

Prevention of involving in corruption.

The company assigns the Risk Management Committee to take responsibility for evaluating risk of corruption constantly. The RCM evaluates, reviews and improves the measures against corruption and report to the company's Board of Directors to acknowledge.

In order for the operation of Stars Microelectronics (Thailand) Public Company Limited to be in line with good governance and ethics of the Responsible Business Alliance - RBA and to be in line with international standards against corruption, the company has set the policy against fraud and corruption. The company has announced the policy as the guideline of practice for management team and employees as follows.

1. The company never accepts gifts, fraud or any benefit, which aims to persuade any action unlawfully.
2. The company has ethics and determination to prevent any fraud and set the guidelines for practice against corruption. The company investigates and reviews the guideline on a regular basis.
3. The management team and employees are responsible for preventing any fraud. If any inappropriate conduct is found, they must report to the supervisor by letter via suggestion boxes in the company's canteen.
4. External persons, who find that there may be any fraud or any acts that may lead to illegal matters, can inform the company via email : complainbox@starsmicro.com
5. The company guarantees the safety for anyone who reports any misconduct and will assign an officer to investigate every matter. The company will treat each matter as highly confidential.

Direction of evaluation in line with the direction of corruption prevention.

1. The company has set the direction as follows:
Executives and employees must act and evaluate themselves according to the direction of the business ethic of the company, code of conduct and code of conduct of Responsible Business Alliance - RBA announced by the company and international standard of corruption prevention.

2. The Risk Management Committee must evaluate the risk of corruption and gathers important issues to present to the Audit Committee and the Board of Directors.

3. The Audit Committee and the Board of Directors must investigate, order to correct and assign the Risk Management Committee to follow up and report continuously. Notably, in 2016 the company was not informed about human rights violations from employees, business partner and communities close to the company. The company encourages the executives and employees to act in line with international human rights principle sustainably.

In 2018, the company had no penalties nor was any fraud found. Due to the company's good governance, no non-executive company directors resigned. In addition, the company directors' monitoring and follow-up resulted in no acts which have damaged the company's reputation.

In 2018, the company did not appoint any new directors since the nine directors of the company are knowledgeable and perform their duty well. Above all, the company's structure and number of directors are suitable for the company's business direction.