



Code of Business Ethics

Message from Board of Directors

Board of Directors has established "Code of Business Ethics" handbook which has brainstormed by various departments in order to set up a guideline in business operations and good practices in work performance for Directors, Managements and all Employees and its Subsidiaries to adhere as a guideline in operations with honesty and integrity including treatment to the stakeholders i.e. shareholders, customers, trade partner/creditors, competitors, employees, government, community/society and environment for the stability and sustainable growth of organization.

This "Code of Business Ethics" handbook is part of Company's Corporate Governance Policy. All Company's and Subsidiaries' employees should study and understand the rules of this handbook especially the part which related directly to the operations in all cases as a basis of work performance and employees should perform their duties with integrity for Company's benefits.

On behalf of Board of Directors

Rich Asia Steel Public Company Limited

General



(Watanachai Chaimuanwong)

Chairman

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Definition

Code of Business Ethics	means Guidelines in business operations and good practices in work performance.
Company	means Rich Asia Steel Public Company Limited
Subsidiaries	means Thai National Product Company Limited and Siam Ferro Industry Company Limited
Board of Directors	means Company's Board of Directors
Employees	means Permanent employee, temporary employee and special contract employee
Conflict of interest	means Any activity that may have personal preferences, or of the connected person, whether by blood, or any other that have influence on decision making, or may be hindered, or impede the greatest benefits.
Thing or other benefits	means Money, assets, things or gratuity that give in order to reward.
Bribe	means Money, gifts, rewards or any other benefits to the person incentive to act or not act in any way dishonest, illegal or unethical business.
Counterparty	means Persons who have the right, duty and responsibility to be bound by appear in the contract made with the company.
Customary practice	means Festivals or important dates or activities of people in society has treated continuously and important to society.
Stakeholder	means Shareholders, customers, trade partners/creditors, competitors, employees, government, community/society and environment

Code of Business Ethics

The Company's Board of Directors has formulated the following guidelines and practice:

1. Conflict of interest policy

Policies to run the Company's business are instituted in the best interests of the Company, with the Board members, the management, and the employees being always aware of whether their personal interests are in conflict with those of the Company. Thus, the guidelines below are put in place for them to follow:

1.1 Perform duty with integrity, without abuse of his/her position or making use of opportunities found at work to seek benefits for oneself, or for such related persons as family members, relatives, friends, or trade partners.

1.2 Refrain from investment, undertaking, or taking benefit in any form that may negatively affect the integrity or reputation of the Company or the employee.

1.3 Not engage in other employment, nor do other business or own business that may affect performance of duty and the Company's interests, especially undertaking, nor get involved in the business in competition with the Company's business, whether benefit from which is direct or indirect.

1.4 Inform the Company of personal business or family business that is of the same nature as or is related to the business of the Company.

1.5 Employee's directorship and/or advisory role in other company shall not directly conflict with the interests and/or the performance of duty of the employee, and shall be subject to approval from the Company.

1.6 In case where there is any transaction that may cause conflict of interest or any other connected transaction, the Company shall consider prudently before making each transaction with due regard for the Company's benefits, and any Board member or executive who has interests in which shall not be entitled to vote thereon. The Company shall perform in compliance with the law, notifications, or criteria of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.

2. Securities trading and use of inside information policy

The Company has instituted a policy on securities trading and use of inside information not yet disclosed to the public for personal or others' benefits.

2.1 The Company has informed the Board members and the management of their duties to report their securities holding in the Company and that by spouse and underage children, to the Office of the Securities and Exchange Commission pursuant to Section 59 and penal provision pursuant to Section 275 of the Securities and Exchange Act, B.E. 2535 (1992), including the change in their securities holding in the Company and that by spouse and underage children, and to send a copy of the report to the Company on the same day as that of sending the report to the Office of the Securities and Exchange Commission.

2.2 The Board members, the management, and the employees are forbidden from using inside information not yet disclosed to the public and that of material respect in the way that may impact the Company's securities price for his/her own benefit; and from trading securities of the Company in the period of one month before the Company's financial statement or such inside information is disclosed to the public; as well as from disclosing material information to other persons.

The Company has imposed disciplinary penalty on the person seeking gains from using or disclosing inside information that may cause damage to the Company by penalizing that person as reasonable for the case, including verbal warning, written warning, probation, and termination of employment by way of dismissal, removal, or discharging, as the case may be.

3. Accountability for shareholders policy

The Company has a policy to conduct its business with honesty, fairness, and dedication for its business growth and in the best interests of the shareholders consistently and sustainably, with adherence to fair and equitable treatment of shareholders and adequate disclosure of information, and without conduct in the way that will cause conflict of interest with the Company.

4. Internal control and audit policy and financial reporting

4.1 Exhibit transparency in setting policy and performing work of the Company on the part in relation to external parties and that about rewarding or punishing judgment for internal persons.

4.2 Be responsible for decision making at both policy and operational levels in hierarchical order, and give cooperation in examining work performance of both internal work units and external parties.

4.3 Carry out work independently in a professional manner and without influence from any interest groups.

4.4 Observe integrity, causing no suspicion of any conduct in bad faith, or not being exposed to influence of or inducement by interest groups or persons with bad faith.

4.5 Exercise prudence in recording account and data without concealment or falsifying of any data, and not report any false transaction or transaction that may cause misunderstanding.

4.6 Ensure employees inform supervisors when any fraud that may cause damage has been found.

5. Treatment of customers policy

5.1 Deliver safely quality products with fair prices that can timely and consistently meet demand of customers and are of the standard proper for application by customers.

5.2 Make no distortion, cheating, nor misleading of the details on the products, and conduct survey of customers' satisfaction for use to improve service and develop products on a regular basis.

5.3 Give importance to and maintain confidential information of customers and use no information of customers for personal and others' benefits.

5.4 Set up a complaint dealing center where customers can complain about the products and service.

6. Treatment of trade partners and/or creditors policy

The Company has put in place a policy to treat trade partners and/or creditors equitably and fairly, giving them true and timely information, and strictly performing the contractual obligations in relation to the following:

6.1 Ensure standard and ethical offering of products and service under the following principles:

- There is competition among and selection of bidders on a fair and proper basis.
- Assessment and selection criteria of trade partners and contract counterparts are in place.
- Agreements prepared are appropriate and take no advantage of the counterparty.
- Monitoring and control system is in place to ensure full compliance with contractual conditions to prevent fraud in every stage of the selection process.

6.2 Provide service of professional standard and quality with honesty and fairness.

6.3 Maintain confidential information of trade partners and contract counterparts, and conduct no wrongful business with trade partners and contract counterparts.

6.4 Maintain fair business operation, making decision based on comparison of conditions, prices, quality and services, on a transparent and examinable basis.

6.5 Ensure development and maintaining of sustainable relationship with trade partners and contract counterparts with clear objectives regarding product and service quality that is worth the price, technical quality, and trust for each other.

6.6 Carry out business with trade partners and contract counterparts lawfully to ensure entitlement for protection under the laws in relation to consumer protection.

7. Treatment of competitors policy

7.1 Conduct business in competition with peers fairly, not attacking or slandering them, nor distorting information for the Company's own benefits without reasonable grounds.

7.2 Support fair competition in the products that are beneficial to consumers, not colluding with competitors on product quality and pricing, that may cause damage to the consumers.

7.3 Seek no confidential information of competitors in a dishonest way or in contradiction to code of ethics.

8. Treatment of employees policy

The Company recognizes the employees as a vital resource that will support and push for its achievement of targets. The Company thus has a policy to take care of the employees to ensure good quality of life, fair employment conditions, appropriate welfare, and career development opportunities. The following practice guidelines are in place:

8.1 Determine remuneration for employees of all levels at fair and appropriate rates, mainly giving importance to welfare, security, and advancement in career path of employees.

8.2 Make available tools and equipment, and prepare operational control and training procedure with due regard for security in life and property of employees.

8.3 Adhere strictly to laws, bylaws, and provisions in relation to employees, and aim to adopt international management standards in case of no laws, bylaws, and provisions applicable at present.

8.4 Appoint and rotate, as well as give reward and impose penalty to employees, in a fair and sincere way, and on the basis of their knowledge, competence and appropriateness.

8.5 Support, promote, and give importance to development of knowledge, competence and skills of employees, with opportunities opened for all levels organization-wide and on a regular basis.

8.6 Make available provident fund for employees to apply as members from which employees are guaranteed to receive welfare remuneration upon their termination of employment for whatever reason unless the termination results from conduct causing damage to the Company.

8.7 Allow employees who face work problems, whether regarding work conditions, employment conditions or work command, and cannot work out solutions by themselves, to file complaints through the channel, system and procedure in place.

8.8 Be open for comments and suggestions from employees of all levels fairly and equitably.

9. Policy on employees' conduct and their treatment of other employees

9.1 Perform duty with responsibility, determination, integrity, and transparency, without any malfeasance or abuse of duty or position to seek benefits for himself/herself or others.

9.2 Be punctual on working hours as set by the Company and develop time-conscious habit.

9.3 Respect the rights of other employees, and obey the work unit in charge of administration and management whose orders and suggestions are in a rightful way.

9.4 Employees who are supervisors shall conduct in a way that earns respect from subordinates, and subordinates shall not conduct in a way that shows disrespect for supervisors.

9.5 Be disciplined and conduct in compliance with rules, regulations, articles of association, notifications, and letters issued under the name of the Company, as well as adhere to the custom, tradition and culture of the organization, whether they are announced in writing or not.

9.6 Perform the cooperative duty of creating unity and harmony.

9.7 Perform duty with diligence to the full competence, and cooperate in assisting colleagues, even in the task not under responsibility.

9.8 Help keep the premises both inside the office and in factory area clean and in order according to the 5S principles, including clearing up, organizing, cleaning, standardizing, and discipline.

9.9 Have principles in place to create human relations and understanding among employees, such as each employee shall treat others in a way that he/she would like others to treat him/her.

9.10 Refrain from any conduct that may impair the reputation and image of the Company, or bring problems to the Company afterward.

10. Policy on maintaining and use of Company assets

Employee has the duty to maintain and use the Company assets as follows:

10.1 Be duty-bound to take care of machinery, tools, and equipment for operations in good condition and well-organized order as necessary or as appropriate for his/her duty; and to use the Company assets with prudence and responsibility to ensure they remain in good condition; as well as contact for repair of such assets, when damaged, even they not under his/her direct responsibility.

10.2 Use no tools, appliances, or assets of the Company for personal or others' benefits without permission.

10.3 Not destroy, make addition to, rectify, nor change the Company's notifications, signboards, documents, memoranda, reports, or evidences without right.

10.4 Cooperate in taking care of and preventing assets in the office or factory premises from loss or damage caused by any person or any disaster.

10.5 Not work for outside parties or any other organizations for gains and remuneration during office hours of the Company unless written permission is given by the Company or its authorized person.

10.6 Conduct in compliance with rules and regulations regarding use of tools, equipment and accessories in the computer system.

10.7 Not conduct in breach of regulations or orders of the Company in a way that may cause accident or damage to its assets.

11. Anti-corruption policy

The Company gives importance to anti corruption and taken bribe with the following guidelines put in place:

11.1 Employee, his/her family members, and friends have no direct or hidden beneficial interests with the Company, such as any conduct to sell goods and services to the Company or in competition with the Company.

11.2 Refrain from being entertained by parties with business relations with the Company or by others who may benefit from employee's performance of duty.

11.3 Demand or obtain no wrongful gains, either directly or indirectly, or any other gains in return for acquisition of business benefits; and make no use of gains from bribe or fraud in business operations.

12. Gift or other benefit policy

The Company has put in place the following best practice in giving or receiving gifts or other benefit:

12.1 In case where giving or receiving gifts or is in a manner of festive or customary practice, such gifts or other benefit should not be in a too high value, be illegal, impact decision in performing duty, and cause the Company to lose any business gains.

12.2 Employee shall not personally demand, obtain, or consent to receive money, thing, or other benefits from the customers, trade partners, or any other persons in relation to performing duty in the Company's name.

13. Intellectual property and copyright policy

13.1 Employee shall not disseminate confidential information of the Company, such as that generated from creativity, technical know-how relating to business operation, or tender offer prices in all cases, which is regarded as intellectual property of the Company, regardless of whether it is registered by law or not, unless written permission is given by the Company or its authorized person.

13.2 Employee shall not breach intellectual property right or any copyright, such as copy, reproduce, modify, or disseminate the works including computer software. Employee in breach of intellectual property right or any copyright shall be subject to disciplinary or legal charge.

13.3 Employee is duty-bound to report to his/her supervisor when finding any conduct that is right infringement or any conduct that may trigger intellectual property dispute.

14. Information technology (IT) and communication policy

14.1 The Company has a policy to strictly comply with laws and acts relating to computers.

14.2 Employee shall have the right to access information of the Company as required by his/her duty performance, and only on the part directly necessary for the task in charge.

14.3 Employee shall not intrude on others' privacy, and not disclose confidential information of the Company.

14.4 Employee shall not install or save any software in the computer system of the Company without prior permission.

14.5 The Company shall ensure its IT system is examinable, accurate, punctual, and updated.

14.6 The Company shall always survey and develop software to be applied to its work systems.

14.7 Employee shall avoid accessing illegal or unethical websites, and forward no information from which to other people.

15. Law and human right observance policy

15.1 The Company gives importance to respect for and adherence to relevant laws, rules, and regulations, with the following practice put in place:

15.1.1 Comply with laws, rules and regulations, and observe customary practice relevant to its business.

15.1.2 Comply with regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.

15.1.3 Comply with good corporate governance principles as prescribed by the Stock Exchange of Thailand.

15.1.4 Give no support to any conduct in breach of the laws and regulatory criteria.

15.1.5 Treat all persons without discrimination on the grounds of race, religion, gender, or status.

15.2 Exercise of social and political rights:

Employee has rights and freedom to participate in any social activity, with avoidance of any impropriety that violates the law or morality, or causes social disorder, and with maintaining of individual honor and dignity, as appropriate for the status in the society and community where the Company is situated, with the following guidelines to be observed:

15.2.1 Not engage in any conduct that may lead to understanding that the Company takes part in or gives support to any particular political party.

15.2.2 Not engage in any conduct that may cause or lead to disunity among employees or with the community where the Company is situated.

16. Safety and environment policy

16.1 All work units concerned in the organization shall perform in compliance with the laws and regulations in relation to occupational safety, sanitation and environment in a concrete manner.

16.2 In case of witnessing any damage risk or incident in the factory or office premises, whether such incident is caused by employees, machines, or any other factors, including any accidental incident, and whether there are any casualties from which or not, it shall be the duty of the witnessing employee to immediately report to the supervisor, or safety committee members, or any party concerned.

16.3 Emphasis is placed on optimizing the use of resources, and preserving the environment by safeguarding against any environmental impacts.

16.4 Promote and instill in all employees awareness of the value of natural resources, energy saving, and environmental protection, and encourage promotion of the reuse of resources.

16.5 Work systems in place give importance to workplace safety and sanitation, i.e. work stations are kept clean and in sanitary conditions in line with the 5S principles, to ensure employees and visitors are safe from accidents and diseases at the workplace and the surrounding areas.

16.6 Executives and employees pay serious attention to activities in promotion of occupational safety, sanitation and environment, by performing duties with safety consciousness and awareness of environmental protection on a consistent basis.

16.7 Employees shall strictly comply with work safety rules; supervisors and safety committee members in direct charge shall also ensure employees do not violate the rules; and employees who witness any breaching incidents shall report such incidents to the parties concerned without delay.

16.8 The Company shall give cooperation to government agencies and organizations in solving environmental problems and developing good environment to the society, as well as dealing with emergency cases or accidents at work in a quick and efficient manner.

16.9 The Company shall put in place measures to prevent accidents and control disposal of factory waste within the limit prescribed by law.

17. Corporate social responsibility (CSR) policy

17.1 The Company assists in developing personnel in various occupations to accommodate shortage of labor force and promotes occupational skills and potential as well as knowledge for people in the community and society, by participating in Bilateral Vocational Education Project, collaboration between educational institutions and business enterprises, to produce skilled labor with quality responsive to the market.

17.2 Personnel of all levels are responsible for and committed to taking care of the community nearby and stakeholders as a whole, with CSR training courses arranged for them by the Company.

17.3 The Company organizes activities that foster the nearby community and society to promote better quality of life.

17.4 The Company responds quickly and efficiently to incidents that may affect the community and society as a result of its business operations with full cooperation given to relevant government authorities and agencies.

17.5 The Company participates in religious activities by offering necessities and making donation to temples in nearby community and other areas in such occasions as Buddhist Lent Candle procession, Kathin ceremony, Phapa ceremony, etc.

17.6 The Company participates in making merit and donations, both money and necessities, including the used ones that are still usable and beneficial to others and steel products of the Company, to both public and private agencies, foundations, associations, or victims of natural disasters, to help relieve hardship and for use as necessary for the particular place and situation.

Monitoring of compliance

All personnel of the Company shall acknowledge and get to understand this code of business ethics for use as guidelines in their work performance. The employees who ignore following this code shall be investigated and get disciplinary punishment as appropriate, which may be to the extent of termination of employment and even legal action in case of illegal conduct.

This code may not be prescribed to cover all possible cases. Therefore, if employee has any problem in making decision or conducting in the way that is not stated in this code, he/she should first answer the following questions to himself/herself:

- Is the conduct rightful or not?
- Is it acceptable and able to be disclosed to the public or not?
- Will it impair the integrity or reputation of the Company or the employee himself/herself or not?

In case where the employee is still not sure if the conduct is rightful or cannot make decision, he/she may consult or enquire with the supervisor of any level whom he/she trusts, or Manager of CEO Office or Manager of Human Resource and Administration Department or Internal Auditors or Directors, as the case may be.

Complaint filing / Suggestions

The Company expects its personnel to cooperatively keep watch of and ensure conduct or performance in compliance with the code of ethics, and opens room for any employee and stakeholder to file complaints/give suggestions when he/she finds any behavior that is inappropriate, fraudulent, non-compliant with the law or regulations issued by government agencies, breaching or non-compliant with the regulations, criteria or business ethics, or breaching the corporate governance principles. Such employee may file complaints/give suggestions directly to Company Secretary / Manager of CEO Office or Audit Committee members (independent directors), through the following channels:

1. By post: Send to Company Secretary / Manager of CEO Office, Rich Asia Steel Plc., No. 636 Bangkhuntien-Chaitalee Road, Thakham Subdistrict, Bangkhuntien District, Bangkok 10150

2. By email:

- secretary@richasiasteel.com
- audit@richasiasteel.com

Complaint dealing process

The assigned officer shall compile and screen the incoming data, classifying them by point of issue raised, and report to Chief Executive Officer / Managing Director to consider and decide on the procedure and method to properly deal with each issue. In case of significant issue, the issue shall be reported to Audit Committee and/or Board of Directors, as the case may be.

The result shall be reported by the officer receiving the complaint to the complainant unless in case of anonymous complainant.

Review of code of business ethics

The Board of Directors has resolved for the code of business ethics to be reviewed annually.

Measures to protect complainant / person cooperating in fact finding process

Each complainant or the person cooperating in fact finding process will be protected under the following criteria:

1. Complainant/person cooperating in fact finding process may choose to maintain his/her anonymity if disclosure of his/her name is considered unsafe. However, if he/she is not anonymous, the Company will be able to report progress and give clarification of the issue, or relieve damage more quickly and conveniently.

2. The officer receiving the complaint/the assigned officer shall keep all relevant data in confidentiality/with data security taken into account by working out measures to protect each complainant and/or provider of data and/or cooperation in fact finding, to ensure no unfair treatment.

3. In case where the complainant/person cooperating in fact finding finds he/she may be at risk or in trouble, he/she may ask the Company to set proper protection measures, or the Company may set so even there is no request if in case of issue that tends to cause trouble, damage or risk.

4. The person who is in trouble or suffers damage will get relief or assistance from the Company under fair and proper procedure.