



# Code of Conduct

Present... Corporate Governance Committee

1 January, 2014

(Translation)

### **Principle of business**

Board of Directors has the policy to promote Corporate Governance, emphasizing business principles of social responsibility. Cover the needs of all the stakeholders. And consistent with the of creating balance between businesses, environmental and social. This will contribute to the sustainability.

The Board of Directors determined the manuals “Business ethics.” And best practices in work As a best practice for directors, executives and employees of the group company. By operating on the basis of good corporate governance and accountability to stakeholders inside and outside and assign it be reviewed Track performance according manuals business ethics and conduct in the workplace continued.

( Mr. Sansern Wongcha-um )

Chairman

Somboon Advance Technology Plc.

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## 1. Definition

<b>Ethics</b>	means	Good business practice
<b>Somboon Group</b>	means	Somboon Advance Technology Plc. and its subsidiaries
<b>SAT</b>	means	Somboon Advance Technology Plc.
<b>Subsidiaries</b>	means	(1) Somboon Malleable Iron Industrial Co., Ltd., (2) Bangkok Springs Industrial Co., Ltd. (3) International Casting Products Co., Ltd. (4) Somboon Forging Technology Co., Ltd. (5) SBG International Japan Co., Ltd. and
<b>Associated companies</b>	means	(1) The Tsuchiyochi Somboon Coated Sand Co., Ltd., (2) Yamada Somboon Co., Ltd., (3) Nichinbo Somboon Automotive Co., Ltd. and (4) Somboon Somic Manufacturing Co., Ltd.
<b>Directors and sub-committees</b>	means	The Board of Directors and sub-committees
<b>Employees</b>	means	The Company's executives, permanent staff, temporary staff and special contract staff
<b>Related person</b>	means	A person who is associated in any manner, the following: (1) A person having the authority to control the Company's business and in the case of corporation shall include the directors of such juristic person. (2) A spouse, a minor child or adopted minor child of the director, the executive or the person under (1) (3) A juristic person which the person under (1) or (2) has the authority to control its operation (4) Any other persons as specified in the Notification of Capital Market Supervisory Board.
<b>Stakeholders</b>	means	the shareholders, employees, customers, suppliers / creditors, government, private sector, societies, communities and environments.
<b>Disclosure</b>	means	the disclosure of information relating to business activities of the company under the Public Limited Company Act B.E. 2535, the Securities and Exchange Act, B.E. 2551, the rules and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission.

Corruption	means	to all forms of bribery such a promise / offer to be provided. Claims or receive (in cash / assets). Or any other benefit is not appropriate. Government officials Private sector partners, customers and stakeholders. Either directly or indirectly.
Conflict of interest	means	any activity that may have personal preferences, or of the connected person, whether by blood, or any other that have influence on decision making, or may be hindered, or impede the greatest benefits.
Offers of Things or any benefits	means	any activity that may have personal preferences, or of the connected person, whether by blood, or any other that have influence on decision making, or may be hindered, or impede the greatest benefits.
Bribery	means	an offer / acceptance of gifts, rewards or any benefits for themselves or from people who want to convince them to do something illegal or dishonest business ethics.
Tradition	means	a festival, Memorial Day or a succeeded activity having unique and being important to society.

## 2. Business Ethics

### 2.1 Guidelines for the business.

Board of Directors Sufficiency Economy principle has brought to the implementation of sustainable business. Used as a guide to doing business “3 Somboon Sangsombudue ” to create a sustainable. And for the benefit of stakeholders and society. The opportunity for stakeholders to comment. The tools to ensure efficient performance seriously. To contribute to the organization’s corporate governance to truly as follows :

1. To comply with the applicable laws, rules and regulation strictly.
2. To comply with the Company's “Corporate Governance policy” and “Code of Conduct”.
3. To be committed to operate business with transparency, honesty and fairness.
4. To adhere to conduct as good people and establish good minds to employees.
5. To concern of the benefits and effects from operations with social equality and fairness to the Company’s stakeholders.
6. To operate business with responsibility and protection of the stakeholder’s and public’s interests.

7. To organize a strong operation system to prevent corruptions with an internal audit system.
8. To require the Company's directors, executives and staff for all to participate in the anti – corruption effort, conflicts of interest reporting, efficient contacts and working life quality promotions.
9. To provide a channel for complaints and hearing for stakeholders and have the complainers / informants protection measure.

**Vision :** To be a leader in quality automotive parts manufacturing in the ASEAN region, to provide end-to-end services, and to grow together with customers

**Mission :**

- Focus on creating values to the organization, shareholders and all other stakeholders
- Fulfill the customer expectations with high product quality and excellence services
- Participate in the design and development of products with customers
- Continue to improve production capabilities and attain cost leadership
- Enhance the capability and the quality of life of the workforce
- Ensure the good corporate governance system, risk management system, internal control system, and corporate social system are in place

**Entity's culture :** To Innovation, take care of clients, all employees have discipline, to work with responsibility and to be careful for quality.

**Philosophy :** Unity committed, go far forward, innovative, care for clients, flexible developments and focus on quality of life.

## 2.2 Anti – corruption Policy

The Board of Director commitment to conduct business with integrity, fairness, and responsibility to society and stakeholders. Policy compliance, corporate governance and Code of Conduct of the company.

To ensure directors and employees. Practice is good citizens of the society and the nation. Board of Directors Anti-corruption policies to all events is as follows.

1. "Prohibits directors and employees accept all formats of corruption, both directly and indirectly, including accepting gifts: gifts: party: and donations. Other benefits from persons do business with the company ".

2. The covered employees, partners, customers and stakeholders in the country and abroad. And provide a review of the Implementation anti-corruption policies at least 1 time per year as well as review of the practice. And the requirement to take action to comply with the change of business regulations and legal requirements.

### Good practices

1. Directors, management and employees must comply with anti-corruption policies. And work Ethics and not participated in corruption either directly or indirectly.
2. Employees must not be neglect or in action. Saw action in cases corrupt within the company must notify supervisors. Or the person responsible know And to cooperate in the investigation. If in doubt consult your supervisor. Or a person designated as responsible for monitoring compliance with the Code of Ethics. Through channels defined.
3. The Company will ensure fairness and protection of employees. To refuse or notify a corrupt related with the company. By using protective measures for provide clues concerning fraud. Or who cooperate in the report. Corruption, as defined in the policy prompts complaints. And suggestions.
4. Those that commit fraud. Is against the ethics policy subject to the discipline by which Company regulations and penalties prescribed by law.
5. Companies featured on educating. And understanding with other party To perform the duties associated with the company. And stakeholders
6. The company commitment to cultivate a "Smart People" practice. As good citizens of the society and nation.

### Requirements for operation:

1. The implementation of policies against corruption to the guidelines as determined in the manual the corporate governance and manuals Code of Conduct, policies and practices with stakeholders through operational manual related. And other practices, the company will set up the next.
2. Policy against corruption to cover all activities related to the operations of the Company.
3. Defined to include " Risk Assessment " on corruption once a year.
4. The directors, management and employees must perform duties with caution in the following.
  - 4.1 Gifts ,Entertainment and Expenses : The giving / receiving gifts, entertainment, let's go/ As defined in the Code of Conduct of the Company
  - 4.2 Donations for charitable : Giving / Receiving donations. Must conform to the law and not be used for bribery.
  - 4.3 The procurement : Do not give or accept briber to conduct business with suppliers counterparties, government agencies. Or agencies that Conduct business with the company.

### **3. Ethics of the Board of Directors**

The Company intends for the board of directors, sub-committees and subsidiaries' directors to perform their duties to operate with ethics, conduct or maintain their performance carefully, prudently and with honesty, to optimize the continuous and sustainable business operation of the company and stakeholders, as follows:

#### **3.1 Compliance with laws and the Company's regulation**

3.1.1 Compliance with rules, regulations and laws involved with the Company's business shall be as follows :

- (1) Directors, executives and staff shall comply with the laws, rules and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission.
- (2) Directors, executives and staff shall not avoid compliance with the applicable orders, rules and laws.
- (3) Directors, executives and staff shall co-operate with the company' corporate governance unit and report about violation against order, rule and laws to the unit.

3.1.2 Duty performance shall be conducted with impartially i.e. in meetings when to discuss an issue the director who has conflict of interest shall leave the meeting room and shall refrain from participation in the issue decision.

3.1.3 To avoid a conflict of interest for a business reveal and efficiency by :

- (1) To prohibit use a secret of organization that illegal and to forbid other secret Information of organization when you expire of business of the organization then.
- (2) Do not acquire the personal interests from being directors.
- (3) Do not develop a binding which may contradict with duty afterward.
- (4) Do not create obligation that may conflict with their duties in the future
- (5) Do not receive anything or other benefit in conflict of the organization

3.1.4 Keep the confidentiality of corporate information, to prevent, that may cause damage to the organization or stakeholders, except in accordance with the law.

3.1.5 Acquisitions or disposition of Assets of the directors, their spouses and minor child, should be practice in accordance with the Notification of the Board of Governors of the SET title Practices regarding the Acquisition or Disposition of Assets of the Directors and Staff B.E. 2547.

#### **3.2 Conflict of interest and confidential information keeping**

##### **3.2.1 Conflict of interest**

The Company has the policy that the directors, executives and staff shall not use the opportunities from their status in the Company to acquire personal interests eventually imposes the practices as follows :

- (1) They shall avoid a transacting having involvement with themselves which may cause the conflict of interest to the Company.
- (2) In case such transacting is needed for the Company's interest it shall be carried out as if a transacting with an outsider having trade agreement reasonably same as transacting contracts in general over a trading negotiation authority with no influence from being directors, executives or related persons and not participating in a consideration for approval including having to comply the rules and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission on the transaction information disclosure.
- (3) A director, executive or staff if becomes a director, partner or advisor in other organization; status shall not conflict the Company's interest and his / her direct role in the Company.
- (4) A transaction which has or may have conflict of interest between shareholder, director, executive or other person shall comply with the standard practice and be ensured it is fair, transparent, reasonable and fully and correctly disclose; and the company will arrange report form for disclosing suspected transactions that there will be conflict with interest of the company into the Corporate Governance handbook.
- (5) Person who has conflicts with the Company's business, directly or indirectly howsoever, shall report the interest as follows :
  - Directors and executives – Shall report the interest immediately after it arises. To ensure that the company conducts regular checks; the Company's secretary shall check interest every year end and report to the Chairman and chairman of the audit and corporate governance committee chairman at least once a year.
  - Management from section managers to the general manager and the related staff (to correspond with the good corporate governance policy) all managements and related staff shall report interest immediately after they arise and / or regularly report every year end. The Company secretary as the chairman of governance committee shall check and report to President regularly or at least once a year.
- (6) A director, executive and staff who know the inside information shall comply with rules. The responsible directors and executives shall report the security holdings under the regulations of the Securities and Exchange Commission to the Board regularly.

- (7) The Company has announced the directors, executives and staff who know the inside information which may have effect to changes of the security exchange prices shall refrain from the Company security exchange one month prior the Company announces the financial statement or the inside information disclosure to public.
- (8) To monitor interest of the directors, executives and involved persons who have interest with the Company and subsidiaries under the Securities Act, the Board of Directors has determined the rule that the related transaction shall be reported quarterly and under the other criteria imposed.
- (9) In case an related person involves or hold shares in an enterprise competing with the Company which probably incurring conflict of interest with the Company should act as follows;
  - The director, executive and related persons shall inform to the Board of Directors in writing.
  - The staff shall report to President in writing.

#### **3.2.2 The use of inside information**

- (1) Directors, executives and staff shall not use the opportunity or information obtained from their status to acquire personal interest for themselves, for other party or for operating a business competing with the Company and / or the Company's other business involved.
- (2) The Company's inside information shall not be used for personal interest in the Company's security exchange or furnished to other people for buying or selling company shares.
- (3) The Company's properties shall not be used for personal interests.
- (4) The Company's information shall not be used as the outsider's reference for personal interests.
- (5) The Company's business confidential information shall not be disclosed to outsiders particularly competitors even after the directors, executives or staff have expired from position.

#### **3.3 Responsibility to the Company's properties**

The Company promotes the executives and staff to use the Company's resources and properties effectively to enhance competitiveness and good services to clients, by determining the following practices:

1. The Company's assets and resources shall be used saving and most beneficially.
2. Employees shall collaboratively take care the Company's assets are not to be depreciated / lost illegally.

### **3.3.1 Documentation**

- (1) Documentations shall be executed with honesty, prudence and compliance with the specified standard.
- (2) The Company's letters, reports and documents shall not be falsified.

### **3.3.2 Computers & Information Technology System use**

- (1) Computers, IT systems and information shall be deemed as the Company's properties. Executives and staff should not use computers and it systems for personal purposes.
- (2) Executives and staff shall not disclose the Company's business information including the information been purchased by company both existing and not existing in the Company's information system or copy the information to their personal devices without permission.
- (3) Executives and staff shall not modify, reproduce, erase or destroy the Company's information without permission.
- (4) Executives and staff shall not bring unlicensed software to the Company to use and shall not copy licensed software for any reason whatsoever without the software producer's consent.
- (5) Executives and staff shall not modify the Company's hardware or put on an equipment other than the standard parts / equipment readily provided unless consented case by case.
- (6) Executives and staff shall not use the Company's email to forward message which are harassing, discrediting, rude, obscene, intimidating, agitating or annoying to others.
- (7) Executives and staff should use the internet to search for the information and knowledge useful to works and should avoid illegal or immoral websites.
- (8) Executives and staff should use the Company's IT system and other communication equipment such as telephones, fax machines, mobile phones etc. with conscious mind and responsibility substantially realizing the Company's interest.
- (9) Executives and staff shall not illegally access to the systems or information not permitted or authorized to them.
- (10) Executives and staff shall not spy the measure protecting data access and computer that other people prepare or that is not intended for executives and staff illegally and that is intended to use to cause damage to other people.
- (11) The Company or assigned section reserves the right to check the use of properties and units under / assigned by the Company as to be appropriate.

## 4. Ethics to stakeholders

### 4.1 Best practice on the social responsibility

The Company realizes the ability to grow steadily and sustainably with the policy of social responsibility that "SBG focused on developing the organization with the "people" as the main resource in the drive to meet the needs of all stakeholders be balanced and in harmony with society with happiness and sustainability". The integrated strategy for sustainability of the organization 3 areas of people, business and society based on the business philosophy 3 Somboon Sangsombud Program. Including, a Smart people, business trust, and Growth society.

With a commitment to conduct business with honesty Fairness and transparent against corruption. Compliance with laws and regulations in its entirety. And into account the interests and impacts of the implementation of enterprise stakeholders of the company. Well as the operation of safety Occupational Health and environmental impact to stakeholders, alongside strengthening local and social.

### 4.2 Policy regarding best practice on shareholders

The Company realizes the shareholders are the Company's owners and the Company's duty is to generate added value to shareholders in long term, therefore, the company determines that the directors, executives and staff shall perform according to the following guidelines:

- 4.2.1 Perform duty with responsibility, carefulness and honesty under reasonable decisions on the ground that the information is sufficient and correct, they have no direct and indirect interest and perform with honesty for maximum interest to the Company, they perform over the right and suitable purposes and they shall not act over conflicts of interest to the Company.
- 4.2.2 Comply with laws, the Company's objective and articles of association, directors' resolutions, shareholders meetings' resolutions, good practices in accordance with the corporate governance policy and code of conduct and act to shareholders equally both major and minor shareholders for their maximum interests.
- 4.2.3 Manage and take care of the Company's assets not to be depreciated / lost illegally and provide an effective internal control and risk management systems.
- 4.2.4 Provide opportunities to the shareholders to participate in the Company's business care and render opinions on operations under the equal acts to them.
- 4.2.5 Report the Company's status regularly, completely, truly and in – time to situations.
- 4.2.6 Furnish the Company's data, news and information truly, sufficiently, equally and in – time to shareholders for their decision – making.
- 4.2.7 Take care for the directors, executives and staff not to acquire their and related peoples' interest by furnishing the Company's confidential information or disclosing the Company's

secret to outsider and / or performing any acts which may lead to conflicts of interest to the Company.

4.2.8 Provide the channels for irregularity informing and complaints such as website, mailbox telecommunications etc. with informing and complaint responses and complainant protection including systematic and fair feedback reports to informants and complainers.

4.2.9 Provide several channels to disclose the information as well as make a company's website to allow the shareholders to access the information conveniently and prepare the information in the easy – to – understand language both in Thai and English.

#### **4.3 Policy regarding best practice on employees**

4.3.1 The Company has measures to protect employees providing information to the authorities in case there is legal offence or offence against the Securities and Exchange Act. Employees will be protected. The company will not act unfairly, either changing positions, job description, workplace, suspension of job, threat, annoying of their work, dismissing employees (Section 89/2) as employees notify clues on illegal acts or unethical acts.

4.3.2 The Company realizes employees are the essential factor for product quality consequently shall fairly give importance to the acts to them which include providing opportunity, wages, appointments, transfers and potential developments together with merits development of virtues for them to be the society's capable and good people. The Company's acts to employees shall be as follows :

- (1) The Company shall comply with the labor laws and rules relating to employees strictly.
- (2) The Company shall act to employees with politeness, respect to individuality and people honors in accordance with the international human rights.
- (3) The Company shall arrange the employment conditions which are fair to employees with the wages suitable to abilities.
- (4) The Company shall take care of the working environment and manage the working system for the employees' life and property safety and health.
- (5) The Company shall give importance to the skill training and potential enhancement manpower development by providing to employees the learning opportunities widely and constantly.
- (6) The company shall have promotion, transfers, awarding and punishments to employees sincere by and based on the employees' knowledge, capability and appropriateness.
- (7) The Company shall organize a provident fund for employees.

- (8) The Company shall regularly furnish information on its operation and status to employees.
- (9) The Company shall listen to the employees' opinions and suggestions based on their work skills and experiences.
- (10) The Company shall avoid acts which are unfair, and which may have effect on stability of the employees' positions or threaten / incur pressure to mind to employees.
- (11) The Company shall develop employees' good conscious mind to be givers and good citizens of society.
- (12) The Company shall provide channels for employees to file complaints in case they are treated unfairly or inform offences against the law. The company shall have systematic and fair rectification process and measures to protect the complainants.
- (13) The Company and its delegate shall support employees to use their political rights with neutrality.
- (14) The Company encourages the participation of employees in the suggestion and approach in performance and / or any agreement to the benefit of all parties and the relationship to work together with the good corporate culture together. As well as the unity within the organization.
- (15) The Company encourages the employees to participate in activities both inside and outside, which is beneficial to the enterprise and the society to create the participation and commitment to the organization. The appropriate and the discretion of the bosses.

#### **4.4 Policy regarding best practice on clients**

The Company has the policy to give importance to the clients' satisfactions fulfillment which is the factor to lead to business achievement and intends to acquire the clients' requirement more effective fulfillment. To achieve, the policies and practices below shall be followed:

- 1. The products supplied to clients shall be of the qualities agreed with clients and at reasonable, non – profiteering prices.
- 2. Correct, sufficient and in – time information, news and advices shall be furnished to clients for them to be knowledgeable of the Company's products and services.
- 3. The terms and conditions with clients shall be complied with strictly. In case it is not possible to do so, the company shall report to client to collaborate jointly to solve the problem.
- 4. The acts to clients shall be polite and reliable.
- 5. A client's information storage system shall be available with a clients' confidential protection measure. A client's information shall not be furnished if not allowed by him as well as a client's

information shall not be used for an employee's or his / her related people's interest inappropriately.

6. Products shall be warranted for a reasonable period and compliantly with the consumers protection act.
7. A system / process for clients to complain on product's and service's qualities, quantities and safeties shall be provided together with the response fastness and actions to the end for immediate responses to clients.
8. The Company shall support the clients' acts for the social responsibility.
9. Focus on development to produce products using the packaging. Transport and environment friendly
10. Create channel in providing information about the products and product development, customer know continuously.

#### **4.5 Policy regarding best practice on suppliers and / or creditors**

The Company has the policy to act to suppliers and creditors equitably and fairly over the regard to the Company's interest maximization and based on fair returns to both sides avoiding the conflict of interest situation including complying with agreements, furnishing true information and valid reports and based on business relationship as follows:

1. The Company shall act to clients equitably and fairly.
2. The Company shall use the licensed products, patent and trademark validity and services and shall not support the products / services which violate intellectual property right.
3. Acceptance of things or other benefits
  - 3.1 Executives and staff shall not accept or request for donations such as for reception feast, providing service, financial support, rewarding etc. from a party doing business with the Company.
  - 3.2 Executives and staff shall not accept things or other benefits from a people having duty / business relating the Company except for a reasonable opportunity / tradition acceptable to public. The things or benefit's value shall not exceed 2,000 Baht and shall be reported to supervisor immediately together with it shall not have influence to a decision being unfair for work.
  - 3.3 The acceptance of things or benefits which do not corresponding with the Item 3.2) but necessitated for maintaining relationship between entities / peoples, the receiver shall report his / her supervisor and submit that things to the Present through the Company Secretary to use in the business organization within 5 official days.
4. Executives and staff shall not offer things or benefits in any forms to outsiders to convince for inappropriate acts / causing conflicts.

5. In case there arise information that there is an irregular interest request, acceptance or furnishing happened the detail shall be disclosed to the suppliers and the parties shall collaborate to solve the problem fairly and immediately together with acquire a preventive measure and equal opportunity in the selection process by considering the properties is critical.
6. The conditions agreed with the suppliers and / or creditors shall be complied with strictly.
7. In case a condition cannot be complied with, a prior notice shall be made to collaborate for problem solving.
8. Opportunities shall be provided to the suppliers who operating business legally, complying with environmental / safety / health standards and having social responsibility.
9. The Company shall support the suppliers' operations on the social responsibility and provide opportunities for them to participate in the Company's activities for society.

#### **4.6 Policy regarding best practice on business competitors**

The Company has the policy to act to business competitors under the business competition practice code framework and shall not cheatingly infringe / spy the business competitor's secrets as follows:

1. The Company shall conduct and practice within a good competition, free trade promotion and the company shall not use the method of market plunging.
2. The Company shall not acquire the business competitors' secret information with a cheating / inappropriate means, such as bribes or hiring a competitor to obtain confidential information of its competitors.
3. The Company shall not discredit the business competitors with allegations.
4. Not support the common practice to act or collusion in the bidding process was unfair to customers.
5. Compliance with the law and does not violate the intellectual property very seriously.

#### **4.7 Safety, health and environment**

The Company is committed to operate the business basis on safety, health and good environment under the guideline "business trust" to promote the company. There is a process that is friendly to the environment and staff with the practices as follows:

1. The Company shall comply with the safety, health and environmental laws and rules.
2. The Company shall comply with ISO 14001.
3. The Company shall utilize resources efficiently and worthily with energy saving and resources recycling promotion measures.
4. The Company shall provide an operation system focusing on appropriate measures for safety and health in workplace such as providing the system to counter probable pollutions arising

during operation, arranging workplaces to be clean and hygienic etc. for the employees and visitors to be safe from accidents and diseases.

5. Executives and staff shall be truly attentive to the activities for the quality of safety, health and environment and perform works with realization to safety and concern to environment always.
6. The Company shall disclose the information on the operations in connection with safety, health and environment.

#### **4.8 Community and Social Responsibility**

The company is committed to the community and society coexist happily with the theme. "Groeth society" to help each other and contribute to the development of a strong community on its own. The process works with a community focus. And promotional activities Communities near and far, according to company policy and consistent with the development of the sector. To improve the quality of life and economic sustainability of the community as follows:

1. The Company will operate the business to consider the benefits and sustainability of communities and society are important.
2. The Company shall regularly attend meetings, exchange opinions and cooperate with local agencies for the communities' living developments.
3. The Company shall adopt the preventive and corrective measures when effects to environment and communities arise due to operation.
4. The Company shall launch the activities for society with the employees' participation including shall support employees' opportunities to do good to develop the mind of volunteering.
5. The company aims to develop the knowledge and education of young Thailand-based potential of the Company.
6. The Company shall cooperate with the local government to develop the entities for schools', religious places' infrastructures' and youths' and disadvantaged people's hygiene including the community environment developments.
7. The Company shall support the local cultures, customs and traditions conservation.
8. The Company shall support the activities to strengthen the local community enterprises and provide the opportunity to be the Company's suppliers.
9. Create revenue and promoting the community. By recruiting and supporting employment and the community. As well as support activities that focus on providing the community with knowledge for the profession and the knowledge to create or encourage families and communities to earn additional income and can live on their own.
10. The Company shall contact with communities constantly, publicize and report the social responsibility activities achievement to all groups of stakeholders.

## **5. Employees' Ethics**

The company focuses on the development of potential employees to become good citizens of the society under the concept of "Smart people" to promote and develop human resources in a Individual Social Responsibility (ISR) on the staff at the center. To promote a smart people that is both "the good and the bad" and can be extended to society and stakeholders of the business, the practices as follows:

### **5.1 Best practice on themselves**

1. Employees shall carry out works with honesty, regularity and report the facts.
2. Employees shall respect and comply with laws and the Company's rules and regulations.
3. Employees shall carry out work with care, honesty and regularity and shall not employ their positions to acquire interest inappropriately.

### **5.2 Best Practice on clients, related peoples and society**

1. Employees shall produce quality products and deliver to clients on schedule.
2. Employees shall comply with safety rules.
3. Employees shall accept the faults emergent and indemnify with substitution products.
4. Employees shall not disclose client's information without client's prior consent.
5. Employees shall participate in the Company's activities.
6. Employees shall participate in the local cultures and traditions succeeding.
7. Channel to receive comments and feedback from customers in order to improve the operations of the Company.

### **5.3 Best Practice on colleagues**

1. Employees shall not solicit or convince colleagues' decisions on political right.
2. Employees shall be benevolent to colleagues and shall cooperate with colleagues appropriately.
3. Employees shall use their rights to express opinions politely and properly.

### **5.4 Best practice on the company**

1. Employees shall carry out work with responsibility and full capability.
2. Employees shall use the Company's assets and facilities with care.
3. On witness misconduct, fraud, corruption or events that could cause damage to the organization. Employees shall report immediately through the complaints and feedback (Section 7 complaints and feedback) at the Company specified.
4. Employees shall be attentive to learning for the development to progress.
5. Employees shall pursue information and news to use as reliable reference at conversation.
6. Employees shall wear protective equipment as per the Company instructs.

**5.5 Political right** - The Company operates the business with political neutrality, not participating and siding to certain political party, influential political leader and not using the Company's capital, resource to support political parties, politicians directly or indirectly howsoever.

## 6. Supervision in Acting and Reviewing

The Company has defined all the directors, executives and staff to shall have the duty and responsibility to acknowledge, make understanding and comply with the policies stipulated in this code of conduct handbook strictly, non-compliance is voluntary, do not refuse on acknowledgement based on established guidelines.

Executives at all levels in the organization must be responsible and it is important to operate under the supervision of their employees to understand and follow the code of conduct handbook seriously.

The company does not wish to make any action that is illegal, contrary to the principles of good directors and employees who breach ethical requirements, disciplinary action will be strictly and if it is done, to believe that the laws, rules and regulations of government, the company will submit the matter to government officials to proceed immediately.

The code of conduct handbook shall be reviewed annually by the Board of Directors and the Audit and Corporate Governance committee.

## 7. Complaints and Give Suggestions

The Board of Directors had provided the opportunities for employees and stakeholders, having a channel for complaints and reporting illegal acts. The company secretary is serves as the complaints of corporate governance and business ethics of the company are as follows:

### 7.1 Complaints and suggestions channels

7.1.1 Independent directors – Complaints and suggestions can be sent to the following emails.

- |                            |        |  |    |
|----------------------------|--------|--|----|
| 1) Mr. Sansern Wongcha-um  | e-mail | <a href="mailto:sansern.w@somboon.co.th">sansern.w@somboon.co.th</a>               | or |
| 2) Mr. Panja Senadisai     | e-mail | <a href="mailto:panja.sena@gmail.com">panja.sena@gmail.com</a>                     | or |
| 3) Mr. Paitoon Taveebhol   | e-mail | <a href="mailto:ptaveebhol@gmail.com">ptaveebhol@gmail.com</a>                     | or |
| 4) Mr. Sobson Ketsuwan     | e-mail | <a href="mailto:sobsonket@gmail.com">sobsonket@gmail.com</a>                       | or |
| 5) Mr. Ajarin Sarasas      | e-mail | <a href="mailto:ajarin.s@gmail.com">ajarin.s@gmail.com</a>                         | or |
| 6) Mr. Surasak khaoroptham | e-mail | <a href="mailto:surasak@lombardinvestments.com">surasak@lombardinvestments.com</a> |    |

7.1.2 The Company secretary, e-mail [thanakit.p@somboon.co.th](mailto:thanakit.p@somboon.co.th) or by postal mail to the Company secretary – Somboon Advance Technology Plc. Bldg. 11, Floor 2, No. 129 Moo 2, Bangna – Trad Road, Km. 15, Bangchalong Sub-district, Bangplee District, Samut Prakan 10540.

### 7.2 Upon receipt of the complaint process

The channels are for employees to file complaints and suggestions freely to lead to the Company developments and sustenance as follows:

1. The complaints receiver compiles the information on the offence / ethics incompliance.

2. The complaint receiver then reports the information to the independent directors who are responsible for the investigation. The submitted information will be considered for individual areas such as management, knowledge development, fact inspection etc.
3. Action: Complaints shall be forwarded to the independent directors for investigation and lodging actions to suppress the offences / incompliance.
4. Result report: The investigation result shall be informed to the complainant if he / she discloses himself / herself. If a serious case the result shall be reported to the chairman and / or the Board of Directors.

### **7.3 Measure to protect the complainant**

1. A complainant can select to undisclosed himself / herself if the complaint may introduce unsafely. However if discloses the process progress report and clarification can be made to him / her.
2. Complaints shall be kept confidential / safety – concerned. The Company has set the measure to protect the complainers and / or informants and / or the peoples who cooperate to investigations against unfair acts such as position, job and workplace change, intimidation, working annoyance, dismissal etc. due to complaints.

## **8. Discipline**

The Company regards code of conduct shall be a discipline that the directors, executives and staff shall comply with. Offences or incompliance shall be deemed disciplinary offences in accordance with the personnel management criteria.

All directors, executives and staff shall comply with and support other peoples to comply with code of conduct. The following acts shall be deemed the disciplinary offences.

1. Not performing complying with the code of conduct handbook.
2. Suggestions, supports or encouragements to other peoples to not comply with the code of conduct.
3. Neglecting, ignorance when seeing any conduct that violates or that is not corresponding to ethics, in case such people knows about such conduct.
4. Being uncooperative or obstructive to the investigations.
5. An unfair act to complainant.

## **Sources/ References**

1. The Principles of Good Corporate Governance for Listed Companies 2006: The development of corporate governance, The Stock Exchange of Thailand
2. The Securities and Exchange Commission Act (No.4) B.E. 2551
3. The Code of Best Practice for Directors of Listed Companies: The Stock Exchange of Thailand

4. Report on Corporate Governance: The Stock Exchange of Thailand
5. Director's Handbook: the Securities and Exchange Commission
6. Corporate Social Responsibility Guidelines. The Stock Exchange of Thailand
7. The criteria for evaluating the status of corporate governance: the Thai Institute of Directors Association
8. The Roles, Duties and Responsibilities of the Director of Listed Companies: DCP Program: Thai Institute of Directors
9. OECD Principles of Corporate Governance: Organization for Economic Cooperation and Development.
10. GRI and ISO 26000: How to use the GRI Guidelines in conjunction with ISO 26000
11. UN Global Compact