

## Policy on Related Parties Transactions

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Leo Global Logistics Public Company Limited

## **Policy on Related Parties Transactions**

The Policy on Related Parties Transactions for Leo Global Logistics Public Company Limited (“the Company”) is as follows:

### **1. Measures and Steps for Approving Related Parties Transactions**

The Company will comply with the Law on Securities and Stock Exchange and Rules, Notifications, Orders or Regulations of Thai Capital Market Supervisory Board and the Stock Exchange of Thailand. Nevertheless, the Executives or the Interested Parties are, therefore, required not to participate in approving such transactions.

In case the said law stipulates that the Related Parties Transactions be approved at the Company's Board of Directors' Meeting, the Company will invite the Audit Committee in the Meeting to consider and give opinions on the necessity to record the transactions and the reasonableness of such transactions. However, in recording the transactions which are Trade Agreements with General Trade Terms and the transactions which are Trade Agreements and which are not General Trade Terms, it is required as follows:

#### **(A) Transactions which are Trade Agreements with General Trade Terms**

Related Parties Transactions which are Trade Agreements with General Trade Terms between the Company and a Subsidiary with a Director, an Executive, or a person related to the Company. The Management proposes for approval in principle to the Company's Board of Directors that the Executive Committee have the authority to approve such transactions in case they have Trade Agreements in the nature in which a reasonable person should enter into with general Contract Parties under the same circumstance, with trade negotiating power not having influence derived from taking a status of Director, Executive, or person related to the Company. However, the Management will prepare a summary report on such transactions to report at the Audit Committee's Meeting and the Company's Board of Directors' Meeting on a quarterly basis.

1 General Trade Terms refer to trade terms with fair prices and conditions and not generating transfers of gains which include trade terms with prices and conditions as follows: (1) Prices and conditions that the Company or its Subsidiaries receive or offer to general persons (2) Prices and conditions which related persons offer to general persons and (3) Prices and conditions that the Company can prove operators of the same business nature offer to general persons.

## **(B) Transactions which are Trade Agreements which are not General Trade Terms**

Transactions which are Trade Agreements which are not General Trade Terms will be considered and approved by the Audit Committee prior to submitting to the Company's Board of Directors and/or Shareholders' Meeting to further consider for approval. However, it is required to be in compliance with the Law on Securities and Stock Exchange, Rules, Notifications, Orders or Regulations of Thai Capital Market Supervisory Board and the Stock Exchange of Thailand, including compliance with the regulations related to disclosure of information on Related Parties Transactions.

In case the Audit Committee has no expertise in considering the Related Parties Transactions likely to occur, the Company will appoint an Independent Expert or the Company's Accounting Auditor to be one who gives opinions on such Related Parties Transactions for use as supplementary information upon decision making performed by the Audit Committee and/or the Company's Board of Directors and/or Shareholders (as the case may be). This is to make sure that recording such transactions is necessary and reasonable and based on the Company's benefits. However, the Company will reveal the Related Parties Transactions on Annual Report and Notes to Financial Statements that have already been audited by the Company's Accounting Auditor.

## **2. Policy on Related Parties Transactions in the Future**

For Related Parties Transactions probably occur in the future, the Company's Board of Directors will be required to comply with the law on Securities and Stock Exchange and Rules, Notifications, Orders and Regulations of Thai Capital Market Supervisory Board and the Stock Exchange of Thailand including complying with the regulations related to disclosure of information on the Company's or its Subsidiaries' Related Parties Transactions according to the Accounting Standard imposed by the Association of Accountants and Auditors of Thailand.

The Company's Policy on Related Parties Transactions will take effect from November 8, 2016 onwards.

*-Signature-*

(Mr. Saneer Dangwong)

Chairman of the Board of Directors

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