

AIS Code of Ethical Purchasing

March 2019

AIS employees, involved in the purchasing process, play an important role in ensuring AIS conducts its business with integrity. Adherence to AIS Code of Business Ethics in the contracting process strengthens stakeholders' confidence in AIS. Responsible business conduct can also avoid administrative, civil or criminal penalties as well as considerable business disruptions, associated with misconduct.

At the end of each year, Purchasing employees affirm that they have adhered to:

1. AIS Code of Business Ethics
2. AIS Code of Ethical Purchasing
3. AIS Purchasing Policy

Any breaches of conduct that they became aware of has been promptly and duly reported. In addition to full compliance with AIS Code of Business Ethics, employees shall conduct business with honesty and integrity and, more specifically.

AIS Code of Ethical Purchasing applies to all employees working in AIS purchasing or other AIS employees, must be in compliance with the following ethical standards:

1. Confidentiality

- Purchasing employees may have access to confidential information that may affect a contract bid or the business award process, such as selection plans, ranking of bids, proposals, competitors involved and competitive range determinations.

- Confidential information related to quotes and bids from suppliers is not to be shared with any other supplier or third party at any time. AIS employees will keep confidential information from a supplier confidential.

- Handle information of a confidential or proprietary nature to AIS and/or suppliers with due care and proper consideration of ethical and legal ramifications and governmental regulations.

2. Conducting business with honesty and integrity

- Purchasing employees shall ensure that contracts are awarded and administered free from improper influence.

- Employees shall comply with AIS Code of Business Ethics regarding the acceptance of gifts and hospitality.

- Avoid the intent and appearance of unethical or compromising practice in relationships, actions, and communications.

- Demonstrate loyalty to AIS by diligently following the lawful instructions, using reasonable care and only the authority granted.

- Refrain from any private business or professional activity that would create a conflict between personal interests and the interests of AIS.

- Refrain from soliciting or accepting money, loans, credits, or prejudicial discounts, and the acceptance of gifts, entertainment, favors or services from present or potential suppliers, which might influence, or appear to influence purchasing decisions. Supplier-paid site visits or training for AIS employees are not permitted unless stipulated as part of a formal supplier contract that was reviewed and approved by Purchasing Services.

- Know and obey the letter and spirit of laws governing the purchasing function and remain alert to the legal ramifications of purchasing decisions.

- Demonstrate support for socially and environmentally responsible purchasing to include sustainable purchasing programs.

3. Follow a fair process to select suppliers and award business

- Employees shall select suppliers and award business on the basis of fair competition.
- In all cases, AIS will follow the predefined rules of the purchasing processes, and share the rules upfront with suppliers when applicable.
- Arrangements with or among suppliers that could limit or distort competition shall be avoided.
- Long-term agreements with suppliers should periodically be subject to fair and open competition, to obtain the best current market offering and to provide alternative suppliers with an opportunity to win the business.
- Employees shall not request any payment from suppliers as a condition of being placed on a preferred supplier list. Suppliers should be selected on the basis of meeting appropriate selection criteria.
- Employees shall not require or encourage suppliers to undertake activities or incur costs when there is little chance for them obtaining business within a reasonable period - unless the supplier is made aware of all the circumstances.
- Promote positive supplier relationships through courtesy and impartiality in all phases of the procure-to-pay cycle.
- Refrain from reciprocal agreements, which restrain competition.
- Do not use AIS procure-to-pay systems for personal purchases, or use AIS buying power for personal benefit.
- Conduct international purchasing in accordance with the laws, customs, and practices of foreign countries, consistent with Thailand, and AIS financial policies and procedures and the above ethical standards.

4. Select suppliers that comply with ethical standards

- Employees shall select and award business to suppliers that are committed to acting fairly and with integrity towards their stakeholders. Suppliers must act with integrity towards stakeholders and observe both the laws of the countries in which they operate and the guidelines provided in AIS Supplier Code of Conduct.

5. Report concerns regarding compliance with AIS Code of Ethical Purchasing

- Employees shall report to their line of command any concerns about compliance with the Code of Ethical Purchasing and/or any applicable laws or regulations.

6. Accountability and adherence to AIS Purchasing Code of Ethics

- Each year, the designated Purchasing employees shall confirm in writing that the Code of Ethical Purchasing has been adhered to during the current year, and that any breaches they are aware of have been promptly and duly reported to AIS Compliance Officer or AIS Ethics Line.
- Purchasing employees are expected to hold each other accountable for adherence to AIS Code of Business Ethics and AIS Code of Ethical Purchasing.

Version of March, 2019
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