

BUSINESS ETHICS AND CODE OF CONDUCT

**Precious Shipping Public Company Limited &
Its Subsidiaries (“the Company”)**

Updated: 11th February 2020

Business Ethics & Code of Conduct

MESSAGE FROM THE BOARD OF DIRECTORS ON BUSINESS ETHICS & CODE OF CONDUCT

To all Directors, Executives and Staff members:

The Company is committed to conducting business on the basis of morality and to create added value to its shareholders and also to put unwavering efforts to ensure that all stakeholders are fairly treated. Therefore, the Company has set up a Business Ethics and Code of Conduct Manual to commit to the key principles of integrity, ethical business conduct and accountability for Directors, Executives and staff as a guideline to carry out their respective work for the Company in a transparent, honest, faithful and justifiable manner.

With the business environment evolving constantly, we assess our Business Ethics and Code of Conduct on a regular basis to ensure that it reflects global best practices and meets the expectations of all stakeholders.

The Company has clearly announced that it is the duty and responsibility of all Directors, Executives and staffs to faithfully follow the Business Ethics and comply with the policies and practices stated in this Code of Conduct. The Company's ultimate goal is to achieve its business objectives for the benefit of all stakeholders including the shareholders and the society.

For and on behalf of the Board of Directors of
Precious Shipping Public Company Limited



Mr. Thira Wipuchanin
Chairman of the Board of Directors



Mr. Khalid Moinuddin Hashim
Managing Director

Precious Shipping Public Company Limited & Its Subsidiaries (“The Company”)

Business Ethics & Code of Conduct

Definitions

Business Ethics are the qualities of virtue, truth, justice and righteousness that business conduct should follow.

Code of Conduct is a code of behavior to be followed to maintain and promote dignity and reputation.

Our Principles

We are committed to:

- **Honesty**
Company executives should be truthful to people involved. They should not intentionally mislead or deceive others by distorting information, exaggerating or giving partial truth. Nor should they discriminate against people by doing or abstaining from doing something required to be done.
- **Integrity**
Company executives should exhibit their personal integrity and courage to uphold their convictions by doing things they perceive as right despite pressures favoring the opposite. They should be respectable, impartial, and committed to their principles. They should fight for their beliefs and never compromise their principles for any objective that would turn them into deceivers or immoral persons.
- **Trust worthiness**
Executives should disclose and provide related information, as well as correct any misunderstanding on facts. They should try in every proper way to fulfill their promises. They should not abuse technical or legal interpretation as an excuse not to cooperate or comply with contractual obligations.
- **Loyalty**
Our executives should exhibit their loyalty to the company by dedicating themselves to their respective duties and to its people by providing support and assistance whenever required. They should not use or disclose confidential information for personal advantage. On the contrary, they should maintain the ability to make decisions independently as professionals, avoiding inappropriate conduct and conflict of interest, as well as being faithful to the company and their colleagues. If the executives intend to leave and work somewhere else, they should notify appropriately in advance and treat the company information as important and confidential. They should not exploit their former positions for their own benefit.

- **Fairness**
All executives should be fair and just towards all people. They should not use their power deliberately, neither should they resort to cheating or inappropriate tactics to obtain or maintain benefits or advantages from misled or distressed people. Fair-minded executives should disclose the agreements set for consideration and treat everyone equally, be open to disagreeable opinions, willing to admit the mistakes they make, and ready to shift positions and beliefs to appropriate and correct ones, if the situation demands.
- **Concern for others**
Our executives should be considerate, sympathetic, kind, and well intentioned to others. As the golden rule says, “Treat others the way you want to be treated”, executives should provide the help that people need. They should also pursue proper means to achieving business objectives in a way that the business objectives are aligned with the objectives and interests of people.
- **Respect for International Human Rights Principles**
Company executives should mutually respect each other’s honor, freedom, privacy, legal and human rights, as well as the interests of stakeholders. In making their decisions, executives should be gentle and treat everyone as equal without discrimination by gender, class, or race.
The Company requires that all of its directors, the management and staff strictly respect International human rights laws including those that relate to forced labour or child labour. The Company does not tolerate any violations thereof. All stakeholders are treated fairly and in a dignified manner, without any discrimination on the basis of national origin, race, gender, age, skin colour, religion, physical condition, status, or birth.
- **Commitment to Excellence**
Executives should excel in their performance, i.e., should be equipped with knowledge, be prepared, and should work hard to enhance knowledge and skills to cope with every issue under one’s responsibilities.
- **Leadership**
All executives should be aware of their own responsibilities and leadership requirements and should seek and comply with code of conduct models that would benefit themselves and the organization when put to work. They should also attempt to create an environment in which principles and ethical decision-making are given utmost importance.
- **Reputation and Morale**
Senior executives should create and defend company’s reputation, as well as employees’ morale, by singly and collectively avoiding any action that would hurt the inter-relation between the company and employees. On the other hand, all employees must singly and collectively do everything necessary to correct and prevent any wrongdoing committed by others.
- **Accountability**
Executives should be aware of, and accountable in following ethics when making any decision and omission for the company, themselves, their colleagues, and the community.

Business Ethics

1. Policy on Compliance with the Law and Relevant Rules and Regulations

The Company is committed to complying with all relevant laws, rules and regulations everywhere it operates and has established the policies as follows:

- Directors, executives and staff must comply with local laws, rules, regulations as well as customs and traditions of the country in which the Company operates.
- Directors, executives and staff must comply with the announcements and stipulations of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC).
- Directors, executives and staff must comply with the Company's rules and regulations.
- Directors, executives and staff must not assist, support or conspire to avoid any legal or regulatory compliance.
- Directors, executives and staff must cooperate with supervisory agencies as well as report information on violation of or non-compliance with existing laws or regulations to concerned persons.

2. Policy on Conflict of Interests

The Company has set up an important policy concerning the conflict of interests and related transactions for Directors, Executives and staff as laid down under the following guidelines:

- Avoid any transaction related to oneself, which may lead to a conflict of interest with the Company.
- If it is necessary to carry out such transaction for the Company's benefit, conduct it as if it is a transaction done with a third party. However, any such transaction must be fully disclosed and approved by the relevant authority within the Company in advance. Furthermore, Directors and Executives or staff having an interest in a transaction must not be involved in its approval process.
- If a transaction is considered as a related party transaction under the SET notification, Director, Executive and staff must strictly comply with the rules and procedures regarding information disclosure by listed companies for such transactions.
- If a Director, Executive, staff or a member of their family is involved with or becomes a shareholder in a business in competition with the Company or any other business that may cause a conflict of interest with the Company, he/she must inform the Board in writing.
- If a Director, Executive and staff becomes a Director, partner, advisor or participant in any other capacity in another company or business organization, such position must not conflict with the Company's business or that person's direct responsibilities in the Company.

3. Policy on Confidentiality of Information

The Company has set up an important policy concerning the use of information of the Company in compliance with Good Corporate Governance and relevant regulations. The Company has advised the Directors, Executives and staff to focus on confidential information especially internal information not yet disclosed to public or any data or information that may affect the business of the Company or its share price. The guidelines are as follows:

- Directors, executives and staff must not use information they receive from their directorships or employment for personal benefit or for conducting business or other activities in competition with the Company.

- Directors, executives and staff must not use information which is not generally known and which may influence the share price (inside information) and must refrain from dealing in the shares of the Company at sensitive times pending major announcements in accordance with the specific policy laid down from time to time specifying the moratorium on share trading during certain periods. Inside information shall also not be given to any third party for the purpose of dealing in the shares of the Company.
- Directors, executives and staff must not disclose business secrets to any third party especially to competitors even after a Director, Executive or staff member has left the Company.

4. Policy on safeguarding Company Property

The Company expects executives and staff to utilise the Company's resources and assets in a most efficient manner, to increase corporate competitiveness and to provide the best possible service to its customers in accordance with the following guidelines:

4.1 Protection of the Company's properties and assets

- Executives and staff should use the Company's resources and assets in a cost-efficient manner for maximum benefit of the Company.
- Executives and staff should help protect the Company's properties and assets from improper depreciation or loss.
- Provide and follow proper preventive systems and procedures and effectively insure the same against any fire, natural calamities, burglary and other risk or damage.

4.2 Documentation

- Executives and staff are to prepare documents with honesty and prudence while meeting stipulated standards.
- Executives and staff are prohibited from falsifying the Company's letters, reports or documents.

4.3 Use of Computer and Information Technology

- All computer, information technology and information and data relating to its operation are the property of the Company. Executives and staff should not use the Company's computers and information technology for personal interests.
- Executives and staff are prohibited from disclosure to others of their password for access to the Company's information system.
- Executives and staff are prohibited from disclosure of any information or data in the Company's information system to other parties without proper authorization.
- Executives and staff are prohibited from changing, copying, deleting or destroying the Company's information or data without proper authorization.
- Executives and staff are prohibited from using illegal software for any reason and from using copyright protected software without the permission of the copyright owner.
- Executives and staff are prohibited from using the Company's electronic mail system to transmit derogatory, offensive, pornographic, abusive or annoying messages.
- Executives and staff may only use the internet to seek information and knowledge related to their work and shall not access illegal or immoral websites.
- Staff should use all communication equipment such as telephones, facsimile machines and mobile phones provided by the Company, with appropriate sense of responsibility and care, taking the Company's interests into consideration.

5. Ethics for Intellectual Properties Rights

The Company requires that all of its directors, the management and staff respect the intellectual property rights of others with care and caution, whether in trademarks, patents, copyrights, classified commercial information, or other stipulated categories of intellectual property.

6. Policy on preventing corruption and offering a bribe

The Company has a policy prohibiting all form of bribery or corruption, either directly or indirectly to advance its business interests or those of its associates. The Company has a zero tolerance policy for fraudulent and/or corrupt behavior and takes corruption and bribery transactions if any, very seriously. Any violation of this policy is regarded as a serious matter by the Company and will result in disciplinary action, including termination, consistent with local law.

The Company has established channels for reporting any misconduct, fraudulent act or corruption and provides protection and remedies for any person who files a complaint or cooperates in the investigation of the charge.

7. Policy on Giving and Accepting Gifts and excessive or undue Hospitality

Business decisions should never be based on gifts, benefits and/or excessive/undue hospitality received or offered through our business relationships. Selection of suppliers and business partners, and similar choices made by our customers, must be based on objective factors such as price, quality, service, and value. The Company requires Directors, executives and staff to abide by this Guideline to avoid conflict of interest or the appearance of conflict of interest for either party in on-going or potential business dealings between the Company and external parties since a gift/benefit/excessive or undue hospitality can be seen as a bribe that may blemish the Company's reputation or be in violation of anti-bribery and/or corruption laws.

The following Company Guidelines concerning the giving and accepting gifts and excessive or undue Hospitality should be followed:

- Directors, executives and staff are strictly prohibited from demanding any gift, benefit and/or hospitality from any trading parties or other external parties with whom the Company is doing business.
- Directors, executives and staff are strictly prohibited from offering any gift, benefit and/or hospitality to any trading parties or other external parties in any attempt to persuade them to commit a fraudulent action.
- Directors, executive and staff are not allowed to give/accept any gifts, benefits, and/or excessive or undue hospitality to/from any trading parties or other external parties (including government agencies, quasi-government agencies, suppliers, banks, service providers), with whom the Company is doing business. However, if necessary, corporate gifts bearing the gift-giver's or company's corporate logo/emblem made generally (and not specifically) by the giver/company for distributing generally (and not specifically) to all or many of the giver's customers, associates, etc., and which are not related to any business commitment may be given/accepted. .
- Any normal business hospitality, such as receptions, tea/coffee, meals, or other similar nature that is directly relating to business operations or trading traditions without being excessive, is excluded from this requirement but such expense should be a reasonable amount and should not be related to any business commitment.

8. Procurement

Procurement is to be conducted according to the company's guidelines and should be fair to all involved. The procurement decisions are to be made on the basis of reasonable prices, quality, and service, and should stand scrutiny if an investigation occurs.

The following Company Guidelines concerning the procurement should be followed:

- Strictly follow the process set forth in the procurement and purchasing regulations, and act within the scope of authority provided.
- Avoid involvement in purchasing from contractors to whom you are connected, such as family members, relatives, or entities in which you have ownership or shares.
- The priority in procurement should be given to legal entities rather than individual persons, except in cases where special expertise is required from the particular individuals or where the benefit of the Company demands it.
- Avoid using the information you obtain from procurement activities for benefit of yourself or others.

9. Transactions with the Government

Transactions with the Government must not be such as to persuade the government or government officials to do anything wrong or inappropriate. Mutual acknowledgement and building relations, within the proper bounds and normal practices, such as offering congratulatory messages and flowers on public occasions is acceptable.

The following Company Guidelines concerning the transactions with the Government should be followed:

- Conduct yourself properly and honestly when in contact with government officials or agencies.
- Always remember that the laws, rules and customs of each place may have diverse conditions, procedures, or methods of proceeding.
- Comply with the laws of each country and/or of locality in matters pertaining to hiring government employees as consultants or employees of the Company. Such hiring must be transparent and appropriate.

Code of Conduct

1. Code of Conduct for Executives

- Perform duties with honesty, transparency, and fairness to ensure that the decisions and actions are made to the extent possible, in the best interests of all the stakeholders as a whole;
- Perform duties as professionals with knowledge, skill, determination, and prudence, watchful of trouble in advance; and seeking remedies for anticipated problems; and maintaining the code of conduct, including applying knowledge and skills to managing the company to the best of their abilities;
- Do not seek to benefit oneself or related persons by abusing undisclosed or confidential information inside the company or disclose to outsiders, or do anything that can be construed as a conflict of interest;
- Provide regular supervision and inspection, both inside the company and its environment to ensure compliance to set policies and processes;
- Provide for a system of accurate, complete, timely, and consistent information reporting, as well as reporting on future trends of the company, based on probability and supported by adequate data;
- Comply with concerned laws and regulations, be observant, aware upto-date on industrial standards and set guidelines, maintaining adequate and appropriate documents for control and maintenance operations according to guidelines applicable to every level of management to ensure efficient business operations;
- Develop the business of the company to achieve objectives and standards;
- Promote company knowledge and understanding.

2. Code of Conduct for Board of Directors

- Specify the direction, goals, policy and business strategy.
- Perform duties honestly, carefully and for the benefit of the Company.
- Comply with relevant laws, rules, regulations as well as ethics and good corporate governance practices and conduct business in accordance with the articles of the Company.
- Follow-up on corporate operations to achieve all objectives.
- Consider and appoint sub-committees and determine duties and responsibilities of the sub-committees clearly and appropriately.
- Consider the important business transactions with due care and diligence.
- Set the Board meeting and consider appropriate agenda items.
- Assess the Board's performance regularly.
- Set up succession plan for Senior Management of the Company.

3. Code of Conduct for Sub-Committee

- Perform duties assigned by the Board of Directors with due care and diligence.
- Perform duties honestly, carefully and for the benefit of the Company without any conflict of interest.
- Comply with relevant laws, rules, regulations as well as ethics and good corporate governance practices and conduct business in accordance with the articles of the Company.
- Report the performance to the Board regularly.

4. Code of Conduct for Individual Directors

- Diligently perform all duties assigned by the Board of Directors.
- Perform duties honestly, carefully and for the full benefit of the Company.
- Comply with relevant laws, rules, regulations as well as ethics and good corporate governance practices and conduct business in accordance with the articles of the Company.
- Ensure management performs achievement of Company's objectives.
- Ensure confidentiality of all inside information and do not allow leaks outside the Company and act at all times without deriving any personal benefit from such inside information not yet disclosed to the Public.
- Avoid any action or decision that may lead to conflict of interest.

5. Code of Conduct for Company Secretary

- Diligently perform all duties assigned by the Board of Directors.
- Perform duties honestly, carefully and for the benefit of the Company.
- Supervise various activities of the Board and the Company in compliance with the relevant laws, rules and regulations as well as ethics and good corporate governance practices and according to Articles of Association of the Company.
- Hold shareholders' meetings, Board and sub-committee meetings and prepare minutes of meetings promptly and fully.
- Act as a good communication center between Directors and Shareholders.
- Ensure confidentiality of all inside information including minutes of meetings of the Board and sub-committees and do not allow leaks outside the Company and act at all times without deriving any personal benefit from such inside information not yet disclosed to the Public.

6. Code of Conduct for Staff

- Perform all duties honestly, carefully and for the benefit of the Company.
- Comply with relevant laws, rules, regulations and follow good ethics while doing business and otherwise.
- Ensure confidentiality of all inside information and do not leak any inside information outside the Company and act at all times without deriving any personal benefit from such inside information not yet disclosed to the Public.
- Maintain harmony among all co-workers and staff in the Company.

7. Policy and Practices toward Stakeholders

The Company recognizes the rights of all stakeholders and therefore encourages cooperation between the Company and all the stakeholders including employees, customers, trading partners, creditors, government agencies, community and society at large. Directors, Executives and staff must comply with the Code of Conduct which has been established to ensure fair and balanced dealings with all stakeholders.

The following practices may be adopted as guidelines in terms of dealing with stakeholders:

Shareholders

The Company is responsible to the shareholders and groups of financial investors and creditors in terms of information disclosure, accounting methods, internal information usage, and conflict of interests. Executives must be honest and any decision must be based on honesty and fairness to both major and minor shareholders as a whole, and for the collective benefit of all.

Customers

The Company must always act to protect customers' interests, be attentive and ultimately responsible to customers with regard to service, by setting and maintaining good standards. They should keep customers' confidential information exclusively for concerned business use, without revealing it unless required by laws, regulations, or with the consent of the information owners, including issues related to marketing, market power exercises, price setting, details of services, quality and safety.

Trading Partners and/or Creditors

The Company has a policy of equitable and fair treatment of its trading partners and/or creditors, taking into consideration the Company's interest and on the basis of mutual benefit and it intends to avoid circumstances that may lead to a conflict of interest. The Company ensures that best practices are set for procurement from suppliers, and that the Company complies with trade terms and terms of borrowing from financial creditors, objectives of using borrowed funds, repayment, collateral, and other terms and conditions. In case the Company cannot comply with any conditions of a Contract, the Company shall inform the trading partners and/or suppliers immediately to consider the ways to resolve the matter.

The following Company Guidelines for selection of suppliers shall be followed:

- Suppliers shall be selected based on their ability to service the needs of the Company in the most economical, efficient manner and consideration of their expertise, financial status and they will have strictly complied with laws and related regulations.
- Past performance of suppliers and cooperation with the Company should be important factors in supplier selection.
- Whenever the supplier base is not sufficient to fulfill the Company's needs, additional research and solicitation must be conducted by the Purchasing Department to increase vendor participation.

Competitors

The Company must act within the rules of fair trade, not destroying trade competitors' reputations with false allegations against them without truth, nor should they access competitors' confidential information using dishonest or inappropriate means. The Company is proactive in sharing information that can benefit the Shipping industry as a whole and contribute to sustainable economic, social, and environmental development of society.

Employees

The Company must provide equal opportunities in employment, job security, and career advancement, as well as follow equitable principles related to employees and employment. Also ensure that employees are adequately knowledgeable and skillful in performing company business, and understand relevant code of conduct and good practices and take action for knowledge enhancement and ability improvement leading to their development in keeping with the trends in the industry.

Community and Society

The Company has to be responsible to the community and society and should be involved in supporting community activities and be attentive to the consequences of the company's conduct that affects people around, beyond the requirements of law, and should make full efforts to gradually absorb social accountability.

The Company is expected to conduct business that will benefit the economy and society while safeguarding customs and traditions of communities in countries where it operates in. It is also the Company's policy to become a responsible corporate citizen to comply with all relevant laws, rules and regulations and to contribute to uplift quality of life by itself and/or through close collaboration with the relevant authorities and the communities.

8. Policy on Safety, Occupational Health and Environment

The Company is committed to conducting business with the highest standards of safety, occupational health and environmental conditions in accordance with the following general guidelines:

- The Company shall comply with all legislations and regulations relating to safety, occupational health and environmental requirements in all locations in which the Company operates.
- The Company shall follow practices that constantly ensure that its working environment is safe for the protection of life and property of the Company and its employees.
- The Company shall encourage health and safety awareness at all levels and promotes procedures and practices that ensure environmental protection taking into account current legislation and industry codes and practices.
- The Company shall fully disclose all information regarding its operations and standards in relation to safety, occupational health and the environment.

9. Enforcement of this Manual

The Company has clearly announced that it is the duty and responsibility of all Directors, Executives and staff to faithfully follow the Business Ethics and comply with the policies and practices stated in this Code of Conduct. All superiors must lead in compliance with this code and should be responsible for and consider it a priority to ensure that their subordinates truly learn, understand and comply with this Policy and Code of Conduct.

10. Whistleblowing Policy

To ensure fair treatment of all stakeholders under this Code of Conduct, the Company has set up a channel to contact the Board of Director directly (without passing through the Management of the Company) for any business suggestions, complaints, or recommendations indicating impact or risks of impact on stakeholders arising from its business or from wrongful action, or violation of the Code of Conduct, and complaints for special cases like immoral/dishonest acts of Management, breach of Code of Conduct, illegal acts, etc. Any staff member or any other stakeholder is accordingly welcome to send a message by email or mail a letter to Khun Thira Wipuchanin, Independent Director and Chairman, at the following address:

By mail:

Mr. Thira Wipuchanin
256 Lad Phrao Road, Soi Sannibathtedtaban, Chankasem,
Chatuchak, Bangkok 10900 Thailand.

By e-mail:

acthira@hotmail.co.th

The Company has a Complaint handling procedure as follows:

Procedure

- Upon receiving a complaint, Mr. Thira Wipuchanin the designated person, will review and consult the Chairman of Audit & Corporate Governance Committee and/or any members of the Board of Directors. All relevant Directors above will decide whether an investigation is appropriate and, if so, what form it should take. They will decide to take no further action if a complaint appears to be trivial or malicious or due to vested interests of the Complainant.
 - Some concerns may be resolved by agreed action without the need for investigation and the necessary employees will be involved in those discussions.
 - If an investigation is required, all relevant Directors above may designate an appropriate person(s) to investigate the matter.
 - The designated person(s) shall address the complaints considering the seriousness of the issue raised and credibility of the concern and may, in their discretion, consult the Audit & Corporate Governance Committee, any Senior Management, engage outside auditors and/or legal experts who may have appropriate expertise to assist in the investigation and analysis of the results thereof.
 - The designated person(s) should investigate the matter within a reasonable time frame. Investigations shall be made with the utmost respect in accordance with all relevant laws and regulations.
 - If the matter is important, such as one that affects the reputation and image or financial status of the Company, or conflicts with the Company's policies for conducting business, or involves a senior executive, the designated person(s) will submit the investigated result, opinion and the appropriate course of action, to the Audit & Corporate Governance Committee and/or the Board of Directors for consideration.
 - The designated person(s) may decide how to report the progress/results of the investigation or the complaint to the complainant if his/her name is revealed.

Confidentiality

The Company recognizes that some individuals who observe a Breach and wish to report it will seek to do so in confidence under this Policy. In principle, the Company will handle all reports

confidentially and equally expects employees reporting a Breach keeping this confidential. Confidentiality will always be maintained to the largest extent possible. Therefore, the Company will protect the identity of an employee who discloses a Breach according to this Policy.

The Company does however acknowledge that in some circumstances the investigation process may reach a point where the employee who reported the Breach is required to make a statement or provide evidence. In such circumstances, where finding the truth would be hindered by maintaining complete confidentiality, the Company cannot guarantee complete confidentiality to the reporting employee. The Company will maintain confidentiality as much as possible in such situations. Finally, the Company will not disclose employees' identity without his/her knowledge and consent.

No Retaliation

No member of the Board, Executive or Staff who in good faith reports a violation of the Code of Conduct or reports a complaint or concern involving matters covered by this Whistleblowing Policy shall suffer harassment, retaliation or adverse employment consequence as a result of such a report. An employee who retaliates against someone who has reported a violation, complaint or concern in good faith is subject to discipline up to and including termination of employment.

This Whistleblowing Policy is intended to encourage and enable Directors, Executive and Staff and others to raise concerns within the Company and to better enable the Company to promote compliance with the Business Ethics and Code of Conduct and related policies. In the event that an employee files a complaint which such employee knows or reasonably should know to be false, such employee will be subject to disciplinary action such as termination of employment, and such employee may be held liable for damages incurred by the Company.