



## *Supplier Code of Practice*

### *Control Information*

Approved on:	Approval by the Board of Director on 11 August 2016
Function:	Guidance
Accountability:	Corporate Sustainability Development Committee
Monitoring and	Pan International (Thailand) Co., Ltd.
Reporting function:	

### *Introduction*

Thai Beverage Public Company Limited and its subsidiary companies (“**ThaiBev**”) commits 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 level up to the President and CEO) and employees (“**Employees**”) in order to meet such commitment. In addition to this, ThaiBev strongly encourages that its suppliers adopt and adhere to the same practice, as it would be beneficial to, not only ThaiBev and its suppliers, but also its customers, local communities, society, and the environment in a wider range. For this reason, ThaiBev has placed significant importance on its supplier’s capacity building, a key factor in its supply chain, by promoting sustainability development among its suppliers.

The Supplier Code of Practice (“**Code of Practice**”) is based on the same ethical standard that ThaiBev adheres to. ThaiBev looks forward to its suppliers’

compliance with it as ThaiBev is certain that by following this guideline, ThaiBev will achieve strong, steady, and sustainable growth together, as well as create a better society and environment.

### ***Scope of the Code of Practice***

The requirements stated hereinafter shall apply to all of ThaiBev's suppliers ("**Suppliers**"), which shall also include other business entities of Suppliers which have business transactions with ThaiBev, for instance, Suppliers' parent company, affiliates, subsidiaries, and/or sub-contractors.

#### **1. Business ethics**

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

##### **1.1 Antitrust**

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

##### **1.2 Business gift**

Suppliers shall not offer, provide, demand, accept, or receive any form of bribery, excessive gifts, entertainments, or other activities having higher value than normal, which could influence ThaiBev's and/or Suppliers' business decisions under any circumstance.

### 1.3 Confidentiality

Suppliers 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.

### 1.4 Conflict of interest

Suppliers 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.

### 1.5 Legal compliance

Suppliers shall operate their business with the adherence to those local applicable laws and regulations.

## 2. Environmental management

The business operation with environmental responsibility is expected from all ThaiBev's suppliers.

### 2.1 Contamination

Suppliers shall conduct their business in a cautious manner that prevents chemical contamination or leakage which may be harmful to humans and the ecosystem, and shall develop responsive measures to minimize the impact towards local communities and the environment from the aforementioned scenario.

## 2.2 Management system

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

## 2.3 Resource consumption

Suppliers shall develop policies or measures to optimize the consumption of available resources in their supply chain processes.

## 2.4 Waste disposal

Prior to discharge, disposal, or release, Suppliers shall manage and separate hazardous waste appropriately.

# 3. Human rights

Suppliers are expected to treat their employees equally, with respect and dignity, in accordance with International Labour Organization (ILO) standards and applicable labour laws.

## 3.1 Child and compulsory labour

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

### 3.2 Equality

Suppliers shall treat their employees equally regardless of their physical or mental differences, such as, gender, nationality, race, belief, disability or any other means.

### 3.3 Human capital development

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

### 3.4 Layoffs practice

Suppliers' layoff measures shall be in line with applicable laws and regulations, and compensation shall be paid fairly to their employees in accordance with applicable labour laws.

### 3.5 Wages and benefits

Suppliers shall ensure that wages and benefits, including compensations and remunerations, are provided to their employees in accordance with applicable labour laws.

### 3.6 Working hours

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

#### **4. Occupational health and safety**

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

##### **4.1 Working conditions**

Suppliers 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 shall also develop mitigation plans for emergency situations to reduce potential losses and casualties, and shall strictly comply with applicable laws and regulations.

##### **4.2 Occupational injuries and illnesses**

Suppliers 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.

#### **5. The Code of Practice enforcement**

The Code of Practice is in addition to any related documents and/or any other agreements which Suppliers have entered into with ThaiBev. In the event of discrepancy between the Code of Practice and such documents and/or agreements, such documents and/or agreements shall prevail.