

# **AIRA Factoring PLC.**

## **Code of Conduct**

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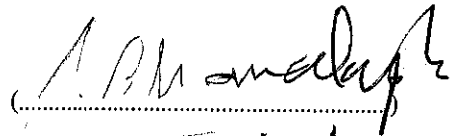
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## Preface

As the Board of Directors has given priority to the Good Corporate Governance in order to show responsibilities to the right and to build up the confidence of the shareholders and the stakeholders that they would be treated equally, the Board of Directors expects the business of the company will proceed with transparency, fairness and accountability.

In order to be in line with the rule of the Good Corporate Governance with objectiveness, the Board of Directors shall design the Code of Conduct by ruling out the framework and affidavit policy by writing for the Director, Management and employees to acknowledge and can apply this procedure as the guideline to perform individual duty honestly without causing any conflict of the interest.

This Code of Conduct will become effective from .....



Mr. Chatchaval Bhanalarp

Chairman

## **PART 1: DEFINITIONS OF BUSINESS ETHICS**

As the Board of Directors has realized its responsibilities to defend the right of the shareholders and the stakeholders and to ensure that the rights which they are entitled shall be properly protected and treated equally, the Board of Directors shall give high importance to proper adherence to the principle of good "Corporate Governance" to ensure operating transparency, fair and audibility.

One of the important duties of the Board of Directors is to manage the business based on the principle of good corporate governance, virtues, code of ethics and ethics. These qualities are deemed to be highly significant. The Board of Directors has to assure that the company can have well and appropriate corporate culture reflecting upon the whole company from the executive level down to operator level to enable the Board of Directors to determine a policy and practical guidelines to perform their duty with honesty and fairness by avoiding any acts that may conflict with the corporate ethics or that may lead to the conflict of interest between personal and corporate duties to bring about good business code of ethics within the Company. The high level executive has to follow with the established rules, regulations and standards to exemplify to the staff at operator level; which finally will become the Company's good corporate culture and also with the good business governance.

It is therefore deemed that business code of ethics is an indispensable and important tool to manage business so the Board of Directors shall apply it as the guideline to monitor and evaluate the staff performance in both of executive and operator levels and also expect that all staff shall engage to the principles of the established code of business ethics because it is a heart of success that the business code of ethics be established. The Board of Directors believe that what extent the Company can grow in their business, it indispensably depends upon all levels of members of the staff of the Company to give support to its business operation in accordance with the policy of good corporate governance. This to build credibility and reliability among outsiders, namely, the shareholders, interested groups, investors both at the present and in the future who will be interested to invest in the Company thanks to the good corporate governance together with business code of ethics adopted by the Company.

## **PART 2: THE CORPORATE COMPLIANCE AND SCOPE OF DUTY**

Compliance - the creation and support to bring about the high quality of good corporate governance that is not collides to the law, rules of inside-company organizations and outside related organizations.

The creation of a good starting point of compliance will come from a clear policy and purpose to be established by the executives who give high importance to follow compliance with the rules, regulations and standards including their support given to ensure proper compliance with various rules and regulations to the extent that it is beneficial to the business operation of Dhanamitr Factoring (Public) Company Limited in the long term.

Nevertheless, to achieve the objective of the operation of compliance, it is absolute necessary to receive cooperation and understanding from the executives and every staff to ensure the achievement of the established objective. Good Corporate Governance includes adherence to established business code of conduct as expected by the Stock Exchange of Thailand.

To ensure monitoring and audited by the Company's Board of Directors of proper staff performance of duty with honesty together with avoidance of the conflicts of interest and proper compliance with the established rules and regulations, the Office of Compliance and Internal Audit Unit is established as an independent organization to report directly to the Managing Director and the Audit Committee. The compliance and audit unit shall have the duty as follows:

1. To collect and update data on the relevant rules, regulations which consist of:
  - 1.1 Rules, regulations and articles of association as announced inside the Company.
  - 1.2 Rules and regulations of outside organizations which relate to the operation of business of the Company.
2. To encourage and support participation by the staff in the established business ethics.
3. To monitor on the staff as well as the high-level executives to perform their duties with honesty as in the guidelines established by the Board of Directors to ensure that the Company has appropriate corporate governance and corporate culture.
4. To oversee duties of ensuring compliance with practice in relation to the securities trading of the Company according to periods of time as follows:
  - 4.1 A period of 30 days with effect from closing date of share trading/date of appointment or;
  - 4.2 Within a period of 3 days upon significant change having taken place.

The above compliance must be carried out before the public disclosure of the Company's Financial Statement and the understanding of the duty to report the holding of securities in the Company as prescribed by official laws

5. To report incidents or performance of duty by the staff or Executives that have contravened the code of ethics and be risk to the conflict of interest to the Managing Directors and the Auditor Committee to be informed and find solution further.

### PART 3:GOOD PRACTICAL GUIDELINES

The Board of Directors has designated the good practical guidelines that well related with the good corporate governance and creates good culture within the organization as well

#### 1. Definitions

Company	refers to	AIRA Factoring Plc.
Security	refers to	the meaning defined in the Securities and Securities Exchange Act B.E. 2535.
Employee	refers to	all kinds of employees including the executives, Directors and advisors of Thanamitr Factoring Plc.
Related person	refers to	the person having so many relationships or related to the company that no independent or flexible movement can be made. Related persons, for example, are customers, creditors, debtors or the persons related in terms of business.
Related transaction	refers to	the related transactions mentioned in the Securities Market's, Regulation on Operations in regard to Listed Companies' Related Transactions.

2. The Board of Directors has designed **the relevant practical guidelines** for the company's operations as follows:

#### 1. **The elimination of interest conflicts** - Employees are required to do the following.

- Avoid any action objecting directly or indirectly to the company's interests, whether or not trade related, such as customers, creditors, debtors or competitors.
- Avoid using the opportunities or the inside information acquired from holding the office of the Director or employee to seek for personal benefits.
- Do not carry out the business in competition with the company or do other work besides the company's work that affect the work in duties.
- Avoid holding the shares of the business competitor if that has made the employees perform or omit an operation that should be done on duty or that has affected the work in duties. In case the employee has received those shares prior to the employment or prior to the company's involvement in such business or has received them as heritage, notification will have to make to the boss in the chain of command.

#### 2. **The maintenance and usability of the asset** - The employees shall perform as follows:

- The asset refers to the tangible and intangible assets such as movable properties, real estates, technology, knowledge, instruments including confidential information undisclosed to the public such as the financial information, the information of the customers and debtors as well as personal information of each employee.

- The employees are required to take care of the company's assets in the way that no dishonor, no loss and efficient uses of those assets for the company's maximum benefits are reached.
  - Using the company's assets for his/her own and other people's benefits is prohibited.
  - The employee must avoid disclosing or using confidential information
3. **Receiving or giving of gifts or entertainment** - Employees shall do as follows:
- Do not demand, request, or receive any money, gift, reward or any other present from customers or debtors or any other person except the receipt on greeting season.
  - The receipt of any gift shall not have significant effect on decision making of the receipt in term of business.
  - The gift received should not have high value and should not be cash or any other thing equal to cash.
4. **Trading of the company's securities and the use of internal data** - The employees shall act as follows:
- Avoid using internal data for his/her benefits to buy or sell the company's shares.
  - Avoid giving the internal data to other persons for the benefit of buying selling the company's shares.
  - The report on the sale and purchase of the company's securities to prevent the purchase or sell of shares by using internal data and to avoid the allegation on the improper of the insider's purchase or sale of shares.
  - The employees should avoid purchasing or selling the company's shares in the period before the Financial Statement is reported or the company's financial status including other important data is distributed. Waiting time should be at least for 24 - 48 hours following the disclosure of data to the public before buying or selling the company's shares.
5. **Responsibilities to the shareholder** - The employees should carry out as follows:
- Employees are required perform their duties honestly under good moral and ethics.
  - Any decision making should be done beneath ethical roles in order to maximize the shareholder benefits.
  - Every shareholder should be treated fairly and equally.
  - The employees should disclose the financial and non-financial data completely and accurately.
6. **Actions to customers and debtors** - The employees shall do as follows:
- The employees have to give the company's service information sufficiently and correctly to prevent the customers' misunderstandings about the company's services as well as the arrangement of fair contracts for customers and debtors.
  - The employees shall provide reasonable advices carefully for the customers' benefits and satisfaction.

- The employees shall keep any customer and /or debtor' information confidentially and shall not use it for his/her own or other related people's benefits without prior permission of that customer or debtor except with the permission of that customer or debtor or under the law.
7. **Treatments to Creditors and Competitors** - The employees shall perform as follows:
- The employees shall treat trade partners equally and fairly based on the basis of just remuneration for both parties.
  - The employees shall strictly follow any contract or conditions made under agreement. In case of failure to follow any of the provisions, notification must be urgently made to the trade counterpart or debtor in order to find solutions.
  - The employees shall not treat trade counterparts and competitors unethically and immorally in terms of trade practices.
  - If found any demand, receipt, or payment of a dishonest benefit, the employee shall made notification about such details to the trade counterpart to find solutions.
  - The employees shall not seek for confidential information of any competitors by using dishonest or inappropriate methods.
8. **Treatment to employees and together with other employees** - The employees shall act as follows:
- The employees are required perform their duties honestly and transparency.
  - The employees shall behave the good discipline and give high importance to follow with the rules and regulations.
  - The supervisor shall act in the good manner to get veneration from the employees meanwhile the employee shall not show disrespectful action to the superior.
  - Each employee shall respect the right of the others.
  - To provide fair remunerations to the employees including the maintaining a work environment that does not endanger to employee's life or property.
  - To carry out all appointments, promotions, rewards and punishment in good faith on the basic of suitability or by the rules and regulations of the company.
  - To give high importance to develop the knowledge, the ability and the skill of the employees by giving the opportunity thoroughly and regularly.
  - To build and maintain the good atmosphere of the harmony and unity in the whole employees.
  - Avoid taking any action that may lead to discredit the Company's appearance or maybe cause the problem to the Company further.



## **PART 4: ETHICS FOR BUSINESS CONDUCT**

Ethics is separated into 3 categories as follows:

### **1. Ethics of the business operation**

- (1) To manage the own business with good ethics and morality to the partners/creditors and competitors
- (2) To determine the policy for managing the own business by concerning not only build the one-sided value to the company but also gain benefit to the government policy and also the public community
- (3) To set up the policy to create the progression and long term stability to the business
- (4) To specify the policy to build up the good relationship between the company and the partners/creditors, competitors and all related parties in the same business field.

### **2. Ethics of the Board and management responsibility**

- (1) To manage the business honestly and fairly
- (2) To manage the business with well knowledge, competence and efficiency to create the greatest benefit and achieve the company objective settled by the Board of Directors
- (3) To conduct the business to develop the benefit to the company and also create the valuable returns to the all shareholders, meanwhile the Board of Directors must avoid taking any action that maybe takes an advantage to the personal benefit or some of the shareholders.
- (4) The management should give high importance to all advice from clients, subordinate or shareholders and then take such valuable advice into action.
- (5) To provide equal treatment to the Company's subordinate.
- (6) To support the Company's employees to succeed in their work to ensure that they receive appropriate compensation.
- (7) The Board of Directors must not use the information which they receive from their directorship for personal benefit or for conducting the business or other activities.
- (8) To safeguard strictly all customer confidentiality
- (9) To avoid any transaction related to the Board of Directors, which may lead to a conflict of interest with the Company or the customers
- (10) To avoid any actions that suspect to be the benefit siphon and raise the advantage/disadvantage to the Company or customers.
- (11) The Board of Directors is prohibited from demanding or receiving bribes or any benefit from the clients or any trading parties with whom the Company is doing business.

### **3. Ethics of the employees' responsibility**

- (1) The employees shall perform their assigned duties with responsibility, sedulousness, honestly and efficiency by devoting to their individual duties with full capability and carefully in their related field.
- (2) The employees shall keep and safeguard confidential information of its customer with due care and refrain from abusing it for personal interest as well as deal with the customer in a polite, rapid and efficient way.

- (3) The employees are prohibited from demanding or receiving bribes or any benefit from the clients or any trading parties with whom the Company is doing business.
- (4) To avoid any transaction or activities, which may lead to a conflict of interest with the Company or the customers as well as do not use authority by position to gain your own benefits.
- (5) To refrain from declaring or transferring inside information or confidential information to public or non-related parties, if not necessary
- (6) To avoid giving an internal data and internal system and also technology information and the company's software to the public
- (7) To avoid transferring the customer or business information to other person while still be employed by the current company or have been already vacated from the company

## **PART 5: RESPONSIBILITIES TO BUSINESS ETHICS**

This Code of Conduct is the best guideline for employee to carry out. Any suspicion can be inquired directly through the supervisor and/or the internal control department. If there were any action that violate to the company, this Code of Conduct would be applied to each case.