

# **LASPADA**

## **ENTERPRISES**

### **Business Ethics and Code of Conduct**

The Company is committed to conducting business on the basis of morality and to create added value to its shareholders and also to put unwavering efforts to ensure that all stakeholders are fairly treated. The Company has clearly announced that it is the duty and responsibility of all Directors, Executives and staffs presence to faithfully follow the Business Ethics and comply with the policies and practices stated in this Code of Conduct. The Company's ultimate goal is to achieve its business objectives for the benefit of all stakeholders including the shareholders and the society.

### **Definitions**

Business Ethics are the qualities of virtue, truth, justice and righteousness that business conduct should follow.

Code of Conduct is a code of behaviour to be followed to maintain and promote dignity and reputation.

### **Business Ethics**

#### **1. Honesty**

Company executives should be truthful to people involved. They should not intentionally mislead or deceive others by distorting information, exaggerating or giving partial truth. Nor should they discriminate against people by doing or abstaining from doing something required to be done.

#### **2. Integrity**

Company executives should exhibit their personal integrity and courage to uphold their convictions by doing things they perceive as right despite pressures favouring the opposite. They should be respectable, impartial, and committed to their principles. They should fight for their beliefs and never compromise their principles for any objective that would turn them into deceivers or immoral persons.

#### **3. Trust worthiness**

Executives should disclose and provide related information, as well as correct any misunderstanding on facts. They should try in every proper way to fulfil their promises. They should not abuse technical or legal interpretation as an excuse not to cooperate or comply with contractual obligations.

#### **4. Loyalty**

Our executives should exhibit their loyalty to the company by dedicating themselves to their respective duties and to its people by providing support and assistance whenever required. They should not use or disclose confidential information for personal advantage. On the contrary, they should maintain the ability to make decisions independently as professionals, avoiding inappropriate conduct and conflict of interest, as well as being faithful to the company and their colleagues. If the executives intend to leave and work somewhere else, they should notify appropriately in advance and treat the company information as important and confidential. They should not exploit their former positions for their own benefit.

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### **5. Fairness**

All executives should be fair and just towards all people. They should not use their power deliberately, neither should they resort to cheating or inappropriate tactics to obtain or maintain benefits or advantages from misled or distressed people. Fair-minded executives should disclose the agreements set for consideration and treat everyone equally, be open to disagreeable opinions, willing to admit the mistakes they make, and ready to shift positions and beliefs to appropriate and correct ones, if the situation demands.

### **6. Concern for others**

Our executives should be considerate, sympathetic, kind, and well intentioned to others. As the golden rule says, "Treat others the way you want to be treated", executives should provide the help that people need. They should also pursue proper means to achieving business objectives in a way that the business objectives are aligned with the objectives and interests of people.

### **7. Respect for International Human Rights Principles**

Company executives should mutually respect each other's honour, freedom, privacy, legal and human rights, as well as the interests of stakeholders. In making their decisions, executives should be gentle and treat everyone as equal without discrimination by gender, class, or race.

The Company requires that all of its directors, the management and staff strictly respect International human rights principles as part of the operations and the Company does not tolerate any violations thereof.

### **8. Commitment to Excellence**

Executives should excel in their performance, i.e., should be equipped with knowledge, be prepared, and should work hard to enhance knowledge and skills to cope with every issue under one's responsibilities.

### **9. Leadership**

All executives should be aware of their own responsibilities and leadership requirements and should seek and comply with code of conduct models that would benefit themselves and the organization when put to work. They should also attempt to create an environment in which principles and ethical decision-making are given utmost importance.

### **10. Reputation and Morale**

Senior executives should create and defend company's reputation, as well as employees' morale, by singly and collectively avoiding any action that would hurt the inter-relation between the company and employees. On the other hand, all employees must singly and collectively do everything necessary to correct and prevent any wrongdoing committed by others.

### **11. Accountability**

Executives should be aware of, and accountable in following ethics when making any decision and omission for the company, themselves, their colleagues, and the community.

### **12. Policy on Compliance with the Law and Relevant Rules and Regulations**

The Company is committed to complying with all relevant laws, rules and regulations everywhere it operates and has established the policies as follows:

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- Directors, executives and staff must comply with local laws, rules, regulations as well as customs and traditions of the country in which the Company operates.
- Directors, executives and staff must comply with the announcements and stipulations of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC).
- Directors, executives and staff must comply with the Company's rules and regulations.
- Directors, executives and staff must not assist, support or conspire to avoid any legal or regulatory compliance.
- Directors, executives and staff must cooperate with supervisory agencies as well as report information on violation of or non-compliance with existing laws or regulations to concerned persons.

### **13. Policy on Conflict of Interests**

The Company has set up an important policy concerning the conflict of interests and related transactions for Directors, Executives and staff as laid down under the following guidelines:

- Avoid any transaction related to oneself, which may lead to a conflict of interest with the Company.
- If it is necessary to carry out such transaction for the Company's benefit, conduct it as if it is a transaction done with a third party. However, any such transaction must be fully disclosed and approved by the relevant authority within the Company in advance. Furthermore, Directors and Executives or staff having an interest in a transaction must not be involved in its approval process.
- If a transaction is considered as a related party transaction under the SET notification, Director, Executive and staff must strictly comply with the rules and procedures regarding information disclosure by listed companies for such transactions.
- If a Director, Executive, staff or a member of their family is involved with or becomes a shareholder in a business in competition with the Company or any other business that may cause a conflict of interest with the Company, he/she must inform the Board in writing.
- If a Director, Executive and staff becomes a Director, partner, advisor or participant in any other capacity in another company or business organization, such position must not conflict with the Company's business or that person's direct responsibilities in the Company.

### **14. Policy on Confidentiality of Information**

The Company has set up an important policy concerning the use of information of the Company in compliance with Good Corporate Governance and relevant regulations. The Company has advised the Directors, Executives and staff to focus on confidential information especially internal information not yet disclosed to public or any data or information that may affect the business of the Company or its share price. The guidelines are as follows:

- Directors, executives and staff must not use information they receive from their directorships or employment for personal benefit or for conducting business or other activities in competition with the Company.
- Directors, executives and staff must not use information which is not generally known and which may influence the share price (inside information) and must refrain from dealing in

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the shares of the Company at sensitive times pending major announcements in accordance with the specific policy laid down from time to time specifying the moratorium on share trading during certain periods. Inside information shall also not be given to any third party for the purpose of dealing in the shares of the Company.

- Directors, executives and staff must not disclose business secrets to any third party especially to competitors even after a Director, Executive or staff member has left the Company.

### **15. Policy on safeguarding Company Property**

The Company expects executives and staff to utilise the Company's resources and assets in a most efficient manner, to increase corporate competitiveness and to provide the best possible service to its customers in accordance with the following guidelines:

- Executives and staff should use the Company's resources and assets in a cost-efficient manner for maximum benefit of the Company.
- Executives and staff should help protect the Company's properties and assets from improper depreciation or loss.
- Provide and follow proper preventive systems and procedures and effectively insure the same against any fire, natural calamities, burglary and other risk or damage.

### **16. Policy on Giving and Receiving Gifts and Gratuities**

The Company has guidelines concerning the giving and receiving gifts and gratuities as follows:

- Executives and staff are prohibited from demanding or receiving any benefit from trading parties or other external parties with whom the Company is doing business.
- Executives and staff are strictly prohibited from offering any benefit to any trading parties or other external parties in any attempt to persuade them to commit a fraudulent action.
- Executive and staff should refrain from giving/receiving gifts or gratuities from any trading parties or other external parties with whom the Company is doing business. Gifts given or received during festive occasions are excluded from this requirement provided that they have an appropriate value (not exceeding USD 50 per person in aggregate) and are not related to any business commitment.

### **17. Ethics for Intellectual Properties Rights**

The Company requires that all of its directors, the management and staff respect the intellectual property rights of others with care and caution

### **18. Policy on preventing corruption and offering a bribe**

The Company has guidelines for preventing corruption and offering a bribe as follows:

- The Company has guidelines on the giving and receiving of benefits that could improperly influence decision making that stipulate that they should be conducted correctly, honestly, and in ways that are certain not to cause condemnation or loss of reputation. Gifts received by Directors are generally retained within the Company or distributed within office staff.
- Procurement is to be conducted according to the company's guidelines and should be fair to all involved. The procurement's decisions are to be made on the basis of reasonable prices, quality, and service, and should stand scrutiny if an investigation occurs.

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- Transaction with government must not be such as to persuade the government or government officials to do anything wrong or inappropriate. Mutual acknowledgement and building relations, within the proper bounds and normal practices, such as offering congratulatory messages and flowers on public occasions is acceptable.

### **Code of Conduct**

#### **1. Code of Conduct for Executives**

- Perform duties with honesty, transparency, and fairness to ensure that the decisions and actions are made to the extent possible, in the best interests of all the stakeholders as a whole;
- Perform duties as professionals with knowledge, skill, determination, and prudence, watchful of trouble in advance; and seeking remedies for anticipated problems; and maintaining the code of conduct, including applying knowledge and skills to managing the company to the best of their abilities;
- Do not seek to benefit oneself or related persons by abusing undisclosed or confidential information inside the company or disclose to outsiders, or do anything that can be construed as a conflict of interest;
- Provide regular supervision and inspection, both inside the company and its environment to ensure compliance to set policies and processes;
- Provide for a system of accurate, complete, timely, and consistent information reporting, as well as reporting on future trends of the company, based on probability and supported by adequate data;
- Comply with concerned laws and regulations, be observant, aware upto-date on industrial standards and set guidelines, maintaining adequate and appropriate documents for control and maintenance operations according to guidelines applicable to every level of management to ensure efficient business operations;
- Develop the business of the company to achieve objectives and standards;
- Promote company knowledge and understanding.

#### **2. Code of Conduct for Board of Directors**

- Specify the direction, goals, policy and business strategy.
- Perform duties honestly, carefully and for the benefit of the Company.
- Comply with relevant laws, rules, regulations as well as ethics and good corporate governance practices and conduct business in accordance with the articles of the Company.
- Follow-up on corporate operations to achieve all objectives.
- Consider and appoint sub-committees and determine duties and responsibilities of the sub-committees clearly and appropriately.
- Consider the important business transactions with due care and diligence.
- Set the Board meeting and consider appropriate agenda items.
- Assess the Board's performance regularly.

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- Set up succession plan for Senior Management of the Company.

### **3. Code of Conduct for Sub-Committee**

- Perform duties assigned by the Board of Directors with due care and diligence.
- Perform duties honestly, carefully and for the benefit of the Company without any conflict of interest.
- Comply with relevant laws, rules, regulations as well as ethics and good corporate governance practices and conduct business in accordance with the articles of the Company.
- Report the performance to the Board regularly.

### **4. Code of Conduct for Individual Directors**

- Diligently perform all duties assigned by the Board of Directors.
- Perform duties honestly, carefully and for the full benefit of the Company.
- Comply with relevant laws, rules, regulations as well as ethics and good corporate governance practices and conduct business in accordance with the articles of the Company.
- Ensure management performs achievement of Company's objectives.
- Ensure confidentiality of all inside information and do not allow leaks outside the Company and act at all times without deriving any personal benefit from such inside information not yet disclosed to the Public.
- Avoid any action or decision that may lead to conflict of interest.

### **5. Code of Conduct for Company Secretary**

- Diligently perform all duties assigned by the Board of Directors.
- Perform duties honestly, carefully and for the benefit of the Company.
- Supervise various activities of the Board and the Company in compliance with the relevant laws, rules and regulations as well as ethics and good corporate governance practices and according to Articles of Association of the Company.
- Hold shareholders' meetings, Board and sub-committee meetings and prepare minutes of meetings promptly and fully.
- Act as a good communication center between Directors and Shareholders.
- Ensure confidentiality of all inside information including minutes of meetings of the Board and sub-committees and do not allow leaks outside the Company and act at all times without deriving any personal benefit from such inside information not yet disclosed to the Public.

### **6. Code of Conduct for Staff**

- Perform all duties honestly, carefully and for the benefit of the Company.
- Comply with relevant laws, rules, regulations and follow good ethics while doing business and otherwise.

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- Ensure confidentiality of all inside information and do not leak any inside information outside the Company and act at all times without deriving any personal benefit from such inside information not yet disclosed to the Public.
- Maintain harmony among all co-workers and staff in the Company.

### **7. Policy and Practices toward Stakeholders**

The Company recognizes the rights of all stakeholders and therefore encourages cooperation between the Company and all the stakeholders including employees, customers, trading partners, creditors, government agencies, community and society at large. Directors, Executives and staff must comply with the Code of Conduct which has been established to ensure fair and balanced dealings with all stakeholders.

The following practices may be adopted as guidelines in terms of dealing with stakeholders:

#### **Shareholders**

- The Company is responsible to the shareholders and groups of financial investors and creditors in terms of information disclosure, accounting methods, internal information usage, and conflict of interests. Executives must be honest and any decision must be based on honesty and fairness to both major and minor shareholders as a whole, and for the collective benefit of all.

#### **Customers**

- The Company must always act to protect customers' interests, be attentive and ultimately responsible to customers with regard to service, by setting and maintaining good standards. They should keep customers' confidential information exclusively for concerned business use, without revealing it unless required by laws, regulations, or with the consent of the information owners, including issues related to marketing, market power exercises, price setting, and details of services, quality and safety.

#### **Trading Partners and/or Creditors**

- The Company should ensure that best practices are set for procurement from suppliers, and that the Company complies with trade terms and terms of borrowing from financial creditors, objectives of using borrowed funds, repayment, collateral, and other terms and conditions.

#### **Competitors**

- The Company must act within the rules of fair trade, not destroying trade competitors' reputations with false allegations against them without truth, nor should they access competitors' confidential information using dishonest or inappropriate means.

#### **Employees**

- The Company must provide equal opportunities in employment, job security, and career advancement, as well as follow equitable principles related to employees and employment. Also ensure that employees are adequately knowledgeable and skilful in performing company business, and understand relevant code of conduct and good

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practices and take action for knowledge enhancement and ability improvement leading to their development in keeping with the trends in the industry.

### **Community and Society**

- The Company has to be responsible to the community and society and should be involved in supporting community activities and be attentive to the consequences of the company's conduct that affects people around, beyond the requirements of law, and should make full efforts to gradually absorb social accountability.

The Company is expected to conduct business that will benefit the economy and society while safeguarding customs and traditions of communities in countries where it operates in. It is also the Company's policy to become a responsible corporate citizen to comply with all relevant laws, rules and regulations and to contribute to uplift quality of life by itself and/or through close collaboration with the relevant authorities and the communities.

### **8. Policy on Safety, Occupational Health and Environment**

The Company is committed to conducting business with the highest standards of safety, occupational health and environmental conditions in accordance with the following general guidelines:

- The Company shall comply with all legislations and regulations relating to safety, occupational health and environmental requirements in all locations in which the Company operates.
- The Company shall follow practices that constantly ensure that its working environment is safe for the protection of life and property of the Company and its employees.
- The Company shall encourage health and safety awareness at all levels and promote procedures and practices that ensure environmental protection taking into account current legislation and industry codes and practices.
- The Company shall fully disclose all information regarding its operations and standards in relation to safety, occupational health and the environment.

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