. Monitor business activities to prevent the violation and report to superior to prevent human rights infringement.
3. Treat everyone fairly in every stage of recruitment starting from selection, remuneration payment, working hours and job holidays, assignment, performance appraisal, learning and development, career path planning and others without discrimination.
4. Avoid forced labor, labor from human trafficking or child labor that is illegal and punishment that is physical or mental torture as coercing, threatening, detaining, harassment or any violence in any form.



Definition

Human Rights

refers to basic rights of every human being to be protected from discrimination due to differences in physical and mental aspects, race, nationality, religion, gender, language, age, skin, education, social status or any other traits. The practice shall comply with laws of each country or commitment each country has made in any agreement.



Examples

O1

If you find that a business partner has abused child labor in its plant, what should you do?

Advice

You have to report your superior right away. SCG promotes fair business operation among business partners according to SCG Code of Conduct. If they do not comply with this code, SCG reserves the right to take any action with such partner by considering potential impacts and damages.

O3

If you find your pregnant colleague working overtime in office, what should you do?

Advice

You should report your superior because pregnant employee will be specially protected as prescribed by labor law. Normally, pregnant employees are forbidden from working overtime or working on holidays except for exemption by law.

O2

If you as supervisor have to do annual performance appraisal for subordinates who have personal conflict with you, what should you do?

Advice

You have to treat every subordinate on a fair basis without discrimination, avoid any action that is unreasonable and unfair and appraise him based on his competence and performance that is free from personal judgment, bias, or prejudice.

O4

If you find a colleague insulting other people or behaving in a way that may lead to human rights violation to other people, what should you do?

Advice

You have to report your superior in order to raise this with relevant parties to find solution for each case. This is because this issue needs fact and details, provisions of laws and regulations and procedures of laws to find solution to the case.

Concern for **Social** **Responsibility**





2

Environment, Health and Safety

Environment **2.1**

Health and Safety **2.2**

Safety of Products and Services **2.3**

Environment

Principle

SCG is determined to take care of the environment through all its value chain starting from environment impact assessment before investing in any business, design of, production process, machine and equipment and adoption of appropriate technology to prevent possible impacts on the environment and raise awareness of these issues among employees and parties relevant to business operation to comply with the guidelines.



Guidelines

1. Comply with laws, standards, regulations and guidelines on environment and co-operate on complying with agreements in international levels to prevent or mitigate impacts on the environment.
2. Use resources such as energy, water, raw materials and materials following 3R Principle (Reduce, Reuse/Recycle and Replenish) to create efficiency in using resources and reduce impacts on the environment.
3. Consider using raw materials or materials for business operation according to "Guidelines for Green Procurement".
4. Provide appropriate support and assistance to society, and particularly the communities surrounding SCG's sites of operation.
5. Transparently disclose information on environmental management via appropriate channels and allow communities and stakeholders to take part in giving opinions for projects that may have social and community impacts.
6. Raise awareness in environment preservation among colleagues and community near the place of business via appropriate channels such as meeting, seminar, site survey or joining activity of community in various occasions.

2.1

Examples

01

If a person offers goods to you at the price lower than the current supplier's but these goods has not yet been registered in SCG environmentally friendly goods and service list while there are enlisted vendors selling the same products, how do you consider purchasing the goods?

Advice

You must order goods according to SCG's regulation. In case there is enlisted vendor selling the same products, you have to purchase from the enlisted one. However, in case other vendors desire to enter into the list, you can give advice on manufacturing process and support them to make registration request for potential purchase consideration in the future.

02

A subordinate tells you that she has heard the local people talk about their trouble with a black, smelly liquid flowing from the vicinity of your plant into the community's land. They do not know whom to contact or how to complain. As her superior, what should you do?

Advice

Coordination and/or remedy must be taken urgently to accommodate complaints and allegations, either present or potential, concerning environmental problems caused by corporate operations. You should investigate the fact and analyse the data. If a resolution is possible, appoint someone to be responsible, determine the timeframe, and report on progress to those affected and to your superior so that the problem can be rectified as soon as possible.

Health and Safety

Principle

SCG has paid great attention to health and safety of employees, contractors, customers, communities and stakeholders throughout our business value chain. Health and safety impact assessment must be carried out before investment or joint-venture is made. Place of business, production process, technology, machines, equipment and raw materials must be taken care of to ensure safety to health. Moreover, employees and relevant parties must be raised awareness in safety consciousness to comply with the health and safety regulations.



Guidelines

1. Comply with laws, standards, regulations and good practices on health and safety and cooperate on compliance with international agreements to prevent or mitigate possible impacts.
2. Examine your own readiness and physical health including co-worker, contractors and relevant party's before commencing work. If the persons doing the work are unhealthy or not ready, the work must be stopped or ordered to stop immediately so as to prevent exposure to unnecessary danger at work or caused by work.
3. Before starting the work, assess risk and study the working instructions of unsafe or potentially harmful jobs in order to plan or prepare appropriate prevention.
4. In case of being assigned harmful work or not being confident in safety at work, the work must be stopped or held. And you must immediately consult the supervisor or expert.
5. Immediately report to your superior when you notice anything unusual about your workplace that could affect health or safety.
6. Supervisors are obliged to set rules or guidelines that could prevent or control accidents and to inform employees and others involved concerning those rules and guidelines. They should also inspect the health of workers according to the risk to which they are exposed.
7. Transparently disclose information regarding health and safety via appropriate channels and allow community and stakeholders to take part in public hearing on projects that may have impacts on community and society.
8. Raise awareness on health care and safety precaution among co-workers and communities around the place of business via appropriate channels such as meeting, seminar and training, site patrol or community activities in different occasions.

2.2

Examples

O1

The company expects you to order spray paint. You know an employee at a company that produces spray paint at a lower price than the brand presently used by the company, but that manufacturer has not been certified for safety standard, what should you do?

Advice

When you purchase materials and equipment, especially chemical products for use in the office or plant, you must be certain that such products have been certified for safety by the agency responsible for environmental protection, and that their source of manufacture is reliable.

O3

Your company has construction project to increase production capacity for which business partners will do construction in your area. You find their incompliance with the company's safety regulation. So as construction project head, what should you do?

Advice

You have to control, supervise and recommend the contractors, like the employees, to comply with safety regulation of the company to create safety while they are working. You should treat the contractor as if they were the company's employees. Before the work starts, there must be safety training for the contractors.

O2

A subordinate who works in the area without hazards of noise informs you that he often has trouble hearing people call him. He has gone to see the doctor, who told him that this problem could be due to one of two causes: 1) exposure to a very loud noise on one occasion, or 2) remaining in a continuously loud work environment. Your subordinate feels that the source of the noise could be a machine in his workplace. As his superior, what should you do?

Advice

You must immediately launch a fact-finding investigation when you are informed of any irregular situation or event. You should rotate the subordinate to other less noisy area and uncover the cause of such loud noise in order to find the remedy. Every employee is obliged to report unusual incidents to his / her superior, even if it is just a small abnormality or still in doubt to prevent or control some sudden accidents.

O4

You are assigned to fix roof at the height of 4 meters by the end of today. However, you find that all the safety harnesses have been used and none is left for you, what would you do?

Advice

You have to stop or hold the operation, if the assignment is dangerous work or there is no personal protection equipment (PPE) and you are not sure about safety. You should inform your supervisor to provide complete set of PPE. Working in high level is considered high risk work, therefore, the work site must be arranged to be safe and operator is required to wear full set of PPE.

2.3

Safety of Products and Services

Principle

SCG has ensured that all the products and services' safety complies with or is higher than those stipulated by laws, has standard compatible with industrial and international standards and as agreed with the customers. This covers design and production process, provides information or warnings about the products and services and appropriate use for the whole life cycle. In addition, SCG pays attention to safety of products SCG hires others to produce, import and uses for sale promotion activities.



Guidelines

1. Produce products and provide services considering safety of customers for the whole life cycle of the products. If you are going to change production or service process that affects the safety of products or services, you must seek approval from superior or person of responsibility and record all the details and reasons for future reference.
2. Store information on product and service safety for future verification.
3. Report to superior right away if you know or have concern about safety of products and services caused by production process and/or service process or situation that may lead to unsafe condition to the customers.
4. Be open to safety complaint on products and services and coordinate or improve the condition right away. In case there is any limitation or in case of requiring a long time to solve the problem, the person of responsibility must report information and status to the customers at appropriate time and report progress of fixing the problem periodically.

Examples

01

You notice that your co-worker skips production step that may affect quality and safety of the product, what should you do?

Advice

You should consult your superior immediately since the production process is designed by the company to ensure quality, qualification and safety of customers which will retain standard, quality and reputation of the company. Consulting the superior will not be considered as accusation of the co-worker.

2.3

O2

You have to arrange transportation to deliver goods to customers and have agreement with them on time delivery. You find that the vehicle to use is in unsafe condition but finding replacement will result in delay in delivery. What should you do?

Advice

You have to inform the customers right away and find new vehicle. Although, there is some delay, the goods will arrive at the customer's site safely. Using unsafe vehicle may result in accident causing the cars and goods to damage and the driver to be injured.

O4

If a product of your company does not have information on the products, instruction for use, warnings, Material Safety Data Sheet (MSDS) and storage, what should you do?

Advice

You should recommend the unit of responsibility to do Product Hazard Analysis to cover use of the products for the whole product life cycle and consider harmful issues to summarize as warnings to prepare warnings, suggestion/recommendation, Material Safety Data Sheet (MSDS) and storage to be sufficient and appropriate to prevent danger.

O3

Your company has marketing promotion activity for new products and your subordinates talk to you that they will give the guests bottled fruit juice as souvenir. They will hire someone to produce the juice with the company's logo. As a supervisor, what should you do?

Advice

You must be aware of safety and assign the subordinates to check safety of the products they are going to hire other parties to produce. The manufacturer name must be shown on the bottle label. This is because although the Company does not produce or sell the souvenir, as the company hires someone to produce it and distributes it for commercial benefits, the company has to be responsible for safety of the souvenir as if it were the company's product.

O5

if you find that the company/unit relevant to customer complaint slowly deals with the complaint and does not report any progress to the customers while they seem to be highly dissatisfied, what should you do?

Advice

You should coordinate with such unit and recommend them to report the update to the customers since if they know the information, they will feel that they are being cared and it will reduce level of dissatisfaction. If the complaint scope is larger than you can make a decision or the damage cost is higher than authority of the company/unit, they must be reported to the superior right away to ask for opinion and consider authority in the next level. If the company fails to do it properly, the customers may complain via public channel that may affect the company or SCG's image and may cause the company to pay higher compensation.

Adherence to Fairness



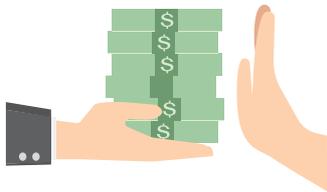


Anti-Corruption **3**

Gifts And Entertainment **4**

Conflicts of Interest **5**

Political Activities **6**



Anti-Corruption

Principle

SCG's business should be conducted with stakeholders in correct, transparent, honest and traceable ways with no corruption. The business must comply with relevant laws and SCG's Anti-Corruption Policy ensuring it shall not cause condemnation or loss of reputation.

Guidelines

1. Not commit corruption and be careful with work process with high risk such as sale and marketing, procurement, project investment, contract execution, giving and receiving presents, entertainment, and donation or giving financial support etc.
2. Not ignore or overlook any transaction possibly considered as corruption relating to SCG. You must report to supervisor or person in charge and cooperate for fact finding investigation.
3. Arrange giving or receiving of donation and financial support in transparent way complying with the company's regulations and laws. Effort must be made to ensure that the donated or supported money is not used for bribery.
4. Pay attention when doing transactions with persons, juristic persons or any organization involved with corruption accusation.



Definition

Corruption

refers to any form of bribery whether it is an offer to give, promise to give, giving, commitment to give and demand or acceptance of money, properties or any other benefits which are not appropriate with or to government officials, government agencies or private agencies or competent officers whether directly or indirectly to motivate such persons to do or avoid to do something to acquire or retain the business or give any recommendation to SCG's business or to obtain or retain any other inappropriate interests from the business.

3

Examples

O1

A project official asks what kickback he would get if he persuades the project owner to order SCG products. What should you answer him?

Advice

Explain to that person that SCG guidelines prohibit the payment of benefits that would not normally be received, other than the compensation SCG provides in the normal course of business.

O2

The company you are working for is processing for a permit certificate. One person comes up and informs that he could facilitate permit granting process since he knows the official who could give you privilege in granting the permit. However, it will be made in exchange of benefits. What would you do?

Advice

Do not pay anything to anyone to get privilege since it does not comply with procedures prescribed by the law.

O3

SCG has ordered production machine for construction material from an overseas vendor and you were informed by the vendor that it is customary to pay to you as a purchase issuer at 3% of total product price. What should you do?

Advice

You must not receive any benefits from the seller. In this case you must report to your supervisor and negotiate with him to return the benefits to SCG.

O4

An officer from one organization informs you that they are renovating their office building so they would like to ask for SCG support on office supplies such as refrigerators and printers. What should you do?

Advice

Support or donation can be granted. The organization must submit request in writing specifying objectives and details to the company and SCG employee must correctly request approval for the support. SCG shall support organizations which will create common benefits.

O5

In case any agency or organization demands bribe from the company and failure to pay shall negatively affect the company's business, what should you do?

Advice

You must not offer bribe and must report to the supervisor on impact on the company's business to find mitigation plan. If the supervisor is not certain what to do, he must consult the supervisor in hierarchical level for consideration.

Gifts and Entertainment

4

Principle

Receiving and giving benefits including items of value, services, facilitating or entertainment with persons involved in business must be made in accordance with the customs of each locality or country and relevant laws, provided that the value of such is appropriate and it will not motivate an unfair decision making.



Guidelines

1. Before accepting or giving a present and entertainment to persons involved in business, make sure that the price is appropriate to the occasion and complies with laws, regulations, announcements, rules or customs in each locality.
2. Avoid accepting or giving valuable item, service or entertainment that may influence or motivate an unfair decision making and treatment.
3. Keep records of your expenses as evidence of the value of the items, services or entertainment, so that they can be examined later.
4. If you have been assigned or permitted by your superior to assist an outside agency, you may receive items of value, services or entertainment according to the guidelines or standards that agency has set.
5. Be careful for the case of offering items of value, services and entertainment to your superior or internal people/units, and the case of receiving items of value, services and entertainment from your subordinates or internal people/units. Such activity must not motivate any unfair decision making.

Examples

01

A contractor with whom you have been in contact has offered her seaside cottage for you and your family to stay in privacy at free of charge as she claimed that her cottage is seldom used. She also offered to pay for other expenses such as allowance, transportation expense, etc. Will you accept this offer?

Advice

You should not take this offer since it may influence your decision.

02

The company has paid for you to take part in an outside seminar, and you have won the lucky drawing prize among all the seminar attendees. Can you keep that prize for yourself?

Advice

You may keep the prize for yourself if such prize obtained by random drawings, with a large number of potential winners, is intended to avoid the appearance of undue influence over someone's decision. If the prize is too high in value, however, you should consult with your superior to determine an appropriate action and to be sure that the offering is not intended to motivate you to any particular decision.

4

O3

The company assigns you to take part in golf tournament held by the company to strengthen good relationship with customers. If you get a prize as an individual winner. Can you accept the prize and keep it for yourself?

Advice

You can keep it since you join the tournament as a part of your assignment and the reward complies with rules announced to all players and each person uses his individual skills in playing. However, if the prize is too high in value, you should consult with your superior to determine an appropriate action.

O4

A government or private agency invites you to be a special lecturer during normal working hours, and gives you a compensation at the rate set by said agency. What should you do? Can you keep this compensation for yourself?

Advice

Ask the government or private agency to send an invitation letter to your superior because you are going to use normal working hours for the lecture. Then, you must ask your superior for his permission. If the amount of compensation is not too much and set as normal standard of such agency, you can keep it for yourself. However, if the amount of compensation or benefit is too high in value, you should consult your superior.

O5

What should you do when offering gifts or entertainment to officers, high ranking officers or any organization and agent?

Advice

Take great care of the offering no matter you are dealing with members of the board of directors, executives or officers because SCG deems that offering, giving or accepting gifts and entertainment are considered in high risk area to cause corruption. Is there is any doubt or unusual situation, you have to consult with your superior and counsel unit.

O6

A government or private agency requests to visit your plant and offers memento to you who welcomes them as a representative of the company. What should you do?

Advice

You can accept the gift or memento and deliver it to the company. Should the price of the gift is high, you have to consult with your superior to determine an appropriate action.

O7

A superior receives high value gift from his subordinate, what should he do?

Advice

He should explain to the subordinate that he cannot accept it since other people may criticize it and it may motivate his unfair decision.



5

Conflicts of Interest



Principle

SCG is determined to do right things with an aim for excellence. Therefore, employees must aim to maximize SCG's benefits, comply with the laws and ethics, and avoid action creating conflicts of interest that may affect any decision.

Guidelines

1. Do not conduct any business that competes with or resembles the business of SCG. Do not enter into a partnership or a controlling ownership of shares or take a directorship or management position in a business that competes with or resembles the business of SCG.
2. Do not involve in any transaction with parties having relation with you such as being family members, close relatives, close friends or entity belonging to you or for which you are a shareholder, although the deal is beneficial to SCG.
3. Do not seek any benefit from information or anything else you may obtain due to your position or duties or responsibilities.
4. Avoid involvement in any activity with persons involved in business with SCG or SCG employees that may produce a conflict of interest with SCG.
5. Avoid other works made for one's own benefits apart from SCG's which may affect the work under responsibility and SCG's good image.
6. Employees must not use their working hours to search for information, contact or trade any securities or assets on regular basis for one's own or other people's benefits and not for SCG's benefits.
7. If there is any transaction that may produce a conflict of interest with SCG, you must report your superior immediately.

5

Examples

01

You are taking charge of allocating products to distribution dealers and it happens that a dealer for SCG products who is a close relative of yours asks you to allocate to her the products that are in short supply at a higher price than normal. Can you do that?

Advice

You must not follow her request, although the conditions she offered would bring benefits to the company. You should explain her that you will consult with your superior and you are willing to co-ordinate, and update her of the progress.

02

A contractor of SCG invites you to participate in an outside seminar, and offers to sponsor for the transportation expenses, air ticket, accommodations, meals, and allowances for all seminar participants. The contractor allows you to bring your family as well. Should you join this seminar?

Advice

You should not join this seminar because the offers seem to be greater than usual. If the seminar itself, however, is interesting and beneficial to the company's business, you may seek permission from your superior on a case-by-case basis. If you participate in the seminar, however, you should not bring your family or accept allowance as the benefits are deemed to be greater than usual.

03

If your close friend persuades you to be his business partner, what should you do?

Advice

You should consider if such being a business partner affects your working time at the company or has conflicts of interest with SCG, such as being a business that competes with the company or not. You should follow SCG's guidelines.

04

SCG urgently needs to order a product and has given you the purchasing authority. You have a close friend who sells said product, enabling you to acquire the product quickly and at the price not higher than what you usually purchase. Can you do this?

Advice

You cannot do it because approving and purchasing by the same person may raise doubts about fairness. You must propose your superior to consider and approve this order, and explain your reasons with all due clarity and transparency. You must perform some other task, according to the authority manual as well as purchasing guidelines or procedures set forth by SCG, and should not involve in the purchasing process.

05

Can employees hold shares in a company that is SCG's customer or has transactions with SCG?

Advice

You may do this activity. However, if SCG has to do transactions with such companies, the employees must not take part in decision making process.

6

Political Activities

Principle

SCG remains politically neutral, and does not give financial support or support any particular political party, political group, or candidates of any kind in local, regional or national levels or person with political influence. Nonetheless, SCG recognizes and respects the freedom of employees to exercise their political rights, such as voting or being members of any political party.



Guidelines

1. Exercise the political right on your own behalf and avoid any activity making other people believe that it is done on SCG's behalf.
2. Avoid any act that others might construe as signifying SCG's involvement in, or support or preference for, a political program or party, political group, person with political influence or election candidates.
3. Not wearing the uniform of an SCG employee, or dressing in any way that would lead others to believe that you are an employee of SCG, while engaged in any type of political activity or event involved with any political party in public.
4. Refrain from expression of political opinions at the workplace or during working hours, as this might lead to conflict.

Examples

01

A subordinate seeks to be elected as the member of a sub-district administrative council. How should you give advice to him?

Advice

Explain to your subordinate that he may run for office if such activity does not have an impact on her working hours as an employee, but that he may not refer to her status as an employee of SCG for the benefits in seeking a nomination or campaigning for such position. The subordinate may not mislead the public into believing that SCG supports for, is involved with or prefers her political group. And he must resign from SCG if he gets elected.

02

Is an employee of SCG able to take leave to join politics-related activities?

Advice

Every employee has his right and freedom as prescribed by law to express his political view. However, it must be done on his behalf not SCG's and he must not act to make other people understand that SCG has involvement, support or sponsor any political party, group, persons with political influence or election candidates.

7

Handling of Information and Assets

Personal Information **7.1**

Recording, Reporting, and Storing Information **7.2**

Buying and Selling Securities and Use of Inside Information **7.3**

Use and Protection of Company's Assets **7.4**

Use and Protection of Information Technology System **7.5**

Use and Protection of Intellectual Property **7.6**





Personal Information

Principle

SCG respects privacy of relevant person, therefore, personal information of employees and relevant business parties such as status, biographical, career-related, financial record contact information, health-related or other kinds of data must be protected not to use, disclose or transfer to other parties which shall be deemed an infringement.

Guidelines

1. Each person must respect other individual's privacy in personal information. If one is required to use, disclose or transfer other people's personal information, he must get consent from such person and must not infringe on legitimate rights.
2. A person in charge of storing information held or maintained by the Company must protect personal information of employees and business-related parties. Therefore, use, disclosure or transfer of personal information of them could be done for usual work as necessary and not infringe on legitimate rights.

7.1

Examples

01

You are the secretary to the president. A factory manager asks you to send biographical data on the president to be published in a magazine, and says that the president has already approved. You know nothing about the matter, however. What should you do?

Advice

Disclosure of someone's personal information requires direct consent from that person. Whoever discloses someone's personal information without permission must be responsible for whatever damage occurs.

03

A former employee of SCG, known to you, telephones to ask for the names and telephone numbers of employees in your department. The purpose, according to the caller, is to contact these individuals and offer material benefits such as credit cards and access to loans. What should you do?

Advice

Information such as names and telephone numbers, even though they are generally known in your department or group of friends, is still regarded as personal information for which consent must be provided by those concerned before being disclosed.

02

It is not your duty to take care of biographical data on Company personnel, but you want to see results of the medical examinations of job applicants. What should you do?

Advice

Results of medical examination constitute personal information. If you want to have access to these records, you must obtain direct consent from the person concerned.

04

For use of social media, how should employees treat other people?

Advice

Every employee must respect other people's personal information privacy. Use, disclosure or transfer of personal information can be done only when getting consent of such person and not infringe on legitimate rights.



Recording, Reporting, and Storing Information

Principle

SCG has realized the importance of internal information management. Recording and storing of information must comply with SCG's standard and be complete as prescribed by law. For storing, all employees are obligated to ensure that the information involved with their work remains safe and available for reference or use by SCG whenever needed.

Guidelines

1. Recording of information should be done in accordance with the guidelines established by SCG and with all government laws, such as those pertaining to taxation and accounting.
2. Report information accurately and honestly, according to the facts.
3. Important documents and confidential information should be guarded by special procedures established for each level or type of information. The internal information and information relating to customers, business partners or vendors must be ensured to be safely and appropriately stored.
4. Storage of information should be done within the proper period of time, in accordance to the guidelines established by SCG and under the law. It should be done carefully, and so as to facilitate easy access. When the period for storage of information or documents has expired, the employees responsible should ensure that the data or documents are destroyed in the manner appropriate for each type of information.

7.2

Examples

01

A friend of yours asks for a copy of electronic data from the Company's database, which he wants to use to benefit a company out of the SCG. Would you let him do that?

Advice

Any information in the Company's database is the property of SCG. It must not be disclosed or used for private benefit.

03

At the end of the year, you have to clear the documents in your unit. Most of the documents have to do with accounting. You are person in charge of collecting all documents whose legal storage period has expired and put them in a box to be destroyed. What should you do?

Advice

Check all the documents and make a list or index of all documents to be destroyed. Keep that list as evidence before destroying the documents. In this way, you have made sure that no document is destroyed before reaching its expiry date.

02

You are an instructor from SCG delegated to a student touring a Company site. The student asks for electronic data that she can use to make her report. What should you do?

Advice

Before giving any information to anyone, you should consult or ask permission from your superior and the owner of that information. You should only release it if it will not harm SCG in any way.

04

If you have pile of paper sheets used only one side and desire to use the other side, is it possible?

Advice

You can do it but you have to check if the paper contains confidential information. If it does, you must not re-use it and destroy it properly.



Buying and Selling Securities and Use of Inside Information

Principle

Use of inside information which is material must be appropriately done considering impacts on all stakeholders and legitimacy. The information must not be used for personal or other people's benefits.

Guidelines

1. Do not use inside material information which has not been disclosed to public and deemed taking advantage over others for trading securities in any time.
2. Do not give advice or opinion on buying or selling Company stock unless the Company has assigned such advice-giving as a part of your work.
3. Employees and other authorized persons are prohibited from disclosing or conveying corporate information or secrets to unauthorized persons, including their own family members, relatives, and friends.
4. Employees in units taking charge of financial statements preparation and their family members must not trade the Company's securities before financial statement information or other information that may affect the Company's stock price is disclosed.



Definition

Material Information

refers to information relating to SCG's business which, if disclosed inappropriately, may significantly affect SCG's business, stock price or influence investment decision such as information in financial statements, investment project information which has not yet been disclosed to SET or information relating to bidding.

7.3

Examples

O1

You have been assigned to work with information that could affect Company stock prices, but your work does not require that you meet with representatives of securities firms. One day, however, the representative of a securities firm that you have never personally contacted or heard of calls and invites you to dinner without saying why. What should you do?

Advice

Ask what the dinner is for. If the answer is not clear, or if you are not certain, politely refuse, and report to your superior. Avoid meeting with anyone without good cause, as others might interpret such a meeting as indicative of some special relationship.

O2

Rumour has it that SCG will invest in a large project that, if successful, will have a huge positive impact on corporate operations. The rumour causes SCG stock prices to rise dramatically. It so happens that SCG does plan to invest in that very project, and is preparing to disclose its details to the public. If you were involved in preparing that disclosure, could you have bought the Company's stock or sold what you already held?

Advice

You must not buy or sell the Company's stock during this period, as this constitutes improper use of inside information according to the regulations of SCG, and is regarded as a criminal offence as well.

O3

If you are member of bidding committee and your colleague in your unit asks for information of the bidders, can you give him this information?

Advice

You cannot provide information to people who do not relate to the bidding since the information is intended for use in the bidding only.

7.4

Use and Protection of Company's Assets



Principle

SCG has made efficient and full use of its assets and promoted the employees to protect them from damage, loss or personal use for themselves and other people.

Guidelines

1. Employees have to use SCG's assets efficiently and for SCG's benefits
2. Employees must not abuse SCG's assets in terms of objective and legal correctness
3. Employees must protect and take care of SCG's assets to prevent them from damage or loss.

Definition

SCG's Assets

refers to all kinds of assets, including movable properties, immovable properties or any other properties owned, guarded and protected by SCG.

Examples

01

If you request advance money for the Company's business, what should you do?

Advice

You have to spend the advance for the Company's business only not for your own or other people's benefits. You have to acquire and return the money in compliance with SCG's regulation. Supervisors have duty to supervise the subordinate's advance acquisition to strictly comply with the regulation.

02

If your unit has spare parts that are no longer fitted for use in the plant, what should you do?

Advice

You have to take care of and manage the spare parts to create highest benefits and not to use for your own or other people's benefits since the spare parts are still assets of the Company.

Dedication to Excellence



Use and Protection of Information Technology System

Principle

SCG desires that information technologies are used efficiently and safely according to SCG e-Policy to protect and preserve them from infringement or use without permission.



Guidelines

1. Use information technology and information in the system for SCG's benefits. Avoid using the system that may violate normal usage of other people that is irrelevant to work or that may impact on the system's efficiency.
2. Do not use the system to access to or send information that is against good ethics, gamble-related, affecting national security or violating other people's rights.
3. Use the system according to the authority granted and keep password secret and do not consent other people to use your password to access to the system.
4. Avoid opening file from unknown source and using data recording tool that has been used with a computer suspicious of virus infection or malware.
5. Avoid installing programs and configuration of the system that may affect security of the system. If you have any issue or find abnormality in the system, you have to contact IT helpdesk right away.



Definition

Information Technology

refers to equipment and systems used to process and transfer electronic data such as computer, network, the Internet, e-mail, password or programs, etc.

7.5

Examples

01

If you receive an e-mail from an external party who is interested in being raw material supplier to SCG, the e-mail does not address any unit and has attachment and link to website for you to find more information, what should you do?

Advice

You should not open the attachment or website in unfamiliar e-mail or e-mail from unknown source and to unknown addresses to prevent undesired software embedded in the e-mail. And for e-mail transaction, you should verify identification of the contact person by using telephone or fax.

02

If an external party that you assign to arrange sale promotion activity for SCG asks you to use your computer to access to the website to modify it to accommodate the activity, will you allow him to do so?

Advice

You must not allow any external party to access to your computer, user account or internal network of SCG. You should consult your superior to request authority for the external party.

Use and Protection of Intellectual Property



Principle

SCG regards intellectual property as valuable assets to SCG. Employees must strictly follow established 'SCG Intellectual Property (IP) Policy' and protect SCG's intellectual property from unauthorized use or disclosure and must respect and not infringe other people's intellectual properties.



Guidelines

1. Employees must protect SCG's intellectual property from infringement, disclosure, reproduction, modification or any other actions not permitted by SCG.
2. All employees at SCG must respect and avoid violating the intellectual property rights of others. Examine the rights to information kept at or brought to SCG that belongs to outside persons.
3. The terms of contracts or legal documents concerning rights to intellectual property should be clear. When uncertain or in doubt, you should consult an expert in intellectual property at SCG or SCG's legal consultant.
4. Cooperate on claiming ownership or requesting protection of intellectual property for SCG's intellectual property.
5. Employees are obliged to report to a superior or the Intellectual Property Manager when they observe any actions that they believe to be, or will lead to, a violation of or conflict over SCG's intellectual property rights.

Definitions

Intellectual Property

refers to work resulting from invention, creation or formation by human beings.

Patent

refers to documents issued by government to protect invention or design of products as invention patent, product design patent and petty patent.

Copyright

refers to literature, performance, arts, music, audio-visual materials, movie, audio records, audio and visual broadcast such as computer program, paintings, photograph and articles etc.

Trademark

refers to marks or symbols or logos used with products or services such as trademarks, service marks, certification marks and collective marks.

Trade Secrets

refer to trade information that is unknown to public and is commercially valuable since it is secret. They must be appropriately handled to keep them secret.

7.6

Examples

01

After a while of researching on and developing a new product, Sales Team is planning to display the product's samples in trade exhibition so the superior recommends you to file patent registration, what should you do?

Advice

You have to consult SCG's Intellectual Property before starting the research to make a plan since you have to file request for registration at least 1-2 months before revealing the product to the public.

02

If you hire external party to arrange sale promotion activity and this contractor will design a character to use for this activity, in this case, who will own the copyright in this character?

Advice

If the hire contract does not specify provision on intellectual property, the copyright of the design of the character in the contract will belong to the creator. You should consult SCG's Intellectual Property, Technology Unit and/or SCG's legal counsel to prepare provision in copyright of the work which is in compliance with the law before executing the contract.

03

If you are preparing information for Company PR book and find that the pictures to be used belong to other people, what should you do?

Advice

You should inform the picture supplier and contact the copyright holder for permission and give credit to the owner or change to another picture which belongs to SCG.

04

If you desire to use a program not yet installed in your Company's computer and you find that it is available in illegal software shop, can you install it in this computer?

Advice

You are forbidden from installing any program in the computer since it is violation of copyright and may lead to lawsuit. If you want to use any program, please consult IT helpdesk.

05

The Company exports goods to foreign countries via distribution dealer and you find that someone is selling the same kind of products using logo similar to SCG's, what should you do?

Advice

You have to report to SCG's Intellectual Property, Technology Unit and/or SCG's legal counsel to take action as soon as possible. Trademark of products should be registered in the country of production and sale before launching to the market. And if there is distribution dealer, there should be provision in intellectual property.

06

During a trade exhibition, there are lots of visitors to SCG's booth and they ask about production process and technology the Company uses, what should you do?

Advice

You have to use great care in supplying information. Before that, you have to screen the information that can be disclosed since there may be knowledge, trade secrets and information about patents that must not be disclosed.



8

Information Disclosure and Communication

Information Disclosure **8.1**

Communication **8.2**

8.1



Information Disclosure

Principle

SCG's disclosure of information is based on fairness, transparency and traceability. It must be ensured that the information is correct, clear, complaint with law on fair basis regardless of format as written and verbal, press conference or any other manner.

Guidelines

1. Disclosure of information that may have impacts on SCG must be only done by authorized persons except for being assigned by the authorized persons to do so.
2. For disclosure of material information that has not been disclosed to the public, the authorized person must disclose it with great care, correctness and completeness on time. He must be sure that all the stakeholders sufficiently and fairly receive the information.
3. Disclosure of other information must be done correctly and not intend to temp other people to wrongly understand the information.

Examples

01

Press calls you to ask about rumour on the Company's performance, could you explain it to the press?

Advice

Answering question or giving important information must be done by authorized persons only except for being assigned for specific item of information. If in doubt, you should contact the unit taking charge of the information disclosure.

02

If you have a friend working in a competitor company, can you exchange information on marketing such as growth rate of the Company's products?

Advice

You cannot do this except it is the information that has been publicized.

8.2

Communication

Principle

SCG's communication including SCG brand communication to internal and external target, marketing communication of brands in SCG, use of SCG logo and communication via social media must be properly and accurately done considering fairness to every stakeholder and must not lead to damages to SCG. The Brand Communication Guidelines and SCG Social Media Policy should be strictly observed.

Guidelines

1. Communicate with responsibility to society, environment and values of each country where SCG operates.
2. Do not use marketing communication that directs comparisons with rivals' product or services.
3. Do not refer to subject matters that may cause conflicts in the society such as nation, monarchy, politics, belief, international relation, gender or issues that are against ethics and tradition, social disparity, discrimination and human rights violation.
4. Do not over exaggerate to make consumers misunderstand quality of products, services or other qualifications of the organization, except for using technique that enables the consumers to know it is not true but it adds spice to the media. Notice should be given to the audience that it is not true.
5. Use corporate logos accurately according to Corporate Identity Manual (CI Manual). Use of the corporate logos must be permitted by unit taking care of brand and do not use the logos for personal use.
6. Not ignore and always monitor any communication referring to the Company or action that may affect the Company's reputation and inappropriate use of logos that may damage the brand. In this case, you have to report to person taking charge or superior right away.
7. In disseminating information or expressing personal opinion on any topic online, you should indicate that it is personal opinion with great care as SCG employee.



Examples

01

You are assigned to produce advertisement media to create social attention. A PR agency proposes to use real events as plot of the commercial. Political demonstration or mocking of the homosexual is one of the events the agency proposes since it is entertaining and attractive, what should you do?

Advice

The advertisement must not portray the contents in this manner. You must take great care of contents and forms not to refer to any person or mock any event that may affect the society especially sensitive and controversial issues which may create negative impacts on the organization.

8.2

O2

You are assigned to produce corporate communication media to reflect the position of business leader in ASEAN by using map and flags of the countries in the region. However, after the media is broadcast to the target group, someone complains that the contents and pictures used are incorrect, what should you do?

Advice

You should verify the contents, maps, flags or any symbols of each country and consider source of information. You should also check with government agencies which can certify. If in doubt, do not use such pictures of information in the media. In case of complaint on correctness of information, you should contact the complainant and relevant units to explain, understand and cancel the media right away. After that you have to find solution to revise the media.

O3

You are assigned to take care of the Company's trade exhibition and you desire to show quality of the Company's products to be better than the competitor's. Can you take the competitor's product to do quality test in the presence of the exhibition visitors?

Advice

You must not take the competitor's product to test in the fair, although you have a proof on that since it is against business ethics. However, you can do it with name of manufacturer and source of product concealed.

O4

You learn that the competitor is going to launch a commercial for new product that is the same as SCG's but it is still not ready to the market. Will you launch a commercial informing that SCG will launch this new product before the competitor to create business opportunity?

Advice

You can do it if the product is under preparation and is going to be launched soon. However, period to launch must be communicated to customers and readiness of the Company should be considered. If the Company is not ready, truth should not be distorted to make the market misunderstand.

O5

You are on holidays in Vietnam and you notice that on the way from airport, SCG billboard is in damaged condition. What should you do?

Advice

You should find channel to inform relevant people or people taking charge of such billboard or inform Corporate Communications Office or superior right away to find resolution.

O6

You need to raise funds to help flood victims by making t-shirts with SCG logo screened on them to sell to your co-workers. Is it possible for you to do it right away?

Advice

You should request the unit taking charge of the logos in writing specifying objective of use and coordinator of the project. After getting permission, then you can do it.

O7

If you find accusation of discrimination in SCG's recruitment process forwarded on social media, what should you do?

Advice

You must not forward the message nor give any comments and report to relevant party or your superior right away.



9

SCG's Transactions

Transactions between Companies in SCG **9.1**

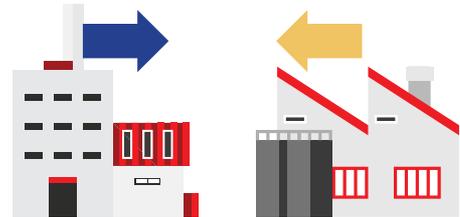
Transactions between SCG and External Parties **9.2**

9.1

Transactions between Companies in SCG

Principle

Doing business or performing work which incur related transaction between SCG group of companies must abide by the laws and regulations issued by State agencies, the regulations and delegation of authority of SCG, as well as the principles and conditions prescribed in each locality.



Guidelines

1. Carefully study the principles, processes, and delegation of authority that SCG has established for its businesses before taking action.
2. Refuse to follow the request to skip any activity in the process or ignore any activity that is required in normal process.
3. Comply with guidelines and procedures for the approval of related transactions, connected transactions or transaction with possibility of conflicts of interest for highest benefits of SCG as stipulated by laws.
4. Carry out related transactions on fair and reasonable basis without transfer of benefits among companies in SCG.

Examples

01

Company A offers to buy motor wreck that is no longer in use from company B to use as tool for motor technician training while company B will not charge company A any expense since they are in SCG. Is this an acceptable practice?

Advice

It is unacceptable practice since purchase of assets between companies in SCG must be done based on market price or book value.

02

Can assignment of one employee of a company in SCG to work in another company on temporary basis be done verbally by management of the two companies?

Advice

No, it cannot. Assignment of an employee to work in another company in SCG must comply with the Human Resource Regulation with Cost Center specified for correct expense collection.



Transactions between SCG and External Parties

Principle

Transactions with external parties must strictly comply with guidelines and procedure as specified by laws and regulations issued by state agencies as well as SCG's policy and delegation of authority. Moreover, it must comply with the conditions agreed upon straightforwardly, transparently and traceably. Avoid transactions that may cause trouble or damage to SCG or external parties.

Guidelines

1. Employees should study to understand and comply with policy and guidelines towards stakeholders.
2. Strictly follow the procedures set forth in the procurement and purchasing regulations of SCG. The priority in procurement should be given to legal entities rather than individual person, except in cases where special expertise is required from particular individuals or where the benefits of SCG demand it.
3. Each transaction should take into consideration market values and prices, together with quality and services rendered. There should be neither bias nor any obstruction in doing business by means that are immoral or illegal.
4. Avoid transactions that may have social and environmental impacts or defame SCG, although such transactions may create business benefits.
5. SCG forbids using the name of SCG, its Board of Directors, management, or any employee in conducting any transaction not related to SCG, even if it has no direct impact on SCG.

9.2

Examples

O1

A foreign company offers to sell machinery at a lower price than it can be procured directly from the manufacturer. Are you allowed to purchase such machinery?

Advice

You may purchase such machinery, but you must carefully study the details to be sure that you are getting a machine whose conditions are efficient and appropriate to the price paid. The contract must also be comprehensive in guaranteeing that the machinery has been obtained legally without any violation of intellectual property right. A state agency, such as the Ministry of Industry, the Department of Customs, or the National Police Bureau, could be called upon to verify the matter.

O2

If a customer asks SCG not to issue a tax invoice to avoid paying the value added tax, will you grant his request?

Advice

It cannot be done since the company has to comply with tax laws.

O3

You wish to order a product for yourself from a manufacturer that happens to be a business partner of SCG. You know that if you make a contract in SCG's name you will get a larger discount than normal. Are you allowed to use SCG's name for such a purchase?

Advice

You cannot not use SCG's name for any transaction unrelated to SCG's business, whatever the circumstances, as it might lead the other party to believe that he / she is doing business with SCG, resulting in considerable harm to the company. However, if SCG has deal with the vendor to offer special price for personal use, employees can order on their behalf.



10

Doing Business Abroad and International Trading

Doing Business Abroad **10.1**

International Trading **10.2**

10.1

Doing Business Abroad

Principle

All of SCG business operation abroad including establishing a company, plant, office, branch, agent; trading with dealer; or doing acquisition overseas must comply with the laws and rules applicable in that country which SCG has invested and perform as good citizen in each locality. Moreover, such business operation must also take into account the circumstances, customs, traditions, and culture of each locality.



Guidelines

1. Completely comply with all the local laws. In case SCG has guidelines, regulations and procedures that are higher or better than those stipulated by the laws, the guidelines, regulations and procedures of SCG must be complied.
2. Refuse doing any transaction likely to be against the local laws and consult your superior or SCG's legal counsel when you notice transactions that may be unclear, non-compliance with regulations or have conflicts with local laws, customs, traditions or culture.
3. Regularly monitor updates of laws or regulations in the countries where SCG operates. In case of doubt, consult SCG legal counsel or relevant persons.

Examples

01

If someone offers you an assistance in requesting for plant license abroad claiming that he could access to competent officers who issue the license. However, this is against the procedure prescribed by law. What should you do?

Advice

Refuse that offer and follow normal procedure and report your superior.

02

In case of business acquisition abroad and the seller requests to state the prices in the documents lower than actual prices to accommodate the seller to pay less taxes, what should you do?

Advice

Refuse that request and consult SCG's legal counsel. You have to also study and find other solution that is more appropriate and legitimate.

10.2

International Trading



Principle

Import and export of products or any transactions of SCG relating to foreign countries must strictly comply with relevant laws such as laws on import and export, customs act, product safety and consumer protection laws including relevant SCG's regulations and guidelines.

Guidelines

1. Study and update information of customers and prospective business partners. Avoid doing business with customers or business partners who do not comply with relevant laws or run suspicious business.
2. Frequently verify transactions to ensure compliance with laws.
3. Report information and submit relevant documents on import or export to relevant agents such as SCG internal units or government agencies. The information must be verified to be true.

Examples

01

You receive import invoice wrongly showing price of goods or details of goods, what will you do?

Advice

You should inform the business partner to revise the invoice to be clear and correct.

02

If a customer in a foreign country requests you to prepare documents containing contents not matching the agreed transaction to get tax benefits at the import country, what should you do?

Advice

You have to refuse preparing such document and report your supervisor.



Business
Competition

11

Anti – Laundering
Measures

12



Business Competition

Principle

SCG is committed to fair competition to both SCG's customers and vendors by considering code of business ethics and competition laws in every country where SCG conducts its business in accordance with relevant SCG's guidelines.

Guidelines

1. Do not enter into any kind of agreement with competitors or any person that would reduce or limit fair competition in business.
2. Wherever SCG is a market leader for a particular type of product, SCG must not use its dominant power in ways that are unfair such as limiting customers' choices in purchasing products or services, and setting prices or selling conditions which are unfair.
3. Competition laws are complicated and vary from one country to another. Therefore, you should try to understand SCG's guidelines relating to trade competition and consult SCG's legal counsel from the very beginning.

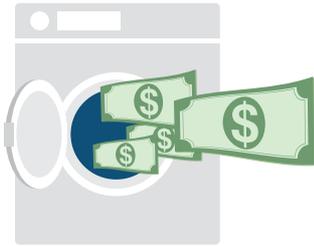
Example

01

You have received an invitation from a competitor to meet and exchange ideas about marketing plans in order to allotting customers and sales territories. This would help reduce price competition in sales. What should you do?

Advice

Refuse to take part in the discussions, and confirm that SCG's policy prohibits employees from exchanging ideas about such matters. This invitation should then be reported to your superior.



12

Anti-Laundering Measures

Principle

SCG complies with all guidelines and laws pertaining to the suppression of money laundering. SCG will not accept transfers or conversions of assets or support such actions insofar as they are related to criminal activities, and will prevent anyone using SCG as a channel or instrument for the dispersion or concealment of illegally obtained assets.

Guidelines

1. Before engaging in a transaction, find out to assure the source of fund that the contract partner legally obtained his/her money.
2. Do not transfer to unknown account or receive abnormal payment especially from the country not relating to the transaction.
3. If you notice an unusual transaction, immediately report it to your superior.

Examples

01

An overseas debtor asks to pay off his account with SCG via a tax haven country, a country providing any tax privilege. Is it possible?

Advice

It is possible because transfers or payments of money via a tax haven country are not illegal, but you must make sure that the contracting party is credible and has a business background open to investigation.

02

A debtor wants SCG to accept payment from an unknown individual who is not a party obligated to the contract. What will you do?

Advice

Avoid receiving payment of debt from any person who is not a contracting party. If necessary, you should attempt to verify the source of all money involved in a transaction, relationship between debtor and transferor and background of the transferor.

**Live by Our
Code of
Conduct**



SCG Code of Conduct



The Siam Cement Public Company Limited

1 Siam Cement Road, Bangsue, Bangkok 10800 Thailand

Tel: (+662) 586-3333, (+662) 586-4444 Fax: (+662) 586-2974

www.scg.com

