

# Standing Beside Honesty, Stepping Aside Corruption

## KEY PERFORMANCE IN 2019



**100%**

of the Governance Committee members have undergone training on anti-corruption policy and procedures are

**31** persons



**100%**

of employee have undergone training on anti-corruption policy and procedures are

**99,334** persons



## 2020 GOAL

### Supporting the SDGs



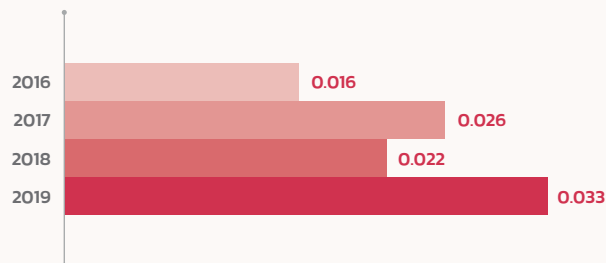
**SDG16 Promote Peaceful Societies and Justice**  
16.5 Reduce corruption and bribery in all their forms.



The Company is determined to prevent corruption from occurring in all its forms, both within its own organization and Critical Tier 1 Suppliers

## PERFORMANCE AGAINST GOAL

Ratio of Ethical Violation Cases per Branch (%)



## Challenges

CP ALL Plc. and its Subsidiaries (“the Company”) implemented an anti-corruption policy and related procedures in its subsidiaries, with the aim to inculcate good practices, raise awareness on all forms of corruption, and create an organizational culture under good governance and ethical business practices. This is in order to create confidence and meet the expectations of all stakeholders. Nevertheless, there challenges in anti-corruption efforts, particularly in achieving coverage of a diversity of subsidiary business and in communicating to 99,334 employerees or 100% which also included the governance body members to ensure the comprehensive implementation of the anti-corruption policy and procedures.

### PROGRESS IN 2019



Collaboration with the Public Sector’s Network, “Joining Forces, Combatting Corruption” Project



Internal Control Systems Project for Risk Prevention



CCTV Improvement Project

## ANTI-CORRUPTION DASHBOARD



100% of employees have received communication on the anti-corruption policy through the Business Ethics and Code of Conduct



100% Tier 1 Suppliers have received communication on the anti-corruption policy through the Supplier Code of Conduct and Guideline



Total number of reports  
**443** cases



Confirmed corruption  
**388** cases



Corrective action taken  
**388** cases or **100%**

## Management Approach

The Company has continuously performed business activities within the organization and throughout the supply chain following the anti-corruption policy framework, in addition to making improvements that have adapted to changes in regulatory requirements and specific industry characteristics. The Company has also communicating related policies and guidelines to various committees at all levels in the organization and suppliers. This includes guidelines on anti-corruption, charitable contributions, gift-giving and accommodation, and measures to prevent corruption, among others. The Company has also defined, and continually improve

procedures and regulations in alignment with company policies. The Company has defined roles in following its anti-corruption measures, and communicated, through orientations and refresher trainings, to all committee members and employees at all levels to increase understanding and awareness on the strict adhering to its anti-corruption ambitions. In 2019, the Company expanded its anti-corruption training to employees and staff at the operational level, in addition to adding training content on governance and anti-corruption to the Company’s e-learning standard training modules.



In 2019,  
**100%**

of the company’s supervisor management have completed an anti-corruption training



In 2019,  
**100%**

of new employees and store partners have completed an on-boarding training



In 2019,  
**100%**

of Tier 1 Suppliers have received communication on the anti-corruption policy through the Supplier Code of Conduct Guideline



In 2019,  
**100%**

of staff and employees have completed an anti-corruption training

## Grievance and Ethical Management

The Company supports employees to report evidence or information related to activities that are not in line with guidelines on business operations and corruption through various channels, such as email, digital platforms, letters, and telephone. The Company places importance on keeping reported information and evidence confidential and not disclosing the identity of those that report. Additionally, the Company has a whistleblower protection procedure, including compensation procedures in cases wherein whistleblowers experience reprisal. In 2019,



### Breach Cases can be Classified as Follows:

	2016	2017	2018	2019
Bribery (cases)	0	0	0	1
Reporting Violations (cases)	-	-	-	4
Misappropriations (cases)	-	-	-	383

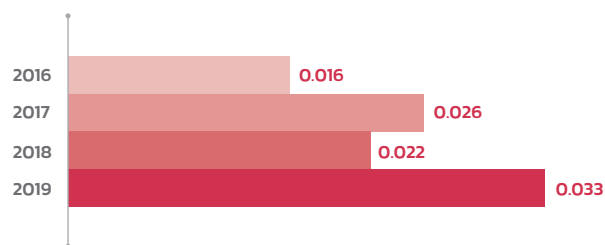
	2016	2017	2018	2019
Privacy Violations (cases)	-	-	-	0
Human Rights Abuses (cases)	0	0	0	0

\*The data has collected in 2019

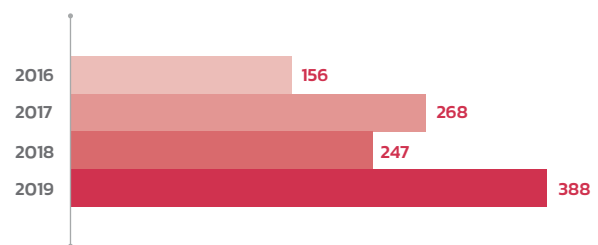
which have been investigated and addressed. Additionally, the Company has assessed and conducted appropriate disciplinary action on offending employees. In order that, the company has established measures to prevent appropriate corruption and continuous development. These include 1) monitoring that employees follow defined procedures, such as in the case of store managers whose task to verify cash amounts received in every shift is cross-checked by “FC”;

2) shop property verification team conducts physical count of received cash at stores in addition to cross-checks inventory with records; 3) the QSSI team performs inspections on product and service quality and standards conformance; 4) the Loss Prevention team tracks information related to missing products without notifications to stores; 5) communication and awareness raising with store employees.

### Ratio of Ethical Violation Cases per Branch



### Grievance (cases)



### Whistleblowing Channels for Code of Conduct and Ethical Violations

<b>Whistleblowing Channels</b>	 <b>The Bell Ringing (Koh Rakang) Project</b> Tel: 02-071-1717	Receiver: HR Operations
	 <b>Telephone Numbers</b> 02-071-2770, 02-071-7744, 02-071-8623	Receiver: Call Service
	 <b>Postal Address: Audit Committee, CP ALL Plc.</b> 119, 16 <sup>th</sup> floor, Thara Sathorn Bldg., Sathorn 5, South Sathorn Rd., Mahamek, Sathorn, Bangkok 10120	Receiver: Audit Committee
	 <b>Email</b> AuditCommittee@cpall.co.th CGcommittee@cpall.co.th BOD@cpall.co.th	Receiver: 1. Investigation Committee 2. Corporate Governance Committee 3. Board of Directors
	 <b>Company's Online Media</b> <a href="http://www.cpall.co.th/whistleblowing">www.cpall.co.th/whistleblowing</a> <a href="https://www.facebook.com/CPALL7">www.facebook.com/CPALL7</a> (Inbox)	Receiver: Corporate Communication

#### Collaboration with the Public Sector’s Network, “Joining Forces, Combatting Corruption” Project

Collaboration with the Public Sector’s Network, “Joining Forces, Combatting Corruption” Project In 2019, CP ALL Plc. has marshalled forces of goodwill and the determination on the national anti-corruption day in order to announce the organization’s stand and commitment in operating its business with transparency and in opposition to all forms of corruption. The National Anti-Corruption Day was organized by the Anti-Corruption Organization (Thailand) with an alliance network under the thrust, “Joining Forces, Combatting Corruption”. Over 5,000 representatives from the private and public sectors, civil society, students, and the media participated. In addition, the event also featured proposals and new approaches in addressing corruption. These include empowering advancements among Thais in all sectors, identifying advocacy goals in order to align collective actions, and using new tools and mechanisms, among others.

#### Internal Control Systems Project for Risk Prevention

Following the discussion on risk management in the Governance chapter, risk assessments identified corruption within the organization as one of the risks. The Company has management systems for various issues which have been classified as high-risk, with primary work procedures, outlined in the Governance chapter.

#### Certification Project for Thailand’s Private Sector CAC

Certification Project for Thailand’s Private Sector Collective Action Coalition against Corruption (CAC) is a lecture project that raises awareness on the problem of corruption among the Small and Medium Enterprise (SME) business sector, and creates an understanding of readiness approaches within the project, which includes a discussion on readiness in setting up internal control mechanisms to prevent risks. Lecture topics include a discussion on the problem of corruption, history of the CAC, certification process and the 17-item assessment questionnaire for SME, and preparations to enter the program, at no cost.

#### CCTV Improvement Project

The CCTV Improvement Project was developed to reduce time spent by employees at convenient stores and lower corruption risks. This is because such CCTVs can store high-quality images, and have complete visibility of all areas. This has resulted to reducing the frequency of cash balance verification and inventory oversight procedures.