



Policy on Corporate Governance

The Company realized on the importance of good governance for benefiting the management effectively and increasing the reliability to shareholders, clients, partners, creditors and employees. The Company has established the management policy and corporate governance system for operating the company to achieve its objectives and goals in the business way to stand for corporate governance policy, have responsibility to all stakeholders including social and the country for common interest. It could be categorized as follows:

- 1st Category: Business Code of Conduct
- 2nd Category: Directors, Executives and Employee's Ethics
- 3rd Category: Code of Conducts for Directors, Executives and Employees
- 4th Category: Rights of Shareholders and Equitable Treatment of Shareholders
- 5th Category: Internal Control Policy
- 6th Category: Disclosure and Transparency Policy
- 7th Category: Environmental, Occupational Health and Safety Policy
- 8th Category: Anti-Corruption Policy

1st Category: Business Code of Conduct

1. Disclosure and Transparency

The management, accounting record and financial reported must be done correctly according to the law, equity rules and international standard. And also the information must be disclosed correctly, transparently and presently for reliability of investors, shareholders and related creditors.

2. Commitment to Business Integrity

Shareholders, employees, clients, competitors, partners and creditors must be treated fairly and correctly according to the law and enhanced the cooperation between related parties for operating the corporate business consistently and providing the benefits to all related parties fairly.

3. Risk Management

The company has established risk management policy relating to the efficiency, effectiveness and accuracy of financial reports, corruption risk management and compliance with laws, rules, regulations and orders in alignment with the good internal control practices by analyzing the risk of business transaction and determining the level of risk and control measures for minimizing the risk to the lowest level.

4. Best Practice

To promote best practice to all personnel and divisions for improving self performance and development and being the best always.

5. Corporate Social Responsibility

Do the business by considering the duties and responsibilities relating public benefits and environment for developing well being of Thai society.

6. Ethics and Integrity

Ethics and integrity are fundamental to good governance. The Company needs to promote ethical and integrity practice to directors, management and employees at every level. The business cannot be sustainable if it is not built on good, integrity and ethical values.

7. Anti-Corruption

The company supports anti-corruption by establishing its policy to all board of directors, management team and all staff in every level as well as communicating to all related parties including subsidiaries and other companies that the company has the power to control, acknowledge and conform to the company policy and legal requirement.

2nd Category: Directors, Executives and Employee's Ethics

The Company has built the integrity and ethical practice to directors, management and employees as follows:

1. Best Practice of the Company

1.1 Act with integrity, honesty and transparency by considering the highest benefits of the Company and related persons.

1.2 Perform duties with diligence, skill and care. Foresee problems and find their resolutions. Maintain working standard constantly.

1.3 Follow the rules, regulation and orders strictly according to the standard and code of conduct established by the Company.

1.4 Not engage in outside business activities or invest to compete or appear to compete with the Company's business.

1.5 Not engage in any other business activities, personal business or others that are not the Company's business activities during working hours. Be careful and avoid personal business or any other activities that may conflict or damage reputation of the Company.

1.6 Not use job or information of the Company or of stakeholders for seeking personal, family or others' beneficial interests directly or indirectly.

1.7 Must protect and not disclose confidential information of the Company, stakeholders unless it is required to do so as on duty and responsibility or to comply with judicial proceeding, by law or court order or legal process or to authorized officials according to the law.

2. Best Practice for Customers, Partners and Creditors

2.1 Must not accept or offer gifts or presents from customers, partners, contractors, vendors, service providers or government officials.

2.2 If employee accepts gift of more than nominal value, given on traditional occasions, employee must inform supervisor.

2.3 Accepting to do any task for any business activities by receiving payment directly or indirectly, employee must report to supervisor about the relationship.

2.4 Accepting or entertaining customers, partners, contractors, vendors or service providers must only be done for benefiting the Company business deal. Entertaining must not cause damages to reputation of the Company and its stakeholders.

2.5 The company has regulations regarding accepting/giving gifts which shall apply to clients, parties, creditors and related persons who relevant to the company.

3. Best Practice for Employees

3.1 Must obey and follow the supervisor's lawful orders and must not interfere with authority in management. Achieve accomplishments, improve creative thinking for assigned tasks, develop a positive attitude to supervisors and be adaptive to be able to work with supervisor.

3.2 Keep learning for self-development and improve work efficiency.

3.3 Be a good subordinate and respectful. Is consistent and fair with all subordinates. Promote subordinates and enhance their progress. Be a good listener and help consider, analyze and solve problems.

4. Best Practice for Society

4.1 Support social activities with no affect or damage to the reputation or interest of the Company or no conflict to work duties.

4.2 Use political right according to the law and avoid actions that can cause misunderstanding that the Company involved in any political parties.

3rd Category: Code of Conducts for Directors, Executives and Employees

Directors Code of Conducts

1. Setting Company Goals

Establish the Company's vision, mission, objectives, policy and strategies for long-term value added to beneficiaries. Execute to manage risks affecting on achieving objectives and goals with system and suitable pattern to the organization according to generally accepted work instructions.

2. Good Governance

Promote the good governance and moral rules according to international system. Build a good relationship to beneficiaries and society. Create reliability and confidence to related persons both in society and country level. Manage the company's operations to ensure all activities are conducted in accordance with rules, regulations and relevant laws as well as ensure that information relevant to the Company is disclosed correctly, accurately, on a timely basis and transparently.

3. Maintain Moral and Ethical Conduct

Operate the Company's business by moral and ethical principles and promote moral and ethical conduct at all levels of organization including inspect and resolve conflict of interest that may arise in the organization.

4. Duties and Responsibilities

Act honestly with fairness and integrity in all business activities for the highest benefit of shareholders and related persons in overall.

5. Company's Assets

The Company's Assets should be inspected to ensure their efficient use and protected from any damages or improper uses. All Company's assets should be used for legitimate business purpose.

6. Monitoring and Evaluation

Review and approve major strategies and policies including objectives, financial goals and plans as well as regularly monitor and evaluate implementations according to the plan.

Employee Code of Conduct

1. Duties and Responsibilities

Employees should perform their duties with integrity, honesty and care for all business activities. Should improve quality and efficiency including develop the organization for the best practice and not slander directors or other employees without true information.

2. Comply with Laws, Rules and Regulations

Employees should comply with laws, rules, regulations and related principles. Employees should not help, support or do any thing that may lead to avoidance in complying with laws or regulations.

3. Report and Financial Statement

Accounting record and financial statement should be reported correctly and truly and according to the rules and regulations of the Company. Information relevant to the Company should be disclosed correctly, accurately, on a timely basis and transparently to related persons.

4. Getting Benefits from Persons Engaging the Company's Business

Employees should not request for, accept or agree to accept money or any other benefits from customers, partners, contractors, vendors, product and service providers or any other persons engaging the Company business. Employees should not give special favor or have close relationship with any customer that lead to another misunderstanding and appeared that they are not being treated fairly and caused them not wanting to deal with the Company and damage the Company's image and reputation.

5. Information Confidentiality

Employees should not intentionally or unintentionally disclose information, documents, technologies, technical know how, rights, copyrights, patents and inventions are considered as the company confidential information to other persons, it may result in damages to business competition, images or reputation of the company.

6. Company's Assets

Employees have duties and responsibilities to use the Company's Assets efficiently. The Company's Assets should be protected from any damages or improper uses and they should be used for legitimate business purpose only.

7. Entertainment and Gifts

Employees must not offer or accept gifts, presents or entertainment from customers, partners, contractors, vendors, service providers or government officials. If employee accepts gift, given on traditional occasions, of more than nominal value, employees must inform supervisor.

8. Conflicts of Interest

Employees should not perform any activities that can create a conflict of interest to the Company's business e. g. acts or activities may cause the Company to lose or get less benefits or the Company's benefits are shared.

8.1 Competition with the Company

Employees should not involve or invest in activities that are competition with or may compete with the Company's Business.

8.2 Seek for the Company Benefits from Personal Activities

All employees should disclose their personal, family, relative or dependent's business or activities. If there is any interest that may affect the Company's business or cause the conflict of interest such as

8.2.1 Invest or share benefits with traders dealing with the Company

8.2.2 Is employed in any job title or as a consultant of trader who dealing with the Company or its customer.

8.2.3 Directly or indirectly supply products or provide service to the Company and its affiliated companies or through others.

8.3 Use Company Information for Personal Advantage

Employees shall not seek for personal or other benefits from confidential information of the Company or its affiliated companies such as the Company plan, revenue, resolution, business projection, inventions or research results, bidding information whether these information can cause damage to the Company or not.

9. Maintain the Company's Reputation

Employees should avoid any acts that may affect the Company's reputation or cause troubles to the company. Employees should maintain their honor and be accepted in society.

4th Category: Rights of Shareholders and Equitable Treatment of Stakeholders

Rights of Shareholders

- 1) Board of directors should take care and encourage shareholders to exercise their basic rights to:
 - Participate and vote in the shareholder meetings to make decisions on any of significant corporate changes and approval of transactions.
 - Elect or remove members of the board and appoint the independent external auditor.
 - Share in the profit of the company.
 - Buy, sell or transfer shares, obtain relevant and adequate information on the company in a timely manner and on a regular basis, and make decisions on any transactions that affect the company and themselves.
- 2) Shareholders should be invited for the meeting and sufficient information regarding venue, time and issues to be decided in each agenda item should be provided in advance of the meeting and the company should arrange sufficient and suitable meeting venue and time for the most members to participate in the meeting.
- 3) Under the Company's laws and regulation, Shareholders should be allowed to propose an agenda item, ask questions, ask for explanation and express their opinions.
- 4) The chairman of the meeting should participate the shareholder's meeting for answering questions or allow management or other related directors to answer the questions.
- 5) After the shareholder's meeting, relevant information regarding the decision and voting result should be provided to shareholders.

Equitable Treatment of Shareholders

- 1) Shareholders have the right to vote according to number of shares they hold and information regarding the company should be provided equally.
- 2) Shareholders should obtain relevant and adequate information on the company in a timely manner an equal way. The company should not be bias to any one or group of shareholders by providing them non-disclosure information.
- 3) Shareholders will be treated fairly and equally in the meeting.

Stakeholders will be treated fairly

The company respects the rights of stakeholders and has set a clear policy in corporate governance for ensuring that stakeholders include shareholders, employees, executives, customers, partners, creditors as well as public and society will be treated fairly according to their legal rights. The cooperation between stakeholders should be enhanced according to their roles and duties, securing the company business activities and benefiting all stakeholders fairly.

Treatment of Shareholders

The company is willful to be a good representative of shareholders to operate the business activities and provide the most satisfaction by considering long-term growth of the company including disclose the company information transparently and reliably to shareholders.

Treatment of Employees

Employees are the most valuable resource and a key to the success of the company business. The company, therefore, creates a good work culture and environment as well as enhances teamwork, treats to employees gently and respects each individual's right to privacy. Employment, appointment and transfer of employees will be considered, based on ethical conduct and human resource will be utilized to gain the most benefit for the company.

The company will treat employees equally and fairly without regard to gender, race, nationality, religion and creed.

The company has a responsibility to create a good work environment and safety for life and assets of employees and persists to follow labor law strictly.

The company shall provide safeguard and protect staff who informs corruption cases occurring in the organization by keeping it confidential, no punishing or firing that staff from the organization according to the Whistle Blowing and Protection policy for appellant.

Treatment of Customers

The company is willful to provide the satisfactory and reliable service to customers with quality rooms, foods and beverages at reasonable price as well as maintain a good relationship. The company, therefore, establish a code of conduct as follows:

- Quality rooms, food and beverage service: The Company is willful to raise the standard to a higher position continuously and disclose information regarding the location and service completely, correctly and accurately.

- Customers' Confidential Information: Directors, Executives and Employees at every level should not disclose customers' confidential information without prior permission of customers or authorized person of the company unless the information need to be disclosed to third parties pursuant to a court order according to the law.

Treatment of Competitors

The company promotes and enhances a free and fair trade competition policy, not monopolize the trade or require traders to specifically supply goods for the company only and no policy to obtain the competitors' information illegally and unethically.

Treatment of Partners

Dealing with business partners should not cause the damage of the company's reputation or conflict of the relevant laws. Equality and mutual benefits should be considered and Business partners should be selected fairly. By the way, the Company considered that partners are an important factor to create value and reliability for customers.

The Policy of the Company is not to conduct business with parties who are involved in corrupt activities.

Treatment of Creditors

The Company adheres to the contract and complies with the terms and conditions of creditors strictly for paying off capital, interest and secures the guarantee.

5th Category: Internal Control Policy

1. Corporate Organization Chart

Internal audit is a necessary and important process for the corporate organization because it is an internal control that helps executives to ensure that the internal control is performed continually and properly and it helps to search the faults, weakness for developing the existing operating system to be more efficiently. The company, therefore, establish an internal control unit as a department of the company.

2. Control Environment

To support and promote a good internal control environment as follows:

2.1 Establish policies, goals and business directions clearly and measurably and propose to Board of Directors for Approval of employee's code of conduct.

2.2 Set up a code of business ethics by evaluating business ethics of the company including good practice for directors, executives and employees for setting up a code of conduct and informing entrepreneurs, who deal with the company regarding the company policy periodically as well as informing employees to perform their duties with integrity, ethics and morality without conflict with the code of business of the company. Announce in writing to directors, executives and employees that performances that may constitute the conflict of interest of the business are prohibited.

2.3 Create a proper corporate organizational structure and the line structure is defined by its clear chain of command, relationship between divisions in the organization and lines of authority for all levels of management. These help executives operate the business efficiently.

2.4 Has a regulation regarding room, food and beverage service, financial and accounting, human resource management and hotel and restaurant accessories procurement as practice guidelines to be used by employees to comply with the Company's regulation.

2.5 Define job description, tasks, duties, knowledge, abilities and skills of position. And provide suitable authorities and responsibilities for each job title.

2.6 Has the human resource management on recruiting the right person for the right position, developing and training personnel, promoting to a higher job position, increasing salary level including analyzing incentives or benefits to employees that whether it is reasonable.

3. Control Activities

3.1 Duties and Responsibilities are defined into 3 categories:

- 1) To approve
- 2) Record accounting items and communication information and
- 3) Maintain and collect assets separately for being audited each others.

3.2 For each type of transaction, the Company has defined the authorized persons in written for financial amount approval.

3.3 Documentation and evidences has been conducted for facilitating and sharing responsibilities including informing responsible person in case there is anything wrong.

3.4 Protect business assets from loss and improper use such as check and count assets occasionally, security guard is arranged to protect and prevent loss of assets etc.

4. Monitoring and Evaluation System

4.1 To conduct the report for comparison of the actual operation result of existing and last year and to revise it regularly

4.2 Internal audit is conducted by skilful person with knowledge and abilities and to propose the internal audit report to Board of Directors

4.3 Major defects of internal control found by internal auditor or independent accounting auditor have been reported to a high level of executives and Board of Directors to consider and revise without hesitation

4.4 Has a policy to executives that if there is any case of corruption, suspected corruption, law violation and any other abnormal acts that might significantly affect to the Company's fame and financial statement, they shall report to Board of Directors immediately.

5. Communication and Information System

5.1 Continuously support development of communication and information system

5.2 Record directors' opinion and file document into categories

5.3 Important information is collected sufficiently for making decision

5.4 Board of Directors receives letters and meeting document containing adequate information for considering the minutes of board of directors' meeting

5.5 Accounting Report is conducted according to accounting policy under the general accounting principle and suitable with the business type of the Company

6. Significant Risks Affecting Achievement of Business Operation Objectives

The business risk from internal and external factors has been managed properly. Executives and related employees have cooperated to set the risk evaluation and analysis system affecting business operations and find protection measure regularly. There is a follow up and investigation measures causing risk factors and performed according to the risk management measures as defined for minimizing risk to be at suitable level. Related employees have performed according to the risk management plan.

6th Category: Disclosure and Transparency

1. Director has the duty to conduct financial statement for reporting the financial status and operational result of the Company as specified by law and disclose adequate, reliable, and up to date information to stakeholders of the Company equally.

2. The Company develops important information carefully, apparently and transparently and it has been disclosed regularly.

3. Board of directors shall conduct a descriptive report to be supplemented with the Annual Report for explaining important and complicated matters and elucidating important policy of the Company relating operational risk management and also financial increase.

4. Board of directors shall make additional disclosure in the Annual Report regarding number of meeting attendance of each director and/or sub-director/subcommittee to compare with number of director/subcommittee meeting arranged each year.

5. There is an agency/a department to provide information and communication to shareholders, investors as well as securities analyst.

6. The Company has regularly disclosed the information as follows:

- Objectives of the Company
- Financial statement and report from the chairman of audit committee
- Operational result of the Company and analysis
- Shareholding structure and management
- Risk Factors
- Corporate governance policy, etc.

7th Category: Environmental, Occupational Health and Safety Policy

Environmental Policy

Regarding the environment, the Company recognizes that the environment relates to the balance and living together among humans, animals and trees. Protecting the environment is therefore, the Company's responsibility to the society and a duty of all employees with the following objectives:

- To protect from pollution
- To control air condition, wastewater and waste material from the operation to be better than the standard required by law
- To use the resource economically
- To comply with the existing and future applicable law
- To improve the environmental quality continuously

Occupational Health and Safety Policy

The Company recognizes that the occupational health and safety management system is a part of the business which is important. It is the direct responsibility of all executives and employees to ensure that the operations are in accordance with the occupational health and safety plan and comply with The Thai law and international standard and to improve the prevention of hazards that might affect to employees, clients and related persons continuously according to the objectives set up from risk assessment as follows:

- To prevent accidents caused by fire and explosion.
- To prevent chemical hazards
- To prevent injuries caused by mechanical works
- To prevent dangers from electrical works

In order that, executives shall inform all employees about objectives, provide adequate and sufficient resources for achieving defined objectives and goal, set up proper training for employees at every level to be able to perform their duties and responsibilities as well as review management policy, execute the audit periodically and support employees to share their opinions.

8th Category: Anti-Corruption Policy

The Company realized that bribery, dishonesty and corruption can damage the organization as well as the economic and social development of the country. The Company, therefore, has established the Anti-Corruption Policy and places its guidelines as follows:

1. The Board of Directors, the Management Team and the Company staff in every level must follow with Anti-Corruption Policy, good corporate governance practices and Code of Conduct of the Company by avoiding involving with any course of corruption. The Board of Directors, the Management Team and the Company staff in every level are prohibited from operating or accepting every type of corruption both in direct or indirect manner for benefiting him/herself, family members, friends and acquaintances.

2. All staff shall not be negligent in any corruption conditions involved with the Company. All staff must notify such act to supervisor, human resource manager, managing director, internal auditor, or audit committee including collaborate with investigation. Any questions or queries are needed to be consulted by supervisor, human resource manager, managing director, internal auditor, or audit committee.

3. The Company shall provide fairness and safeguard staff who denies or informs corruption cases relating the Company.

4. In every business transaction dealing with both public and private sectors, it must be processed correctly, transparently and properly. Avoid any act persuading public or private sector employees to do it improperly or illegally by proceeding in accordance with Thai law.

5. The Policy of the Company is not to conduct business with parties who are involved in corrupt activities.

6. Any person who commits the corruption is equivalent to misconduct and must be disciplined and punished according to the law.

7. The Company will provide knowledge sharing and dissemination of this Anti-Corruption Policy to all staff and other people through the Company website at www.asiahotel.co.th

Audit Committee

The Company realizes the importance of the Good Corporate Governance. The Company operates the business according to legislation with transparency and honesty to its shareholders, partners and clients. Audit Committee is to assist the Board of Directors to promote the Good Corporate Governance to ensure that the Company's operations are in accordance with the regulation and performances are according to practical ethics, remain the effective internal control without any conflict of interests and corruptions. The Board of Directors, therefore, set up the Audit Committee Charter in writing and appoints the audit committee with the following qualifications:

Qualifications of Audit Committee

1. Must not be holding shares exceeding one per cent (including shares held by persons related to audit committee members) of the paid-up capital of the company, affiliated companies and associated companies.
2. Must be, directly or indirectly, independent, free of any financial and management of the company, affiliated companies or major shareholders of the company as well as free of other interest, gain and loss during the last 2 years before appointing as a member of audit committee unless the board of directors has carefully considered that the interest or gain and loss would not affect duties and freely express opinions of audit committee.
3. Must not be a director appointed as a representative for protecting interests of Board of Directors, major shareholders or shareholders who related to major shareholders of the Company.
4. Must not be a person who participated in management, an employee or an advisor who receive a regular salary from the Company, affiliated companies, related companies or major shareholders of the Company.
5. Must not be a related person or close relative to executives or major shareholders of the Company.
6. Must be able to perform the duties and independently express the opinion or report the operating result according to duties assigned by Board of Directors by without under the control of executives or major shareholders of the Company as well as related persons or close relatives.