

# Code of Corporate Conduct

## Introduction

Laguna Resorts & Hotels PCL (LRH), its subsidiaries, and affiliates (collectively, the “**Group**”) sets out the principles and standards of conduct expected of all its directors, executives, associates, managers, executive officers, agents, full time, part time, temporary and other employees (“**Officers**”) in this Code of Corporate Conduct (The “**Code**”).

Officers shall:

- a) conduct all business with the highest standards of integrity, ethics and compliance;
- b) conduct all business solely for the benefit of the Group;
- c) prevent any Conflict of Interest; and
- d) uphold the spirit and principles of the Code.

## Purpose

The purposes of this policy are:

- a) To strengthen Officers’ awareness of good corporate conduct;
- b) To maintain Company’s reputation for conduct in accordance with the highest levels of business ethics and law compliance; and
- c) To ensure full disclosure of the details of Officers’ business conduct will not have any adverse effect on the Company.

## Principles

All Officers should carry out their duties with honesty, fairness, integrity and professionalism in accordance with the spirit of the law and the principles stated below.

### 1. Vigilant Business Practices

- a) No Officer shall:
  - i) use any funds or other assets belonging to the Group; or
  - ii) provide any services,for any purpose which is unlawful under the laws of any applicable jurisdiction.

- b) No Officer shall establish undisclosed or unrecorded funds or assets for any purpose.
- c) Full and accurate books, records and accounts shall be kept and maintained, ensuring that:
  - i) transactions are executed in accordance with the management's general or specific authorisation;
  - ii) transactions are recorded as necessary for the preparation of financial statements in accordance with generally accepted accounting principles;
  - iii) access to any asset requires appropriate authorisation in writing;
  - iv) recorded assets are reviewed against existing assets at reasonable intervals and appropriate action is taken with respect to any differences; and
  - v) no false, misleading or artificial entries shall be made in any books or records for any reason.
- d) No payment shall be approved or made with the intention or understanding that it is to be used for any purpose other than as described by the document supporting the payment.
- e) The prohibitions in paragraphs (a) to (d) above apply to the use of corporate funds, personal funds, assets, indirect contributions or payments made in any form.

## **2. Exercise Caution Against Fraud**

- a) Officers shall not engage in any conduct involving fraud or dishonesty, or commit any act that reflects adversely on the Group's integrity and professionalism.
- b) Officers shall cooperate fully with both internal and external investigations and regulatory examinations.
- c) Officers shall not provide misleading, false or evasive information, statements or representations.

## **3. Reporting Criminal and Civil Proceedings**

- a) Officers shall immediately report to their supervisors and HR Department if they are the subject of any criminal or administrative investigations or proceedings by any governmental or regulatory authority or body in any jurisdiction.

- b) Officers shall immediately report to their supervisors and HR Department if they are criminally convicted in any jurisdiction.
- c) Officers must report to their supervisors and HR Department where they have or have had:
  - i) judgment entered against them in any proceedings in any jurisdiction involving a breach of any law or regulation;
  - ii) been the subject of any criminal prosecution in court;
  - iii) been disqualified from action as a director of any corporation, or from taking part directly or indirectly in the management of any corporation; or
  - iv) been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity.
- d) Officers shall report any civil proceedings in which he, or entities controlled by him, are named as defendants, if the proceedings involve any significant business or financial transactions or if the civil proceedings may have a potentially adverse impact on the Group or may potentially impact his duties at the Group.

#### **4. Declaring Voluntary Participation in Non-Profit Organisations**

- a) All Officers are required to declare their memberships in any non-profit organisation, including but not limited to charitable organisations, interests groups, advocate groups, professional organisations and religious organisations on the Associate Declaration Form.
- b) Declarations in paragraph (a) should contain the following information:
  - i) name of the organisation;
  - ii) membership status (committee member, board member, president, chairman etc.);
  - iii) date joined;
  - iv) frequency of involvement; and
  - v) considerations received for involvement.
- c) Officers require the prior written approval of the Senior Vice President / Managing Director before seeking and/or accepting executive positions such as presidency or chairmanship.

## 5. Not Accepting Gifts (Goods, Money or Services)

Officers and their immediate family may not accept any personal gift or favour from any competitor, customer or supplier of the Group or anyone with whom he/ she does business on behalf of the Group.

## 6. Honesty in Relationships

- a) Officers shall act with honesty and integrity in all dealings with the government, business and other organisations and always maintain good working relationships.
- b) Officers shall not offer gifts, gratuities, or non-business related entertainment to influence any employee of a business entity, government agency or other organisation (“**Business Partners**”) transacting with the Group to make a business decision in the Group’s favour.
- c) No funds or assets shall be paid, loaned, given or otherwise transferred, directly or indirectly, to any employee of a Business Partner, or to any entity in which such employee is known to have a material interest, except as a legitimate business transaction which is fair and reasonable under the circumstances.
- d) Officers shall not make or approve gifts, travel, food and lodging expenses for any employee of a Business Partner, unless the relevant Business Partner is aware of and approves of such practice.
- e) All agreements/contracts with Business Partners must be fairly arrived at, with no hidden deals or unspoken agreements, cleared by the legal department where appropriate and fully documented in writing.
- f) Information about Business Partners must remain confidential and should only be imparted with appropriate authorisation.

## 7. Use of Agents

- a) The reputation of all agents and third parties should be investigated before entering into formal agreements with them (or after, if the circumstances warrant so). Such investigations should be thorough and well documented.
- b) Officers must ensure that every agreement with agents or representatives is in writing and signed by the parties, contains all terms agreed upon, and conforms to the requirements of the Group’s accounting procedures. The agent or representative, its employees and owners, must be engaged in providing legitimate business services for a fee not in excess of the customary local rate, and be free of

involvement with existing or potential customers of the Group. Any payment made to sales agents or representatives must be fully documented.

## **8. Confidential Information**

- a) All Officers shall keep and maintain the confidentiality of all information which comes into their knowledge as a result of their employment by the Group, including any information relating to the Group's business, operations, processes, plans, intentions, inventions, product information, know-how, design rights, drawings, blueprint, charts, techniques, sources of supply, formulae, analyses, reports, methods of working, data and specifications, trade secrets, price list, cost information, computer programmes, market opportunities, customers information, employee information, financial information, proprietary information, business and research plans and other commercially valuable information of any kind which the Officers shall have access to whilst in the employment of the Group ("**Confidential Information**").
- b) Any Officer in possession of Confidential information should not at any time during their employment or after termination thereof:
  - i) use such information for the benefit of himself or any third party;
  - ii) use such information to influence any customer, or any third party in dealing in any transaction; or
  - iii) disclose, divulge, reveal, publish or otherwise communicate to any person, firm or company any Confidential Information without express prior consent.
- c) Officers are not allowed to remove manuals, handbooks, and operating procedures from property premises or copy them for external use.

## **9. Freedom from Sexual Harassment**

- a) Officers must ensure that there is no unwelcome sexual conduct of a threatening, abusive, or insulting nature that would cause harassment, alarm or distress.
- b) No Officer shall assault or use force against any person, intending to outrage or knowing it to be likely that he/she will thereby outrage the modesty of that person.
- c) No Officer shall insult the modesty of any person, utter any word, make any sound or gesture, or exhibit any object, intending that such word or sound shall be heard, or that such gesture or object shall be seen by such person, or intrude upon the privacy of such person.

## **10. Equal Treatment**

All Officers shall ensure that every Officer and every applicant for employment with the Group is treated fairly. No applicant or existing employee should be discriminated against on the basis of age, gender, race, religion, or nationality.

## **11. Interaction with other Officers**

- a) Officers must not conduct themselves in such a manner that will interfere with or prevent other Officers from carrying out their duties properly.
- b) At all times, every Officer has a responsibility to treat colleagues with respect and consideration.
- c) Officers must ensure that there is no discrimination, bullying, harassment, intimidation, threats, ridicule, abuse, insults, gestures, wilful or serious insubordination, physical violence or any other form of disrespectful behaviour.

## **12. Political Non-Partisanship**

Officers may not involve the Group in political campaigns or affairs. No corporate funds may be expended in support of or in opposition to any political candidate, party, or activity.

## **13. Dealing with the Media**

- a) Officers will not entertain media requests for information and interviews or make any statements in any online forum or social networking sites without appropriate authorisation.
- b) Officers will not make comments regarding the Group, its business, products, services, strategy or practices without appropriate authorisation.
- c) Officers authorised under paragraphs (a) and (b) shall act in the best interests of the Group.

## Conflict of Interest

Officers shall report any potential Conflict of Interest immediately to their supervisor and HR Department.

A “**Conflict of Interest**” arises when an Officer has professional or personal interest which is in competition with the Group’s interest that would either make it difficult to fulfill his duties properly, or would create an appearance of impropriety that could undermine customer or public confidence. Amongst others, Conflicts of Interest could arise in dealings:

- a) between an Officer and the Group’s customers;
- b) between an Officer and the Group’s service providers; or
- c) among Officers.

If any of the above conflict occurs, declaration is required to be made in the attached Associate Declaration Form

Circumstances which potentially constitute a Conflict of Interest include but are not limited to the following:

### 1. Ownership

- a) Ownership (regardless of legal form) by an Officer of an interest in any supplier, contractor, industrial customer or other entity with which the Group does business or any competitor of the Group (“**Relevant Entity**”) constitutes a Conflict of Interest.
- b) Ownership by spouses, children, stepchildren, parents, stepparents, brothers, sisters, grandparents, in-laws and any person living in the same household of any Officer (each a “**Family Member**”) shall be deemed ownership by such Officer.

### 2. Directorship

- a) An executive officer’s appointment as director in the board (or any equivalent position) of an entity outside of the Group (“**External Directorship**”) without the prior approval of the Group is a Conflict of Interest.
- b) The Executive Chairman of the Group shall obtain prior approval for any External Directorship from the Group’s Nomination and Remuneration Committee.

- c) All other executive officers shall obtain prior approval for any External Directorship from his/her superior holding the rank of Senior Vice-President or higher relevant to the executive officer's business unit.
- d) Where approval as described in paragraphs (b) and (c) above was obtained but a material change in circumstances renders it inappropriate for the executive officer to continue his External Directorship, it is a Conflict of Interest unless a fresh approval is obtained by the executive officer in accordance with the requirements set out above.

### **3. Employment outside the Group**

- a) An executive officer acting in any capacity for an entity outside of the Group is in a Conflict of Interest.
- b) A Family Member of an executive officer acting in any capacity for a Relevant Entity is in a Conflict of Interest.
- c) An executive officer engaged in any outside employment or holding any position (including self-employment or position in a charitable organisation) without the prior approval of the Group is a Conflict of Interest unless such employment has been arranged or is undertaken in connection with the performance of responsibilities and duties as part of the Group.

Where prior approval was obtained but a material change in circumstances renders it inappropriate for the executive officer to continue holding such position outside of the Group, it is a Conflict of Interest.

### **4. Payments, Loans, Services and Gifts**

The solicitation or acceptance, directly or indirectly, of payments, services, loans, gifts or special considerations from a Relevant Entity constitutes a Conflict of Interest unless of small, nominal value and does not cause either any favoritism to develop.

Gifts of small, nominal value including those of an advertising nature generally do not cause either favoritism or a conflict to develop. Cash and/ or gift certificates are never to be accepted. Gifts of more than a nominal value should be returned to the source of the gift. If the recipient of the gift determines that it is inappropriate to return the gift, the Executive, Vice-President, Senior Vice-President or Executive Vice-President/ Group Managing Director should be notified so that he may make arrangements for appropriate disposition of the gift.



## **5. Property Affected by Company Action and Information**

- a) Ownership (regardless of legal form or size) or acquisition by an Officer of a financial interest in real estate or personal property (tangible or intangible) where:
  - i) the value of which has been or is likely to be affected by an action of the Group; and
  - ii) such Officer is or is likely to be involved in the decision making at any level, constitutes a Conflict of Interest.
- b) Ownership, regardless of legal form or size, or acquisition of any financial interest in real estate or personal property (tangible or intangible) as a result of confidential or unpublished information obtained through the Group constitutes a Conflict of Interest.

## **6. Corporate Opportunity**

An Officer diverting any business opportunity the Group would reasonably be expected to be interested in to himself or others, directly or indirectly, constitutes a Conflict of Interest.

## **7. Misuse of Information or Facilities**

The use of information or facilities which an Officer has obtained by virtue of his employment with the Group in a manner which is not in the Group's best interests constitutes a Conflict of Interest.

## **8. Unauthorized Disclosure of Confidential Information**

The unauthorized disclosure or use by an Officer of confidential or unpublished information obtained by virtue of the Officer's employment with the Group constitutes a Conflict of Interest.

## Application

All Officers, wherever located, are expected to understand, observe and promote compliance with both the spirit and letter of the Code to the full extent allowed by the statutes, laws, regulations or ordinances of any relevant jurisdictions.

### 1. New Hires

- a) All new hires are to be given a copy of the Code of Corporate Conduct.
- b) All new hires must return the signed declaration form (Associate Declaration Form) to the respective HR Department within one week of commencement of employment.
- c) Each HR Department must send a copy of all new declarations to Group HR before the end of each month.

### 2. Existing Officers

- a) Existing Officers must sign, on an annual basis, a statement declaring the nature of any potential Conflict of Interest, and guaranteeing that no other form of Conflict of Interest exists or is contemplated.
- b) This annual exercise must be done during November of each year and a copy of all declarations must be submitted to Group HR by 30 November of that year.
- c) Any Officer who subsequently contemplates entering into a transaction with a potential Conflict of Interest must notify the HR Department Immediately.
- d) Any clarification required should be referred to the Head of Human Resources.

### 3. Breach

If any Officer observes any actual or potential breach of the Code, irregularity, impropriety, fraud or other inappropriate activity by a fellow Officer, he/ she should immediately report it to his/ her supervisor or the HR Department.

Failure to comply with the Code may result in disciplinary action including termination of employment and the return of incentive components of the Officer's remuneration in the preceding 12 months from the Event of Wrongdoings.

#### **4. Recovery of Bonuses and Incentives**

The executive shall be obliged to return all incentives, bonuses and share awards ("*Incentive Award*") received in the preceding 12 calendar months from an Event of Wrongdoings as follows:

- a) The Incentive Award that has been granted on the basis of materially inaccurate financial statements; and/or
- b) The executive has engaged in conduct that has directly or indirectly caused, resulted in and/or contributed to:
  - i) any financial loss or reputational harm to the Company and/or the Group; and/or
  - ii) the need for a restatement of the financial results or financial statements of the Company and/or the Group; and/or
  - iii) any adverse change in the risk profile or rating of the Company and/or the Group,or is otherwise detrimental to the Company and/or the Group and/or the businesses conducted by any member of the Group; and/or
- c) There has been a deterioration in the financial performance of the Company

The Incentive Award which shall be refundable in cash by the executive shall include any cash or cash equivalents of any bonus in kind received by the employee (e.g. Company's shares distributed under the RBP and/or PSUP plans) for the 12 months preceding the Event of Wrongdoing. The refund shall be made no later than 15 days from the date of any written notice from the Company pursuant to this clause.

This Policy was reviewed and approved by Audit & Risk Committee and Board of Directors' Meeting on 11 February 2014 and 21 February 2014 respectively

Attachments: Associate Declaration Form

*-End of Policy Statement-*

## Associate Declaration Form / แบบแจ้งข้อมูลของพนักงาน

Code of Corporate Conduct / จรรยาบรรณในการดำเนินธุรกิจ

- New Hire Declaration  
แบบแจ้งข้อมูลของพนักงานใหม่
- Annual Declaration  
แบบแจ้งข้อมูลประจำปี
- Ad-hoc Declaration  
แบบแจ้งข้อมูลเฉพาะกรณี

Associate Name: \_\_\_\_\_ Job Level: \_\_\_\_\_  
ชื่อพนักงาน ระบุตำแหน่ง

Department: \_\_\_\_\_ Job Title: \_\_\_\_\_  
แผนก-ฝ่าย ตำแหน่ง

Property: \_\_\_\_\_ Date of Hire: \_\_\_\_\_  
หน่วยธุรกิจ วันเริ่มจ้าง

### Employment, Directorship or Interest in external entities / การจ้างงาน การดำรงตำแหน่งกรรมการหรือการ มีผลประโยชน์ในองค์กรภายนอก

Name of Entity: \_\_\_\_\_  
ชื่อของนิติบุคคลที่มี/อาจมีความขัดแย้งทางผลประโยชน์

Type of Interest: \_\_\_\_\_  
ลักษณะของผลประโยชน์

(eg. financial, close working interest, employment, etc.)  
(เช่น ผลประโยชน์ทางการเงิน, มีผลประโยชน์จากหน้าที่การงานใกล้ชิด การว่าจ้าง เป็นต้น)

Date Joined: \_\_\_\_\_  
วันที่เริ่ม

Prior approval from LRH / Management:  Yes\*  No  
ได้รับความเห็นชอบจากบริษัท / ฝ่ายจัดการเป็นที่เรียบร้อยแล้ว ใช่ ไม่ใช่

\*(If yes, please attach supporting document as proof of approval)

\*(ถ้าตอบว่าใช่ กรุณาแนบเอกสารหลักฐานการได้รับความเห็นชอบมาด้วย)

Other Remarks: \_\_\_\_\_  
หมายเหตุอื่น

### Voluntary Association Declaration / ข้อมูลการเข้าร่วมในองค์กรที่ไม่มุ่งหวังกำไรโดยความสมัครใจ

Name of Voluntary Association: \_\_\_\_\_  
ชื่อขององค์กรที่เข้าร่วมโดยความสมัครใจ

Membership Status: \_\_\_\_\_  
สถานภาพสมาชิก

(eg. committee/board member, executive positions such as presidency/chairmanship, etc.)  
(เช่น อนุกรรมการ/กรรมการ ตำแหน่งผู้บริหาร เช่น ประธานกรรมการขององค์กร เป็นต้น)

Date Joined: \_\_\_\_\_  
วันที่เข้าเป็นสมาชิก

Frequency of Involvement: \_\_\_\_\_  
ความถี่ในการเข้าร่วมกิจกรรม

Considerations Received: \_\_\_\_\_  
ค่าตอบแทนที่ได้รับจากการเข้าร่วมกิจกรรม

Prior approval from LRH / Management:  Yes\*  No  
ได้รับความเห็นชอบจากบริษัท / ฝ่ายจัดการเป็นที่เรียบร้อยแล้ว ใช่ ไม่ใช่

*\*(If yes, please attach supporting document as proof of approval)*

*\*(ถ้าตอบว่าใช่ กรุณาแนบเอกสารหลักฐานการได้รับความเห็นชอบมาด้วย)*

Other Remarks:

หมายเหตุอื่น \_\_\_\_\_

Is there anything or person (s) related to you that could affect your objectivity or independence in meetings or work, or the perception by others of your objectivity and independence?

มีสิ่งอื่นหรือบุคคลใดที่เกี่ยวข้องซึ่งอาจส่งผลกระทบต่อจุดมุ่งหมายหรือความเป็นอิสระของท่านในการพบปะหรือการปฏิบัติงาน หรือการรับรู้เข้าใจ โดยบุคคลอื่นที่มีผลต่อจุดมุ่งหมายหรือความเป็นอิสระของท่าน

I have read and understood policy on Code of Corporate Conduct.

ข้าพเจ้าได้อ่านและเข้าใจนโยบายเรื่องจรรยาบรรณในการดำเนินธุรกิจแล้ว

I hereby declare that I have fully adhered to this policy and all disclosed information is correct and that no other situation of real, potential or apparent conflict of interest is known to me.

ข้าพเจ้ายืนยันว่า ข้าพเจ้าได้ปฏิบัติตามนโยบายนี้อย่างครบถ้วน และข้อมูลที่เปิดเผยทั้งหมดถูกต้องทุกประการ และไม่มีกรณีอื่นใดที่อาจมีแนวโน้มหรือมีความเป็นไปได้ที่จะก่อให้เกิดความขัดแย้งทางผลประโยชน์

I undertake to inform the management/HR immediately of any change in these circumstances.

ข้าพเจ้าขอรับรองว่า ข้าพเจ้าจะรายงานต่อฝ่ายจัดการ / ฝ่ายทรัพยากรบุคคลทันทีหากมีการเปลี่ยนแปลงข้อมูลที่ได้รับไว้

\_\_\_\_\_  
Associate's Signature / Date

ลายมือชื่อของพนักงาน / วันที่

\_\_\_\_\_  
Direct Supervisor Signature / Date

ลายมือชื่อของหัวหน้างาน / วันที่

\_\_\_\_\_  
Head of Department Signature / Date

ลายมือชื่อของหัวหน้าแผนก / วันที่

\_\_\_\_\_  
Business Unit Head Signature / Date

ลายมือชื่อของหัวหน้าหน่วยธุรกิจ / วันที่

cc: HR Department/P-file

สำเนา ฝ่ายทรัพยากรบุคคล / แฟ้ม P