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Code of Ethics for directors  
Code of Ethics for employees

**Code of Ethics for  
stakeholders:**

*Treatment of shareholders*  
*Treatment of employees*  
*Treatment of customers*  
*Treatment of business partners*  
*Treatment of creditors*  
*Treatment of competitors*

Law & Regulations compliance

Confidentiality  
Intellectual property  
Conflicts of interest  
Fraud & Corruption  
CSR & Environment  
Energy conservation  
Workplace Safety & Health  
Integrity  
Political participation  
Training & development  
Whistle-blowing and complaints  
Protection of rights  
Implementation of the Code

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# Code of Business Ethics and Ethical Standards Handbook

## KCE Electronics Public Company Limited

### Code of Business Ethics

To comply with the Company's good governance practices, the code of business ethics is defined. The Company's directors, management and employees must follow the code and treat it as corporate value and culture in order to enable effective management, fairness and transparency in the Company's operations. This will boost the confidence of shareholders and all stakeholders, and be the grounds for firm and sustainable development.

KCE's Code of Ethics extends to cover legal compliance with respect to international principles of human rights as well as topics such as political support, conflict of interest, confidentiality and use of insider information, the treatment of customers, the treatment of business competitors, procurement and the treatment of suppliers, the community and social responsibility, the treatment of employees, internal control and auditing, giving or receiving gifts or other benefits, SHE, intellectual property, the use of computer systems, and the protection of whistleblowers.

All new staffs will be informed of this subject matter during orientation. Refresher course is given to current staffs to keep their understanding intact. The goal is to make sure that all employees are fully aware of corporate governance. In addition, employee's understanding of the CG principles and the Code of Business Ethics are regularly evaluated to enhance a communications process and to allow employees to effectively implement the Code of Ethics with their work.

The Code of Ethics is a code of good practices in operating the business and is a standard of behavior that all personnel of KCE must follow to assure that management in all business sectors proceed in the same direction morally, transparently, and accountably. The Company's Board of Directors has defined guidelines of the Code of Ethics as follows:

#### Code of ethics for the Directors and Executives

In order to be a behavioral role model in perform duties honesty and maintaining an equitable interest of all stakeholders, directors and executives must strictly adhere to the core Code of Conduct as listed below:

- Perform duties according to the law, rules, regulations, and relevant policies in conducting business.
- Perform duties with honesty, due attention, prudence, ethics, and corporate value for the maximum benefit of the Company and the stakeholders.
- Devote time to work with utmost knowledge and ability to achieve the Company achieves the best performance.
- Treat all related persons of the Company equitably and avoid conflicts of interest with the Company, whether directly or indirectly.
- Refrain from giving or accepting items, or from giving or accepting entertainment or benefits from the Company's business partners or those related to its business, except when this is done in the best interests of the Company or on customary occasions, and done with a reasonable value. For cash or an item exceeding three thousand baht in value, the receiver must refuse to accept it and return it to the giver.
- Refrain from using one's authority to reap personal benefit.
- Maintain one's dignity so as to be respectable in society, behave properly according to one's role and authority, and jointly create unity among the workforce.
- Avoid behavior regarding sexual harassment.

- Treat others with kindness, respect the rights and dignity of others, and honor others. Refrain from disclosing personal information or criticizing others, whether related to their personal or other matters, or from harming them or the Company's reputation as a whole.
- Keep confidential information of the Company and stakeholders through measures against leaks to unrelated persons even after the end of employment with the Company, except in compliance with the law or under commitment.
- Do not buy, sell, transfer, or receive the transfer of the Company's assets by taking advantage of undisclosed inside information for one's own benefit or the benefit of others.

### **Code of ethics for Employees**

Employees are the most important part of the business. KCE promotes unity, harmony and trust among its employees, and encourages them to treat each other with politeness and respect. All employees shall perform their duties with due care, diligence, conscientiousness, rationality, smartness and enthusiasm, applying their best professional knowledge. They shall:

- Perform duties according to the law, rules, regulations, and relevant policies.
- Adhere to honesty, fairness, and ethics in performing their duties and report true and complete information.
- Perform duties with care, responsibility, caution, and dedication for the Company's maximum benefit.
- Continuously improve their respective work performance according to their duties responsibilities.
- Maintain one's dignity so as to be respectable in society; behave properly according to one's role and authority and maintain good inter-personal relationship.
- Treat others with good manner and kindness; respect the rights and dignity of others; honor others.
- Open to others' opinions with reason and without bias.
- Create unity and provide assistance for the overall benefit of work, society, and the country.
- Use the company's asset for the utmost economic and benefit; and keep good maintenance against damage or lost.
- Keep confidential information of the company, customers and business partners through measures against leaks to unrelated people even after ending employment with the company, except in compliance with the law or under commitment.
- Abstain from using information obtained at work to unlawfully seek one's own benefit or benefit of others.
- Abstain from acting or giving opinions to outsiders, the media, the social media, or other social networks on any subject that may affect the company's reputation and image.

### **Code of ethics for Stakeholders**

To promote KCE to be an efficient company and accountable to stakeholders, the directors, executives, and all employees must adhere to the Code of Conduct towards the stakeholders and follow and practice the guidelines as below:

#### **Treatment of shareholders**

- Perform duties with utmost integrity and fairness to both the major and minority shareholders and to the interests of related parties.

- Strictly adhere to the resolutions of shareholders' meetings. If one cannot adhere to resolutions of the shareholders' meeting, one must inform the shareholders without delay or call for a shareholders' meeting to approve an important issue that is not under the authority of the board of directors or the management.
- Oversee that all stakeholders equally receive basic rights.
- Be committed to growth with quality and stability so that shareholders obtain sustainable returns and benefit through the Company's efficient performance.
- Disclose information regarding the Company's position and performance to shareholders equally and consistently, and in a complete, correct, and timely manner.

#### ❖ **Treatment of employees**

- Provide fair employment conditions so that employees may receive suitable compensation according to their knowledge, responsibilities, ability, potential, and performance, in line with the Company's performance and comparable to other companies in the same business.
- Provide a process of selection, appointment, transfer, welfare, awards, termination of employment, and punishment of employees, based on transparency, accountability, honesty, and fairness, with a focus on individual knowledge, capability other appropriateness, including performance.
- Open opportunities for all employees to perform at their utmost capability and provide a proper compensation based on individual performance as well as on the Company's operating results, both in the short term and long term. Compensation includes wages and salary, bonuses, incentive payments based on achievement to target output or target a scrap rate from the production process, and announce an offer to purchase the Company's shares in an ESOP project for management and employees.
- Promote training and employee development programs to develop the potential of employees at all levels so that they are knowledgeable, skillful and possess a high degree of morality and a proper attitude toward work and the Company.
- Treat employees fairly and encourage them to widely and continuously develop and exchange knowledge and ability.
- Oversee a working environment that is protects the health, life, and property of employees.
- Provide key information to employees so that they may be aware of the Company's performance and actual situation.
- Encourage a dialogue between the Company and employees or representatives of employees as a channel to present information to the Company's decision-makers so as to improve the quality of the workplace.
- Equally respect the rights of expression of all employees without intervention, and establish a process of hearings and complaints in a proper and fair manner.
- Promote support activities so that employees may have a balanced life, whether related to work, education, recreation, or family.
- Promote ongoing training in job-related subjects.
- Promote employees' understanding of the Code of Conduct and roles to promote compliance with the Code throughout the Company.

#### ❖ **Treatment of customers**

A customer is anyone who purchases goods manufactured and offered by KCE. KCE aims to foster customer satisfaction by providing quality products and service at reasonable prices, as well to be

accountable to customers. In addition, KCE's personnel shall promptly, courteously and non-discriminatively provide services to customers.

- Commit to ensure the satisfaction of customers by providing quality products according to high standards of safety, health, life, property and proper technology, and endeavoring to continuously improve quality in all areas.
- Respect promises or agreements with customers in a fair manner. If such promises or agreements cannot be kept, one must promptly negotiate with customers in advance so as to solve problems or avoid damage.
- Behave towards all customers on an equal basis and without discrimination.
- Disclose information to customers in a complete, correct, timely and sufficient manner, without concealing, distorting, giving false or misleading information, as well as maintaining a cordial relationship.
- Systematize customer service and initiate a communication channel for customers' comments or complaints, while endeavoring to promptly address the issue.
- Refrain from exploiting confidential information of customers for personal benefit or for the benefit of others.

#### ❖ **Treatment of business partners**

KCE regards procurement an important process to support its business operation in the spirit of good corporate governance. The Company strives for the equal treatment of trade partners under fair competition for long-term business partnership. KCE has defined a "KCE Supplier Code of Conduct" along with supply chain management to ensure that our business partners conduct their operation with the highest degree of ethics, respect for human rights, occupational health care and safety, and sustainable environmental management.

- Respect promises, agreements or conditions with business partners in a fair manner. If a promise or agreement cannot be kept, one must promptly negotiate with said partners in advance so as to solve problems or avoid damage.
- Maintain a sustainable relationship with business partners, including cooperation in the economy, society, and the environment.
- Oversee the transparency of procurement and service systems by treating all business partners equally and fair in accordance with the Company's regulations.
- In procurement, one should not specify the qualifications of goods or services of any particular business partner or intentionally specify qualifications to favor a particular good or service, except in the case of necessity by providing sufficient reasons for so doing.
- Provide the same details of information and conditions to all business partners.
- Refrain from demanding, accepting or paying improper commercial benefits to business partners.
- Check delivered goods or finished work and pay for goods or services in a correct and speedy manner.
- KCE's personnel in charge of procurement must monitor trade partners in order to strictly comply with KCE's Suppliers Code of Conduct.

#### ❖ **Treatment of creditors**

- Strictly respect promises, agreements or conditions with creditors both in terms of payment and other conditions. If a promise or agreement cannot be kept, one must promptly negotiate with the creditor in advance so as to jointly find a solutions or remedy in order to avoid damage.

- Manage work to ensure the creditors of the Company's financial status and good record of loan repayment.
- Manage loans in line with the objective for which they were obtained and abstain from using loans in a way that may cause damage to the Company.
- Disclose information regarding the Company's financial position or other related information to creditors in a complete, correct, timely and consistently manner.

#### ❖ **Treatment of business competitors**

Business competitors are outsiders with whom KCE competes based on a free-market system. Competition shall be fair, without information distortion, deception or other malicious means of competition. In some circumstances, KCE may need to cooperate with its business competitors. In such a case, cooperation shall be transparent and not conceal any illegal agreements.

- Refrain from dishonestly or improperly seeking confidential information of business competitors.
- Perform duties under the framework of fair competition.
- Abstain from slandering business competitors through false or improper claims.
- Promote an exchange of useful information so as to strengthen the business and help sustain the economy, society, the environment, and the country.
- Promote beneficial cooperation with business competitors when it benefits consumers. Cooperation between KCE and its business competitors shall not take the form of a monopoly or trade cartel; entail a decrease in the quality standard of products and services or price fixing. Personnel of KCE shall in all circumstances associate carefully with business competitors and shall not disclose confidential information either intentionally or negligently to trade competitors.
- Any merger or acquisition between KCE and its business competitors shall be transparent, and after such transaction, KCE shall not use its dominant market power in any way that would harm the interests of consumers.

#### ❖ **Treatment of society, communities, and the environment**

- Strictly adhere to the relevant law, rules, orders, and regulations and attempt to upgrade implementation to be of a higher standard than specified by law if, by so doing, we will benefit society, the community, the environment, and the country.
- Prevent damage caused by the Company's business to society, the community, and the environment.
- Create awareness among all employees and the Company's stakeholders of the continuous responsibility towards society, the community, and the environment.
- Refrain from supporting activities that could harm or threaten society or morality and/or promote vice.
- Conduct business while taking into account the efficient use of resources.
- Conduct business in parallel with making people in society, the community, and all stakeholders to be good, cultured, and ethical, and to promote education and other public activities as well as energy saving and environmental protection.
- Use knowledge acquired from experience in corporate social responsibility to develop innovative ideas so as to add value to the business and society.
- Cooperate with the government and relevant agencies in any event that would have an impact on society, the community, and the environment as a result of its business.



## Ethical Standard

In order to comply with KCE's corporate governance policy, KCE has established ethical standards for directors, executive management and employees to abide by as corporate values, along with other rules and regulations in order to ensure that all business operations of the Company are transparent, explicit, justifiable and efficient, and uphold honor and prestige so as to be worthy of attaining the confidence and trust of customers and the public.

### 1. Ethics for Compliance with Laws and Regulations and Principles of Human Rights

Global society is governed by the rule of law. Although each country in which KCE invests or associates with has a different type of legal system, culture and tradition, they share a common ground in promoting and adhering to the principles of Human Rights. KCE and its personnel shall respect and operate in compliance with such principles as well as conduct themselves with a high degree of righteousness, fairness and legitimacy.

Policy & Implementation Guidelines:

1. Thoroughly understand and strictly obey the law relating to one's own duties and responsibilities. If in doubt, seek advice from the legal department or a legal adviser. Avoid acting based on one's own interpretation.
2. When working abroad, study the laws, customs, traditions, and culture of the country before undertaking any activity concerning the Company's business so as not to engage in any prohibited action.
3. Promote and respect the protection of human rights, and ensure that the Company's business is in line with human rights concerning forced labor or child labor.
4. Respect and provide fair treatment to all stakeholders based on fairness, human dignity, non-discrimination of origin, race, gender, age, skin color, religion, physical state, status, or birth.
5. Promote compliance with human rights within the Company and encourage subsidiary companies, investors, business partners, and all stakeholders to observe the international principle of human rights.
6. Protect the rights of stakeholders affected by the violation of their rights as a result of the Company's operations by considering compensation no lower than the rate stipulated by law.

### 2. Ethics for Confidentiality, Safeguarding and Use of Inside Information

Confidential information is not public information; it is information that would adversely affect or severely damage the Company if disclosed to the public or competitors. Confidential information includes all information given in trust to KCE from trade partners and customers. KCE is responsible for maintaining the confidentiality of information and may only disclose it to authorized personnel. It is the duty of the person in charge of or possessing the information to strictly maintain confidentiality and safeguard the information.

Policy & Implementation Guidelines:

1. Maintain material business information as well as confidential information of the Company and stakeholders with utmost seriousness and within a limited circle, without disclosing it to insiders or outsiders even in the case of retirement, resignation, or termination of work with the Company, except as stipulated by law or resolution of directors.
2. Employees must not use the Company's inside information that has not been disclosed to the public for their own interest or for the interest of others.



3. Outsiders with the opportunity to handle or have access to confidential information must sign a Confidentiality Agreement to ensure that they will be maintain confidentiality and not disclose inside information, as applied to employees.
4. The disclosure of material information must be made by an authorized person. When receiving questions about material business information without the authority to disclose it, one must refer to an authorized person.
5. In case of rumors or news affecting stock transactions or the decision to invest in the Company's shares, the Company must clarify such rumors or news as promptly as possible.
6. In case of irregular stock transactions due to a leak of information not yet disclosed by insiders, such insiders who leaked such information are considered violators of the Company's rules and may be punished by relevant law.

### **3. Ethics in Dealing with the Company's Assets**

Policy & Implementation Guidelines:

1. Keep assets functional and protect them against damage or loss.
2. If assets under the responsibility of an employee or any person are damaged or lost, that person must take joint responsibility with the Company as stipulated by the Company's rules, regulations, and policies.
3. Use the Company's assets for business with thriftiness and with awareness of their value for maximum benefit, taking into account regulations regarding environmental protection and energy conservation.
4. Refrain from using the Company's assets for personal interest or the interest of other persons, whether directly or indirectly.
5. On leaving the Company, all employees must return all assets that were used in the course of their business activities, including information used for their work, the results of their work, and any inventions that were created in and for the Company in any form in which such inventions were kept. Moreover, they must not record, copy, or photocopy any information for dissemination or for personal gain without the Company's consent.

### **4. Ethics Regarding Intellectual Properties**

Personnel shall use KCE's information technology and channels of communication to communicate with external parties with care and caution, respecting the rights of the owners of the intellectual property.

Policy & Implementation Guidelines:

1. The Company must conduct its business by obeying laws and regulations regarding intellectual property rights, whether concerning trademarks, patents, copyrights, commercial secrets, or other intellectual property as stipulated by law, and encourage employees to act in the same manner.
2. All employees have the right to independently invent intellectual property under relevant law, but said invention developed either within the scope of an employee's duty or assigned work and using information belonging to the Company, or in the course of work specifically for the Company, such invention or intellectual property is considered the Company's asset, except in a case in which the Company explicitly allows said work to belong to the creator or inventor, researcher, or other persons.
3. Cultivate employee awareness of the importance of respecting intellectual property rights, whether involving work done for the Company or in daily life.
4. Relevant persons must ensure that the application of the findings of research or information in their work respects others' intellectual property rights.

## 5. Ethics for the Use of Information Technology

Personnel shall use KCE's information technology and communication channels to communicate with external parties with care and caution, respecting the rights of the owner of intellectual property.

Policy & Implementation Guidelines:

1. The use of the Company's information system must be for the sole purpose of the Company's business. The information system is considered an asset belonging to the Company, and as such the user of said system cannot expect privacy and must avoid using it for any purpose outside of the Company's business.
2. Strictly adhere to Information Security Policy and Information Security Standards as well as laws, rules, regulations, and relevant policies.
3. The owner of the information must classify confidentiality levels as appropriate to the reference of the Information Security Standards. Such classification should take into account the necessity to protect the information for business purposes and the impact if the information is leaked or if the regulations, laws, and binding contracts are modified. The levels of confidentiality can change depending on the decision of the owner of the information.
4. Employees facing an emergency case that may affect the business operation and stability of the information system or encounter a vulnerability in the system, whether technical or operational, or anything that may cause a risk to the Company, must promptly inform the information technology department.
5. The Internet media and computer system must be used only as necessary and for the Company's business.
6. The Internet media must not be used to cause damage to the Company's computer and internet systems.
7. The Internet media, computer system, or other equipment must not be used to improperly search for, disseminate, or keep information, contrary to morality and the Computer Crime Act B.E. 2550 (2007), relevant laws, rules, regulations, or policies.
8. Use copyrighted computer programs and contact the information technology department for the installment of additional computer programs for business if necessary.
9. Keep confidential the Company's access codes (passwords) to the computer system and programs so that outsiders cannot have access to it.
10. If the Company allows the hiring of temporary employees, student trainees, agencies, companies, sellers, business partners, contractors, advisers, the Company's customers, and the Company's non-employees to have access to its information system, supervisors of the unit must monitor the use by such persons to ensure it is not used to violate the Company's rules, regulations, and policies.
11. Cooperate in the monitoring, control, and any action to ensure the security of the information system.

## 6. Ethics for Conflicts of Interest

KCE's personnel shall carry out their duties for the optimal benefit of KCE without regard for personal interest or influence from close relationships, by neither seeking for their own benefit nor having a conflict of interest. KCE's personnel shall always consider their duty to avoid a conflict of interest. If a conflict of interest occurs, the personnel shall refrain from involvement in such operation and a replacement will be sought to avoid any accusation of a conflict of interest or abuse of authority for personal benefit that may damage KCE. All personnel shall strictly comply with precautionary measures and disclosure policy as directed by KCE.

#### Policy & Implementation Guidelines:

1. Refrain from competing with the Company, whether directly or indirectly.
2. Avoid making connected transactions involving oneself or related parties that may cause a conflict of interest with the Company.
3. Ensure that the Company strictly complies with the criteria, methods, and disclosure of connected transactions as stipulated by law or a monitoring agency and under the Company's regulations.
4. Stakeholders must not take part in the consideration of connected transactions involving themselves that may cause a conflict of interest.
5. If it is necessary to make a connected transaction, it must be in accordance with the general business conditions as approved by the Board and based on transparency and fairness as if done with outsiders and taking into account the Company's maximum benefit.
6. If a connected transaction is against the general business conditions as approved by the Board or if its nature or size exceeds the authority of management, it must be submitted to the Audit Committee for it to examine and provide an opinion before seeking approval of the Board or shareholders.

### 7. Ethics for Fraud and Corruption

KCE is aware that fraud and corruption are significant obstacles to economic and social development, creating injustice in business operations, and negatively impacting an organization's credibility. The Company was certified a member of the "Private Sector Collective Action Coalition Against Corruption (CAC)" since 2015 and received the 2nd extension of the certification on December 31, 2020 for another 3 years. KCE has a zero-tolerance policy and will not support any form of fraud or corruption practices including bribery, whether direct or indirect.

#### Policy & Implementation Guidelines:

1. Set up effective and proper internal control and risk management systems to prevent fraud as well as improper actions by employees and outsiders related to the Company.
2. Cultivate the value of honesty and responsibility as a corporate culture, including upgrade the value that fraud is unacceptable.
3. Set up a mechanism to report a transparent and correct financial status under internationally recognized accounting standards.
4. Prepare communication channels for employees and related persons to report dishonest or illegal practices and make suggestions or file complaints in case of fraud with a measure to protect the rights of the whistle-blower.
5. Define a preventive measure for giving or receiving gifts, assets, or other benefits, receptions, or excessive expenses that are out of line with the Company's criteria or in violation of the relevant law.
6. Define preventive measures against bribes of any kind, whether for facilitation or for all types of business relationships, directly or indirectly.
7. Rules and regulations as well as correct procedures regarding procurements with the public sector or state enterprises, whether domestic or international, must be transparent and fair.
8. Donations for charity or support money of any kind must be based on transparency and compliance with relevant laws.
9. Encourage the exchange of knowledge, experience, and best practices with peer companies, including all stakeholders for joint implementation of and participation in activities against corruption organized by the Company, associations, chambers of commerce, or other monitoring agencies.

## 8. Ethics for the Community, Social Responsibilities and the Environment

KCE cannot be separate from the community in which it operates and has the responsibility to develop sustainably and give back to the community and society as a whole. KCE considers it one of its duties and key policies to become involved in the development of society and the community by concentrating on social, community and environmental development; religious support; conserving and increasing natural resources; educational support for the youth; and support encouragement and strengthening of impoverished communities.

Policy & Implementation Guidelines:

1. Base business on ethics and responsibility towards society, communities, and the environment.
2. Participate in the development of the community and overall society, whether within the scope of economic, social, community, or environmental activities.
3. Encourage employees to selflessly act as volunteers and in a responsible manner towards society.
4. Encourage sustainable activities that benefit society, the community, and the environment under the following directions:
  - Activities in line with the Company's business operations
  - Activities that can be implemented continuously and concretely
  - Activities that truly benefit society, the community, and the environment in the long run
  - Activities that encourage educational development and continuous learning
5. Encourage employment, skill development for labor, as well as conservation of the arts and culture in the community where the Company's business is situated.
6. Encourage the networking of the people sector, monitoring and participating in social activities, exchanging and transferring technology, as well as the alleviation of hardships caused by natural disasters.
7. Abide by the law, rules, and regulations relating to the environment in operating the business.
8. Manage the business so as to prevent and control any environmental impact.
9. Continuously assess and monitor potential environmental impacts arising from the Company's business operation.
10. Continuously develop and improve environmental management, whether energy saving, alternative energy, resource conservation, recycling, or proper treatment of waste and dangerous waste.

## 9. Ethics for Energy Conservation

Policy & Implementation Guidelines:

1. Respect laws, rules, and other regulations relating to energy conservation in operating the business.
2. Prevent, avoid, and control risky activities concerning energy inefficiency.
3. Continuously review and improve policies, objectives, performance, and business plans.
4. Provide good understanding to all stakeholders regarding energy conservation, including support, cooperation, dissemination, public relations about activities concerning energy conservation to any agencies, the public sector, society, and the public.
5. Cultivate the knowledge of energy conservation to create innovations beneficial to the business.

## 10. Ethics for Safety and Occupational health

KCE emphasizes the safety and health of its personnel and the surrounding community. KCE is committed to a high-quality, safe, and healthy environment as a part of its employees' daily lives and supports the efficient and conservative use of resources for the benefit of the entire community and society.

Policy & Implementation Guidelines:

1. Respect laws, rules, and other regulations concerning safety and occupational health in operating the business.
2. Arrange for sufficient and efficient practices, and action plans that address safety and occupational health.
3. Arrange for sufficient, efficient, and proper security and alarm systems within the offices and factories under the Company's management.
4. Prevent and control risk that may cause a loss due to accident, injury, or illness from work, lost or damaged property, improper working methods, and other potential mistakes.
5. Sufficiently and efficiently arrange for public relations and communication to bring about understanding and disseminate information on safety and occupational health to employees as well as stakeholders.
6. Continuously and regularly assess and monitor work on safety and occupational health related to the business.
7. Arrange for continuous and regular preparation in case of an emergency that may cause a disruption to the business operation or cause damage to the Company's reputation and image.

## 11. Ethics for Internal Control and Internal Audit

KCE recognizes that public companies necessarily require effective, accurate, and reliable internal control and internal audit systems. KCE will establish, maintain and monitor internal control systems to ensure that risks are managed at an acceptable level. Internal control systems will be regularly assessed through an efficient internal audit office monitored by the Audit Committee. Management and staff also recognize the importance of internal control and internal audit.

Policy & Implementation Guidelines:

1. Properly and sufficiently develop an internal control system to ensure that the Company conducts business by taking into account the efficiency and effectiveness of the operation, reliability and correctness of financial statements and compliance with relevant law, rules, and regulations.
2. Set up an internal audit as a key mechanism to measure the appropriateness and sufficiency of the internal control system and risk management.
3. Cultivate knowledge, understanding, and awareness of the criticality of adherence to the internal control and internal audit systems among all employees.
4. All employees must adhere to the internal control and internal audit systems as part of their work to ensure efficiency, effectiveness, correctness, and reliability.
5. The Audit Committee is responsible for regularly following up and checking the appropriateness and sufficiency of the internal control system in line with the actual business situations.

## 12. Ethics for Political Participation

KCE is a politically neutral organization and does not support any political party, group, or politician at the national, international or global level. KCE supports its personnel to uphold the democratic regime of the

government with the King as Head of State, as well as activities that align with the local governing system, and encourages its personnel to exercise their political rights in compliance with the law.

Policy & Implementation Guidelines:

1. Exercise one's own right as a good citizen according to the constitution and relevant laws.
2. Avoid participating in any activity or expressing any views that may purport that the Company is involved in or supports any political party or any power group that may lead to disunity in the Company and the country.
3. Refrain from using the Company's assets to support any political party or any power group in exchange for special treatment or undue benefits.

### 13. Ethics for Training and Development

Employees are the most important part of the business. KCE shall recognize all employees without discrimination, regardless of unit or department. KCE shall provide a safe and satisfactory working environment and offer appropriate welfare and benefits to employees, and use innovative technology to support their best efforts for KCE's best benefit.

Policy & Implementation Guidelines:

1. Support the continued knowledge and potential development for employees at all levels through policies and procedures of the Human Resources Department.
2. Establish a training plan each year for all employees to strengthen their knowledge and skill needed to perform their job duties, including training for management knowledge and leadership skill.
3. Set up a Career Path parallel with a Training Roadmap for proper learning and skill development required for each position.
4. Provide secure jobs via promotion based on the employee's knowledge and capability in performing their job.
5. Provide an opportunity for the transfer of new technology, modern machines and tools for production.
6. Support further study and provide educational funding for potential development either with academic or technical knowledge as appropriate.
7. Conduct an assessment of personal development plans and regularly review and keep curriculum up-to-date. The training and development program is the joint responsibility of concerned management, employees and the HR Department.

### Whistle-blowing and Complaints

In order to encourage employees or stakeholders, both within and without the Company, to participate in, promote and adhere to the principles of corporate governance, they are encouraged to engage in whistle-blowing or file complaints with detailed evidence to the Company or relevant agencies should they suspect any unlawful activities or violation of laws, rules, regulations, code of business conduct, or corporate governance principles via the following channels:

**Internal Audit Manager** KCE Electronics Public Company Limited

- 1) Whistleblower channel in the Company's internet website: [www.kce.co.th](http://www.kce.co.th)
- 2) Whistleblower channel in the Company's intranet system
- 3) Email: [whistleblower@kce.co.th](mailto:whistleblower@kce.co.th)

- 4) Mail to: 72-72/1-3 LatKrabang Industrial Estate, Soi Chalongkrung 31,  
Lumplatew, LatKrabang, Bangkok 10520 THAILAND

#### Conditions of whistle-blowing and complaints

1. The details of whistle-blowing or complaints must be factual, clear, or sufficient to lead to an investigation.
2. The whistle-blower or the complainant may choose not to reveal his/her name, address, or telephone number(s) if disclosure could result in any danger or damage. If the person chooses to reveal an allegation himself/herself, an investigation will proceed in a speedy manner, with additional useful information, factual revelation, or alleviation of the damage gathered in a convenient way and in a short period of time.
3. The information received is considered confidential, and no disclosure of the name of the whistle-blower or the complainant will be made public without consent.
4. The rights of the whistle-blower or the complainant will be protected whether he/she is an employee or an outsider.
5. The time required to process each complaint depends on the complexity of the case, the sufficiency of documents, evidence received from the complainant, as well as documents, evidence, and an explanation by the person against whom the allegation was made.
6. The person who receives the complaint and the person involved in the investigation must keep the filed information confidential. If necessary, they may disclose it by taking into account the safety of and damage to the complainant or any person who cooperates in the investigation, the information sources, or relevant persons.
7. If the complainant or the person who cooperates in the investigation thinks that he/she is unsafe or threatened, he/she may ask the Company for appropriate protective measures, or the Company may proactively provide protective measures if there is potential damage or danger.
8. The damaged person will be assisted by proper and just procedures.

#### **Protection of the rights of employees, temporary employees, and outsourced persons**

The Company will not unfairly treat employees, temporary employees, or outsourced persons, whether through changes in position, nature of work, or location of work, suspension, threat, obstruction of work, termination of work, or any unfair act against such persons because they:

1. provide information, cooperation, assistance to the directors, executives, the public sector, or the monitoring agency if there is sufficient proof that a person has violated or abused any law, rule, regulation, code of business conduct, or principles of corporate governance.
2. give testimony, submit evidence, or provide assistance to the directors, executives, the public sector, or the monitoring agency that is useful in an investigation in the case where there is a suspicion of a violation or abuse of laws, rules, code of business conduct, or corporate governance.

#### **Instructions and Mechanism for KCE Ethical Standards and Code of Conduct Handbook**

KCE's personnel at every level must commit to and abide by KCE's Ethical Standards and Code of Business Ethics in carrying their daily duties and responsibilities. In case a failure to comply with these principles is discovered and is confirmed by the result of a fair investigation, KCE shall take disciplinary

and/or legal action as appropriate in compliance with KCE's rules and regulations regarding personnel management. Superiors in the hierarchical structure of each department are responsible for overseeing and ensuring that their subordinates strictly follow KCE's Ethical Standards and Code of Business Ethics.

In case of a violation of the code, the manner of such violation, intention or intent, motive, age, record, position, duty and responsibility of the violator, including the damage caused and other significant reasons shall be taken into consideration.

Personnel of the Company who comply with their particular professional codes of ethics, e.g., engineers, accountants, doctors, pharmacists, and lawyers, must strictly adhere to their professional ethics as a part of KCE's Ethical Standards and Code of Business Ethics.

KCE personnel must keep in mind that the Company cannot specify written guidelines for every type of behavior, event or circumstance in the code of ethics handbook. If any Company personnel encounters a difficulty in decision-making or in conducting any action or operation, they shall first employ their own judgment before proceeding by asking the following questions:

- Is it against the law?
- Is it against KCE's policy, KCE's values, or harmful to KCE's reputation?
- Could it have any adverse effect on KCE's stakeholders?
- Could it initiate any undesired corporate culture in the future?

If the answer to any of the above questions is "yes", they should refrain from engaging in the action.

**Should any staff member have a doubt as to whether a certain action complies with the good practices or code of conduct presented in this handbook, they should seek advice from their colleagues or supervisors. Management is responsible for advising their subordinates or consulting with the Office of Internal Audit and the Company Secretary.**