

Code of Conduct
KGI Securities (Thailand) Public Company Limited

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Code of Conduct

Consist of:

1. Principles
2. Core Rules

1. Principles

1.1 Duty of loyalty

The Company shall always act honestly and uphold the principle of equality when carrying out our duties. The company has also operated the business with honesty, transparency and in compliance with good corporate governance and intend to resist the Anti-Corruption in all kinds directly or indirectly.

1.2 Accountability

Always treat others in a courteous and professional manner.

1.3 General business practice

The Company shall strictly abide by all laws and regulations concerning the securities business

1.4 Client's information

The Company shall obtain adequate information for Client investment and for its benefit.

1.5 Information for Client

The Company will always act for the Client's benefit and provide them with complete and accurate information.

1.6 Conflict of interest

The Company has a responsibility to avoid any situation that would result in a conflict of interest or the appearance of a conflict of interest and the Company shall refrain from seeking any benefit from its Client.

1.7 Preserve Client's asset

The Company has a duty and responsibility to segregate Client and Company's asset and protect them from any damage and able to identify the owner of each assets.

1.8 Financial stability

The Company are certain that the financial status of the Company are sound and able to withstand liability or any potential risk that might cause by the conduct of it business.

1.9 Structure and internal control

The Company shall possess a business structure for the purpose management efficiency and internal control including the process of recruiting in order to seek appropriate candidate to facilitate the business.

1.10 Mutual business's interest

The Company will support any activities that increase overall understanding and cooperation among its business group.

1.11 Business relation (Courtesy and respect)

The Company shall refrain from any verbal abuse may nonetheless create an atmosphere of hostility or intimidation among the business group.

1.12 Relation with Regulatory Institution

The Company shall openly render full cooperation with the Regulatory Institution and shall immediately notify them with any information required.

2. Core Rules**2.1 Independence****2.1.1 Remuneration from the duty**

The Company shall take appropriate measures to prevent Company or Company's representative for promising to give or giving or requesting or receiving of any remuneration which will create the conflict from the duty that Company or employee or Company's representative shall have with Clients for operating business.

2.1.2 Significance material interest

Company shall not provide the recommendation or dealing the securities transaction and/ or derivatives with Client, in case Company has a significance material interest or the relationship which will be cause of the conflict of interest, unless Company has disclosed of such facts and also take appropriate measures in order to create the fairness practice to Client.

2.1.3 Other remunerations

Company shall not engage in any activity, having the agreement to pay for other remunerations apart from the normal remuneration.

2.2 Providing the recommendation for the investment and the distribution of information**2.2.1 Precise and Fair communication on providing information**

Communicating with anybody to propose the Company's services, Company shall perform based on the principle together with the precise and fairness Communicating with Client and might be in the form of the agreement, notifying or written announcement, Company shall provide with precise and fairness of data or document.

2.2.2 Client's understanding

Providing recommendation for making decision about securities trading and/ or derivatives to Client, Company shall perform to make understanding regarding the possibility of the risk with Client.

2.2.3 Company's profile

Company shall engage in appropriate measures to let the Clients acknowledge about Company's profile in a certain level, including, Company's business, address, business status, employees and business unit which Clients have to connected with, as well as, the Company's business supervision unit.

2.2.4 Information of Securities Bonds and investment

Company shall provide the sufficient knowledge and information as well as the recommendation for the investment in the newly released of securities or bonds, to Clients and be able to use as the composition for their consideration prior to trade of such securities and/or derivatives or bonds.

2.2.5 Recommendation and the distribution of information

1. Recommendation, presentation of information or the distribution of information for the purpose of the investment in any securities or derivatives, Company shall engage with knowledge, appropriate proficiency based on reasonable principle, as well as, and be able to differentiate the information between facts and opinions as derived from spreading out of such information with fairness and refrain from the misunderstanding.
2. In case of presentation of information or having obtained an approval for the distribution of any securities information or derivatives, Company shall specify by using Company's name itself, to perform of such act and also shall specify the source of information: operator or organizer of such information and supervision unit.
3. Company shall comply with the Company's commitment for providing services to Clients with fairness by:
 - a) Providing recommendation and fundamental knowledge to make the decision for the investment of Clients, such as, the principle to consider for making decision of securities trading, knowledge about the type of securities and derivatives for example.
 - b) Notifying the amendment of the crucial information in the recommendation regarding with the investment, which Company used to represent earlier.
 - c) No Company shall guarantee of both verbal and in writing form which means to guarantee the benefit from the investment to Clients.

2.3 Client's relationship**2.3.1 Undertaking with Client**

Any undertaking or juristic act, the Client must be well informed of the details of the services to be provide by the Company.

2.3.2 Responsibility to Client

The Company shall not by undertaking or agreement to relief or limit its liability to its Client under the law or Regulatory body's regulation

2.4 Sale and Purchase transaction for Clients

2.4.1 Purchase order sequence

The Sale and purchase of stock shall be performed on first come first serve basis.

2.4.2 Sale and purchase by order

The Company shall promptly make the sale and purchase transaction upon Client's instruction.

2.4.3 Sale and purchase order prior to distribution of information

In case, the Company intends to distribute any information to the Client. The Company shall not make any prior sale and purchase for its own account until the Clients have prior consideration of such information.

2.4.4 Inappropriate order

The Company must advise the Client to not make any inappropriate sale and purchase order.

2.5 Honesty in conducting of business

2.5.1 Anti-Corruption

- 1) The Company resists all corruption and also cooperates with outside organization in support of the anti-corruption.
- 2) The Company resists and does not support any corruption and also employ preventive measurement for anti-corruption.
- 3) The company prohibits its directors, managements and employees to involve in any corruption in form of calling for any money, things or benefits from the Company's counterparty, business-related persons or vendors.

2.5.2 Insider trading

- 1) The Company shall not make any sale and purchase of stocks for its own account by utilization of inside information.
- 2) The Company shall at all time able to deliver any details to Regulatory body upon request.

2.5.3 Fair and just business's conduct

- 1) The Company shall refrain its employee from the following acts:
 - a) Conduct sale and purchase of securities for itself or other by utilization of Client's account.
 - b) Make any decision on the sale and purchase of securities unless by Client's consent and in accordance to the specify rules and regulations.
 - c) To commit an act of fraud whether solely or jointly with Client on the manipulation of Securities' pricing.
 - d) Create special relationship with Client resulting in Employee's unfair treatment behavior.

- 2) Company shall not manipulate of their own Company's securities or providing cooperation with others to manipulate in the certain securities and/or derivatives or underlying securities of both directly and indirectly.
- 3) Company shall engage with fairness on providing the right to public subscribe of IPO shares
- 4) Company shall refrain from using the unreliable method or fraudulent to manipulate the securities price/ derivatives price, as follows:
 - a) Luring with the aim to create the transaction and/ or derivatives or misleading of such securities price and/or derivatives price by disseminating the news or providing the false statement.
 - b) Trading in the certain securities and/or derivatives with the intention to maintain the price or support the price or speed up or push down the price with the expectation to the price of such securities has not changed which is consistent with the mechanism of market conditions.
 - c) Continuously trading in the certain securities and/or derivatives in the too high price or sell securities and/or derivatives in the too low price with the intention to consequent with the market price.
 - d) Trading in the certain securities and/or derivatives for Clients, with the intention to cooperate with Clients to manipulate the securities price or Company should know that, such transactions are manipulation or suspicious transactions, if Company shall take an interest on or engage with reasonable care.

2.6 Management

2.6.1 Adhering to rules and regulations

- 1) The Company must abide by the rule and regulation including the specification of procedure for the Employee to follow, in accordance to his/her responsibilities or obligation under the law.
- 2) The Company shall ensure that the Company possesses an adequate recording and safekeeping of data system including the informing the Authority's officer for auditing purposes.
- 3) The Company shall make arrangement on the channel for Client's complaint. Providing an adequate and prompt remedial action including informing to Client on other alternative to deliver its complaint under the law.
- 4) The Company shall cooperate with the Regulatory Institutions on the investigation of Client's complaint.

2.6.2 Protection of Client's asset

The Company shall safe keep the Client's asset in an appropriate manner by

- 1) Make arrangement on the safe-keeping of Client's asset with a safe and secure manner

- 2) Make registration of Client's stock under the Client's name or other with Client's consent.
- 3) Deposit Client's stocks under its name or under other with Client's consent.
- 4) To segregate Company's assets from Client's asset.

2.6.3 Controlling Client's limit

The Company shall not allow the Client on the sale and purchase of security exceeding its limits granted.

2.6.4 Controlling Client's Collateral

Company shall not allow Clients to trade in derivatives, in case of Client's collateral fall below its value as prescribed by Company. If Clients are not able to maintain the collateral in accordance with the Company's regulation, the Company shall close investment status of Clients as prescribed by regulators.

2.6.5 Client's confidentiality

- 1) The Company shall keep confidential all Clients' information.
- 2) For each business category. The Company shall keep confidential Client's information separately among each business units. No sharing of information among units is allowed.

2.6.6 Business closure

Upon termination of service to be provide to Clients. The Company must proceed with the pending task or transfer to other Company for continuation of process.



Ethics and code of conduct of Employees

1. Professional Honestly

The Employee shall act honestly

- 1.1 Shall not use Client or Company's information for self-interest
- 1.2 Shall not solely or jointly with other to engage in a manipulation of Company's share price.
- 1.3 Shall not render cooperation to other which might result in causing Company damages by not disclosing Client's significant data to the Company or encourage Client to open an account under the name of other or
- 1.4 Shall not create or intervene with Client's assets which might cause damage to the Client or the Company
- 1.5 Shall not solely or jointly commit any act against any law or regulations of SET or SEC.

2. Equality of service provided

In providing any information or conduct nay business with Client, the Employee

- 2.1 Shall render advice to Client and act accordingly to Customer order with equality treatment without prejudice.
- 2.2 Shall avoid any unfair treatment causing any damage
- 2.3 Shall provide any information or analysis to all Clients for their utilization without any bias.
- 2.4 Shall not individually favor any Client's which might cause any disadvantage to other Clients.
- 2.5 Shall deliver information to Client in an effective manner
- 2.6 Shall not create any special personal relationship with Client other than the conducting of business or accept any bribery.
- 2.7 Shall not act as a Client's beneficial undertaker even though the Employee has no conflict of interest with Client.
- 2.8 Shall not give any Company's information to Client not under the scope of its duty or responsibility

3. Skill, Impartiality and discretion

- 3.1 The Employees shall have self-reputation, build up group harmony and follow strong moral principles
- 3.2 The Employees shall work effectively and with passion to benefit the Company.
- 3.3 In case of the recommendation regarding securities and/or derivatives, Company shall provide appropriate recommendation to Clients and for the most benefit of Clients with acceptable general principles and can be referred from the references.
- 3.4 In case the Employee are uncertain about his/her behavior. An immediate consultation with his/ her superior is encourage to avoid any deny of liability by the Employee.
- 3.5 Managers should always prevent any violation of law and the code of conduct.
- 3.6 The Employee shall use its discretion in answering any queries by the any Compliance institution or sharing of information among fellow colleagues to prevent any damage that may have caused to the Company.

4. General business practice

The Employee shall strictly abide by all laws, including all rules and regulations, Company's policy, SET and SEC code of conduct.

5. Conflict of Interest

The Employee must possess justice behavior and to perform professionally to avoid any situation that would result in a conflict of interest or the appearance of a conflict of interest.

5.1 Client VS Client

- 5.1.1 The Sale and purchase of stock and /or derivative must be on first come first serve basis
- 5.1.2 In case any retail or institutional Client prefer to make sale and purchase and /or derivative on the same stocks at the identical price. The Employee must use its discretion on the appropriate pricing.
- 5.1.3 The distribution of analysis study shall be based on the Client's investment purpose.

5.2 Client VS Employee

- 5.2.1 The Employee shall not commit an act of front running as follow:
 - 1) Knowingly that the Client is purchasing any particular kind of stock
 - 2) Above mentioned purchase has caused disadvantage to Client or;
 - 3) The Employee or the Company has obtained benefit as the result by the above mentioned commit of an act;
- 5.2.2 No recommendation for Client to make frequent sale and purchase transactions for the purpose of commission (Churning);
- 5.2.3 Company shall not allocate the subscription share more than the Client's demand;
- 5.2.4 Employees should not subscribe the share which Company is in the position of the guarantee for the distribution.

5.3 Client VS Company

- 5.3.1 In case the Clients prefer to make sale and purchase of stock identical to Company's intention. The Company must allow the Clients its first right to such sale and purchase.
- 5.3.2 The Company shall not Front run the Client in making sale and purchase of stocks.
- 5.3.3 Disclose any information concerning the conflicts of interest for Client's investment decision.

6. Client's information and internal confidentiality (Chinese Wall)

- 6.1 Employee shall keep confidential the Company and Client's information and not to be reveal which might damage to the Company and Clients.

- 6.2 Each unit shall possess adequate procedure on the safe custody of the Client's data. Staff of each Company unit shall not reveal any information to staff of the other unit or even within the unit itself.
- 6.3 In case of any interaction between units. Each unit must possess an adequate procedure to prevent any leakage of such confidential information.

7. Insider Trading

- 7.1 Insider trading means buying or selling shares or other securities on the basis of price sensitive information that is not generally available to others. It includes procuring or inducing another person to buy or sell securities about which insider information is known.
- 7.2 The Employee shall not take advantage from Client by utilizing internal information to benefit the Employee his / herself or others and must notify such occurrence to all concerned parties.

Therefore, for the avoidance of doubt whether or not the information is internal, the Employee shall

- 7.2.1 Notify his/her superior immediately for its superior to make any consultation with the Compliance officer.
- 7.2.2 Do not disclose any information receipt to other.
- 7.2.3 Do not utilize the obtained information for self benefit.

8. Others

The Employee has the obligation to acknowledge and understand any rules and regulations applying to the tasks which have been assigned without any deny of such rules and regulation when a wrongful act has been committed.



Ethics and code of conduct of Executives

For the purpose of cooperating with corporate governance in securities business and to comply with any regulations issued by the Securities and Exchange Commission and/or The Office of the Securities and Exchange Commission (collectively referred to as “the Office of SEC”) which prohibited any Securities company to appoint any person who is lacking in ethic and code of conduct to be or to perform the duty of Executive of the Securities company, the Company would like to notify the Ethics and code of conduct of the Executive as follow;

“Securities company” means i) any company licensed to undertake securities business and ii) any company licensed to undertake the Futures Agent business in the Futures Exchange.

“Executives” means director, manager or a person with power of management.

“Person with power of management” means management directors, deputy manager, assistant manager and vice president including any person appointed to undertake equivalent position who performs securities service, operation, research or other similar job function.

“Management director” means any person appointed by the board of director to perform the management duty on behalf of the board of director.

“Vice president” means any person appointed to perform the duty of department head.

“Compliance entity” means The Stock Exchange of Thailand, securities trading center and any organization accepted by the Office of SEC to be a compliance entity.

1. Honest Professional conduct

Executives must honestly perform its duty with justice and fair basis to its Major shareholders, shareholder, Employee, Clients and or its Creditors including the avoidance of malpractice on unfairness threatening the well being or the Employee’s career stability.

2. Maintenance of product or service to be provided to Client.

Executives shall provide the Client’s with product and service with conformed quality including the disclosure of information of service with accuracy without distortion.

3. Adherence to rule and regulations

Executives must strictly follow all laws, any rule and regulation issue by the Compliance units or any Compliance entity including the Company’s Code of conduct.

4. Due care management

Executives must manage with due care by fully using their knowledge and shall not be careless and reckless.

5. No concealment of wrongful act

Executives shall not conceal or assist or encourage any concealment of any violation of any rule and regulation issue by the Compliance unit or other Compliance entity commit by Executive his/herself, the Company and others.

6. No utilization of inside information

Executives shall not utilize the inside information for self beneficial interest or for other with wrongful intent and Executives shall acts as follow:

- 6.1 Disallow the Executives and related person (spouse or cohabiting and minor child) on the sale and purchase of Company's stock 1 month prior to the submission of the Company's financial statement until 1 day subsequent to its public announcement.
- 6.2 In as case where Executive and related person (spouse or cohabiting and minor child) performed sale and purchase of Company's stock, report must be made in accordance to section 59 under the Securities Act to the SEC
- 6.3 Company's secretary shall on a quarterly basis report to the Board of directors concerning the Executive and related person (spouse or cohabiting and minor child)'s shares holding
- 6.4 The Company has announced its policy and operation practice to its employee with constant follow up from time to time.

7. Disclosure of Executive's conflict of interest and concerned

Executives and any concerned parties has the obligation to report interest in accordance to the resolution of the Company's Board of directors meeting no. 4/ 2552 dated May 14, 2009 in conjunction to the business and regulations issue by SEC as follow:

- 7.1 Report of conflict of interest must be made by the Executives initially for the first time in July 1, 2009 with yearly update including any incurrence of each change to the Company's secretary whereby the Company's Secretary shall submit such report the Chairman of the board of directors for consideration. The Chairman of the board of directors must consider the report within 7 days upon receipt.
- 7.2 Executive with conflicts of interest has no right to determine the business transaction between the Company and the conflict person.

8. No Creation of conflicts of interest

Executives shall not seek or create any self beneficial interest or for and on behalf of the Company

9. No Executives shall find unlawful gains

Executives shall not find or dishonestly convert of unlawful gains for their own interest, other Securities Companies or other persons by virtue of his office or position.

10. Confidentiality

Executive shall kept confidential all Client's information except by Client's consent or required by law or for the purpose of investigation or court's proceeding

11. Client's Complaint

Executives are obliged to make arrangement on the channel for Client to make complaint and the Executive shall on best effort basis encourage on prompt feed back.

12. Cooperation with concerned units

Executives must support full cooperation with Compliance unit and/or Compliance entity and must report on any violation of rule and regulation known by the executive to the above units or entity including the allowance for the Employer to make complaint of any rules and regulations.

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Penalty Provision

For the purpose of all Employee to strictly comply with all applicable laws and regulations issued by the Office of SEC, the Stock Exchange of Thailand including the internally regulation of the Company Re; Best practice in internal control and compliance, the Company has i) notified the Ethics and code of conduct in to the Company's work rules or regulations. Any violation of such Ethics and code of conduct shall be considered as the violation of the Company's work rules or regulations. In this regard, the Employee who violated the Company's work rules or regulations shall be subjected to any penalty on case by case basis, ii) set up any procedure of penalty consideration in the Company's internally notification no Tor Sor (Phor) 006/2002 dated October 1st, 2002 and as amended from time to time.

The Employee who violated any provisions contained in this Ethics and code of conduct shall be liable to the penalty as following;

1. oral warning
2. written warning
3. suspension from work without wage payment
4. termination of employment with severance pay
5. termination of employment without severance pay
6. any penalty as per the consideration of Chief Operating Officer

Thus, all penalties shall be considered by the Disciplinary Committee as provided in any internally regulations of the Company. However, such penalty shall be amended from time to time as per the consideration of the Disciplinary Committee and/or Chief Operating Officer.

