

Sri Trang Agro-Industry Public Company Limited

Anti-Corruption Practice

Introduction

Sri Trang Agro-Industry Plc. (the “Company”), a registered company under supervision of the Stock Exchange of Thailand and the Securities and Exchange Commission, has strictly and continuously adhered to business principles with emphasis on integrity, transparency and fairness. To conform with those principles, the Company is expected to participate in Collective Action Coalition Against Corruption (CAC) in order to promote collaborations with other organizations in a private sector by means of preventing and resolving corruption problems in all aspects of business. Such collaborations will definitely be inductive to the achievement of the common goal of attaining a fair business competition environment and this Anti-Corruption Policy Guideline (this “Guideline”) for which the Company’s Personnel are required to strictly comport is therefore prepared. This Guideline is purported to be supplemental to the Company’s Announcement No. 13/2559 Re: Request for Employees’ Cooperation on Fraudulent Act Preventions dated 28 November 2016 currently in effect.

1. Definition

As used in this Guideline, the following terms shall have the meanings set forth below:

“**Company**” refers to Sri Trang Agro-Industry Plc.

“**Company’s Personnel**” refers to Directors and employees of the Company and the Company’s affiliates.

“**Related Person(s)**” refers to a person or juristic person related to the Company or its affiliates in terms of business relationships such as business partners, partnerships, contractors, agents, brokers etc.

“**Employee**” refers to employees of Sri Trang Agro-Industry Plc.

“**Affiliate**” refers a subsidiary company of Sri Trang Agro-Industry Plc.

“**Corruption**” refers to a form of fraudulent acts relating to abuse of powers or opportunities associated with a job position being used as a tool or facilitator in order to gain benefits in return (bribe) irrespective of forms or recipients or a manner of receipt (directly receiving or

receiving through an intermediary), that inflicts damage (including but not limited to damage on properties, finance, business, management, and business reputation) upon the Company and/or its Affiliates.

“**Gift**” refers to money, properties or any other forms of benefits given to someone as an expression of friendship, goodwill or affection, to offset misfortune, or reward on various occasions, or for reciprocity regardless of a form of returning a favor.

“**Reception Costs**” refers to costs for provision of meals, drinks, places and services in the reception (as described in Clause 5.1) as well as other costs related to or deemed as part of the meals and receptions such as music bands, entertainers etc.

2. Vital Role of the Guideline Relating to Corporate Culture

The Company’s policy on business conducts emphatically focuses on transparency and fairness, and combating corruptions in any shape or form, both inside and outside the organization, in conformity with the principles of laws, morals, and good corporate governance. To effectuate this Guideline when put into practice, the Company has used communication channels within the organization to educate the Company’s Personnel and the Related Persons, as well as to raise awareness on this matter considered a vital part in cultivating corporate culture that categorically opposes all aspects of corruptions. Such corporate culture will serve as a robust foundation crucial to sustainable business organization developments going forward. *-English Version*

3. How to Combat and Prevent Corrupt Practices

- 3.1 The Company’s Personnel and the Related Persons shall strictly adhere to and comply with this Guideline.
- 3.2 The Company’s Personnel and the Related Persons shall report a corrupt practice or a suspected corrupt practice pursuant to Clause 6.1 to the Fraud Control and Prevention Committee or the Company Secretary. The employee who files such report or makes a tip-off will be protected by the Company as described in Clause 6.3 and 6.4.

3.3 An employee who engages in a corrupt practice shall be subject to disciplinary action and possibly a legal sanction if such practice is also in violation of the law as expressed in Clause 6.6.2.1.

4. Audit and Supervisory Bodies

4.1 The Board of Directors – to determine policies and supervise the applicability and enforcement of the policies to ensure that they are in conformance with the established objectives.

4.2 Audit Committee - to provide oversight of the financial and accounting reports, the internal control process, the internal audit process, as well as to supervise the implementation and compliance hereof.

4.3 Executive Committee – to determine the guideline on the anti-corruption practice and to streamline the applicable systems and measures in order to keep them up-to-date with the ever-changing business environment as well as laws and regulations.

4.4 Risk Management Committee – to perform risk assessment related to corruptions and to reassess the anti-corruption measures, and to report the result thereof and make recommendation to the Board of Directors accordingly.

4.5 Internal Audit – to perform oversight on the internal control system and to audit compliance with this Guideline and the anti-corruption policy and report the result thereof with recommendation to the Audit Committee.

5. Anti-Corruption Guideline (on Certain Corporate Practices)

5.1 Gift and Reception Costs

Please see the definitions of Gift and Reception Costs in Clause 1.

Guideline

The employee may give/receive a gift, or hold/attend a reception with the Company's business allies (collectively "the Activities") strictly under the following conditions:

- (i) The Activities being conducted to conform with social etiquettes or well-established traditions in conducting business with no intention to gain business advantage, benefit, or a favor in return;
- (ii) In case of giving/receiving a gift, it shall be openly conducted on behalf of the Company only – not as an individual;
- (iii) The gift of cash or cash equivalent (e.g. gift voucher, cash coupon) is prohibited. Also, the gifts in kind will be allowed only if its value does not exceed Baht 3,000.
- (iv) The activities will first be approved in accordance with the Company's approval process;
- (v) If the gift value exceeds Baht 3,000 and the receiving employee could not find an appropriate excuse not to accept the gift, he/she shall inform his/her direct supervisor without delay by submission of the Gift Receiving Form (Attachment 1), and forward the received gift to the Human Resource Department (whether or not the value of the gift exceeding Baht 3,000) to be utilized as (a) a gift to be given as a reward to the other employees in the Company-held traditional parties, or (b) a donation to a charity, as deemed appropriate.

5.2 Charitable Donations or Supports to Other Organizations

Any money or item donation for a charitable purpose or to support other organizations (either public or private) shall be transparently and legally conducted in accordance with the Company's regulations and processes.

5.3 Other Unspecified Practices

In addition to those described in Clause 5.1 and 5.2, the employee who is aware of any corrupt practice in a different shape or form is also required to seek advice from the Human Resource Department as to suitable steps to be taken further.

6. Corruption Inspection Measures

6.1 Informant

The Company's Personnel or the Related Person may report or inform the Company when he/she is aware of any suspected corrupt practice or any violation of a policy, guideline, rule, regulation, law, good corporate governance, business ethics, or any other criteria of the Company, in relation to the investigation and prevention of frauds and corruptions, through channels stipulated in Clause 6.2.

6.2 Reporting Channels

- 1st Channel: Postal Mail By mail to the following recipient and address:
The Company Secretary
Sri Trang Agro-Industry Plc.
Park Ventures Ecoplex (17th Floor, Unit No.1701,1707-12)
No. 57 Wireless Road, Lumpini, Pathumwan Bangkok 10330
- 2nd Channel: Telephone The Company Secretary, Telephone No. (02) 207-4590
- 3rd Channel: Email The Company Secretary – corporatesecretary@sritranggroup.com
- 4th Channel: Email The Fraud Control and Prevention Committee
atcc@sritranggroup.com)

6.3 Confidentiality

To protect the informants who act in good faith pursuant to Clause 6.1, all reported frauds and corrupt practices will be treated on a confidential and anonymous basis.

“In good faith” pursuant to this Clause 6.3 and Clause 6.4 refers to an instance whereby the informant honestly believes that the information is true and it is reported or informed without malice to harm, defame, or tarnish the accused person's reputation or work record.

6.4 Whistleblower Protections

The informant who acts in good faith pursuant to Clause 6.1 or the Employees or the employees of the Company's subsidiaries who comply with this Guideline, will be protected and safeguarded with regard to their career paths and job securities even if the Company or its subsidiaries might suffer or lose its business opportunity as a result thereof.

6.5 Concerning Parties

- (a) The informants pursuant to Clause 6.1.
- (b) The in-charge unit tasked with duties to investigate, examine evidences, contemplate and submit an investigation report to the Fraud Control and Prevention Committee, and carry out its other duties under Clause 6.6.2.1 and Clause 6.6.2.2.
- (c) The Coordinator (the Company Secretary) to whom the informants will report, and performing other duties including coordinating with other relevant units, collecting information in relation to the reporting and implementation thereon and the investigation result. In the event the reporting is made through the 4th channel under Clause 6.2, a copy of the report will always be sent to the Company Secretary.
- (d) Case supervisor, that is, a supervisor of the accused person.
- (e) The Fraud Control and Prevention Committee to whom the informants will report, and supporting the investigation of the in-charge unit.
- (f) Disciplinarian, that is, the Human Resource Department, tasked with duties to jointly supervisor the case with the supervisor of the accused person.
- (g) Chief Executive Officer (CEO) who is the highest-ranking officer of Sri Trang group.

6.6 Procedures

6.6.1 Response and Progress Notification

When the suspected practice or violation being reported, the coordinator will prepare a report in which relevant facts and information are contained such as an informant's name, a reporting date, persons or circumstances involved, and any other related facts as well as determining the date to notify the person who filed the report of any progress made. The reported practice or violation will be investigated within 7 days which will be reduced to 3 days if it is likely to inflict serious damage upon the Company's reputation.

6.6.2 Investigation

6.6.2.1 Upon preliminary investigation, if the in-charge team has concluded that such reported practice or violation is proved to be true, the following actions will be taken:

- (a) disciplinary action against the accused employee in accordance with the Company's work rules and regulations; and/or
- (b) legal action against the employee if his/her wrongdoing is also in violation of the law and causes damage to the Company.

After actions in (a) and/or (b) were taken, the Coordinator will report the investigation outcome, disciplinary action, legal action, and/or other related actions taken, to the CEO (through a normal chain of command) who will make a decision on a case by case basis.

6.6.2.2 Upon preliminary investigation, if the in-charge team has concluded that such reported practice or violation is proved to be untrue, the following actions will be taken: *-English Version*

- (a) The Case Supervisor will notify his/her immediate supervisor, recommending termination of the investigation; and
- (b) The Case Supervisor will provide a copy of the conclusive report to the Coordinator for acknowledgment.

6.6.2.3 Notwithstanding the provision in Clause 6.6.2.2, the Company may resume investigation on the reported practice or violation at any time upon emergence of evidences to potentially substantiate its merits. In so doing, the Company may appoint a special investigation committee to re-investigate the same during which Clause 6.6.2.1 or Clause 6.6.2.2 shall be applied accordingly.

6.6.3 Notification of Outcome and Reporting

After complete implementation under Clause 6.6.2.1 or Clause 6.6.2.2, the Coordinator will notify the informant of the investigation outcome and prepare the complaint report to be submitted to the Audit Committee on a quarterly basis together with a summary thereof to be attached to the Good Corporate Governance Report of the Company.

Anyone filing a false report or making a false tip-off which is later proved to be made in bad faith (as defined in Clause 6.3) shall be subject to disciplinary action in accordance with the Company's Work Rules, and legal action if the Company is damaged as a result thereof.

7. Workplace Discipline

As part of the Company's workplace discipline, any employee who is in violation of or not in compliance with this Guideline shall be subject to disciplinary action in accordance with the Company's Work Rules. *-English Version*

8. Personnel Management

This Guideline and the anti-corruption policy is part of the criteria on personnel management including staff recruitments, trainings, performance evaluations, remunerations, promotions, and employment terminations. Thus, the supervisors of all levels must communicate and inform the employees under their supervision to adequately and efficiently understand and comply with this Guideline.

9. Trainings and Communications

- 9.1 The Company will providing training on the anti-corruption policy and guideline during a new employee orientation together with successive trainings provided to the Company' s personnel to enhance their knowledge and understanding on the matters which will be properly put into practice.
- 9.2 The Company's Personnel will be notified of this Guideline via the Company's website and Intranet. This Guideline may be amended from time to time as deemed appropriate by the Company in respect of which will be notified to the employees accordingly.
- 9.3 The Company will notify the Related Persons of the anti-corruption policy and this Guideline for their strict compliance.

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