

BRIGHT BUSINESS STORY



Mr. Chaiwat Kovavisarach

President and CEO of Bangchak Corporation PCL

You are who you associate with.

When we associate with someone, we become just like them. If our organization is part of honest and transparent business community, it will lead us to ward sustainability. This is the topic we will discuss with Mr. Chaiwat Kovavisarach, President and CEO of Bangchak Corporation PCL. Thanks to Bangchak's efforts in persuading a number of suppliers to join the anti-corruption business network, Thai Collective Action Against Corruption (CAC) has granted Bangchak the privilege status of Change Agent.

How does Bangchak join CAC?

In 2010, Bangchak was among the first companies to declare its intention to join CAC and was one of the first 22 CAC certified companies. It would be fair to say that Bangchak took parts in the founding of CAC. I believe transparency has been part of Bangchak's characters since our inception in 1984. After 36 years of operations, it has become the DNA embedded in all our staffs.

How does CAC participation benefit Bangchak?

There is a thing in Bangchak. Everyone said Bangchak usually get rather low price when it procures something. This makes us relatively lighter and more competitive. Everyone knows for sure that doing business with Bangchak must be straight forward. Transparency is our strong suit that makes us stand tall with pride. It can be said that everything we do is for the sake of corporate sustainability. When we encounter any problem, people recognize us and help us get

through thick and thin as they feel confidence in our brand.

As a sizable company, does Bangchak encounter any corruption risk?

We have abundant control systems to mitigate such risks, top to bottom. The majority of our Board comprises of independent directors with various committees. We apply 'Tone from The Top' concept and led by examples with prudent check and balance system to prevent any particular individual from making significant decision for the company. Decisions made by committee ensure idea diversity and prevent corruption risk. When we encounter obstacle in dealing with external parties, we seek to discuss the issue and wait as long as the law requires. It may be longer than other people but we sure can wait.

Since Bangchak already has robust

measures, why bother joining CAC?

I think it's the same concept as "sticks in a bundle are unbreakable". One stick may easily break instantly but a bundle will provide the strength to resist.

When was Bangchak granted Change Agent status by CAC and how?

We were granted the status since 2019. However, I started discussing with the team since 2016 about persuading companies in our supply chain to join CAC. We kicked off with our major suppliers in the first year, then smaller suppliers in the following year. It started with a relationship where we can grant them advantage/disadvantage. If they do not join, they would lose out on the benefits, e.g. the revenues. We even thought that within five years, all our suppliers should be required to participate in our training courses and declare their intentions to join CAC in order to keep conducting businesses

with us. Otherwise, they will no longer qualify and we will not deal businesses with them. Bangchak does not just persuade our suppliers but also conduct trainings, offer incentives and extra credits to promote clean community. Some 240 suppliers have attended our training program, based on the CAC course with an adaptation to include Bangchak's values. I believe we have persuaded 96 companies in our supply chain to join the CAC.

Why do you think Bangchak's supply chain should join CAC?

We see benefits in anti-corruption practices as it makes us lighter and help us save costs. Therefore, we would like to persuade our supply chain to be light just like us so that we can grow together. After all, when people watch us, they do not just look at us but also at our community to see if it is the same as us.

What do companies feel about joining CAC?

I think they are happy to join. Everybody wants to run business transparently in a straight forward manner. If we can build a small community and then enlarge it, our country will be a nicer place.

Could you please say something to persuade Thai private companies to join CAC or upgrade their status into Change Agent like Bangchak?

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