

# **Fraud Prevention and Anti-Corruption Policy**

## **Chularat Hospital Public Company Limited**

**(Revision 1)**

Chularat Hospital Public Company Limited and its subsidiaries (the “Company”) place utmost importance on preventing corruption. Corruption is defined as the improper performance or willful neglect of duties, or the misuse of authority, in violation of laws, ethical principles, Company regulations, or policies, undertaken to obtain undue benefits in any form. Accordingly, all directors, executives, and employees are strictly prohibited from engaging in or supporting any such conduct under any circumstances. They are required to adhere rigorously to the Company’s anti-corruption measures. The Company is committed to establishing and cooperating fully with internal audit processes to prevent, detect, and address any instances of corruption or fraudulent activities that may arise within the organization.

**The Company has established and implemented the following guidelines to prevent and combat corruption:**

### **1. Risk Assessment Procedures**

1.1 The Company conducts regular assessments of potential operational risks and prioritizes these risks to develop internal audit plans and manage operational risks effectively.

1.2 Internal audits are carried out according to the risk assessment plan, with qualified and experienced internal auditors assigned to ensure that the audit system supports the Company in achieving its objectives. These audits also verify that all departments comply with applicable regulations and laws, thereby promoting efficient, transparent operations in line with good corporate governance practices.

### **2. Control Measures to Prevent and Mitigate Potential Risks**

2.1 The Company has established regulations governing procurement, contracting, and disbursement processes, including defined authority limits, approval hierarchies, and transaction purposes. All transactions must be supported by clear documentation and are subject to review by qualified and experienced internal auditors to ensure compliance and accountability.

2.2 The Company has set forth principles governing charitable donations, hospitality, and the giving of gifts or rewards as integral components of its Business Code of Conduct, as follows:

- **Charitable Donations and Public Contributions:** Any assistance or donations made for charitable or public purposes must strictly serve legitimate public interest objectives. Such contributions shall be supported by clear and verifiable documentation and must be conducted in accordance with the Company's established policies and procedures.
- **Hospitality, Acceptance, and Giving of Gifts and Rewards:** Directors, executives, and employees must not accept or offer gifts, hospitality, or entertainment that are excessive, inappropriate, or beyond the scope of their position, especially in dealings with individuals or entities conducting business with the Company. They must also avoid any actions that could be perceived as inducements, improper offers, promises, or payments to business partners, their employees, or any other associated parties. All conduct must be transparent, fair, and fully auditable. Furthermore, if a director, executive, or employee receives gifts or rewards that exceed customary value or are inappropriate for their position, they should politely decline. In cases involving directors, such instances must be reported to the Chairman of the Board. For executives or employees, the matter should be reported to their immediate supervisor or through the appropriate chain of command for acknowledgment and further action.

2.3 The Company has established and implemented a comprehensive internal control system encompassing financial and accounting, data management, and other related internal procedures to ensure that all financial transactions are executed for legitimate, authorized purposes and promotes transparency and accountability in business operations.

2.4 All directors, executives, and employees are required to strictly comply with the principles of good corporate governance and to actively prevent any lack of transparency that could facilitate corrupt practices, in strict accordance with the policies set forth by the Board of Directors and/or management.

In instances where an individual breaches these standards or engages in conduct inconsistent with their ethical obligations, the Company will promptly assess and implement appropriate corrective or disciplinary measures commensurate with the individual's position and responsibility. For executives and employees, such measures will be carried out in accordance with the Company's and its subsidiaries' regulations, as well as all relevant legal and regulatory requirements.

### 3. Communication

The Company is committed to effectively communicating its Good Corporate Governance policies, including the Anti-Corruption and Fraud Prevention Policy, across all departments within the Company, its subsidiaries, and joint ventures. Communication channels include employee training programs, the Company's

intranet, and official websites, ensuring that all relevant stakeholders are well-informed and adhere to these policies and procedures.

#### 4. Oversight and Audit

The Company's Audit Committee is tasked with overseeing and evaluating the adequacy and effectiveness of the Company's corporate governance framework, ensuring full compliance with the Anti-Corruption and Fraud Prevention Policy as well as applicable laws and regulations. Should the Audit Committee uncover or suspect any transactions or conduct that could compromise the transparency of the Company's operations, it possesses the authority to independently report such findings to the Board of Directors and/or the Chief Executive Officer, as deemed appropriate, to facilitate timely and appropriate remedial actions to safeguard the Company's integrity.

#### 5. Reporting Channels

The Company has established clear channels for reporting any observed violations of laws, breaches of ethical conduct, or behaviors indicative of fraud or corruption. Protective measures and remedies are in place to safeguard whistleblowers, complainants, and cooperating parties involved in such reports, in accordance with the Company's Whistleblower Policy.

To ensure proper filtering and handling of matters related to operational integrity and good corporate governance, the Company categorizes reportable issues as follows:

- Violations of laws, corruption, Company regulations, and Employee Codes of Conduct
- Violations of Code of Conduct by members of the Board of Directors
- Violations of Medical Ethics
- Irregularities in financial reporting
- Issues adversely affecting the Company's reputation and public image

##### Reporting Channels

| Reportable Issues  | Reporting Channels   |
|--|--|
| Violations of laws, corruption, Company regulations, and Employee Codes of Conduct | Senior Vice President – Corporate HR / or<br>Chief Human Resources Officer (CHRO)    |
| Violations of Code of Conduct by members of the Board of Directors                 | Chairman of the Board / or Chairman of the Audit Committee<br>/ or Company Secretary |
| Violations of Medical Ethics   | Chief Operating Officer – Medical / or Chief Medical Officer                         |
| Irregularities in financial reporting  | Chairman of the Audit Committee  |
| Issues adversely affecting the Company's reputation and public image               | Chief Executive Officer (CEO)  |

## Whistleblower Protection Mechanism

1. The Company strictly upholds a policy of safeguarding the confidentiality of whistleblowers' identities (including names) to protect them from any potential retaliation or adverse consequences. All information disclosed by whistleblowers that is deemed beneficial to the Company will be handled with utmost discretion. Any executive or responsible party found to have disclosed a whistleblower's identity without proper authorization will be subject to disciplinary action.
2. The Company has implemented comprehensive protection and support measures to ensure that whistleblowers who may experience negative repercussions as a result of reporting are adequately protected and assisted.

## Anti-Corruption Policy

The Company recognizes the potential risks of corruption that may arise within the organization. To address this, the Company has established preventive mechanisms and implemented clear guidelines to safeguard against corruption and to actively participate in anti-corruption efforts.

In the past year, the Company has carried out initiatives in line with this policy across various areas to prevent and combat corruption, which may be summarized as follows:

- **Anti-Corruption Policy Declaration**

The Company is committed to upholding the highest standards of integrity and transparency. In support of this commitment, the Company has joined the Collective Action Coalition of the Thai Private Sector Against Corruption (CAC) and has publicly declared its firm stance against all forms of corruption. This commitment is consistently communicated across the Company and its subsidiaries through various channels such as employee training programs and the intranet system to ensure awareness and compliance with applicable laws. The Board of Directors also conducts an annual review of the policy to ensure its continued relevance and effectiveness.

- **Monitoring and Dissemination of Information**

To reinforce this commitment, the Company assigns the Corporate Secretary to continuously monitor updates and guidance on anti-corruption matters issued by the Securities and Exchange Commission (SEC) and other reliable sources. Relevant information is reported to and shared with the management for use as case studies and learning references. In addition, the Company provides regular communication and annual training to employees, ensuring that awareness, understanding, responsibility, and ethical conduct are embedded into the corporate culture.

- **Corruption Risk Assessment**

The Company places strong emphasis on identifying and managing potential risks of corruption within its business operations. Regular meetings are held to discuss corruption-related business risks, supported by a structured risk assessment and management plan. These assessments are reviewed by the Executive Committee and further considered by the Company's Risk Management Committee to ensure robust oversight. In addition, the Audit Committee conducts an independent review to verify the adequacy and completeness of the entire process.

- **Governance, Control, and Prevention of Corruption Risks**

To ensure effective governance, the Company has assigned the Internal Audit Department to monitor the implementation of action plans derived from the corruption risk assessment. The Internal Audit team also conducts regular reviews of departmental operations to ensure compliance with applicable laws, regulations, and internal policies. These activities are carried out by qualified and experienced auditors, reinforcing the Company's commitment to efficiency, transparency, and adherence to the principles of good corporate governance.

Procurement, Contracting, and Financial Controls: The Company has established clear regulations governing procurement, contracting, disbursements with established approval authority limits and clearly defined objectives for each transaction, with all transactions supported by proper documentation. An internal audit system is in place to ensure strict oversight. Comprehensive internal controls cover financial management, accounting, data recording, and related processes, ensuring that all financial transactions are conducted strictly for approved purposes and in alignment with the Company's commitment to transparency and good governance.

- **Monitoring, Evaluation, and Reporting of Corruption Risks**

The Company holds regular meetings between management and the Internal Audit Department to review audit findings and assess potential risks, while jointly developing preventive measures.

In addition, the Company has established accessible channels for reporting suspected corruption or misconduct. These channels are open to employees, stakeholders, and the public, enabling reports of violations, unethical conduct, corruption-related behavior or concerns for the Company or its Board of Directors. The system operates electronically with unique personal access codes, thereby providing robust safeguards to protect the confidentiality and security of reporters or complaints (whistleblowers), ensuring effective prevention and protection.

- **Anti-Corruption Working Group**

The Company has established a dedicated Anti-Corruption Working Group, which collaborates with the Internal Audit Department to oversee anti-corruption practices. In cases where complaints or whistleblowing reports are submitted through designated channels, the Working Group is responsible for handling such matters in strict accordance with the Company's confidentiality policies. Personal information, including the names of whistleblowers, is securely protected to prevent any adverse impact on individuals providing information that benefits the Company. Any breach of confidentiality or unauthorized disclosure of such information by those responsible will result in disciplinary action. This approach reinforces the Company's dedication to fostering a culture of integrity, responsibility, and trust.

- **Anti-Corruption Initiatives**

Over the past year, the Company has implemented the following measures to strengthen its anti-corruption efforts:

- Conducted awareness-raising activities and annual training programs on anti-corruption for all employees.
- Required all employees to participate in annual training and assessments to ensure understanding of anti-corruption policies and practices.
- Communicated potential corruption risks to employees and provided guidance on preventive measures, such as refraining from accepting gifts during festive periods, with information disseminated through the Company's intranet.

## **Whistleblowing**

- **Procedures for Handling Complaints and Whistleblowing**

The Company has established clear procedures for handling complaints or reports of corruption. The designated task force is responsible for conducting thorough investigations and gathering relevant information in accordance with good corporate governance principles, Company policies, regulations, hospital operational guidelines, and applicable laws. If any actions are found that may compromise the transparency or integrity of the Company's operations, the Audit Committee has full independence to report their findings to the Board of Directors or the Chief Executive Officer, ensuring timely corrective action to prevent potential harm. Furthermore, any

employee found to have violated Company policies or engaged in unethical conduct will be subject to appropriate measures, including disciplinary action under the Company's regulations and, where applicable, legal proceedings in accordance with relevant laws. This approach underscores the Company's strong commitment to ethical conduct, accountability, and corporate responsibility.

In cases involving matters that may pose risks or concerns to the Board of Directors, the Board assigns independent directors, the Audit Committee, or the Internal Audit Department to receive reports or complaints. Investigations are conducted in coordination with the Legal Department, as appropriate, and findings are reported to senior management and the Board of Directors.

#### Channels for Stakeholders to Report Concerns and Anti-Corruption Issues

| Department                    | Contact Number        | Fax           | E-mail Address                |
|-------------------------------|-----------------------|---------------|-------------------------------|
| Internal Audit Department     | 063 8202432           | 02-751-1538-9 | internalaudit@chularat.com    |
| Anti-Corruption Working Group | 02 033 2900 ext. 3325 | 02-751-1538-9 | anticorruption@chularat.com   |
| Company Secretary             | 02 033 2900 ext. 3325 | 02-751-1538-9 | companysecretary@chularat.com |

Throughout the past year, the Company did not receive any reports of corruption, nor were there any identified incidents of corrupt practices or breaches of ethical standards."

#### ● **Disclosure and Transparency**

The Company has a policy to disclose both financial and general information and is committed to providing accurate, complete, timely, and transparent information to shareholders, investors, securities analysts, and the general public. All disclosures are conducted in compliance with applicable laws and regulations, ensuring fairness and equal access to information. The Company actively monitors changes in regulatory requirements and updates its practices to maintain compliance. This policy is communicated internally to all employees and is publicly accessible via the Company's website. Key documents and policies covered under this disclosure framework include:

- Corporate Governance and Legal Framework: Articles of Association (AoA), Memorandum of Association (MoA), Certificate of Incorporation
- Governance and Ethics: Corporate Governance Guidelines, Chularat Hospital Group Employee Code of Conduct (Business Ethics)
- Human Rights and Labor Practices: Human Rights and Labor Practice Policy, Insider Information Policy, Risk Management Policy, Talent Development Policy
- Anti-Corruption and Compliance: Anti-Corruption Policy, Intellectual Property and Copyright Policy



- Operational and Sustainability Policies: Information Security Management Policy, Tax Policy, Environmental Policy, Sustainability Policy, Securities Trading Policy, Whistleblower Protection and Remediation Policy

The Company ensures that all financial information, material data, and other information that may affect shareholders' interests or investment decisions—including information that could impact the price of the Company's shares or securities—is disclosed in a timely, sufficient, complete, and transparent manner. The Board of Directors oversees the preparation of financial statements alongside the independent auditor's report, as presented in the Form 56-1 One Report. This process ensures that management is fully aware of its responsibilities and obligations to maintain the accuracy and completeness of financial information before it is disclosed to investors.

- **Information Disclosure Channels**

In addition to disclosures required by law and regulatory authorities, the Company has established an Investor Relations Department to serve as a direct channel of communication with domestic and international investors, securities analysts, and other relevant stakeholders or external parties interested in the Company's information. Designated senior executives are authorized to provide disclosures on behalf of the Company, ensuring accurate, consistent, and transparent communication. This framework demonstrates the Company's unwavering commitment to transparency, accountability, ethical conduct, and sustainable corporate governance.

### **Investor Engagement**

Every year, the Company's senior executives, including those responsible for Investor Relations, provide information to stakeholders through various channels, as follows:

1. **Investor Presentations:** Delivering information to investors, allowing the Company to reach a larger and more diverse group of investors at each meeting.
2. **Quarterly Analyst Meetings:** Regularly organizing meetings to present operational and financial performance to investors and securities analysts.
3. **Direct Engagement Activities:** Hosting sessions with investors and analysts to provide updates on the Company's operations and respond to inquiries via email, Line, and ZOOM meeting.
4. **Face-to-Face and On-Site Engagement:** With the easing of the COVID-19 pandemic, the Company resumed in-person and online meetings with domestic and international fund managers and analysts, including site visits to the Chularat Medical Center.

The Company reviews this policy regularly and continuously enhances related practices to ensure that all business operations are fully aligned with principles of anti-corruption and integrity.