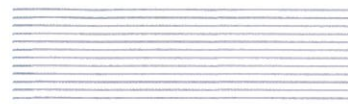




Sakol Energy Public Company Limited

บริษัท สากล เอนเนอจี้ จำกัด (มหาชน)



## Code of Business Conduct

**Sakol Energy Public Co., Ltd.**



**Code of Business Conduct**

Sakol Energy Public Co., Ltd. holds the following code of business conduct, which the board of directors, executives, and employees must comply with as the guidelines of practice for acting as the representatives of the company.

1. Shareholders  
The company shall conduct the business with transparency and efficiency. We are determined to produce excellent outcomes as well as secure growth for the long-term highest interests to all shareholders. We shall also offer disclosure of information with transparency and reliability to shareholders.
2. Employees  
The company treats all employees equally with justice and appropriate compensations. We also give precedence to the continual development of skills, knowledge, abilities, and potential of employees, e.g., instructions, seminars, and trainings. We offer opportunities to all employees and try to motivate employees with high knowledge as well as competencies to work with the company for organizational improvement. Besides, we have guidelines on anti-corruption and we have implanted all employees to follow legal requirements and pertinent regulations, e.g., using internal data/information is strictly prohibited.
3. Business partners  
The company has the business partner selection process. Partners are allowed to compete with one another on fair information. The selection is implemented with justice under the criteria of business partner evaluation and selection. Moreover, we also created the suitable and fair form of contracts for all parties. Tracking system was provided to ensure the flawless compliance with terms and conditions of the contracts. Every single step of the selection process is protected from corruption and misconducts. We purchase products from our partners in agreement with trade terms and strictly follow contracts presented to partners.
4. Customers  
The company expresses responsibilities to customers by maintaining product quality and standards. We try to respond to customer demands completely and extensively as much as possible for their long-term satisfaction. Besides, we also provide correct information of our products as well as services, including channels for customer to notify any issues or any inappropriate services so that we can find solutions and solve issues of products and services in time.
5. Creditors  
The company shall follow terms and conditions in the contracts to creditors, including reimbursement, interests, and maintenance of securities under relevant contracts.

6. Competitors      The company acts in line with the good competitive scope, the code of conduct, and laws. We also support and promote free and fair competition policies.
7. Society and public      The company gives priority and pay attention to social security, environment, and quality of life of all involved persons. We encourage our employees to cling on conscious and environmental as well as social responsibilities. We emphasize on complying with laws and related regulations strictly. We try to participate in activities concerning the initiation along with the conservation of environment and the society. We promote local cultures of where we are operating business.

Furthermore, the company has set good corporate governance manual, ethical standards and the code of business conduct as the guidelines for the board of directors, executives, and employees to adhere to and follow. The details were described in the enclosed document of this policy

This code of business conduct is to be effective from 1 March 2021 onwards.



(Prof. Emeritus Dr. Direk Lavansiri)

President of the Board of Directors

Sakol Energy Public Company Limited

**Good Corporate Governance Manual  
Ethical Standards  
and Code of Business Conduct**

**Sakol Energy Public Co., Ltd.**



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## Preface

Apart from business conduct for the highest interests for shareholders, Sakol Energy Public co., Ltd. (“**Company**”) also highlights on approaches for certain success, including the awareness of impacts that can happen to all groups of stakeholders, i.e., shareholders, employees, partners, customers, creditors, society, and public. The company determined the code of business conduct policy as a framework for the board of directors, executives, and employees to hold and practice for transparent and efficient operations of the company; and to ensure that the company will be able to treat each group of stakeholders with equality and equity.

In this regard, the company has set this ethical manual of Sakol Energy Co., Ltd. as the literal guidelines for practice for the acknowledgement and practice among the board of directors, executives, and employees. Having the board of directors as well as executives are regarded as the good role models, employees should study and understand the procedures, especially those pertaining to their own jobs. In case of any queries, please consult hierarchal supervisors. This manual is part of “regulations for employees.” Any breaches of the manual might be considered as disciplinary penalties. Thus, employees should keep it as the fundamental of work in all cases. In other words, working with ethics is what they should bear in mind.

In addition, the company also provides channels for all groups of stakeholders to be able to contact or complain about issues or piracy to the board of directors directly. Complaints can be submitted to the company through our address or telephone number. We shall collect complaints and propose to the board of directors afterwards. Complainers can be assured that all received information is definitely kept confidential.

## Missions, Vision, and Values

### Missions

CLEAN AND SUSTAINABLE ENERGY FOR ALL

### Vision of Sakol Energy Public Co., Ltd.

TO PROVIDE AFFORDABLE ENERGY

### Values

- Fight: We Fight for a better world.
- One: We are One for all and all for one goal.
- Respect: We work to pursue the best Result.



## Definitions

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**Code of Conduct** refers to good business procedures holding to the company's ideology according to the code of conduct policy and this ethical manual

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**Company** refers to Sakol Energy Public Co., Ltd.

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**Subsidiaries** refers to Any companies with the following attributes:

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- (A) Companies which are under control of the company.
- (B) Companies which the company (A) has authorities to control.
- (C) Companies which are under control of the company (B), and that control is transferred as a chain to others, starting from being under control of the company (B).

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**Board of directors** refers to The company's board of directors

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**Executives** refers to Those who make employment agreements or special contracts with the company.

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**Contract Partners** refers to Those who are willing to oblige themselves, with rights, duties, and responsibilities identified in any contracts made with the company.

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**Contractors** refers to Contract partners that make employment agreements with the company.

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### **Code of Conduct Guidelines**

#### **1. Persons who must follow the code of conduct**

All employees, with the board of directors and executives as the good role models.

#### **2. Advice on the code of conduct**

- 1) Understand the contents of this copy.
- 2) Study the contents of own duties and responsibilities.
- 3) Review understanding of this copy regularly.
- 4) Educate and build understanding with others whose jobs concerned with the company or might affect the company.
- 5) When having any queries, consult supervisors or authorized persons in charge of tracking code practices through determined channels.
- 6) Notify supervisors or persons in charge when code breaches are detected.
- 7) Cooperate on fact inspections with agencies or assigned persons.
- 8) Supervisors of all levels must be leaders of code practices; and promote work environments to make employees and involved persons understand that code practices are the right things to do and must follow.

#### **3. Report on code breaches**

Those who detect code breaches can send queries or complaints to these persons:

- 1) Trustworthy supervisors
- 2) The Manager of Human Resource Department
- 3) Internal auditors
- 4) Secretary to the board of directors
- 5) Directors

#### 4. Complaint management procedures

##### 1) Collect facts

Complaint receivers collect facts of code breaches on their own, or assign appropriate persons to handle this.

##### 2) Process and filter information

Complaint receivers are the persons who process and filter information for considering the procedures as well as suitable management. They might operate as per below:

- Operate on their own or by assigned persons if the receivers are authorized.
- Report to relevant authorities so they will maintain processing and filtration.

##### 3) Set operation measures

The operators of no. 2 set the operation measures to cease code breaches and to relieve damages for affected persons, with thought of overall troubles. In case of serious issues, complaint receivers will report the results to the inspection committee and/or the board of directors. Those having effects on reputations, images, or financial status of the company; or opposite to the business conduct policy; or dealt with top executives, for instance.

##### 4) Report of results

Complaint receivers are responsible for reporting as stated in no. 3) to complainers if they show themselves.

#### 5. Measures of protection and damage relief for reporters, complainers, or cooperators for the report

Reporters, complainers, or cooperators of fact inspections will be protected according to the rule "Protection and justice for individuals who notify useful information or clues to Sakol Energy Public Co., Ltd regarding corruption; or law violations and the company's code breaches (Whistleblower Policy)" as determined by the company :

- 1) Reporters, complainers, or cooperators can choose not to show themselves if they think that it might cause insecurity or any damages. But if vice versa, fortunately, the company will be able to report progress, notify facts, or relieve damages more conveniently and rapidly.

- 2) The company regards all concerned information as confidential; and will reveal as necessary with awareness of security of reporters, sources, or involved persons.
- 3) In case complainers are worried about insecurity or troubles, they can request the company to set a proper protection measure. Or the company may set one with no need to wait for the request if those undesirable situations tend to occur.
- 4) Sufferers will be relieved through appropriate and impartial procedures.

## **6. Actions considered as code breaches**

All employees must follow the code and encourage others to act accordingly. The following actions are considered as code breaches:

- 1) Do not follow the code.
- 2) Suggest, induce, or support others not to follow the code.
- 3) Show neglect of whistleblowers despite acknowledgement or 'should know' as it concerns with duties under own responsibilities.
- 4) Do not cooperate, or impede investigations of code breaches.
- 5) Unfair actions against others due to their report of code breaches.

At any rate, whistleblowers must be under disciplinary consideration according to the regulations not stated here. They might also be sent to legal actions if their abuses are also law violations.



## Code of Business Conduct

To run the business in compliance with the goals in term of the code of business conduct policy, the company set the code of business conduct and practices to be as the guidelines on work for personnel of the company at all levels. It is regarded as duties and responsibility of the board, executives, and all employees to acknowledge and strictly adhere to the practices defined in this ethical manual.

### Principles

#### 1. Code of business conduct and practices associated with employees

##### 1.1 Interactions under rights and freedom

###### (A) Personal information

The company focuses on personal rights and freedom of personnel at all level equally. They must be protected from violations owing to exploitation, disclosure, or personal information transfer such as biography, health records, work records, or other personal information to other persons; and this might cause damages to owners or any others. The company takes such violations as disciplinary offenses, except that they are performed because of bona fide duties or legal requirements for public interests.

###### *Practices*

- 1) Protect personnel's personal information under possession or care of one's own.
- 2) Disclosure of personnel's personal information to public; or transfer to other persons can be done only in case of owner permission.
- 3) Restrict disclosure and exploitation of personnel's personal information as necessary.

###### *Cautions*

- 1) Transfer or distribution of personal information to other persons.
- 2) Sharing personal information to agencies or irrelevant persons.
- 3) International transfer of personal information without consideration of terms or legal requirements.
- 4) Disclosure of hiring to irrelevant persons.



**(B) Equal treatment**

The company is aware of humanity and equality with fair treatment towards personnel, including involved persons. We do not express discrimination grounded on similarities or dissimilarities in the aspects of body or mind, race, nationality, religion, gender, age, education, or so on.

*Practices*

- 1) Personnel must treat one another with respect and honor.
- 2) Recruitment process and performance and performance consideration must be conducted correctly with justice.
- 3) Avoid giving comments on differences of body, mind, nationality, religion, gender, age, education, or so on that can lead to conflicts.
- 4) Help monitoring work conditions to be free from harassment or unfair actions. However, in case of being victimized, make understand with involved persons first; or notify supervisors for further solutions.

*Cautions*

- 1) Insulting or making fun of differences of body, mind, nationality, religion, gender, age, education, or so on that can affect feelings.
- 2) Refusal to work with any persons on account of differences of body, mind, nationality, religion, gender, age, education, or so on
- 3) False claim of others' names with an intention to create inclination for decision making.

**(C) Political views**

The company acts neutral to political matters without performing any actions that show preference or support to a particular party or any politicians. Even so, we are always aware of and respect rights and freedom of the use of personnel's political rights as long as those rights do not cause the disgrace of reputation of the company or conflicts in work.

*Practices*

Avoid taking charge as political party committee, political representatives in public activities, or members of local administrative organizations, e.g., provincial administrative organizations or subdistrict administrative organizations. Or do not show by any means to make other people understand that the company support, prefer, or associate with politics or political parties.

- 1) Avoid showing political views in the workplace or during work as it might bring about contradictions.

## *Cautions*

- 1) Relationships with politicians or persons associated with politicians might cause misunderstanding that the subjects are not neutral in politics or prefer particular parties.
- 2) Money acceptance or doing businesses with politicians or persons associated with politicians.
- 3) Wearing employee uniforms or other clothes that make people understand that the subjects are our employees who join politics or in some certain aspects or certain parties.

## 1.2 Compensations and interests

The company is determined to pay compensations and interests as appropriate in accordance with legal requirements. Compensations required must not below the minimum rate declared by legal requirements.

## *Practices*

- 1) All personnel must be paid compensations and overtime work rate not less than the minimum rates as required by legal requirements.
- 2) Compensation payment process should not be done through brokers. Or if so, there should be inspection process confirming that the payment is done correctly.
- 3) Work hours record process is operated correctly, with periodic verification process proving that those hours are calculated for compensations accurately.
- 4) Notification process of compensation evaluation methods is provided, including proper forms of payment explanation such as salary slips.
- 5) Physical examination is provided for employees at least once a year.
- 6) The company shall consider and arrange extra welfares to personnel as appropriate and on proper occasions. In case of incidents that might affect health and hygiene of employees, we shall handle them immediately.
- 7) Create understanding of goals, roles, and responsibilities; with performance evaluation through clear and fair criteria for employees at all levels.



## *Cautions*

- 1) Employees are paid compensations less than the minimum rate of legal requirements.
- 2) Employees work overtime but are unpaid as per legal requirements.
- 3) Employees neglect or do not participate in annual physical examination without appropriate reasons.

### 1.3 Work environments

The company perceives necessity of good quality of life in work among our personnel; and that will enhance full abilities and efficiency of personnel.

## *Practices*

- 1) Standard equipment, materials, and office appliances are provided correctly in line with ergonomics without poor effects on health or pollutions.
- 2) Encourage suitable atmospheres for work, including cleanness and tidiness in the workplace.
- 3) Eliminate work obstacles that engender negative effects on work performance such as unnecessary or duplicated jobs.
- 4) Provide communication channels for opinions and suggestions of employees at all levels.
- 5) Hold activities for strengthening relations between executives and employees. They can also draw work happiness.

## *Cautions*

- 1) Equipment, materials, or office appliances are out of order; but still operated without notifications to officers in charge.
- 2) Decorate the buildings or install information or information media without permission from responsible agencies.

### 1.4 The development of employees and trainings

The company is determined to develop personnel at all levels to be quality as professionals. We give them opportunities to demonstrate their potential at best so as to support them for their career advancement along with successful operations of the company.

*Practices*

- 1) Arrange internal and external trainings by considering appropriateness of position and duties of each employee.
- 2) The company encourages trained employees to share obtained knowledge as well as experiences to others, too, in order to originate internal knowledge and experience transfer in the form of knowledge management.

*Cautions*

- 1) Trainings do not match positions or duties of employees.
- 2) Employees do not fully attend trainings as per scheduled.

1.5 Offer or acceptance of assets or other interests that can create motivation

(A) Offer or acceptance of assets or other interests that can create motivation in unfair decision making.

Business conduct of the company must be right, straightforward, and assured that it will not result in scandals or disreputation.

*Practices*

- 1) Do not accept or offer money, assets, objects, or interests to a person with a will to induce or abstain from mischiefs.
- 2) Do not ask for money, assets, objects, or interests from persons involved in business.
- 3) Do not offer money, assets, objects, or interests from persons involved in business in exchange with underserved privileges.
- 4) Business entertainment expenses and others related directly to business contracts are acceptable but must be reasonable.

*Cautions*

- 1) Contact or running business with persons who have unpleasant business records, including offer or acceptance of unusual interests.
- 2) Accept or give business recommendations that require special relations with officials and any persons.



- 3) Offer money to persons who do not involve in transaction in exchange with undeserved privileges.

## *Examples of practices*

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An officer of a project asked about a reward if he could convince the project owner to purchase the product of the company.

---

## **Suggestion**

Clarify him that the company shall not offer any undeserved rewards according to the regulations unless they are traditional trade offers as usual.

## (B) Offer or acceptance of gifts / tokens

Offer or acceptance of assets or objects as gifts / tokens according to custom or tradition in each local area is acceptable. At the same time, the company disagrees to allow employees accept too much valuable gift / tokens from business

## *Practices*

- 1) Before offering or acceptance of gifts / tokens, the subjects should check whether or not it is in compliance with legal requirements and regulations of the company. Prices of those gifts / tokens should be reasonable and suit occasions.
- 2) Do not accept or offer gifts / tokens in the forms of cash, cheque, bond, stock, gold, jewelry, real estate, or similarly.
- 3) Do not accept or offer gifts / tokens that can influence certain unfair decision making. If it is necessary and inevitable to accept too much valuable gifts/ tokens from persons involved in business, this must be reported to hierarchal supervisors.
- 4) Keep payment evidences displaying values of those gifts / tokens for future verification.
- 5) In case being assigned or allowed by supervisors to assist external agencies, the subjects may accept money, objects, or gifts following regulated criteria or standards of those agencies.

## *Cautions*

- 1) Offer gifts / tokens to supervisors.

- 2) Accept gifts / tokens from supervisors.
- 3) Accept unknown or unreasonable objects or gifts.
- 4) Accept too much valuable objects or gifts than usual.

## *Examples of Practices*

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On New Year's Day a purchaser traditionally brought you a gift. But there were more than one purchaser actually. So, you received a large number of gifts.

---

### **Suggestion**

Consult the supervisor and beware of the value of each gift.

---

A contractor whom you used to contact with offered you and your family to go abroad and stay at his villa on the beach with no charges. He claimed that normally the house was rarely used and thus no additional charges. Will you accept this offer?

---

### **Suggestion**

You have to consider that if you go and pay all expenses own your own, how much do they cost? Because to estimate the value of a gift or a reward, it is basically done based on the real value in the market. In this case, if the value is high, you should turn down the offer.

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The company paid for your external seminar. You won a 10,000 baht prize from drawing lots out of 300 attendees. Can you keep this prize?

---

### **Suggestion**

This prize is from drawing lots by sampling from a number of choices, with the purpose to avoid influences on decision making. In this case, you can take it as your own. But if it is a high-valued prize, you should consult the supervisor for the best practice so as to make sure that the offer was not aimed to create motivation in decision making.

---

A government agency made an invitation letter to you for coming as a keynote speaker on the date and regular work hours. You were given an amount of compensation as per the fixed rate. Can you keep this amount of money?

---



**Suggestion**

Before accepting an invitation, you must read the details as well as the compensation or interests carefully (If notified) in order to request for permission from the supervisor. According to this example, if the amount of money is not too much and in compliance with the standard regular rate government agencies, you can keep it.

**1.6 Conflicts of interests**

Personnel of the company must try to avoid conflicts of interests that might have impacts on decision making to perform any actions. Personnel must regard organizational interests and shareholders as the first priority under legal as well as ethical justice.

*Practices*

- 1) Do not run a similar or the same type of business as the one of the company.
- 2) Do not take part as partners or shareholders or executives in competitive businesses or in the same type of business. But if it is really inevitable, report to supervisors immediately.
- 3) In case employees involve in businesses or any incidents that might lead to conflicts of interest, report to supervisors immediately.
- 4) Do not exploit information or any recognized matters due to positions and responsibilities.
- 5) Avoid involving in activities that might produce organizational conflicts of interests or financial obligations in any forms with persons involved in business or employees of the company.
- 6) Avoid doing extra jobs besides the ones of the company as they might have effects on current duties no matter in what aspects.

*Cautions*

- 1) Personal interest that might affect the company.
- 2) Personal jobs with the use of equipment, tools, or resources of the company.
- 3) Transactions with companies that you or your family is specially intimate with.
- 4) Personal relationships that may go against responsibilities and duties.
- 5) Financial relations with persons who possibly have conflicts with the company.
- 6) Investment in properties, e.g, stocks, debentures, or derivatives of competitors of the company.

### *Examples of Practices*

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Your close friend as a contractor invited you and your family to travel on a Europe tour. He offered to take care of all expensed for you. Can you say 'Yes'?

---

#### **Suggestion**

Turn down the offer politely. If cannot, notify the supervisor in details. If in case of making a tour of inspection, use the approved amount of money from the company.

---

A dealer of the company who is also a close relative of yours asked you, an officer in charge of product arrangement for dealers, to arrange products that are currently out of the market. S/he offered a higher price than normal. Will you do that?

---

#### **Suggestion**

Explain to the dealer that you have no authority to do so, even though the offered condition is beneficial to the company. This issue must be permitted by the supervisor, and you are willing to coordinate and will inform him/her the results.

---

Your family stopped being as a dealer of the company, and turned to order the product of the competitor. What should you do?

---

#### **Suggestion**

Notify the supervisor, and avoid participating in the business of your family.

---

A contractor company of the company invited you to attend a seminar overseas. That company will support expenses of travel, flight tickets, accommodation, meals, and offered you travel allowances like other attendees. You can also take your family with you. Should you attend this seminar?

---

#### **Suggestion**

Be careful of offers with larger interests than normal. And you should make it clear that a seminar is for education, knowledge extension or exchange, or rewards for customers. Regarding the above example, you should not attend this seminar, because there appears to contain offer with unusual motivation. In case of an interesting seminar with business advantages, you can make request for permission to the supervisor. At any rate, although you will attend the seminar, you must neither take family with you, nor accept travel allowances as it is an unusual benefit.

---

A contractor company of the company invited you to join the grand opening of a product, with a lot of guests. The event includes token offer and dinner. Will you join this event?

---



**Suggestion**

You can join this event and accept the token if it is with fine value and given to all guests. Avoid conversations that might cause misunderstanding that you are interested in the product or that you may order the product. Gather all information of the product and report to the supervisor.

---

A loan shark running the business of black money loan with a higher interest rate than legal requirements contacted you to be a broker. You have to offer the loan to employees in exchange with interests or rewards from the loan shark. Should you accept this offer?

---

**Suggestion**

You should not accept this offer. Above all, black money with higher interest rates than legal requirements are basically considered illegal. In this case, if an employee decides to go for such loan but then defaults occur, it will certainly bring unpleasant effects on the work of both parties. It also destroys work atmospheres. This, therefore, is what you should absolutely not do.

**2. Code of business conduct and practices associated with business conduct****2.1 Transactions of the company****(A) Related party transactions**

The company set the related party transaction policy with the purpose to determine the principles of transactions between the company, subsidiaries and the board, executives, or persons involved. The transactions taken into account are management hired, purchase and buying materials or products, giving financial assistance, technical or personal support, or other transactions for transparency, justice, and highest interests of the company as well as shareholders.

*Practices*

- 1) Elaborately study rules, procedures, and authority to operate in compliance with the regulations of the company before the implementation.
- 2) When employees have to deal with transactions, report to supervisors in terms of conditions, rules, or transaction specifications thoroughly.
- 3) To implement projects or transactions, employees must strictly follow rules, legal procedures, government regulations, and those of the company.
- 4) In case of queries, ask supervisors or the legal consultants of the company.

*Cautions*

- 1) Transactions are done without proper permission request.
- 2) Requests for skipping procedures or disregard of any process that should have been done regularly.

**(B) Transactions with third parties**

Transactions with third parties or other companies must be done with right approaches straightforwardly and in compliance with agreed conditions. Avoid transactions that might cause troubles or damages to third parties.

*Practices*

- 1) To do transactions, values and prices must be considered based on market mechanisms without discrimination or hindrance towards business by mischievous or illegal approaches.
- 2) Avoid doing transactions that might cause disreputation to the company despite possible business advantages from them.
- 3) Never claim the names of the company, of the board, of Management Department, or of employees for doing transactions irrelevant to the company despite their indirect effects.

*Cautions*

- 1) Transactions which business partners are not obliged to follow contracts. Or transactions had done through other persons or companies as the representatives.
- 2) Transactions which business partners' backgrounds are unknown.

**(C) Transactions with government agencies**

The company is determined to build fine relations with government agencies as well as officials in an appropriate area with integrity. Meeting in public; congratulations on special occasions, festivals, or customs, for example. The company must avoid inappropriate and fraudulent actions.

*Practices*

- 1) Operate rightly and straightforwardly when contacting with officers or government agencies.
- 2) Always keep in mind that laws, rules, or customs in each region might contain different conditions, procedures or practices.



- 3) Follow laws in each country or regions related to hiring officials, either in case of hiring to act as consultants or to be employed. Terms and conditions must be transparent and appropriate.

## *Cautions*

- 1) Transactions in some countries might have laws with terms, conditions, and rules of gifts, donation, hire, hospitality, or entertaining towards officials or government agencies.
- 2) Transactions with officials or family members of officials with their influences on decision making towards contracts made with the government.

## 2.2 Overseas transactions

Overseas transaction in the forms of establishing companies, plants, offices, chains, representatives, dealers, import-export, joint venture, or any transactions of the company overseas must be in compliance with rules in each country. Furthermore, environments, traditions, customs, and cultures in each region are also taken into consideration.

## *Practices*

- 1) Before traveling overseas, it is necessary to learn traditions, customs, cultures, and associated laws. Import-export laws, tax laws, international trade control laws, immigration laws, for instance.
- 2) Behave in compliance with legal requirements and as good citizens of particular regions without code breaches.
- 3) Hiring employees in each region must be in compliance with legal requirements of local labour laws.
- 4) Regular transaction inspections.
- 5) Report information with evidences concerning import or export to officers in charge of this matter.
- 6) Follow legal requirements in term of international trade control laws (if involved).
- 7) Consult supervisors or consultants of the company when perceiving that transactions might contradict local cultures or laws, or international trade control laws.
- 8) Report performance to supervisors regularly.



## *Cautions*

- 1) Contacting agencies overseas through companies or local people unknown or with negative reputation.
- 2) Hiring persons without complete identification documents or with incomplete ones.
- 3) Any actions of contract partners that seem to avoid international trade control laws.
- 4) Offering assistance in import or export from individuals who claim that they can coordinate with authorities.
- 5) Answers showing avoidance, unwillingness, or dissatisfaction from contract partners or customers towards questions.
- 6) The invoice of an import with the wrong price according to its full value, or with unclear product details, and other unreasonable issues.
- 7) Payment to exporters or promotions which are not included in prices displayed in invoices, or as per reported in other forms.
- 8) The use of tariff that seems to unveil incorrect lists of products.
- 9) Incomplete procedure of imports that actually require regular procedures.

## 2.3 Procurement and treatment towards business partners

Procurement must be conducted following the procedures described in the requirements of the company, with justice and transparency to involved persons. Decision making must be based on reasonable prices, quality, and acquired services. And appropriate reasons must be addressed when under inspections. In case officers in charge are not certain with any steps of the procedures, they have to study procurement regulations elaborately; or ask related agencies or supervisors before taking any further actions. Besides, the company sets its mind to treat business partners with equity grounded on fair, transparent, and equal competitions for stepping ahead to allies of long-term business support to one another.

## *Practices*

- 1) Procurement must strictly follow procurement procedures and selection process from responsible agencies in accordance with operation authority.
- 2) In case procurement neither follow the regulations nor pass procurement agencies, a letter of notification must be made in the sense of sources, procurement approaches, and procurement reason to the agencies.
- 3) Do not take part in procurement with contract partners concerned with officers themselves. Their family, close relatives, or juristic persons of which they are partners or shareholders.
- 4) Do not use acknowledged information from procurement for personal or others' interests.

- 5) Consider juristic persons as the first priority for procurement. Avoid operating procurement with ordinary persons, except in case personal specialization is required or for interests of any implementations of the company.
- 6) The company support equal treatment towards business partners. To complete procurement, the partners will be given enough time to prepare required documents and quotations. Terms and conditions in contracts should not take advantages from the partners too much. The company should consult a law firm for making contracts as well.
- 7) Procurement agencies or persons must maintain required documents as references as appropriate within fixed periods. Approval documents, quotations, contract negotiations, or contract practices, for instance.

## *Cautions*

- 1) Procurement with no requirement for rules or regulated procedures.
- 2) Conflicts of interests that might happen in the selection of product or service providers. Acceptance of inappropriate gifts.
- 3) The selection of product or service providers who are relatives, siblings, or whom officers in charge are intimate with.
- 4) Neglect of standards that product or service providers should have actually, e.g., environmental or industrial standards.

## 2.4 Treatment towards customers and consumers

The company cares for the highest satisfaction of customers, purchasers of our products and services which are all produced with fair prices and quality. We serve our customers and consumers with speeds, hospitality, and no discrimination

### *Practices*

- 1) The company is determined to improve complete products and services, with speedy services and quality, in order to fulfill customer and consumer demands at best. We shall sell products and services at reasonable prices with fair terms and conditions.
- 2) The company shall not perform any fraudulent actions, or fool customers to believe in the quality products and services. We shall collect results of surveys or research to prove our advertisements perfectly. We shall also promote understanding of products and services to general consumers.
- 3) The company regards safety of product and service. Cautions or specifications are provided for products. Safety inspection is conducted in the facility, with serious campaigns and trainings in consumer safety that are held continuously. We are responsible for consumers with justice in case of accidents due to regular product and service use.

### *Cautions*



## 2.5 Marketing communications

The use of marketing communication tools such as advertising, public relations, product and service exhibitions must be in accordance with reality, suit environments, and fair for all involved parties.

### *Practices*

- 1) Marketing communications must be in accordance with reality and with regard to justice towards all involved parties.
- 2) Avoid marketing communications showing direct comparisons with competitors' products or services.
- 3) Do not present entities that might engender social conflicts. National, religion, royal, or political institutions; beliefs; international relations; sexual opinions; or other issues against morality and good cultures.
- 4) Review and inspect marketing communications regularly.

### *Cautions*

- 1) Marketing communications do not reflect genuine values and quality of products or services.
- 2) Surreal marketing communications intended to make consumers misunderstand quality of products or services, excepts surreal issues that consumers can figure out on their own that they are apparently fake, just to make advertisements interesting. In that case, consumers should be informed clearly accordingly.
- 3) Promote positive presentations more than negative ones, especially any topics that might affect feelings of people in the society.

## 2.6 Treatment towards creditors

### *Practices*

- 1) Follow contract terms and conditions towards creditors strictly, transparently, and equally in views of settlements and other agreed conditions.
- 2) Reveal financial status to creditors correctly, completely, and timely in compliance with contract requirements.
- 3) Notify creditors in case contract terms and conditions cannot be followed in order to find proper solutions.

### *Cautions*

## 2.7 Trade competitions



The company is determined to fairly engage in trade competitions with consideration of trade ethics along with trade competition laws in the countries where the company runs business.

## *Practices*

- 1) Do not make any agreements with competitors or other persons that seem to reduce or restrict trade competitions.
- 2) In case the company is the market dominance over any product markets, do not use that dominance in unfair ways for trade.
- 3) Because trade competition laws are complex and different in each particular country. The company should consult legal consultants from the start.

## *Cautions*

- 1) Make agreements resulting in restricted alternatives of consumers in product or service purchase.
- 2) Set unfair prices or terms of product or service offers.

## 2.8 Treatment towards competitors

The company highlights on business conduct in the light of fair trade competitions. They must be done with justice, no distorted information, no frauds, and no other tricky approaches against good competitions.

## *Practices*

- 1) The company conducts the business on free competitions. Business conduct must be concerned with fair competitions as well. Do not attack competitors without reasonable information.
- 2) The company shall support and cooperate with trade competitors for interests of consumers. Cooperation between the company and competitive companies will not to monopolize revenue allocation and market share; not to reduce the quality of products and services; and not to set prices of products and services. These will generate negative impacts on consumers as a whole. Personnel of the company must be careful of contacting competitors as well as their personnel in all cases. All confidential information of the company must not be unveiled or accidentally released to competitors' hands.
- 3) Business merger between the company and competitors must be preceded with transparency. After business merger, the company must not misuse its marketing power that can originate bad effects to consumers.
- 4) Do not make agreements with competitors or persons that seem to reduce or restrict trade competitions.
- 5) In case the company is the market dominance over any product markets, do not use that dominance in unfair ways for trade.

- 6) Because trade competition laws are complex and different in each particular country. The company should consult legal consultants from the start.

#### *Cautions*

- 1) Make agreements resulting in restricted alternatives of consumers in product or service purchase.
- 2) Set unfair prices or terms of product or service offers.

### 2.9 Money laundering prevention

The company sticks to rules and laws in regard to money laundering prevention. To clarify, the company shall not transfer or transform conditions of assets. We shall also not support receipt, transfer, or transformation of their conditions regarding violations. This is to prevent someone from exploiting the company as a channel or a tool to transfer, hide, or conceal sources of assets illegally acquired.

#### *Practices*

- 1) Before doing transactions with customers, backgrounds of money sources must be acknowledged.
- 2) In case unusual transactions are found, report to supervisors immediately.
- 3) In case of queries, consult legal consultants of the company.

#### *Cautions*

- 1) Business or contract partners who are unwilling to give complete information, or give incomplete or incorrect information.
- 2) Payment in cash or cash equivalents before due date.
- 3) Unusual money transfer to or from irrelevant countries.
- 4) Too complex business agreement structures.
- 5) Payment forms as per contracts that do not show actual objectives; or with unusual payment conditions.
- 6) Money transfer requests to unknown bank accounts.
- 7) Payment/settlement through financial instruments that cannot identify connections to payers, except for regular conditions regulated by financial institutions.

### **3. Code of business conduct and practices associated with environmental, health, and safety**

The company operates seriously to keep promoting environment, health, and safety of employees, communities, or involved persons. We hold useful activities for the society in diverse aspects continually. We also set CSR policy as a guideline for sustainable growth of the business under social responsibilities.



## (A) Society, communities, and environment

### *Practices*

- 1) Support and give assistance that suits the society and communities, especially those surrounding the facility.
- 2) Give opportunities to communities and involved persons to participate in giving comments for projects that might impinge upon communities. Opinions or complaints resulted from operations of the company can also be proposed.
- 3) Cooperate in operations in compliance with standards or international agreements made for preventing or relieving environmental impacts.
- 4) Design and develop manufacturing process, machines, and equipment to be able to control and/or lessen pollution. This covers the issues of sewage, dust, gas, and wastes.
- 5) Officers in charge of manufacturing process and machine or equipment control must monitor operations not to let any effects happen to environment beyond determined standards.
- 6) Cooperate in the correct reduction of wastes.
- 7) Study and cooperate in correct waste disposal.
- 8) Assess risks and impacts on environments, health, and safety before investing or sharing in businesses.

### *Cautions*

- 1) Neglect of community complaints.
- 2) Publicizing incorrect information to public.
- 3) Managing hazardous wastes incorrectly.

## (B) Natural resource conservation

### *Practices*

- 1) Use natural resources, materials, or equipment efficiently and effectively.
- 2) Cooperate with natural resource conservation measures of the company, e.g., 3R policy (Reduce, Reuse/Recycle, Replenish).
- 3) Officers in charge of manufacturing process or machines are responsible for caring, improving, and maintain manufacturing process or machines at certain levels in compliance with determined standards in order to reduce natural resource consumption.

### *Cautions*

- 1) Natural resource rehabilitation without awareness of existing ecosystems.
- 2) Natural resources are exploited unworthily.
- 3) Too much waste from manufacturing process than usual.



(C) Health and Safety

*Practices*

- 1) Check the readiness of health and body before work. Do not work if health and body are not ready, in order to diminish risks from occupational hazards. Those who have to work with risks to life or health must study information about unsafe work conditions or dangerous jobs.
- 2) At any risky steps of operations, if officers are not sure about coming results, stop or retard those operations and consult experts immediately.
- 3) Report to supervisors as soon as possible when noticing unusual incidents in the workplace that possible act upon health and safety.
- 4) Supervisors in particular fields have duties to establish or publicize guidelines to employees or involved persons on prevention or control not to let occupational accidents occur, including physical examinations based on risks of employees.

*Cautions*

- 1) Not using personal protective equipment.
- 2) Using non-labeled or unpermitted chemicals.
- 3) Risks of contacting infectious diseases.
- 4) Connecting open wires/cables.
- 5) Fire exits or emergency exits are blocked.
- 6) Unsafe drive.
- 7) Safety control machines are turned off.
- 8) Working with electrical equipment/tools and machines, with the disregard of user manuals.
- 9) Not reporting workplace accidents.
- 10) Not compliance with rules and regulations of health and safety.

**4. Code of business conduct and practices associated with information and assets of the company**

Personnel possess duties and responsibilities to utilize assets of the company for highest benefits. They also have to take good care of assets not to loss or taken for personal or others' interests. Assets of the company refer to movable properties such as office appliances, tools, machines, etc.; and real estate's such as land and constructions. Assets here also include technologies, academic knowledge, title documents/title deeds, confidential information of the company.

**4.1 Record, report, and maintenance of information**

All employees must manage information of their jobs in secure conditions. It must be able to be used as references or manipulated for interests of the

company when needed. Do not use it for personal or others' interests. Record or report of information must be conducted in compliance with regulated systems.

## *Practices*

- 1) Record and report information correctly and straightforwardly in line with facts.
- 2) Information record must be done in compliance with regulations of the company or legal requirements such as tax laws or accounting standards, etc.
- 3) Information maintenance must be done in compliance with time and regulations of the company when needed. Do not use information for personal or others' interests. Either record or report must be done correctly in compliance with regulated systems.
- 4) Important documents as well as confidential information must be maintained with particular methods described in each level or type of information.
- 5) After maintenance periods, officers in charge must keep correct destruction methods of information or documents based on their types.
- 6) To report financial budgets, environmental matters, or so on to government agencies or third parties, officers in charge must be certain that information is reported or revealed correctly.

## *Cautions*

- 1) Information, documents, or financial reports are arranged in contrast to facts.
- 2) Lack of risk prevention measures to handle information in order to prevent destruction or loss.
- 3) Destroy documents without recognition of their details.
- 4) Record of false statements or unproved facts.

## 4.2 The use and maintenance of electronic information

Electronic equipment or information, or information technology (IT) is all valuable assets of the company for business effectiveness. Employees must use and follow IT policies as well as regulations. They must also take care of it and prevent it from violations or unpermitted publicity.

## *Practices*

- 1) Use electronic equipment, information, or IT for interests of the company only.
- 2) The use of electronic equipment, information, or IT must not follow illegal methods or actions.
- 3) Do not use it for personal business interests or for political interests.



- 4) Do not use electronic equipment, information, or IT to access inappropriate, immoral, or unknown websites doubted of security.
- 5) Protect and take care of electronic equipment as well as IT of the company from unpermitted manipulation.
- 6) Maintain and do not allow others to use passwords for accessing IT systems of the company.
- 7) Use information with full efficiency and effectiveness.
- 8) The company has rights to inspect the use of electronic equipment, information, or IT. Information transfer and receipt, and information maintenance, with no need to ask for permission.

### *Cautions*

- 1) Duplications, modifications, or adjustments of electronic equipment, information, or IT without necessary reasons.
- 2) Inappropriate use of electronic equipment, information, or IT; or without necessary reasons.

### 4.3 The use and maintenance of intellectual property

The company regards intellectual property, including patents, petty patents, copyrights, trademarks, trade secrets, knowledge, or other information, are all valuable assets of the company. Employees must follow “Intellectual Property Policy” strictly by protecting and maintaining intellectual property from unpermitted use or publicity.

### *Practices*

- 1) After being employed by the company, all employees must sign agreements of granting intellectual property as an outcome of operations or support by the company. It must be either completely or partly granted, regardless of whether or not it is already protected by laws.
- 2) Works from operations are regarded as assets of the company, except in case the company clearly permits that they belong to initiators, inventors, researchers, or so on.
- 3) During operations, employees must maintain records, information/data, formulas, statistics, programs, procedures, processes, and facts which are considered as intellectual property of the company. They must not be pirated or revealed to other people, except that the company gives permission in writing to do so.
- 4) Never take intellectual property of the company for duplication, modification, or any other actions for personal or others’ interests unless approved by the company.



- 5) To make contracts and juristic acts, all involved parties should set clear agreements on having rights in intellectual property. If not sure or doubt, consult intellectual property experts of the company.
- 6) All employees must respect and do not pirate intellectual property of others. If such action or similar is noticed, report to IT section.
- 7) Employees have duties to cooperate and assist in assertion or request for the company's intellectual property protection.
- 8) Check information which are under third parties' rights, acquired or to be used in the company, so as to decrease opportunities of intellectual property piracy.
- 9) Employees must report to supervisors or intellectual property managers when noticing actions suspected as piracy; or leading to piracy or disputes of intellectual property of the company.
- 10) Follow intellectual property laws in the countries where the company operates in. Consult with intellectual property experts of the company for correct understanding.
- 11) Study and understand details in policies of the company; and follow the, strictly.
- 12) After termination of employment, employees must return all intellectual property, including works, inventions, information, reports, statistics, formulas, programs, procedures, and processes to the company regardless of forms.

## Cautions

- 1) Decision making associated with the company's intellectual property acquisition, exploitation, maintenance, and protection without clear and correct understanding.
- 2) The use of information that is confidential or belongs to others without permission from owners.
- 3) Declaration, presentation or revelation of information or documents of the company in any forms to irrelevant persons, both internal and external.
- 4) Employment; or joining works or projects with outside individuals, agencies, or juristic persons without agreements in writing with respect to rights in intellectual property as well as its interests following policies of the company before operations
- 5) Taking any actions to intellectual property pirates without consulting executives and intellectual property experts of the company.

## 4.4 The use of internal information

The company set the use of internal information policy in order to frame the protection of internal information use. The board, executives, and employee are forbidden to publicize information that may influence prices of the company's securities; or that may cause damages or disadvantages to the

company if revealed to public. This is to generate transparency and justice to all parties.

## *Practices*

- 1) Do not reveal acknowledged information of the company to third parties or irrelevant persons.
- 2) The revelation of influencing information must be performed by particular authorities, except those who are assigned by authorities to reveal subjected information.
- 3) Employees and relevant persons must not reveal undisclosed information to public; and must to trade securities of the company or companies that they involved in when acknowledge undisclosed information.
- 4) Do not give recommendations on trading securities of the company, except in case of specific jobs assigned by the company.
- 5) Employees and persons related to information must neither reveal nor transfer confidential information of the company to irrelevant person, including family members, relatives, or friends, etc.

## *Cautions*

- 1) Transferring or forwarding information to uncommon persons or places.
- 2) Giving information to persons who claim their rights to acknowledge it, without clear evidences or reasons.
- 3) Giving rumors or information that bears upon the company.