



WAH SEONG CORPORATION BERHAD

(Company No: 495846-A)
(Incorporated in Malaysia)

PRINCIPLES OF BUSINESS CONDUCT

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1. Introduction

- 1.1 This document shall form the principles and rules of business conduct for members of Wah Seong Corporation Berhad (“the Group”) and all its employees and directors. Members of the Group and its employees and directors shall not depart from the guiding principles contained herein in conducting the day to day duties and operations of the Group.
- 1.2 The Group is a diversified group of companies with widespread activities and services. The Group is judged by how its employees and directors act and it is therefore extremely vital that the behaviour of its employees and directors matches the Group’s principles and policies.
- 1.3 The Group places high emphasis on transparency among its members, employees and directors. The Group encourages and supports a tell-all approach to information flow and concealing information is regarded as a dishonest act.
- 1.4 All employees and directors are expected to report or inform their respective superior or upper management in the event of suspected or confirmed violation of local, state and federal laws and / or policies and rules of the Group.
- 1.5 This document is presented in a clear and succinct format. As such, all employees and directors are expected to have broad understanding as well as full compliance of the following principles and rules:

2. Business Conduct

- 2.1 Trust and integrity holds an intangible value in the business world. Therefore the Group aims to maintain a high level of ethical awareness among its employees and directors.
- 2.2 Employees and directors of the Group must uphold honesty in their work and duties and also when dealing with associates, clients, vendors, suppliers, colleagues and management.
- 2.3 Ambiguities in any aspect in relation to any form of dealings or transactions should be brought to the attention of the immediate superior or upper management.
- 2.4 The Group encourages teamwork and cooperation among all members, employees and directors.
- 2.5 The Group’s clients, vendors and suppliers as well as associates are valuable partners of the Group, therefore guided respect and humility should be shown at all times.

- 2.6 The Group expects compliance with its standard of integrity and will not tolerate employees and directors who achieve results by means of unethical business conduct especially when it is in violation of the Group's policies and rules and / or local, state and federal laws as well as all applicable international anti-corruption standards and laws such as the Foreign Corrupt Practices Act and the Organization for Economic Cooperation and Development's Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.
- 2.7 Transparency and honesty shall be shown at all times to the internal and external auditors of the Group.
- 2.8 The Group requires that all transactions and dealings be accurately reflected in its books and records. Any form of or attempt at falsification or off-the-record book-keeping is strictly prohibited.
- 2.9 The Group considers integrity to be of utmost importance when dealing with suppliers and / or business partners. Employees and directors should therefore maintain a straightforward and clear-cut relationship with suppliers and / or business partners and abide by all contractual agreements and obligations.
- 2.10 Information transmitted between member companies and / or the Group shall be honest, accurate and succinct.
- 2.11 The Group shall constantly endeavour to provide products and services that adhere to international quality, health, safety and environmental standards.
- 2.12 Risk management is essential in conducting the activities and businesses of the Group. Business conduct that avoids risky practices is encouraged and respected.

3. **Law**

- 3.1 The Group is subject to local, state and federal laws and all employees and directors have a duty to act within those laws.
- 3.2 No employee or director can be directed to carry out an illegal act, and no employee or director can justify an illegal act by claiming to be acting under the order of a superior / upper management, or to be simply complying with a certain policy or instruction.

4. **Gift And Donation**

- 4.1 A gift is anything of value that is given or received for reasons beyond official service or compensation.
- 4.2 The Group understands that gift giving or receiving is warranted under reasonable circumstances but the giving or receiving of gifts shall be conducted with honesty, integrity and openness.
- 4.3 Employees and directors are allowed to present or receive items of nominal value such as promotional products (e.g. office stationeries, mugs, bags) and festive products (e.g. festive cakes / food, festive kits).
- 4.4 Any giving or receiving of gifts valued above USD100.00 or its local currency equivalent shall be authorised / declared to the respective superior or upper management.

- 4.5 Giving and receiving any share of profits, commissions (other than through Representation Agreements approved and executed by the Group), cash and its equivalent are strictly prohibited.
- 4.6 Gift giving by the Group to employees and directors shall be limited to service and recognition awards.
- 4.7 The Group encourages charitable donations by member companies under reasonable circumstances and approval on a case by case basis is required from the Group CEO / Managing Director before any donation is made. All donations and fulfilment of corporate social responsibility should ideally be conducted through Yayasan Wah Seong - the charitable arm of the Group.

5. **Entertainment**

- 5.1 The Group recognises the need to entertain clients and / or business associates under reasonable circumstances.
- 5.2 Corporate entertainment shall strictly be conducted for official purposes and business of the Group only. The use of the Group's resources for personal entertainment is strictly prohibited.
- 5.3 Corporate entertainment shall be conducted in a form and venue that is legal and appropriate (e.g. dining in an established food and beverage outlet). A game of golf and / or any other sporting activities are also encouraged where appropriate.
- 5.4 All claims for corporate entertainment shall be subject to the guidelines as stipulated in the Group Human Resources policies.

6. **Conflict Of Interest**

- 6.1 The Group expects all employees and directors to refrain from any conflict (both real and apparent) between their own interest and the interest of the Group in dealing with clients, vendors and suppliers and affiliate or non-affiliate business associates and organizations.
- 6.2 Unless required by law or as may be approved by management, all information in relation to the businesses and activities of the Group shall remain confidential.

7. **Dealing With Suppliers Of Goods And Services (see also Conflict of Interest)**

- 7.1 The Group is a large buyer of goods and services and awards its business strictly on a basis of suitability and price.
- 7.2 Competitive quotes must be obtained whenever this is possible.
- 7.3 An employee or director who is involved in buying goods and services on the Group's behalf must demonstrate independence and avoid any relationship; financial or otherwise, with suppliers that could be seen as unfairly influencing their judgement.

8. Dealing With Related Parties (see also Conflict of Interest)

- 8.1 A related party could be, in respect of an employee or director, any one of the following; (i) that employee or director's spouse, children, dependent, (ii) any relative of that employee or director, (iii) any company in which that employee or director or his or her spouse, children, dependent or relative has a significant or controlling interest, (iv) any business associate or friend with whom that employee or director has a relationship external to the Group, (v) any person or entity with whom that employee or director may have a relationship that may in any way influence his or her ability to act entirely in the interest of the Group.
- 8.2 If an employee or director finds him/herself in a position where he or she may be required to deal with a related party on behalf of the Group, he or she should inform their superior immediately.
- 8.3 The superior may approve the employee or director continuing to deal with the related party, after considering the circumstances, or may require someone else to act on the Group's behalf.

9. Trading With The Group (see also Conflict of Interest)

- 9.1 No employee or director, and no related party of an employee or director, should enter into transaction to buy goods and services from, or sell goods or services to the Group without the express approval of upper management.

10. Employment Of Relatives (see also Dealing With Related Parties)

- 10.1 If a person who is a related party of an employee or director seeks employment with the Group, then to the extent that this is known or ought to be known to that employee or director, he or she shall so notify the Group Human Resources Department and the related employee or director should take no part in the employment process.

11. Group Assets

- 11.1 All employees and directors shall share the responsibility for looking after the Group's assets, especially if it is under his or her direct control and care.
- 11.2 The Group's assets must not be removed without authorisation from the respective superior or upper management, or be used for personal benefit or any other improper purpose.
- 11.3 The Group's assets may only be given away, lent, destroyed or otherwise disposed of, if this action is properly authorised in accordance with Group policies, no matter how old or damaged the asset is.

12. Confidential and Proprietary Information

- 12.1 All the Group's records and information relating to its clients and / or customers are confidential and all employees must treat them accordingly. Employees who knowingly or unknowingly reveal information of a confidential nature are subject to immediate and appropriate discipline, up to and including termination, and when appropriate, legal action.

- 12.2 Confidential and proprietary information includes, but is not limited to the Group's and its customers' and / or client's: intellectual property; trade and business secrets; best practices; customer requirements; copyrights; patents; logos; trademarks; employee data; software code and modifications; customer, vendor and supplier lists; computer-generated reports; electronic information and software stored and used on computers; data used in the course of business; electronic mail; costs; profit and loss statements and financial data; markets; plans for future development; corporate strategy; contracts with other parties; product lines and products; bids and quotes; pricing information, and other business information not available to the public.
13. **Removal from Premises**
- 13.1 No employee may remove any of the Group's or any related information from the Group's premises (except in the ordinary course of performing duties on behalf of the Group while employed by the Group) without approval from an individual at director level or above. Such information includes, without limitation: documents, notes, files, records, price lists, manuals, employee data, computer files or similar materials as listed above.
14. **Group Funds**
- 14.1 An employee or director having control of Group funds is personally accountable for them. 'Funds' can mean cash or valuables such as aeroplane tickets or corporate charge / credit cards.
15. **Politics**
- 15.1 The Group does not encourage donation or contribution to political candidates or political parties except when permitted or authorised by the Board of Directors of Wah Seong Corporation Berhad.
- 15.2 An employee or director who engages in any political activity shall do so in his or her capacity as a private citizen and not as a representative of the Group in any way.
16. **Equal Opportunity**
- 16.1 The Group upholds the practice of equal opportunity as a major pillar of its human resource policy. No person shall be discriminated in any sense or manner by reason of race, religion, sex or political leanings.
- 16.2 All employees and directors shall be treated fairly and equally and any decision on career advancement shall be based solely upon merit and performance.
17. **Drug And Alcohol Use**
- 17.1 No employee or director shall at any point in time during work and / or office hours consume alcohol of any form, except under approved and reasonable circumstances such as during corporate functions or events.
- 17.2 Any employee or director who is found to be intoxicated by alcohol at any time during work and / or office hours shall be referred to upper management for disciplinary action.

17.3 The Group is committed to a safe and healthy working environment. The usage of illicit drug is an offence and any employee or director found to have committed such an illegal act shall be immediately referred to the local authorities.

18. **Harassment In The Workplace**

18.1 The Group will not tolerate any form of harassment in the workplace. Any employee or director facing harassment in any manner by any person within the Group is encouraged to report the matter immediately to upper management.

18.2 Any person suspected to have committed criminal harassment will be handed over to the relevant authorities.

19. **Acceptable Use of Group Computer Resources**

19.1 In the course of their duties, employees or directors may be provided Group computer resources including, but not limited to notebooks, desktops, servers, networks, software, facilities and services.

19.2 Such Group computer resources shall be used exclusively for work, business and matters of the Group. The excessive use of such Group computer resources for personal reasons is not permitted.

19.3 The intentional downloading, sending, sharing and viewing of illegal and / or sexually explicit materials on Group computer resources is strictly prohibited. Employees and directors who have inadvertently receive illegal and / or sexually explicit materials shall take steps to immediately delete and destroy such materials.

19.4 The use of Group computer resources to create and / or send viruses and / or spam electronic mail is strictly prohibited.

19.5 The Group forbids the use of unlicensed software in its computer resources. The relevant departments and operations of the Group are expected to conform to local copyright laws and to reasonably ensure that any software used is a fully licensed product.

20. **Environment**

20.1 The preservation and conservation of the Earth's environment is a priority of the Group. All members, employees and directors are required to adhere and strive to surpass local environmental policies and regulations.

20.2 Employees and directors are strongly encouraged to practice the reuse and recycling of office materials and stationeries as and when possible.

21. **Health And Safety**

21.1 The Group places high priority on maintaining a healthy and safe working environment for all its employees, directors and business associates. The Group has a separate Health, Safety and Environment (HSE) Policy Statement that should be read and understood by all employees and directors. A copy of the Group HSE Policy Statement is available online at www.wahseong.com.

- 21.2 Smoking is not permitted within all premises and properties of the Group other than designated smoking zones.
- 21.3 All operational facilities and properties of the Group are required to adhere to internationally accepted health and safety standards.
- 21.4 All operational facilities and properties of the Group are required to comply fully with local fire safety regulations.
- 21.5 The Group adopts a zero tolerance policy towards criminal behaviour / conduct in order to protect the safety of its employees, directors, associates and clients. Any criminal behaviour / conduct cases will be immediately referred to the relevant authorities.

22. **Leaving The Group**

- 22.1 On leaving or retiring from the Group, an employee or director must hand over to his or her superior any Group assets and items containing business information.
- 22.2 Even after leaving the Group, a former employee or director has a continuing obligation to maintain the confidentiality of such information which includes intellectual property that may have been created whilst under the employment and service of the Group, and information relating to customers, suppliers and employees.
- 22.3 For 12 months after ceasing employment with the Group, or the limitation period thereafter as stated in the employment contract, a former employee or director must not solicit or accept business of the type that the Group engages in from any person or company that had previously dealt with the former employee or director as a result of his/her employment in the Group, and the former employee or director must not solicit or endeavour to entice away from the Group any employee or contractor of the Group.

23. **Guidelines To Implementation And Compliance**

- 23.1 Chief Executive Officers / Head of subsidiaries shall oversee the communication, implementation and compliance of these principles and rules in their respective organisations.
- 23.2 All members, employees and directors are to have free and unrestricted access to this document and must be conscious that contravention of the rules and principles on their part will result in appropriate disciplinary action.
- 23.3 Any questions about these principles and rules should be directed to the Group Director of Compliance & Corporate Governance and / or the Group Head of Human Resources and / or the Group Chief Executive Officer.

24. **Reporting Violations of the Principles of Business Conduct**

- 24.1 The Group's employees are expected to demonstrate the highest standards of business conduct in their relationships with other employees, customers, clients, suppliers and the general public.

- 24.2 Employees may make a report by contacting any senior management team or the Group Chief Executive Officer / Managing Director or Group Deputy Managing Director at any time and all reports will be dealt in a strict and confidential manner, ensuring and safeguarding the position and interest of the person making the complaint.
- 24.3 Employees can also use the Whistle Blowing Policy and Procedures to report any violations.
- 24.4 Strict action will be taken by the Group once the report has been investigated and if the investigation reveals that misconduct has occurred or any of the Principles of Business Conduct has been violated, the Group may respond as it deems appropriate and necessary and in accordance with the law.

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I have read and understood the content of this Principles of Business Conduct.

Signature : _____

Full Name : _____

Designation : _____

Date : _____

Conflict of Interest Disclosure Statement

I hereby disclose my personal interest, relationships and holdings (if any) that could potentially result in a conflict of interest, and I agree to update it as necessary.

1)

2)

3)

4)

5)

Signature : _____

Full Name : _____

Designation : _____

Date : _____