

## **Codes of Business Conduct**

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**Business Ethics of Thai Beverage Group**

## Message from the Chairman

In order for a company to grow and prosper in a sustainable manner and be accepted in the community, one of the most important factors is that the company must conduct its business ethically. And, part of the process to promote ethical practice within the organization is to establish its own ethical standards, to let it be known to everyone within the organization and to ensure that such standards are strictly adhered to and maintained consistently.

As it is our desire to conduct our business ethically, we hope that all members of the Board of Directors, the Executive Officers and the Employees of the Company will all adhere to and comply with the Business Ethics of the Company as laid down herein for the sustainable development of the business of the Company and for one's own benefit.

Charoen Sirivadhanabhakdi

Chairman

14 November 2006

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# Definitions

It is mutually understood in this Business Ethics<sup>1</sup> that:

|                    |       |   |
|--------------------|-------|---|
| Company            | means | Thai Beverage Public Company Limited and its subsidiary companies   |
| Directors          | means | Company's Directors   |
| Executive Officers | means | Employees ranging from Assistant-Vice President level up to the President   |
| Employees          | means | Employees as identified in the Company's regulations regarding the classification of position, wage and salary, which currently consist of contracted employees, daily employees, and monthly employees |

<sup>1</sup> *"Ethics" means the rules or standards governing the conduct of the members of a profession in each career which is, either as written or unwritten, specified to maintain or support the member's reputation and status, as defined in the Royal Institute Dictionary B.E. 1999.*

# Business Ethics of Thai Beverage Group

Business Ethics of Thai Beverage Group consists of four interrelated parts as follows:

## Part 1 Business Ethics of the Company

The Company determines to conduct its business honestly, lawfully, morally<sup>2</sup>, and ethically<sup>3</sup>. The Company shall have a transparent process of work and shall strictly adhere to and comply with its good corporate governance policy. Therefore, the Company shall make sure that all of its Directors, Executive Officers and Employees are aware of and understand the standard practices in accordance with the Business Ethics set forth herein in order for the Company to achieve its determination.

The Company considers it a duty of the Directors, the Executive Officers, and the Employees to strictly and seriously collaborate and comply with the Company's Business Ethics. The Company shall

<sup>2</sup> *"Moral" means goodness or correctness of behavior, morals, morality, moral standards, as defined in the Royal Institute Dictionary B.E. 1999.*

<sup>3</sup> *"Ethic" means the morals governing the conduct of the person, morals, and morality, as defined in the Royal Institute Dictionary B.E. 1999.*

adhere to these principles of Business Ethics towards all related parties as follows:

**1.1    Responsibilities to Shareholders**

- (1)

The Company shall take due care and protect the shareholders' interest and carry out its business with the aim for the continuance of good performance by taking into consideration, both current and future, circumstances and risk factors.
- (2)

The Company shall have the duty to encourage transparent operations and shall do the best to protect its assets and interest.
- (3)

The Company shall treat its major and minor shareholders fairly and equally.
- (4)

The Company shall carefully supervise and monitor the management of the organization in order to protect the shareholders' interest.
- (5)

The Company shall be cautious in disclosing any information or taking any action which may confuse or mislead the shareholders as to the facts of such information.

## **1.2 Responsibilities to Employees**

(1) As the Company realizes that its Employees are valuable assets of the organization, the Company determines to recruit and employ persons with knowledge and ability to perform in appropriate positions.

(2) The Company shall treat all Employees fairly.

(3) The Company shall encourage and support its Employees to enhance their knowledge and experience by continuously providing the Employees with appropriate training programs within the allocated budget.

(4) The Company shall ensure that its Employees have opportunities to progress in their careers and entrusted with appropriate responsibilities taking into account the Employees' qualifications, such as knowledge, capability, experience, character, reliability, etc., with regard to the Company's available positions.

(5) The Company shall respect its Employees' human rights and shall care for the welfare and safety of all Employees and see to it that the Employees work in good environment.



1.3

Responsibilities to Customers

- (1)

The Company shall seek and maintain customers by producing and providing good products and services both in terms of price and quality, by developing manufacturing technology, as well as improving the quality of the products and services.
- (2)

The Company shall treat its customers fairly.
- (3)

The Company shall maintain its reliability and trustworthiness, and shall keep its promises.

1.4

Responsibilities to Business Counterparts

The Company shall trade fairly and ethically and shall seek mutual benefit with its business counterparts, which include contractors, suppliers, purchasers, joint venture partners, and others who do other trading with the Company.

1.5

Responsibilities to the Society

(1) The Company shall carry on its business by taking into account its duties and responsibilities to the society and the country.

(2) The Company shall pay attention to the preservation of the environment by taking into consideration the safety of the community surrounding the areas where the Company operates its business.

1.6

Ethical Business Conducts

The Company shall adhere to ethical business conduct principles, which is to conduct its business operations honestly, lawfully, morally, fairly and ethically.

Giving, offering to give, or soliciting, including receiving or accepting bribes in any circumstances are not permitted by the Company.

## Part 2 Ethics of the Directors

Besides complying with the laws, the ethical considerations and the scope of morality, it is the Company’s policy for all Directors to adhere to the principles of Business Ethics towards relevant parties as follows:

### 2.1 Responsibilities to the Company

- (1)

The Directors shall not, whether directly or indirectly, use or seek benefit in an inappropriate way from their appointed positions, including not seeking benefit or opportunities in business for themselves by using the information perceived or acknowledged as a result of holding such positions.
- (2)

The Directors shall adhere to the good corporate governance policy as internationally accepted and shall manage the Company’s business according to the aforementioned Company’s Business Ethics.

- (3) The Directors shall see to it that the Executive Officers report all significant circumstances to the Board of Directors punctually in order to enable the Board of Directors to make decisions based on adequate information, in a timely and efficient manner.
- (4) The Directors shall not receive benefit from or offer benefit to other persons by using their position as Directors.
- (5) The Directors shall not engage in any business or agree to become a director or an executive officer of any business or activity that may conflict with the interest of the main business of the Company.
- (6) The Directors shall regularly attend Board of Directors' Meetings and Shareholders' Meetings, and participate in giving their valuable opinions for the benefit of the Company.

2.2

Responsibilities to Shareholders

- (1) In conducting the Company's business, the Directors shall perform their duties honestly and transparently in accordance with the laws, Objectives, and Articles of Association of the Company as well as the resolutions of the shareholders for the utmost benefit of the Company.

(2) The Directors shall treat major and minor shareholders fairly and shall protect the shareholders' interest, ensuring that the rights of the shareholders are equally taken into consideration.

(3) The Directors shall carefully supervise and monitor the management of the organization in order to protect the Company from any loss.

(4) The Directors shall supervise and monitor the Company to disclose information equally to all shareholders. Such disclosed information shall be correct, sufficient, transparent and timely.

2.3

Responsibilities to the Stock Exchange

(1) The Directors shall supervise and monitor the Company to strictly comply with the laws, rules and regulations and lawful orders of the Stock Exchange, the Office of Securities and Exchange Commission and any other stock market to which the Company is related.

(2) The Directors shall not, whether for their own benefit or for the benefit of other persons, use the Company's information that has not yet been disclosed to the public or the general shareholders to seek benefit by trading any securities. The Directors shall also oversee the Employees to ensure that they shall not use the Company's information that has not yet been disclosed to the public or the general shareholders to seek benefit by trading any securities, either for the Employees' own benefit or for the benefit of other persons.

In case a Director also holds the position as an Executive Officer of the Company, such person shall also be required to abide by the Business Ethics of Executive Officers as stated in Part 3.

## Part 3 Ethics of the Executive Officers

Besides complying with the laws, the ethical considerations and the scope of morality, the Executive Officers shall study in order to thoroughly understand and strictly comply with the Company's Business Ethics. The Executive Officers shall also prevent any violation of the Company's Business Ethics. It is the Company's policy for all Executive Officers to adhere to these principles of Business Ethics towards relevant parties as stated below, in addition to the Business Ethics of the Employees as stated in Part 4:

### 3.1 Responsibilities to the Company

- (1) The Executive Officers shall perform their duties honestly, and fairly for the utmost benefit of the Company.
- (2) The Executive Officers shall disclose the Company's status to the Directors correctly, completely, and in a timely manner.
- (3) The Executive Officers shall dedicate their time, knowledge, and ability to perform their duties for the benefit of the Company.

(4) The Executive Officers shall conduct themselves appropriately as representatives of the organization, including promoting a good image of the Company whenever the situation permits.

(5) Prior to disclosing of information or giving of interviews to the press or the public on issues that may affect the Company's business or image, the Executive Officers shall first be formally appointed to do so by the Company.

(6) The Executive Officers shall not, whether directly or indirectly, use or seek benefit from their appointed position in an inappropriate way, including not seeking benefit or business opportunities for themselves by using the information perceived or acknowledged as a result of holding such position.

(7) The Executive Officers shall comply with the good corporate governance policy as internationally accepted and shall adhere to the Company's Business Ethics.

(8) The Executive Officers shall investigate and monitor the Company's business within their scope of authorities to make sure that the Company comply with the laws in all respects.



(9) The Executive Officers shall not receive benefit from or offer benefit to other persons by using their position as the Company's Executive Officers.

(10) The Executive Officers shall not engage in any business or activity which may conflict with the interest of the main business of the Company.

**3.2 Responsibilities to Shareholders**

(1) In conducting the Company's business, the Executive Officers shall perform their duties honestly and transparently in compliance with the laws, Objectives, and the Articles of Association of the Company, as well as the resolutions of the shareholders, insofar as they concern each individual's duties and responsibilities, for the utmost benefit of the Company.

(2) The Executive Officers shall treat major and minor shareholders fairly.

(3) The Executive Officers shall disclose information to all shareholders as necessary. Such disclosed information shall be sufficient, transparent and timely.

### **3.3 Responsibilities to Employees**

(1) The Executive Officers shall have good attitude towards their subordinates and manage them compassionately and fairly, as well as refrain from wrongfully exercising their authorities.

(2) The Executive Officers shall willingly and sincerely educate, give advice and suggestions to their subordinates, as well as listen to their opinions and suggestions.

(3) The Executive Officers shall support the Employees in undertaking appropriate training programs in order to enhance their capabilities and experience within the allocated budget.

(4) The Executive Officers shall promote a fair performance evaluation system and ensure that the Employees receive fair and appropriate compensation.

### **3.4 Responsibilities to the Stock Exchange**

(1) The Executive Officers shall oversee the Company to strictly comply with the laws, rules and regulations, and lawful orders of the Stock Exchange, the Office of Securities and Exchange Commission, and any other stock market to which the Company is related.

(2) The Executive Officers shall not, whether for their own benefit or for the benefit of other persons, use the Company's information that has not yet been disclosed to the public or the general shareholders to seek benefit by trading any securities. The Executive Officers shall also oversee that the Employees shall not use the Company's information that has not yet been disclosed to the public or the general shareholders to seek benefit by trading any securities, either for the Employees' own benefit or for the benefit of other persons.

## Part 4 Ethics of the Employees

Besides complying with the laws and regulations, including the related work regulations, the Employees shall study in order to thoroughly understand and strictly comply with the Company's Business Ethics. The Employees shall also prevent any violation of the Company's Business Ethics. It is the Company's policy for all Employees to adhere to these principles of Business Ethics towards related parties as follows:

### 4.1 Responsibilities to the Company

(1) The Employees shall have the duty and responsibility to fully, carefully, and responsibly utilize the Company's assets and maintain such assets in good condition and ready for use. In addition, the Employees shall care for the Company's assets in order to avoid loss, damage, or inappropriate use. This responsibility does not only include the Employees' own actions, but also their care and attention to the safety measures, and the Employees shall always be alert at all times as to any circumstances that may cause the Company's assets to be damaged, destroyed, or wrongfully used. Moreover, the Employees shall also protect the reputation, assets and the interest of the Company. Furthermore, the Employees shall not use the

Company's assets in operations that do not contribute to the Company's benefit and shall not use the same for their own benefit or the benefit of others.

(2) The Employees shall not engage in any action which may cause a conflict of interest with those of the Company, or perform any action leading to the loss or the reduction of the Company's expected benefit, or appropriating the benefit away from the Company.

(3) The Employees shall perform their duties to their utmost capability, with due care, in a timely manner, appropriately and reasonably by taking into account the benefit of the Company as a priority. The Employees shall be honest, trustworthy, ethical, patient, diligent and self - improving their knowledge.

(4) The Employees shall be responsible and give full attention and concentration to their assigned duty and task, have a transparent and systematic procedure of work and consider all possible current and future risks.

(5) The Employees shall not, whether directly or indirectly, seek any benefit from their current appointed position or seek business opportunities by using the information disclosed or acknowledged from being in such position.

(6) All Employees shall collaborate in preparing all kinds of information for the Company based on accurate facts, in a timely manner, and of the same standard.

(7) The Employees shall not disclose information, which has not yet been disclosed to the public, unless it is required by law or under the approval of the Company. The duty to keep information confidential shall include information of the Company's business counterparts, products, plans, services, strategies, human resource management information, such as salary and compensation rates, the operating process, and systematic procedures as well as the rights and obligations with third parties. The Employees shall not disclose information prepared or made known to them through their work as the Company's Employees for their own benefit.

(8) The Employees shall not engage in any business or activity which is in competition with the main business of the Company and shall not seek benefit and business opportunities by using disclosed or acknowledged information for themselves, whether directly or indirectly. In addition, they shall not act as a business counterpart with the Company in the way that may cause any loss of benefit to the Company.

(9) If an Employee receives a gift of value exceeding that which is normal from the Company's business counterpart or from a third party doing business with the Company, whether for traditional reasons or any other custom, the Employee shall report such receipt of gift to the supervisor.

Exchanging of gifts or joining of traditional celebrations can be done as appropriate for business purposes, and in order to maintain relationships. However, the Employees shall avoid accepting or exchanging gifts of high value and frequent offering of entertainments or gifts, which is considered inappropriate. If the Employees can not avoid such situation, they shall report such matter and follow their supervisor's suggestions.

**4.2 Responsibilities to the Executive Officers**

The Employees shall collaborate in the preparation of all Company's information based on correctness, accuracy and transparency, and within the same standard in order to report such information to the Executive Officers of the Company for their acknowledgment in a timely manner.

#### **4.3 Responsibilities to Colleagues**

(1) The Employees shall treat their colleagues in a friendly manner, with sincerity, maintain unity amongst the group and assist one another in a proper way and beneficial to the business of the Company. The Employees shall share their knowledge and experience of their work to their colleagues and subordinates, respectively.

(2) The Employees should not discuss or criticize their colleagues' personal affairs or business in any way that is discrediting to their reputation.

#### **4.4 Responsibilities to the Stock Exchange**

The Employees shall strictly comply with the laws, rules, regulations, and lawful orders of the Stock Exchange and the Office of Securities and Exchange Commission and any other stock market to which the Company is related.



## Postscript

The major factor for the Company to achieve its aim of maintaining the Business Ethics as described above is that the practitioner must thoroughly understand the content and meaning of the statement, as well as accept and believe in the merits of the standards of the Business Ethics as above prescribed and is prepared to employ such stated principles into his way of doing business until it becomes the norms of the organization, which will render the organization and the practitioner to be admired, respected and applauded by others. Moreover, it is the duty of the Directors and the Executive Officers to closely oversee to ensure that the Company, the Employees, as well as the Directors and the Executive Officers themselves act in accordance with these Business Ethics.

If any announced rule or regulation of the Company contradicts, or is inconsistent with these Business Ethics, these Business Ethics shall prevail. In addition, it shall be the duty of the Company, by the Board of Directors, to appropriately amend such contradictory or inconsistent provisions in order to be in conformity with the above described Business Ethics.

## ANTI-CORRUPTION POLICY

### Principle and Rationale

Thai Beverage Public Company Limited and its subsidiaries (“ThaiBev”) operate the business in accordance with the principles of good corporate governance with fairness and adhere to the “Business Ethics of Thai Beverage Group” as well as uphold the best interests of stakeholders related to our businesses in Thailand and overseas. ThaiBev is well aware that corruption is one of the important and serious problems in Thailand causing damage to the country, the people, and ThaiBev in the long run. The problem has become more severe. ThaiBev is aware of the problem and, therefore, issues the anti-corruption policy (“Policy”) as a key instrument to prevent corruption and serves as a guideline for sustainable business in the future.

### Scope of the Policy

The Policy applies to all ThaiBev’s directors (“**Directors**”), all ThaiBev’s executive officers (employees ranging from Assistant Vice President level up to the President and CEO) (“**Executives**”) and all employees (“**Employees**”). The Policy is designed as a guideline for Directors, Executives and Employees to know what to do, or whom to consult with, in case of doubt. Directors, Executives and Employees are responsible for maintaining the highest standards of business conduct. Any violation to the Policy shall be deemed as misfeasance and may be subject to serious disciplinary misconduct, contractual infringement and criminal offence, which may cause serious damage to the reputation and status of ThaiBev. Directors, Executives and Employees are required to familiarize themselves and comply with the Policy, including any future updates that may be issued from time to time by ThaiBev.

### Definition

#### “Corruption”

- (1) Bribery means giving or agreeing to give any asset or benefit to government officials, government agencies, whether directly or indirectly, including political contribution, charitable contributions and sponsorships, to induce such persons to act, refrain from or delay their action in violation of their duty, in order to obtain or maintain unfair business interests, or to commit frauds, except for allowing by laws, regulations, announcements, regulations, customs and traditions to do so;
- (2) Dishonest act means dishonest acts of Directors, Executives and Employees by using or exploiting a position that has been assigned by ThaiBev in a wrong way

#### The objectives and practice guidelines of the Policy are as follows:

1. Directors, Executives and Employees are prohibited from acting and accepting any type of corruption, whether directly and indirectly, relating to businesses and functions in all countries in which ThaiBev operates its businesses.
2. Directors, Executives and Employees shall avoid any course of action that is linked to any corruption.
3. President and CEO is required to monitor and set up effective system for supporting anti-corruption actions, and to report to the Chairman of the Board of Directors and the Audit Committee.



4. President and CEO is required to review and present to the Board of Directors the revised Policy which is updated to be consistent with business changes, regulations, standards, and laws.
5. President and CEO and Executives are accountable for promoting, creating common understanding of and supporting relevant persons to comply with the Policy.
6. Directors, Executives and Employees shall be vigilant to any corruption related to ThaiBev. If a Director or Executive discovers any corruption, the Director or Executive is required to report such action to the Chairman of Audit Committee. If an Employee discovers any corruption, the Employee has an obligation to report such action to its supervisors or responsible persons immediately.
7. A person committing corruption is subject to a disciplinary action process. Once proven to satisfaction of the responsible committee, the person will be punished according to ThaiBev's rules regarding misconduct or violations strictly. If such act violates any applicable law, legal proceedings may be initiated against such person accordingly.
8. All supervisors at all levels shall ensure that Employees under their responsibilities have appropriate awareness of the Policy and shall monitor the actions in relation to the anti-corruption.

The Policy is to reinforce relevant guidelines and policies.



## HUMAN RIGHTS POLICY

### Principle and Rationale

Thai Beverage Public Company Limited and its subsidiaries (“ThaiBev”) operate its business in accordance with the principles of good corporate governance with fairness and adhere to the “Business Ethics of Thai Beverage Group” as well as take responsibility for the society and all stakeholders. ThaiBev is well aware of the value and importance of “human” and the coexistence of human with love, respect, kindness without discrimination, equality, respect and consideration of human dignity which are the main point and intention of the principle of Human Rights. ThaiBev believes that respecting the human rights by all stakeholders within the business value chain is fundamental to enhance the sustainability of the business and society, hence, ThaiBev respects the human rights laws and principles including international labour standards and applies the principles of the Universal Declaration of Human Rights (“UDHR”), the United Nations Guiding Principles on Business and Human Rights (“UNGPR”), the International Bill of Human Rights and The International Labor Organization Declaration on Fundamental Principles and Rights at Work (“ILO”) to its business operation.

The committee approves the setting of policies and regulations regarding the Human Rights in order to prevent a breach of human rights of all stakeholders within the business value chain arising from ThaiBev’s operation.

### Scope of the Policy

Human rights policy (“Policy”) applies to all ThaiBev’s directors (“**Directors**”), all ThaiBev’s executive officers (employees ranging from Assistant Vice President level up to the President and CEO) (“**Executives**”), all employees (“**Employees**”) and all businesses which ThaiBev has the management power over such as subsidiaries and joint ventures.

In addition, ThaiBev expects and encourages Suppliers (as defined below) and Business Partners (as defined below) of ThaiBev which ThaiBev does not have management power over to support and comply with this Policy.

### Definition

“**Suppliers**” means contractors, sub-contractors, distributors, wholesalers, manufacturers, primary producers, franchisees or licensees, brokers and consultants.

“**Business Partners**” means agents, joint venture partners and customers.

### The objectives and practice guidelines of the Policy are as follows:

1. Directors, Executives and Employees shall work with consideration of human dignity and placing importance on respecting human rights of every person including any local community under the scope of human rights laws and principles including international labour standards on equality basis without discrimination whether due to differences in ethnicity, race, nationality, gender, language, age, skin color, physical status, religion, political view, education, social status, culture, tradition, union membership, sex diversity or any other status which is considered to be human rights.



2. ThaiBev shall equally treat Suppliers and Business Partners without discrimination.
3. ThaiBev prohibits child labour and forced labour and the use of prison labour and bonded labour are also strictly forbidden.
4. ThaiBev pays attention to high standards of safety, occupational health and working environment. ThaiBev shall devote to prevent accidents, injuries and work-related illnesses arising from the work performance in accordance with the standards imposed by applicable laws.
5. ThaiBev is committed to being good neighbour and trustworthy partner with local communities. ThaiBev supports communities in agriculture, environmental conservation, education, health, maintenance and restoration of cultural heritage and local wisdom through implementation of communities' development projects and social enterprise to improve living quality of local communities.
6. ThaiBev shall be careful not to let its business operation causing any breach of human rights.
7. ThaiBev shall support and promote any operation to protect human rights.
8. ThaiBev shall communicate, publicize, educate, try to understand and support Suppliers and Business Partners to participate in doing business with ethics, respect to human rights of others and equality in treating others in accordance with the human rights principle.
9. ThaiBev expects Suppliers to respect human rights of its stakeholders in order to ensure that the basic rights of stakeholders of all Suppliers groups are respected equally and operate their business in compliance with ThaiBev's Supplier Code of Practice currently in effect which may be amended from time to time in the future.
10. ThaiBev encourages and supports Directors, Executives, Employees and all groups of stakeholders within the business value chain to report any form of human rights violation arising from ThaiBev's business operation. ThaiBev shall take all necessary and reasonable steps to assist any person whose his/her human rights are violated by ThaiBev's business operation.
11. ThaiBev shall fairly treat and protect any whistleblower who inform human rights violation arising from ThaiBev's business operation by applying protection measurement for whistleblowers or any person who cooperate in reporting the human rights violation as specified in ThaiBev's Whistleblowing Policy.
12. ThaiBev determines to continuously conduct Human Rights Due Diligence Process to identify and evaluate risks and impacts relating to a violation of human rights, specify potentially affected stakeholders, plan and set up appropriate actions for preventing, mitigating, managing and remedying the negative impacts arising from, human rights violation caused by ThaiBev's business operation (if any). Moreover, ThaiBev also encourages and supports Suppliers to conduct the aforesaid process and expects Suppliers to have appropriate measures for preventing, mitigating, managing and remedying the negative impacts arising from, human rights violations caused by Suppliers' business operation.
13. ThaiBev shall track and monitor the implementation on human rights management and resolution according to the tracking and monitoring processes, including supporting and cooperating in the remediation of negative human rights impacts arising from ThaiBev's business operation.



14. ThaiBev shall report its human rights performances through the ThaiBev's Sustainability Report and ThaiBev's sustainability website.
15. A person committing a violation of human rights is subject to a disciplinary action process. Once proven to satisfaction of the responsible committee, the person will be punished according to ThaiBev's working rules and regulations. If such act violates any applicable laws, legal proceedings may be initiated against such person accordingly.

## **ANTI-MONEY LAUNDERING STATEMENT**

ThaiBev is anti-money laundering and any acts that would be against our Business Ethics of Thai Beverage Group; thus, we commit to conduct business lawfully and morally. To the best of our knowledge and capabilities, ThaiBev will refrain from entering into any transaction with risks to money laundering at all times.



## *Whistleblowing Policy*

### *Control Information*

|                     |   |
|---------------------|---|
| Approved on:        | Approval by the Board of Director on 11 August 2016 |
| Function:           | Guidance  |
| Accountability:     | Corporate Sustainability Development Committee      |
| Monitoring and      | Office of Internal Audit                            |
| Reporting function: |   |

### *Introduction*

Thai Beverage Public Company Limited and its subsidiary companies (“**ThaiBev**”) encourages all employees to report any well-founded suspicious wrongdoings as soon as practically possible. Suspected wrongdoings within ThaiBev will be taken seriously and employees will not be victimized or subject to any detriment if he/she raises legitimate concerns in good faith.

### *Scope of the Policy*

The Whistleblowing Policy (“**Policy**”) applies to all ThaiBev’s directors (“**Directors**”), all ThaiBev’s executive officers (employee ranging from Assistant-Vice President level up to the President and CEO) and employees (“**Employees**”).

#### **1. Purpose**

- 1.1 The Policy provides a procedure to ensure that concerns about suspected wrongdoings within ThaiBev (“**Whistleblowing**”) are raised and handled timely and appropriately. It applies to Directors



and Employees working at all levels of the organisation as identified in ThaiBev's regulations regarding the classification of positions, wages and salaries, which currently consist of contracted Employees, daily Employees and monthly Employees.

1.2 Employees are encouraged to report genuine concerns which he/she may have about suspected wrongdoings in accordance with the Policy, in the knowledge that his/her concerns will be taken seriously and investigated as deemed appropriate. ThaiBev will support him/her, provided that he/she raises genuine concerns in good faith, even if they turn out to be mistaken. Reasonable measures shall be taken to protect Directors and Employees from detriment, retribution or harassment from doing so.

## **2. Definition of Whistleblowing**

Whistleblowing is the disclosure of information relating to wrongdoings or dangers at work. This includes criminal activities and other unlawful conducts, failure to comply with regulatory requirements, financial irregularities and actions that are dangerous to the health and safety of people or to the environment. For example, insider dealing, bribery, and forgery would constitute wrongdoing.

## **3. When to apply the Policy**

Directors and Employees shall proceed in accordance with the Policy if he/she has a genuine concern about past, current or future wrongdoings or dangers. It may not always be clear whether the conduct which

concerns Employees amounts to wrongdoing and Employees will need to form his/her own judgment. ThaiBev encourages Employees to report Employees' concerns when Employees are in doubt.

#### **4. How to report a concern**

- 4.1 If Director(s) has concerns, Director(s) should consider report to the Chairman of Audit Committee.
- 4.2 If Employees have concerns, Employees should consider the process set out below and report it through the recommended channel(s) in writing with Employees' name and contact details.
- 4.3 Employees should raise his/her concerns in writing with Employees' supervisor/department/division/office head in the first instance. Employees' supervisor/department/division/office head should assist Employees in finding a way of resolving the Employees' concerns quickly and effectively, or he/she may refer the matter to the designated persons as stated in the clause 4.4.
- 4.4 Where the matter is more serious, however, or Employees feel that Employees' supervisor/department/division/office head has not addressed Employees' concerns, or Employees prefer not to raise them with such persons for any reason, Employees should raise the concerns to the Office of President at "Whistleblowing@thaibev.com". The President and CEO will consider and take further necessary action and also report to the Chairman of the Board of Directors.

ThaiBev may nominates different individuals as points of contact from time to time. Any changes in points of contact will be notified to Employees.

4.5 If ThaiBev decides that it is necessary and appropriate, a meeting may be arranged with Employees to discuss Employees' concerns. In these circumstances, ThaiBev will prepare a written summary of Employees' concerns and provide Employees with a copy after the meeting. Employees may bring a colleague to attend the meeting, but Employees' colleague must respect the confidentiality of Employees' disclosure and any subsequent investigation.

4.6 Any Directors and Employees who have any personal interest in the matter is obligated to declare it upon raising the concerns.

## **5. Confidentiality**

ThaiBev encourages Employees to raise any genuine concerns openly under the Policy. However, ThaiBev will not respond to disclosures made anonymously, since it will make proper investigation difficult or even impossible, and may lead to groundless accusations. If Employees would like to raise Employees' concerns confidentially, ThaiBev will take reasonable steps to keep Employees' identity secret. Disclosure of Employees' identity may, however, become unavoidable in the case of an investigation by the government officials or court proceedings.

## 6. How ThaiBev will handle the matter

- 6.1 Once the Director(s) has reported his/her concern under the clause 4.1, the Chairman of the Audit Committee will consider and take necessary action.
- 6.2 Once Employees have reported his/her concern, the matter will be assessed to determine the proper action to be taken, which might include internal investigation or a referral for external investigation. Employees will be informed who is responsible for handling the matter, how the person can be contacted and whether any further assistance may be needed from Employees. Employees may, for example, be required to attend additional meetings in order to provide further information.
- 6.3 ThaiBev may, where confidentiality allows, give Employees feedback on the matter, including the progress of the investigation and likely timescale, but ThaiBev is not obliged to do so. Nonetheless, in the case where confidentiality is of concern, it may hinder ThaiBev from providing Employees with any details of the investigation or disciplinary punishment which may be the result of the whistleblowing action. Employees must treat any feedbacks given to Employees about the investigation as entirely confidential.
- 6.4 If it is considered more appropriate to deal with concerns of Employees as a grievance matter as stated in the “Employee Handbook of ThaiBev”, Employees will be informed accordingly. In

this case, Employees' concerns will be further submitted through the responsible departments or divisions or offices.

6.5 If Employees are dissatisfied with the manner in which ThaiBev has dealt with any concerns Employees have reported, or with the outcome of an investigation, Employees may contact any other designated persons set out in the clause 4.4. The persons may carry out further investigations as deemed appropriate.

## **7. Warning on misuse of the Policy and protection to the whistleblower**

7.1 Any complaint made which is later found false, or in bad faith, or with malicious intent, or in a careless manner, or for personal benefit is considered a serious violation. Such action is considered gross misconduct which leads to disciplinary actions as stated in the topic of the disciplinary and penalties in the "Employee Handbook of ThaiBev".

7.2 ThaiBev will not tolerate harassment or victimisation of Employees raising a genuine concern under the Policy and any person involved in either threatening or retaliation against a whistleblower will be subject to disciplinary action(s). If Employees are harassed or victimised in any way, Employees are advised to inform the matter to the person responsible for the investigation of the matter so that appropriate actions may be taken.

## 8. External reporting mechanism

The objective of this Policy is to determine an internal mechanism for submitting report, conducting an investigation and correcting any suspicious wrongdoings within ThaiBev's workplaces. It is recognised, however, that there may be circumstances where Employees feel that Employees should properly report matters to external bodies, such as regulators or the police if he/she feels that his/her safety and health may be compromised or; if he/she is unable to discuss the matter internally with one of the designated persons named in the clauses 4.3 and/or 4.4 or; if such matter involves a serious crime.

Whistleblowing concerns usually relate to the conduct of Employees. However, they sometimes involve actions committed by a third party, such as a customer, a supplier or a service provider to ThaiBev, Employees are strongly advised to first internally raise a concern in good faith to the one of the designated persons as per the clauses 4.3 and/or 4.4. Nevertheless, after the Employees have raised their concerns if he/she still reasonably believes it relates mainly to an action of that third party and it is under responsibility of that third party as stipulated by law, may raise a concern in good faith with the related governing authorities. Unless required by the laws, Employees are advised to internally raise a concern in good faith, where he/she reasonably believes it relates mainly to an action of that third party and it is legally under responsibility of that third party. In case Employees are in doubt, Employees should contact one of the designated persons named in the clauses 4.3 and/or 4.4 for guidance in the first instance.

Please note that it is inappropriate for Employees to go to the media with a concern about suspected wrongdoings.

**9. Seeking independent advice**

Any inquiries regarding the Policy, Employees may discuss them (without being required to make a formal report) with any of designated persons named in the clauses 4.3 and/or 4.4. Employees can, of course, also seek advice from a lawyer of his/her own choice and expense.

The implementation of the Policy reinforces relevant guidelines and policies.



## *Corporate Occupational Health and Safety Policy*

### *Control Information*

|                     |  |
|---------------------|--|
| Approved on:        | Approval by the Board of Director on 11 August 2016        |
| Function:           | Guidance   |
| Accountability:     | Corporate Sustainability Development Committee             |
| Monitoring and      | Product Groups / Office of Human Capital / Office of Asset |
| Reporting function: | Management & Services                                      |

### *Introduction*

Thai Beverage Public Company Limited and its subsidiary companies (“**ThaiBev**”) is Thailand’s leading beverages and food producer and distributor. Also, it is one of the Asia’s largest producers. ThaiBev firmly believes that no other assets in ThaiBev is as important as the people contributing their works and effort to business results. With the belief ThaiBev genuinely cares for all employees, the corporate occupational health and safety policy (“**Policy**”) states to support and develop a good quality of working life and it will lead ThaiBev to the stable and sustainable excellence.

### *Scope of the Policy*

The Policy applies to all ThaiBev’s directors (“**Directors**”), all ThaiBev’s executive officers (employee ranging from Assistant-Vice President level up to the President and CEO) and employees (“**Employees**”) and all other persons who is/are working within ThaiBev’s workplace, all of which will be informed of this Policy before or upon entering into ThaiBev’s workplace.



The Policy is produced to give the ThaiBev's guidance for its best practices on healthy and safe working environment for the Directors, Employees and all other persons who is/are working within ThaiBev's workplace. The Policy sets out clear intentions and guidelines as follows:

**1. Safety awareness**

ThaiBev raises awareness and consciousness of Directors and Employees' health and safety by training and practices to ensure that the Directors and Employees act according to the Policy.

**2. Agreeable**

ThaiBev adheres to comply with laws, regulations, and operational approach that relate to occupational health and safety as a basic standard.

**3. Follow up**

Directors and Employees follow up, and pay attention to the preventive measure of risk which may occur by accident, injury, and illness at work. This is to meet the target to reduce Lost –Time Injuries Frequency Rate (LTIFR) and Occupational Illness Frequency rate (OIFR).

**4. Engagement**

Directors and Employees are responsible for the successful implementation of the Policy. It thus shall require firm commitment and collaboration of the Directors and Employees at all levels.

# SUPPLIER AND BUSINESS PARTNER CODE OF PRACTICE

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## Introduction

Thai Beverage Public Company Limited and its subsidiary companies (“ThaiBev”) commit to conduct an effective business under good governance as a foundation of sustainable growth and social acceptance. ThaiBev has established “Business Ethics of Thai Beverage Group” for all ThaiBev’s directors (“Directors”), all ThaiBev’s executive officers (employee ranging from Assistant Vice President to the President and CEO) and employees (“Employees”) in order to meet such commitment. In addition to this, ThaiBev strongly encourages that its suppliers and business partners adopt and adhere to the same practice, as it would be beneficial to, not only ThaiBev but also its suppliers, business partners, local communities, society, and the environment in a wider range. For this reason, ThaiBev has placed significant importance on its suppliers and business partners’ capacity building, a key factor in its supply chain, by promoting sustainability development among its suppliers and business partners.

This Supplier and Business Partner Code of Practice (“Code of Practice”) is based on the same ethical standard that ThaiBev adheres to. ThaiBev looks forward to its suppliers and business partners’ compliance with it as ThaiBev is certain that by following this guideline, ThaiBev, its suppliers and business partners will achieve strong, steady, and sustainable growth together, as well as create a better society and environment.

## Scope

The requirements stated hereinafter shall apply to all ThaiBev’s Suppliers (as defined below) and ThaiBev’s Business Partners (as defined below), which shall also include other business entities of Suppliers and Business Partners which have business transactions with ThaiBev, for instance, Suppliers and Business Partners’ parent companies, affiliates, subsidiaries, and/or sub-contractors. ThaiBev also expects all ThaiBev’s Suppliers to encourage their suppliers to adhere to the principles stated in the Supplier and Business Partner Code of Practice in their own operation and to have their own supplier screening and evaluation processes.

## Definition

“Suppliers” means ThaiBev’s contractors, sub-contractors, distributors, wholesalers, manufacturers, primary producers, franchisees or licensees, brokers, and consultants.

“Business Partners” means ThaiBev’s agents, joint venture partners, and customers.

## Business Ethics

***Suppliers and Business Partners are expected to conduct their business in accordance with ethical business standards and applicable laws.***

### Anti-competitiveness

Suppliers and Business Partners shall not engage in any form of action that may prevent a fair and competitive business environment.

### Anti-corruption

Suppliers and Business Partners shall not act and accept any type of corruption, whether directly or indirectly, relating to their businesses and functions and shall avoid any course of action that is linked to any corruption as defined in ThaiBev’s Anti-Corruption Policy. For instance, Suppliers and Business Partners shall not give, offer, demand, receive or agree to receive any form of bribes as well as gifts, entertainments, or other activities having higher value than normal, which could influence ThaiBev, Suppliers and/or Business Partners’ business decisions under any circumstance.

### Confidentiality

Suppliers and Business Partners shall not, in any manner, disclose or use any confidential information of ThaiBev for their own benefit or for any illegal purposes, unless prior written consent has been obtained.

### Conflict of Interest

Suppliers and Business Partners shall avoid any circumstance that could lead to a conflict of interest with ThaiBev and are requested to immediately notify ThaiBev should they encounter any such circumstance.

### Legal Compliance

Suppliers and Business Partners shall conduct their business in full compliance with applicable laws and regulations of all countries where Suppliers and Business Partners operate.

## Environmental Management

*Suppliers and Business Partners are expected to conduct their business in an environmentally responsible manner in line with ThaiBev's Environmental Policy and applicable laws and regulations.*

### Contamination and Pollution Prevention

Suppliers and Business Partners shall conduct their business in a cautious manner that manages, prevents, and minimizes impact which may be harmful to humans and the ecosystem including greenhouse gas emission reductions, chemical contamination or leakage prevention; and shall develop responsive measures to minimize the impact towards local communities and the environment from the aforementioned scenario.

### Management System

Suppliers and Business Partners shall have in place environmental management systems in accordance with international standards or equivalent thereto. ThaiBev also expects Suppliers and Business Partners to perform environmental impact assessments.

### Water Stewardship

Suppliers and Business Partners shall optimize and improve their water efficiency where possible. Suppliers and Business Partners operating in high-water stressed areas shall establish Water Management Plan and actively monitor the impacts of their operations.

### Energy Consumption and Greenhouse Gas (GHG) Emissions

Suppliers and Business Partners shall optimize and improve their energy efficiency where possible and use environmentally friendly energy source suitable for their operations. In addition, Suppliers and Business Partners are also encouraged to measure, manage and report GHG emissions from their operations to mitigate GHG emissions and effects on climate change.

### Biodiversity Protection and No-Deforestation

Suppliers and Business Partners shall protect the natural state of ecosystem, ensuring sustainable use of natural resources, and avoid deforestation in ecologically sensitive areas.

## **Waste Management and Disposal**

Suppliers and Business Partners shall have waste management by separating waste and hazardous waste appropriately and proper waste treatment and disposal methods to mitigate the impact on environment.

## **Human Right**

*Suppliers and Business Partners are expected to treat their employees equally, with respect and dignity, in accordance with ThaiBev's Human Right Policy and Non-Discrimination and Anti-Harassment Policy, labor law of Thailand, applicable labor law of all countries where Suppliers and Business Partners operate and International Labor Organization (ILO) standards.*

## **Child and Compulsory Labor**

Suppliers and Business Partners shall not engage in or support the use of child labor under minimum age. Furthermore, young workers shall not be assigned to tasks, workplaces and/or working hours prohibited by law, nor shall they be forced to provide labor in any manner.

## **Discrimination and Harassment**

Suppliers and Business Partners shall treat their employees on equality basis without discrimination whether due to differences in ethnicity, race, nationality, gender, language, age, skin color, physical status, religion, political view, education, social status, culture, tradition, union membership and sex diversity and ensure that their workplace and any other place related to their operation has a favorable environment and atmosphere, safe and suitable to work and does not support any type of harassment whether it be sexual harassment or non-sexual harassment.

## **Human Capital Development**

Suppliers and Business Partners shall ensure that their employees receive sufficient training hours with regards to their assigned role and responsibility.

## **Layoffs Practice**

Suppliers and Business Partners' layoff practice shall be in line with applicable laws and regulations, and compensation shall be paid fairly to their employees.

## **Wages and Benefits**

Suppliers and Business Partners shall ensure that wages and benefits, including compensations and remunerations, are provided to their employees in accordance with applicable labor law of all countries where Suppliers and Business Partners operate or industry standard.

## **Working Hours**

Suppliers and Business Partners are prohibited from forcing their employees to work in excess of the maximum working hours regulated by labor laws.

## **Freedom of Associations and Collective Bargaining**

Suppliers and Business Partners shall respect the right of their employees to join trades and associations and to independently or collectively exercise their rights to bargain over employment conditions and labor relations as permitted by law.

## **Occupational Health and Safety**

*Suppliers and Business Partners are expected to procure and maintain proper workplaces and working environments which are safe and hygienic, in accordance with applicable laws.*

## **Working Conditions**

Suppliers and Business Partners shall provide a safe and hygienic workplace and/or working environment and shall ensure that sufficient and appropriate training and personal protective equipment are provided to their employees. Suppliers and Business Partners shall also develop mitigation plans for emergency situations to reduce potential losses and casualties and shall strictly comply with applicable laws and regulations.

## **Occupational Injuries and Illnesses**

Suppliers and Business Partners shall develop preventive and remedial measures to support their employees' occupational injuries or illnesses. Records of such injuries or illnesses shall also be kept appropriately in accordance with applicable laws.