



Standing Beside Honesty, Stepping Aside Corruption



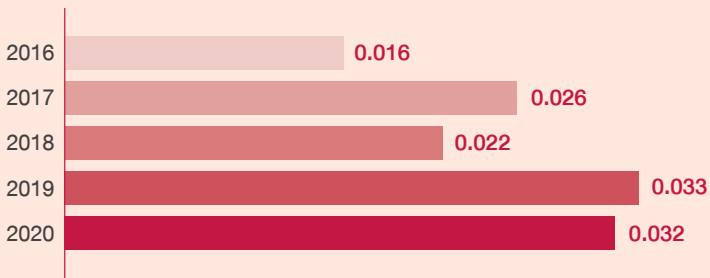
2020 Goal



The Company is determined to prohibit any form of corruption in every function including critical tier 1 supplier

Performance Against Goal

Percentage of Misconduct Cases per 7-Eleven Store (%)



Key Performance in 2020



Maintaining member status of the Thai Private Sector Collective Action Against Corruption (CAC)

Supporting the SDGs



SDG16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

16.5 Substantially reduce corruption and bribery in all their forms

Risk and Opportunity

Corruption is a major issue and a hindrance towards sustainable development in terms of economy and global society, especially in business operations as its occurrence will affect the confidence of all stakeholder groups. Corruption inherently causes difficulty in both business operations and sustainability that may obstruct the Company from achieving its goals. CP ALL Plc. and its Subsidiaries (“the Company”) recognizes the importance of this matter and therefore conducts business by adhering to the principles of good governance. Additionally, the Company has announced Anti-Corruption policy and various good practices guideline which enhance confidence of stakeholder groups. Furthermore, this approach is used as guidelines for employees at all levels, including executives, to operate with honesty in an effort to become a wholly talented and decent individual in society.

Management Approach

The Company has continuously conducted business operations under the Anti-Corruption policy and expands the policy coverage to include all business activities including the organization’s supply chain. Additionally, the Company has continuously focused on improving the policy framework to comply with changing of the legal requirements. Policies and guidelines have been communicated to employees at every level and suppliers. All have acknowledged the stated practice, ensuring further operations will be conducted in alignment. In 2020, the Company designed corporate governance and anti-corruption training courses for executives, employees, and store staff who have continuously emphasized adherence to business ethics for company operations. In accordance with the stated policy and goals to support all employees’ operations and create awareness for correct working practices. Grievance mechanism was created for all stakeholder groups. This system manages occurrences of any form of corruption within the Company and provides transparency in work operations throughout the Company and supply chain.

Progress in 2020



CCTV efficiency improvement project in 7-Eleven stores



Transaction notification system via banking agent



Anti-Corruption Awards 2020 project

Guidance on Mitigating and Preventing the Risk of COVID-19 Since COVID-19 pandemic,



New forms of corruption such as the hoarding of masks and other products of high demand, have arisen. These forms of corruption which are considered most directly relevant to individuals have prevented citizens from access to those vital products. Additionally, corruption has rapidly effected society and caused immediate shortage. Simultaneously, it’s been observed that corruption during the COVID-19 pandemic and its effects have not spared any citizen and has especially affected those with lower incomes and unregistered laborer more than others. In response to the situation and risks arising from corruption, the Company has devised the following guidelines:

- The production management department plans distribution of products which are high in demand during the COVID-19 pandemic to 7-Eleven stores throughout the country. A policy to limit the quantify of items purchasable per person has been established to allow greater distribution of products.
- A system limit on staff purchasing privileges reduces ordering errors
- The Quality Store System Inspection Unit (QSSI) randomly inspects services and sales information during peak sales hours

Anti-Corruption Dashboard



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



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



Total number of reported breaches
409 cases



Confirmed breaches
409 cases



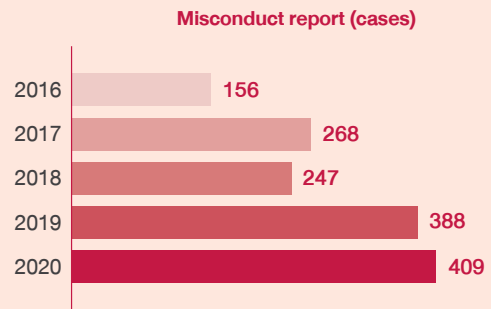
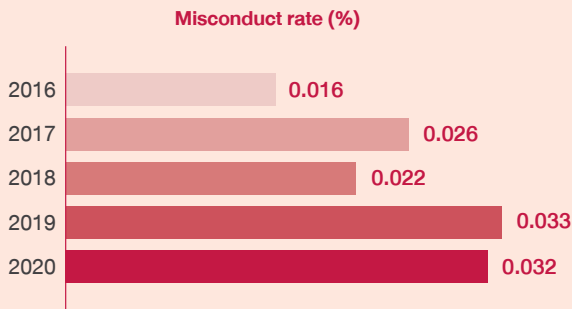
Corrective action taken
409 cases
or **100%**

The Company has Issued the Following Policies and Guidelines to Prevent Corruption



Further information on policies and procedures to prevent corruption can be accessed through the Company website
<https://www.cpall.co.th/sustain/economic-dimension/anti-corruption>

Average Incidence of Fraud per Store per Year






Whistleblowing and Corruption Management

The Company recognizes the importance and value of employees which are encouraged its employees to whistle-blow observed cases. The unethical practice, corruption, and information that are not in-line with anti-corruption and relevant guidelines have to report to the complaint committee through various channels such as email, letters, telephone and various digital platforms as follows.


Whistleblowing Channels for Code of Conduct and Ethical Violations

 <p>Whistleblowing Channels</p>	 <p>The Bell Ringing (Koh Rakang) Project Tel: 0 2071 1717</p>	<p>Receiver: HR Operations</p>
	 <p>Telephone Numbers 0 2071 2770, 0 2071 7744, 0 2071 8623</p>	<p>Receiver: Call Service</p>
	 <p>Postal Address: Audit Committee, CP ALL Plc. 119, 16th floor, Thara Sathorn Bldg., Sathorn 5, South Sathorn Rd., Mahamek, Sathorn, Bangkok 10120</p>	<p>Receiver: Audit Committee</p>
	 <p>Email AuditCommittee@cpall.co.th CGcommittee@cpall.co.th BOD@cpall.co.th</p>	<p>Receiver: 1. Investigation Committee 2. Corporate Governance Committee 3. Board of Directors</p>
	 <p>Company's Online Channel and Media www.cpall.co.th/whistleblowing www.facebook.com/CPALL7 (inbox)</p>	<p>Receiver: Corporate Communications Management and Corporate Image Committee</p>

The Company has complainants and whistleblower protection measures which covers all stakeholder groups in addition to an established compensation scheme directed towards whistleblowers who experience reprisals. In 2020, the Company has received the following number of breach cases in the categories, as follows.

CATEGORY (CASES)	2016	2017	2018	2019	2020
 <p>Conflict of interest</p>	0	0	0	1	0
 <p>Canard</p>	N/A	N/A	N/A	4	5
 <p>Misappropriation</p>	N/A	N/A	N/A	383	404

Upon receipt of the complaint, the designated committee personnel will investigate the matter. If the complaint is identified as misconduct, violators will receive appropriate disciplinary actions and corrective measures such as the follows.

- 
Supervise employees to follow the designated procedures
- 
The shop property verification team conducts physical counts of received cash at stores in addition to crosschecking inventory with records immediately upon arrival at stores
- 
The Quality Sales Standard Inspection (QSSI) team performs inspections on product and service quality and standards conformance;
- 
The Loss Prevention team tracks information related to missing products from physical counts
- 
Communication and awareness raising with store employees

Furthermore, the Company communicates and prepares its employees for situations where corruption is present through development and training. This enables understanding and emphasis in carrying out duties with integrity, honesty, and the strict compliance to Anti-Corruption measures.

Anti-Corruption Training Project

The Company has added governance and Anti-Corruption content into the standard training modules via the E-learning system platform for operational level staff and employees. Additionally, the Company continues to expand the training modules and in 2020 the following results were achieved.

- 
100%
of the company's supervisor management have completed an Anti-Corruption training
- 
100%
of new employees and store partners have completed an On-boarding training
- 
100%
of Tier 1 Suppliers have received communication on the Anti-Corruption policy through the Supplier Code of Conduct
- 
100%
of staff and employees have completed an Anti-Corruption training

CCTV Efficiency Improvement Project

The project have been initialed aiming to reduce the inefficiency time spent by employees at 7-Eleven stores and lower corruption risks, which includes the reduction of difficulty in inspecting cash balance inconsistencies and for inventory oversight. In 2020, the Company has increased the number of high resolution and digitized CCTVs in 9,271 stores. A work committee tasked with follow up operations via CCTV cameras via online systems to inspect irregular working activities is capable of corruption prevention and assists in the investigations leading to the determination of the actual violators without error. Furthermore, this system allows the tracing of cash and assets involved in corruption and currently enables a 99% recovery rate.

Transaction Notification System Via Banking Agent

The ‘Fraud Counter Service’ closed system records irregular and suspicious payment activities through the counter service. This system seeks to reduce money laundering risks and acts as a tool for store managers to prevent corruption within the branch. The ‘Fraud Counter Service’ system is capable of assisting the audit supervisor and monitors corruption or irregular transactions via banking agent in a timely manner. Furthermore, this system allows the violators to be accurately determined, was in operation nationwide from October 7, 2020.

Corporation with the Government Network “Joining Forces, Combatting Corruption”

As the Company’s position and commitment to conduct business under transparency and without corruption in all its forms have announced. In 2020, the Company encouraged employees to attend the Anti-corruption Organization of Thailand event “Catching corruption at your fingertips – Power of Data” which was organized in a new setting known as Virtual Collaboration. This debut where the usually offline event has taken place online is titled ‘Catching COVID budget fraud using ACT Ai’ and upholds the concept, “Catching corruption at your fingertips – Power of Data”. This preventative measure focuses on utilizing data and technology to allow participation from citizens, enables participation of societal powers in a safe environment and has relevance to the COVID-19 situation. The National Anti-Corruption Day was organized by the Anti-Corruption Organization (Thailand) in conjunction with network partners, which consists of representations from government and private sector agencies, civil society and mass media. More than 65,000 people have participated in this event.

Thai Private Sector Collective Action Coalition Against Corruption for Small and Medium Enterprises (SMEs)

The Company emphasizes Anti-Corruption measures in business activities across the value chain and expands this scope to include suppliers. Through the organization of seminars, suppliers are provided with knowledge in accordance to the Thai Private Sector Collective Action Coalition Against Corruption for SMEs.

2020 Anti-Corruption Awards Project

In order for changing society by raising Thai people’s awareness of Anti-Corruption measures to be stimulated in an expansive circle, and for the enrichment of corruption combatting morale in personnel, organizations and the mass media, the Company in collaboration with Anti-Corruption Journalists Association (Thailand), Organized Event (Public) limited, Expressway Authority of Thailand, and PTT Public Company Limited has supported the “Anti-Corruption Awards 2020”. This Anti-Corruption activities support in 2020 aims to encourage, honour, and elevate personnel, organizations and mass media entities which stress the significance of corruption problems and thus being a role model for society and the country.

