



Business Ethics

(3rd Revision)

of

**Khon Kaen Sugar Industry Public
Company Limited**

and Group of Companies

Business Ethics
(3rd Revision)

The Board of Directors in the meeting No. 4/2020-2021 on 10 June 2021 has duly considered and approved the second revision of the Business Ethics to be effective as from 1 July 2020.

(Signature)

Dr. Warapatr Todhanakasem
Chairman-Corporate Governance Committee

(Signature)

(Mr. Manu Leopairote)
Chairman of Board of Directors

Business Ethics
(2nd Revision)

The Board of Directors in the meeting No. 3/2015 on 26 June 2015 had approved the first revision of the Business Ethics as from 27 June 2015. Subsequently, the Corporate Governance Committee deemed it appropriate to revise the Business Ethics so as to be more consistent with the Corporate Governance Report Criteria for the Listed Companies as well as the 2017 Corporate Governance Code for the Listed Companies.

The Board of Directors in the meeting No. 6/2019-2020 on 10 September 2020 has duly considered and approved the second revision of the Business Ethics to be effective as from 1 November 2020.

(Signature)

Dr. Warapatr Todhanakasem
Chairman-Corporate Governance Committee

(Signature)

(Mr. Manu Leoparote)
Chairman of Board of Directors

Business Ethics
(1st Revised Edition)

As the Board of Directors of the Company approved the use of Business Ethics since 3rd February 2014, and there has been revised the Corporate Governance Policy (1st Revised Edition), the Corporate Governance Committee deems it suitable to revise the said Business Ethics, so that it may be of structural relations in line with the Corporate Governance Policy, that is to say, the part that is the Policy will be the scope of the Company and the Board of Directors, while the part of compliance with the Policy will be in the form of business ethics, so that it be used as practices or prohibitions of personnel, namely directors, executives, and staff. Besides, certain business ethics have been added, some previous ethics which are in repetition with the Policy have been deleted, and chapters have been newly arranged to cover all issues, which is called “Business Ethics of Khon Kaen Sugar Industry Public Company Limited and Group of Companies.”

The Board of Directors hereby requests the directors, executives, and staff to comply with this Business Ethics so as to upgrade the corporate governance of the Company in such a way that it is more stable and reliable.

The Board of Directors, at its Meeting No. 3/2558, on 26th June 2015, duly considered and approved the use of the Business Ethics (1st Revision) as of 27th June 2015 onwards.

Notified this 26th day of June 2015

(Signature)

(Mr. Manu Leopaïrote)

Chairman of Board of Directors

Business Ethics: Good Business Practices

Whereas the Board of Directors of Khon Kaen Sugar Industry Public Company Limited has approved the Corporate Governance Policy so as to upgrade the business supervision of the Company to the next level, and so that it be in line with the principle of corporate governance of the Securities Exchange of Thailand,

The Company then encourages its directors, executives, and staff, to perform their works and operate business of the Company with transparency and straightforwardness, by abiding the laws, adhering to good morals and ethics, avoiding activities which may lead to conflict of interests with that of the Company. Also, the executives should set a good example for their subordinates. Hence, the Company has prepared the Business Ethics, which of course needs to be revised up to date at all times and which must be in conformity with the Corporate Governance Policy, to an extent that we may earn trust and reliability from the stakeholders and the society. The Business Ethics is our guidelines as well as our performance standards and business operations.

Therefore, all executives and staff are requested to study and apply the Business Ethics as their guidelines for performances and behavior, which, eventually will help promote and lead to good corporate governance, and will also help develop the Company's operations to grow with sustainability, while at the same time creating confidence and acceptance by all parties concerned and the society as a whole.

(Effective as from 3rd February 2014)

Business Ethics

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Business Ethics

Definitions

In this Ethics,

“personnel” means to include directors, executives, and staff of all categories of the Company and of the Group of Companies.

“Company” means the Khon Kaen Sugar Industry Public Company Limited.

“Group of Companies” means the Company, its subsidiary companies, and affiliated companies, as revealed in the Annual Report of the Company.

1. Ethics Relating to Shareholders

The personnel must treat the shareholders with responsibility, care, honesty and good faith based on good decision derived from sufficient and correct information. All minority and majority shareholders shall receive equal treatment for their utmost benefit.¹

2. Ethics Relating to Use of Inside Information and Information Technology

2.1 All personnel must not exploit any opportunity to disclose or disclose inside information of the Group of Companies, which are of importance and which have not yet been revealed to the general public, for his own benefits or for benefits of any third person and must not operate any business which competes with the Company and / or its related businesses.²

2.2 The personnel at the level concerned must disclose information concerning securities, reporting, and any transaction according to the criteria prescribed by the regulators in full within the period of time and proper channel.

2.3 Providing any information concerning the Company must be based on facts, and such must be correct and accurate, and it must be so carried out with great care. Those who have no related duties or who are not authorized officially shall not provide information or give an interview to the mass media or to any public agency concerning or referring to the Group of Companies on any aspects, which may cause impacts to the reputation and business operations of the Group of Companies.

2.4 In the case there have been made party-related transactions within the Group of Companies, the personnel must comply with the criteria and steps of approval thereof, taking into account the ultimate benefits of the Company, on arms' length basis.

¹ Amended by the Business Ethics (2nd Revision, 2020)

² Amended by the Business Ethics (2nd Revision, 2020)

2.5 The person preparing confidential information must state in the storing media or must make it known that the said information shall not be disclosed by unauthorized person, such as, classified information, highly classified information, confidential information, strictly confidential information, for internal use only, or any other statement of the like.

2.6 The person preparing confidential information must not change, reproduce, delete or destroy the data of the Company without prior permission.³

3. Ethics Relating to Customers

3.1 In proposing or delivering any goods and service for sale, the person concerned must deliver the goods that pass quality control and meet the customer's agreement and disclose information concerning the goods and services fully and correctly, without distortion or exaggeration beyond the facts.⁴

3.2 The person concerned must comply with agreed conditions and keep his promise given to the customer. If there is any incident which makes it impossible to fulfill the promise, he/she must contact the said customer immediately in order to solve the problems collectively.⁵

3.3 The personnel must not disclose any information of the customer and must provide measures for keeping the customer's confidential information and refrain from disclosing the information without permission from the customers or from the authorized persons of the Group of Companies and must not use the customer's confidential information for their own benefits or the benefits of other related persons.⁶

3.4 The personnel must honour and maintain good relationships with the customers within the scope of the laws, traditional customs, and ethics.

3.5 The Company must provide system/ procedures/channels for the customers to lodge their complaints about the quality, quantity and delivering time as well as the service for quick response to the customers.⁷

4. Ethics Relating to Trade Partners, Trade Competitors, and Creditors

³ Amended by the Business Ethics (2nd Revision, 2020)

⁴ Amended by the Business Ethics (2nd Revision, 2020)

⁵ Amended by the Business Ethics (2nd Revision, 2020)

⁶ Amended by the Business Ethics (2nd Revision, 2020)

⁷ Amended by the Business Ethics (2nd Revision, 2020)

4.1 Any business made with any trade partner must be based on equality in business operations and mutual benefits. The person concerned must select trade partner on the basis of equality with great care, transparency, fairness, and according to the criteria of the Company, taking into account also that conducting a business with such a trade partner would not tarnish the good reputation of the Company, nor would it be contradictory to any laws.⁸

4.2 The personnel must not disclose the information of price quotation of any bidder to other bidders, and shall not demand any kind of benefits from the bidders in exchange for a contract of purchase or contracting works with the Company.

4.3 The personnel must not conduct the business of the Company by destroying or restricting any trade competitor with any illegitimate method, or using any method so as to obtain information of the competitor illegally.

4.4 The personnel concerned must take heed in complying with the conditions of debt payment within the scheduled date and other conditions given to the creditors so as to preserve financial reliability of the Company. In the case it is deemed that it is unable to fulfill any conditions, he/she must make an effort to negotiate with the creditors in order to adjust the conditions which are suitable so as to avoid default of payment or breach of contract.

4.5 The Company shall promote the operation concerning corporate social responsibility for the customers and provide opportunity for the customers to participate in the Company's activities for the society.⁹

5. Ethics Relating to Treatment among and for Personnel

5.1 The personnel must respect their colleagues' privacy and shall not disclose their personal data, such as, salaries, medical records, families, etc., to any third person or unauthorized persons, except it is a kind of information that must be so revealed under the provisions of a law.

5.2 The personnel must avoid discrimination practices against any person in such a way that he/she loses his/her rights or benefits owing to similarity or difference in any way which has no effects on work performance, such as, physical condition, mind, race, nationality, religion, sex, age, education, position, etc.

5.3 The personnel are obliged to honour and respect the dignity, status, or opinions of each other pursuant to international principles of human rights.¹⁰

5.4 The Company shall continuously render the personnel's development of knowledge and potential with appropriate methods and channels.¹¹

⁸ Amended by the Business Ethics (2nd Revision, 2020)

⁹ Amended by the Business Ethics (2nd Revision, 2020)

¹⁰ Amended by the Business Ethics (2nd Revision, 2020)

¹¹ Amended by the Business Ethics (2nd Revision, 2020)

5.5 The Company shall provide suitable employment conditions, remuneration and welfare to various levels of employees; provided that the provision and adjustment of remuneration and welfare shall be based on the Company's operational result, work quality, capability, self-development, fair evaluation, non-discrimination and living needs of the personnel.¹²

5.6 The Company shall provide the protection of personal information for all interested persons as well as the measures for security of the personal information.¹³

6. Ethics Relating to Work Performance of Personnel

The personnel must perform their works according to the legitimate policies, operation plans, instructions of their superiors, as well as regulations, rules, or manuals, in good faith and responsibility, and shall participate in the internal and external activities of the Group of Companies that are beneficial to the entity and the society to support the participation and connection to the Company. In case of doubt concerning work performance which is of importance to the Company, he/she shall consult his/her superiors first so as to prevent impacts which may occur to the Company or to himself/herself.¹⁴

7. Ethics Relating to Communications

7.1 The personnel should not communicate any message by whatever means in a place where there are other persons present in such a way that may cause the Company or other persons to sustain damage or may cause a misunderstanding or which shows disrespectful to other persons.

7.2 The personnel must exercise reasonable discretion before sending or propagating a message on the on-line social media so as to avoid misunderstanding, hatred, or any impacts onto other persons.

8. Ethics Relating to Maintaining Reputation of Company

The personnel must avoid engaging in any transactions or practices or propagation of information, whether while performing his/her duties or in private, which may cause the Company to sustain damage in its good reputation either directly or indirectly.

9. Ethics Relating to Property and Intellectual Property

¹² Amended by the Business Ethics (2nd Revision, 2020)

¹³ Amended by the Business Ethics (2nd Revision, 2020)

¹⁴ Amended by the Business Ethics (2nd Revision, 2020)

9.1 The personnel shall have the duty and responsibility in maintaining and using the property of the Group of Companies for the benefits of the Group of Companies, and shall not use same for his/her own benefits or for the benefits of other persons.

9.2 The personnel concerned must prepare business documents, record financial and accounting data, and prepare financial and assets reports in good faith, in time, and accurately, under related laws, and which shall be in line with the generally accepted accounting standards.

9.3 The personnel must control the confidential information of the Company appropriately, and must not communicate any information which is of importance and not yet revealed to the general public as obtained in the course of his/her duties to other departments and other persons who need not to know such information. The personnel shall also have the duty to store recordings of confidential information in a safe place, and shall apply his/her best efforts to prevent a leakage of said confidential information.

9.4 The personnel shall have the duty to use, protect, preserve, and manage the intellectual property of the Company with great care and responsibility, so as to prevent a violation and an unauthorized disclosure of such.

“Intellectual property” includes copyrights, patents, trademarks, information of trade partners, information of customers, manufacturing formulas, as well as other information or articles regarded as trade secrets, and which are the property of the Company.

9.5 The personnel must respect the legitimate rights in intellectual property of other persons, whereby he/she shall not use creative works or intellectual property of other persons without proper permission. In the case of doubt whether the action of his/her department may violate the intellectual property rights of other persons or not, he/she should consult the Legal Department of the Company first. In the event of finding an action of other departments which may be a violation of intellectual property of other persons, he/she should consult the person concerned to consult the Legal Department of the Company.

10. Ethics Relating to Politics, Laws, Human Rights and Society

10.1 The personnel shall refrain from taking part in or acting in any manner which would make other persons believe that the Company or the Group of Companies are related to or are fond of any political party/group as well as refrain from causing any political, religious, personal belief conflicts within the Company.¹⁵

10.2 The personnel must respect and comply with the laws, morality and principles of human rights.¹⁶

¹⁵ Amended by the Business Ethics (2nd Revision, 2020)

¹⁶ Amended by the Business Ethics (2nd Revision, 2020)

10.3 The Company and the personnel shall comply with the social responsibility policy as approved by the Board of Directors and support the community development particularly in the area where the Group of Companies operate the business.¹⁷

11. Ethics Relating to Safety, Occupational Health and Environment

11.1 The person concerned must strictly proceed with prevention and control of releasing pollution from the place of business so that it be in line with that prescribed by law and according to the manual.

11.2 The person concerned must receive viewpoints from the community regularly so as to improve the release of toxic pollution or any other pollution which may affect the community.

11.3 The Company shall provide encouragement and knowledge for the personnel to realize the worthwhile use of resources and energy and the care of environment.¹⁸

11.4 The Company shall create perception and necessary mechanism to comply with occupational health criteria so as to control the occurrence of accident, work stoppage or sickness.¹⁹

12. Ethics Relating to Conflict of Interest and Secrecy

12.1 The personnel shall have freedom in making investments for buying/selling securities of the Group of Companies. However, in order to prevent a conflict of interest, the personnel who know of business information of the Company must avoid buying/selling, or must not buy/sell, the securities of the Group of Companies, during a period of one month before the disclosure of the financial statements to the general public.

12.2 The personnel must not accept money or any kind of benefits for his/her own benefits or for the benefits of other persons from trade partners or customers or person conducting business with the Company, or from any person, owing to his/her carrying out the duty under the name of the Company.

12.3 The personnel must not use his/her position in the Group of Companies to conduct financial transactions with trade partners, customers, or persons conducting business with the Company, or must not raise funds/articles from trade partners, customers, or persons conducting business with the Company, for his/her own benefits or for the benefits of other persons.

12.4 Conducting any personal business of the personnel must not affect the duties and work hours of the Company. It is prohibited for any personnel to conduct a business or to have a part in

¹⁷ Amended by the Business Ethics (2nd Revision, 2020)

¹⁸ Amended by the Business Ethics (2nd Revision, 2020)

¹⁹ Amended by the Business Ethics (2nd Revision, 2020)

any business which is in competition with the business of the Group of Companies, whether or not the personnel receiving benefits therefrom directly or indirectly.

12.5 The personnel must disclose the interests in conducting any business with the Company of both under their own names, their families' names, or any juristic persons concerned, to the Company before making such transactions.

12.6 The directors and the executives who have interests in any matter must not be the person who authorizes such transaction in the name of the Company.

12.7 The person concerned must examine the relationships of trade partners whether or not they are related as directors or executives before making the transactions, so as to prevent a conflict of interest which may arise. However, the meaning of relationships under this Clause shall be per the criteria on disclosure of information and practices of listed company in connected transactions of the Securities and Exchange Commission.

12.8 In the case the executives of the Company from the positions of Assistant Managing Director upward wishing to hold a position of a director in other company, permission must be obtained from the authorized persons of the Company first. In this respect, the holding of said position must not be contradictory to the provisions of the laws or regulations concerning the business operations of the Company, and they must not use their positions in the Company for reference in order to promote other business.

12.9 The superiors must not accept gifts or presents from their subordinates on any occasion.

13. Ethics Relating to Procurement

The personnel must proceed with the policies and regulations concerning procurement, purchases, contracting of works, of the Company, and must be able to explain that such procurement is suitable in term of prices, qualities, standards, after-sale services, safety to environments, and fairness to persons concerned, without personal benefits or benefits of other persons.

14. Ethics Relating to Anti-Corruption

14.1 The Company shall oppose and encourage the personnel to oppose the corruption of various forms by providing complete mechanism of policy, procedures, practices, training and clear communication to evaluate the effectiveness of anti-corruption.²⁰

14.2 The personnel must not offer bribe or benefits in return of the like to State officials or trade partners or any persons, of both in Thailand and abroad, which is a description of corruption under the Corporate Governance Policy. Nevertheless, giving gifts, property, or any other benefits to the State officials or trade partners or any persons must be first considered if it is against the laws and the local tradition and customs.

²⁰ Amended by the Business Ethics (2nd Revision, 2020)

14.3 The personnel must not demand for benefits from the bidders, trade partners, customers, or any other persons, whether in the form of money, gifts, entertainment, expenses, or others, in exchange for business benefits from the Company.

14.4 The personnel must not accept benefits from trade partners, customers, or other persons, whether in the form of bribery money, gifts, entertainment, expenses for inspection tour, or other forms of benefits in return, if it is considered that such giving or offering is likely to have an intention to obtain business benefits from the Company dishonestly.

14.5 The personnel should avoid accepting articles, gifts, entertainments, or any benefits from trade partners, customers, or persons concerned with business of the Company, except it is for the benefit of normal business operation, or during festive season or as a traditional custom, which must be of a suitable value. If the value of the article so received is more than Baht five thousand, the superiors of each level shall be notified for further instructions.

14.6 The personnel should avoid accepting invitations for inspection tours, seminars, and excursions, or any activities, the expenses of which are paid for by trade partners or persons concerned with the business of the Company, in a manner which can be expected that it is intended to offer bribe or to provide facilitation to the persons who are to be trade partners or customers or persons who are to be concerned with the Company in the future. However, any invitation must be approved by the authorized superior first.

14.7 The superiors must not demote, punish, or persecute any personnel who refuse any corruption practices, even though such an action would make the Company to lose business opportunity.

14.8 The personnel must not neglect when they find or have reasonable grounds to believe that there is a commission of an act which is likely to be a corruption practice, and must notify their superiors or the persons concerned of such act via the channels designated in Chapter 7 of the Corporate Governance Policy, and must render cooperation in the inquiry of facts.

15. Management and Maintaining of Ethics

15.1 The personnel must strictly comply with the Ethics. Any action or omission of an action which is against the Ethics shall be regarded as a violation of discipline. The Company will consider the wrongdoing and inflict punishment as prescribed in the Work Regulations. In the case it is an act or an omission of an action which is against the Ethics that causes damages to the Company, and it is also a criminal offence, the Company shall use its discretion on filing a lawsuit against the offender as it may deem fit.

15.2 The directors, the executives, and the superiors must set a good example in complying with the Ethics, and shall have the duty to inspect and promote their subordinates to comply with the prescribed Ethics accordingly.

15.3 The Company shall publish this Ethics and those to be revised in the future so that it be known to the personnel by a suitable method.

15.3 The Company shall annually revise the Business Ethics Manual.²¹

16. Reporting Practices against Ethics

The personnel shall have the duty to report practices which may be contradictory to the Ethics as found by them or when they are pressured/forced to carry out any act which is contradictory to the Ethics, by filing a report to any of the following persons:

- Superiors or high-level executives
- Manager, Internal Audit Office, Tel. 02-642-6191-9, Ext. 127, or e-mail: ia@kslgroup.com.
- Manager, Human Resources Management, Tel. 02-642-6191-9, Ext. 969²²,
or e-mail: ampaporn@kslgroup.com.
- Chairman of Audit Committee or Chairman of the Board of Directors, by filing report in writing to:

Khon Kaen Sugar Industry Public Company Limited
503 KSL Tower, 22nd Floor, Sri Ayudhaya Road,
Thanon Phayathai Sub-District, Rajathevi District, Bangkok Metropolis 10400.
or www.kslgroup.com

The Company shall keep the report and information in confidential and shall provide protection to the person filing such report. The person filing report who acts in good faith shall not be subjected to any wrongdoing.

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²¹ Amended by the Business Ethics (2nd Revision, 2020)

²² Amended by the Business Ethics (3rd Revision, 2021)