



Code of Conduct

Chemical Company of Malaysia Berhad's ("CCM") Code of Conduct is a general reference for use in all the countries in which CCM conducts operations. It does not describe all applicable laws, regulations or CCM policies, nor give full details on any particular law, regulation or policy. It does not constitute legal advice. It does not constitute nor create a contract of employment. CCM reserves the right to modify, revise, cancel or waive any policy, procedure, regulation or condition without notice and without revision of our Code. Since CCM operates in various jurisdictions, CCM also reserves the right to modify the provisions of our Code to adapt our Code to the requirements of the respective local jurisdiction, applicable legislation and social conditions.

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PART A: INTRODUCTION

The Board of Directors (“**Board**”) of Chemical Company of Malaysia Berhad (“**CCM**”) is committed to its role in establishing a corporate culture which engenders ethical conduct that permeates throughout CCM and its subsidiaries (the “**CCM Group**”). This includes adopting best practices in corporate governance and observing high standards of behaviour and integrity in our businesses and activities, including dealings with the authorities and our shareholders, CCM Family, business partners, customers, suppliers and other stakeholders, and in the communities and environment in which the CCM Group conducts its operations.

CCM has adopted this Code of Conduct (“**our Code**”) to formalise and commit to ethical values and standards of conduct expected of the CCM Group. Our Code is based upon and supplements CCM’s vision, mission and core values; embodies several of the principles contained in various policies adopted by CCM; and gives guidance on how CCM Family and other people affected by the Code should apply our core values to the CCM Group’s businesses and activities. CCM is also committed to ensure the progressive implementation from time to time of appropriate internal systems to support, promote and ensure compliance with our Code.

Each employee of the CCM Group has a role to play in enabling the CCM Group to achieve sustainable performance and to deliver value to our customers, shareholders and other stakeholders without compromising our ethical standards, values and reputation, and in upholding and enforcing our Code. All CCM Family are expected to conduct themselves professionally in their work and dealings, and comply with our Code.

CCM Family may access the full version of our Code on our intranet and a summary of our Code is available on our corporate website. In addition, all documented policies and procedures adopted by CCM may also be found on our intranet.

PART B: THE FOUNDATION OF OUR CODE - CCM’S VISION, MISSION & VALUES

Our Vision: *Enhancing Quality Of Life.*

Our Mission: *To be a responsible company committed to enhancing quality of life by providing sustainable solutions based on innovative science.*

Our Core Values:

Passion – *We inspire and energise everyone to be the best.*

Excellence – *We consistently deliver outstanding performance through innovative solutions.*

Teamwork – *We succeed together because we work as one.*

Integrity – *We conduct ourselves with pride in being honest and ethical.*

Responsible – *We honour the trust given to us by being accountable for our actions.*

Respect – *We value differences and sincere intentions as the basis for achieving shared aspirations.*

PART C: ABOUT THE CODE OF CONDUCT

1. Purpose

Our Code sets out standards with which the CCM Group, its officers and CCM Family are required to comply with when dealing with each other, shareholders, other stakeholders and the broader community. Our Code is not exhaustive, and the CCM Group has developed or will develop specific detailed policies, procedures, directives and/or guidelines to support, promote or ensure compliance with our Code. Our Code is to be read and applied in conjunction with such policies, procedures, directives and guidelines.

See also CCM's Book Of Policies.

2. Applicability

Our Code applies to:

- all our business activities and all our dealings with each other, the authorities, shareholders, customers, suppliers and other stakeholders; and
- the CCM Family and officers of the CCM Group (the "**CCM Family**"), whether they work full-time, part-time or as casuals or supplementary workers or in executive or non-executive positions, and regardless of their job grade or location.

All CCM Family must comply with:

- our Code;
- all applicable laws and regulations; and
- other policies, procedures, directives and guidelines of the CCM Group, and abide by our Core Values. Failure to comply may lead to commencement of disciplinary proceedings that may result in dismissal or termination of employment and/or appointment with the CCM Group. In addition, if any member of the CCM Family breaks the law, he/she may also be personally liable for his/her action.

CCM Family must familiarise themselves with our Code and other policies, procedures, directives and guidelines of the CCM Group. If you discover any conflict or inconsistency between the provisions of our Code and the provisions of any other policy, procedure, directive or guideline of the CCM Group, the provisions of our Code shall prevail and you must inform your line manager of the same who will then notify CCM Group Human Resource. If there are any questions about our Code and its application by CCM Family, please request your line manager, CCM Group Legal or CCM Group Human Resource for assistance.

The custodian of our Code is CCM Group Human Resource. All CCM Family are required to confirm their understanding of our Code and shall further be required to confirm their continued compliance with our Code on an annual basis.

How to deal with issues that you are uncertain of its appropriateness?

If you are confronted with a situation or are considering behaviour and are still unsure of its appropriateness, ask yourself these questions:

- Is it consistent with our Core Values and in line with our policies, procedures, directives and guidelines?

- Would I be comfortable telling my family and friends?
- Would it look ok on the news broadcasted by a television or radio channel or if it appeared in a newspaper or other media?
- Is it ethical and legal?

or consult your line manager.

3. Reporting and Review

CCM Family is to report any breach of compliance with our Code.

The reporting of non-compliance with our Code may either be made to:

- (i) the line manager; or
- (ii) any Head of Department; or
- (iii) the Group Managing Director;

or may be made in accordance with CCM's Whistle-Blowing Policy which aims to:

- (a) encourage CCM Family to feel confident in raising serious concerns;
- (b) provide a formal channel for CCM Family to raise these concerns and receive feedback on any actions taken;
- (c) ensure that CCM Family receive a response to their concerns and ensure that they are aware of how to pursue their concerns if they are not satisfied with the response given; and
- (d) reassure them that they will be protected from possible reprisals or victimisation if they have a reasonable belief that they have made any disclosure in good faith.

See also CCM's Whistle-Blowing Policy.

The provisions of our Code may be amended, varied, deleted, substituted or updated from time to time. CCM Family will be required to comply with our Code as amended, varied, deleted, substituted or updated.

Amendments to our Code must be approved by the Management Committee of CCM.

The Management Committee of CCM will review our Code on an annual basis.

4. Discipline

The maintenance of discipline, good conduct and good behaviour amongst the CCM Family is important in running the business and is for the common good of CCM Group and its CCM Family.

The term "misconduct" means an improper behaviour, act or conduct in relation to duties or work which is inconsistent with the due performance of obligations to CCM Group and includes a breach of discipline or violation of our Code or the rules and regulations as set out in any handbooks, policies, guidelines or procedure statements or in any documentation of CCM Group.

Subject to the requirements of applicable law, disciplinary action may be taken against any person to whom our Code applies for misconduct or for non-compliance with our

Code or non-compliance with laws, regulations, rules, policies and procedures.

See also the CCM's Human Resource Discipline Procedure which includes a non-exhaustive list of items constituting misconduct.

PART D: CONDUCTING BUSINESS WITH INTEGRITY

1. Conducting Business Ethically, Fairly and with Honesty

CCM Group shall conduct its businesses ethically, fairly, honestly and with integrity. CCM Group and CCM Family must not take unfair advantage of any other person, including without limitation participating in illegal practices - for example, misleading and deceptive conduct, misrepresentation and undue influence, as well as conduct which are legal but unethical. Corrupt practices are not acceptable.

See also CCM's Business Ethics Policy.

CCM Family shall additionally abide with and support all pledges or undertakings made by the CCM Group to any organisation, institution or party (whether government related or non-government organisation and whether made voluntarily or pursuant to regulatory compliance) relating to the conducting of businesses ethically, fairly, honestly and/or with integrity or any other subject.

2. Complying with Laws

The businesses and activities that CCM Group is involved in are highly regulated. Regulatory compliance is about complying with all laws, by-laws, ordinances, rules, regulations, directives, license/permit conditions, codes, standards and terms and conditions of agreements and contracts.

CCM Family must familiarise themselves with the laws, by-laws, ordinances, rules, regulations, directives, license/permit conditions, codes, standards and terms and conditions of agreements and contracts applicable to their business function and roles. We must comply with our regulatory obligations in the territories that the CCM Group operates.

Failure to comply can impact the operations of CCM Group's businesses and can result in prosecution, fines, penalties, damages and losses for CCM Group and CCM Family, as well as termination of employment or appointment, or imprisonment for CCM Family.

3. Working with Uncompromising Honesty

3.1 Conflict of Interest Policy

A conflict of interest arise when an employee's personal activities or relationships interfere with his or her objectivity in doing what is best for the Company. Conflicts of interest, be it real, potential and even by appearance, can result in serious consequences

for the employee and the Company. Conflicts of interest can occur in both direct and indirect situations. CCM Family is expected to diligently avoid such conflicts.

CCM Family must disclose any outside activities, financial interest or relationship that may pose a real, potential or perceived conflict of interest. Disclosures may be to a supervisor, manager, or Human Resources professional and will vary depending on the job or role of the employee making the disclosure. Management approval must be obtained before accepting any position as an officer or director of an outside business.

CCM Family must periodically update their management regarding any activity that has previously been disclosed pursuant to this Principle.

CCM Family must notify management before serving on the board of a charitable, educational, or other nonprofit organization.

It is not possible to list down all conflicts that could arise, below are examples where conflict of interest could occur and should be avoided by CCM Family:

A. Outside employment or business activities

- ❖ Engaging in outside employment that is inconsistent with CCM's interests, such as working for a competitor or starting own line of business that competes with CCM.
- ❖ Having a second job where the other employer is a direct or indirect competitor, distributor, supplier or customer of CCM.
- ❖ Having a second job or consulting relationship that affects the employee's ability to satisfactorily perform CCM assignments.

Having an outside employment that requires you to use CCM time, facilities or property to perform the job would be considered a conflict of interest. To assess whether a second job will create a conflict of interest, CCM Family are required to obtain approval from their supervisors before accepting additional employment outside the Company.

B. Directorship

- ❖ Acceptance of a directorship post in any company or non-profit organization without prior approval from the Group Managing Director, who will determine whether the directorship creates conflicts of interest.
- ❖ Serving as a director or consultant to a competitor of the Company.

C. Investments

- ❖ Having a direct or indirect financial interest in or a financial relationship with a CCM competitor, supplier or customer (except for insignificant stock interests in publicly-held companies).
- ❖ Using nonpublic CCM information for personal gain or advantage, or for the gain or advantage of another, including the purchase or sale of securities in a business CCM is interested in acquiring, selling or otherwise establishing or terminating business relations with.

- ❖ Investing in an outside business opportunity in which CCM has an interest, except for having an insignificant stock interest in publicly-held companies.

D. Gift and Entertainment

- ❖ Accepting gifts, meals, or entertainment that could appear to affect objectivity and judgment.
- ❖ Receiving personal discounts or other benefits from suppliers, service providers or customers that are not available to all CCM Family.

E. Communications

- ❖ Receiving personal honoraria for performing services that are closely related to the employee's work at CCM. CCM Family must have their supervisor approve occasional honoraria, such as for a university presentation or symposium.

F. Relative and friends

- ❖ Mixing personal relationships and business—for example, hiring a relative as an employee or vendor; buying goods or services from a family business on CCM's behalf; or selling CCM goods to a family business on favourable terms not seen to be arm's length.
- ❖ Taking part in any CCM business decision involving a company that employs a spouse, relative or friend.

The definition of 'relative' according to the MACC Act 2009 is as follows:

- A spouse of the employee
- A brother or sister of the employee
- A brother or sister of the spouse of the employee
- A lineal ascendant or descendent of the person
- A lineal ascendant or descendent of the spouse of the person
- A lineal descendant of the person referred to in paragraph (ii)
- The uncle, aunt or cousin of the employee
- The son in-law or daughter in-law of the employee.

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G. Relationship

- ❖ Personal relationships with other CCM Family where being in that relationship may result in one of the persons receiving or giving unfair advantage, or preferential treatment because of the relationship.
- ❖ Actions or relationships that might conflict or appear to conflict with job responsibilities or the interests of CCM.
- ❖ Having romantic relationships with other CCM Family where:
 - There is a reporting relationship (both direct and indirect) between the CCM Family;
 - There is no direct reporting relationship between the CCM Family, but where a romantic relationship could cause others to lose confidence in the judgment or objectivity of either employee (e.g. one or both have access to

sensitive information), or the relationship could cause embarrassment to the company.

If there is such a relationship, the parties need to be aware that one or both may at the discretion of the CCM Group be moved, transferred or seconded to a different department, business unit, division or company within the CCM Group and/or other actions may be taken (including but not limited to change of job scope and/or responsibilities).

See also CCM's Conflict of Interest Policy.

3.2 Anti-Bribery & Corruption Policy

Any form of bribery and corruption is prohibited. CCM Family and any third party acting on CCM's behalf must not provide, offer or accept bribes, kickbacks, corrupt payments, facilitation payments, or inappropriate gifts, to Government Officials or any commercial person or entity, regardless of local practices or customs.

All CCM Family and any third party acting on CCM's behalf must comply with all applicable anti-bribery laws and regulations, including, but not limited to, the Malaysian Anti Corruption Commission Act (MACC Act), U.S. Foreign Corrupt Practices Act (FCPA) and the U.K. Bribery Act (UKBA).

The MACC Act covers the following conduct:

- the giving and accepting gratification;
- the giving or accepting gratification by an agent;
- corruptly procuring the withdrawal of a tender;
- bribery of an officer of a public body;
- bribery of foreign public officials;
- using an office or position for gratification; and
- dealing with, using, holding, receiving or concealing gratification or advantage in relation of any offence under the MACC Act.

The expression "gratification" under the MACC Act includes –

- money, donation, gift, loan, property, financial benefit or other similar advantage;
- any office, dignity, employment, contract of services;
- any payment, release or discharge of any loan, obligation or other liability;
- any discount, commission, rebate, bonus or percentage;
- any forbearance to demand any money or money's worth or valuable thing;
- any favour of any description, including protection from any penalty or proceedings of a disciplinary or criminal nature or forbearance from the exercise of any right, power or duty; and
- any offer or promise of any gratification within the meaning of any of the preceding items.

See also CCM's Anti-Bribery and Corruption Policy.

3.3 Gift and Entertainment Policy

Payments to External Parties

Other than in the circumstances outlined in the Gifts and Entertainment section below, CCM Family is not allowed to directly or indirectly offer or make payments in cash or in kind to any party or person (including but not limited to Government officials, business partners (e.g. suppliers and customers) or their spouses, dependents or CCM Family in an attempt to influence them in their business dealings with any member of the CCM Group.

See also CCM Group Procurement's Code Of Integrity Manual.

Receipts by CCM Family

Other than in the circumstances outlined in the Gifts and Entertainment section below, CCM Family and their spouses or dependents are not allowed to directly or indirectly solicit or accept payments, in cash or in kind, from any party or person having business dealings with any member of the CCM Group for the purpose of influencing individuals to confer benefits or reach favourable decisions.

Gifts

As a general rule, CCM Family should not accept presents or gifts. However, under certain circumstances, token gifts (not cash) in line with local custom and practice, are acceptable.

In the infrequent circumstances, where gifts are accepted (because, for example, refusal may be taken as an offence by the giver), the following guidelines apply:

- i) All gifts received by the CCM Family from the external parties must be declared to the Group Integrity Unit. A file note will be kept on the action taken, i.e. whether the gifts are retained or donated to charity.
- ii) As a general rule, festive-related gifts and promotional gifts are acceptable provided that the cost is reasonable, i.e. no more than RM200. However, it is advised that prior to the distribution of the gifts, the following recommendation should be fulfilled:
 - Equality in terms of value of all festive gifts given to external parties
 - The recipient of the gift should not be to a selected group
 - No preferential treatments to any parties receiving the gifts
 - Not an inducement expecting any future favours that can be deemed as a form of corruption.
 - Only relevant individuals should receive the festive gift, e.g. Muslims for Hari Raya only.

All gifts given to external parties should be declared to the Integrity Unit.

Entertainment

CCM Family is also encouraged to ensure that entertaining by or of third parties is reasonable in its extent and appropriate to the particular business circumstances. The Group Managing Director will determine appropriate standards.

3.4 Competition Law

CCM Family must comply with all applicable competition laws. CCM Family must strive to adhere to and operate within all laws intended to protect and promote free and fair competition.

CCM Family should familiarize themselves with and always follow all guidelines, policies and directives issued by CCM Group pertaining to compliance with applicable competition laws. Breaching the provisions of such laws may result in CCM Group incurring large fines and being exposed to legal action by aggrieved parties. Below are key provisions which must be complied with in this regard but they are by no means meant to be exhaustive.

Key Provisions

- CCM Family must not talk with or share information (directly or indirectly) with competitors to fix prices or other terms of sale, set production levels, divide up markets, customers or territories, or boycott any customer.
- CCM Family should not be involved in any discussions on details of pricing, costs, profits, trading terms, marketing and distribution plans or new product launches with competitors or trade associations.
- When in contact or communicating with CCM Group's customers, the following acts are prohibited:
 - a) disclosing the commercial terms of one customer to another customer;
 - b) passing commercially sensitive information to competitors through customers;
 - c) imposing conditions of sale that can exclude competitive products or limit a customer's scope of resale;
 - d) fixing resale prices;
 - e) forcing a customer to buy other products which have no connection with the products being purchased or requested (tying practices);
 - f) refusing to supply products to any customer without any objective justification;
 - g) selling goods at excessively low prices hence preventing a new entrant or forcing existing competitors out of the market; and
 - h) charging different prices or imposing different commercial terms on customers in equivalent transactions without any objective justification.
- If any of the above prohibited matters or other competition sensitive matters are raised or discussed in any trade association meeting or other meeting with competitors (whether formal or otherwise), CCM Family should immediately object to such discussion and leave the meeting.
- CCM Family should not enter into any exclusive arrangements on behalf CCM Group with any customer or supplier unless the said arrangement has been approved by CCM Group's Legal Department.
- CCM Family should refrain from using competition sensitive language for all internal and external communication. For example, phrases like "being dominant in the market", "killing off a competitor", "forcing a competitor out of the market", "preventing a competitor from entering the market" or suggesting in any way that CCM Group is not in compliance with any laws or is acting unlawfully.

See also CCM Group's Competition Law Compliance Policy & Manual.

3.5 Securities and Insider Trading

As regards dealings in the shares or securities of CCM, or of any other public listed company connected with or related to CCM, certain restrictions have been placed by laws and regulations, including without limitation the Capital Markets And Services Act, 2007 and the listing requirements of any stock exchange on which the shares or securities of any member of the CCM Group are listed or traded. CCM Family having access to unreleased price sensitive information must avoid conduct known as “Insider Trading” and avoid any adverse inference being drawn from unfair dealings by them. Violation of insider trading laws could result in criminal charges being brought against the defaulting CCM Family.

See also CCM Group’s Securities Trading Policy set out in CCM Group’s Code On Corporate Governance.

3.6 Political and Charitable Contribution

It is the policy of the CCM Group not to make contributions to political candidates or parties.

Contributions to charitable funds and bodies should be made only with the written approval of the Group Managing Director who is responsible for the control of such expenditure.

4. Providing Quality and Safe Products

4.1 Innovation, Quality and Halal

CCM Group is committed to contribute to society by providing high quality products whilst creating value for our stakeholders. To this end, CCM Group is committed to Total Quality Management and we aim to achieve Total Customer Satisfaction and to be recognised as a preferred supplier of innovative and quality products and services that consistently meet our customers’ evolving needs, whilst meeting all regulatory requirements.

CCM Group also recognises that in addition to providing assurance to Muslims, Halal certification also benefits everyone, as the products would have strictly adhered to stringent Islamic requirements which have high standards of safety, efficacy, quality and hygiene conditions. CCM Group is therefore committed to manufacture, import and distribute consumable products which are in compliance with the requirements of the authorised Islamic certification bodies and other related regulatory bodies, and will likewise ensure that the non-consumable products which we manufacture, import and distribute meet the same high standards of safety, efficacy, quality and hygiene conditions. In the course of carrying out CCM Group’s activities, businesses and operations, CCM Family will actively and continuously comply with relevant applicable standards as set by authorised Islamic certification bodies and other related regulatory bodies, including without limitation complying with the requirements of Halal Zones that may be designated from time to time within any of CCM Group’s premises, vehicles or area of operations.

See also CCM Group Sustainability Policy and CCM's Halal Policy.

5. Protecting the Company's Assets and Information

5.1 Information Communication Technology

All CCM Group's computer and other information and communication technology ("ICT") facilities must be safeguarded against theft, damage and improper usage. CCM Group does not permit the usage of ICT facilities involving sensitive and illegal matters, infringement of intellectual property rights, unauthorised access, misuse of the CCM Group's time and resources and risking of the integrity of CCM Group's ICT facilities.

To the extent allowed by applicable laws in the respective countries in which CCM Group operates, CCM Group reserves the right to monitor each CCM Family's email messages, instant messaging, blogs, use of the internet and contents in company issued ICT facilities. This information can be recovered and used as evidence in domestic proceedings and courts of law or disclosed to the authorities or regulatory bodies as the case may be.

Each CCM Family must use CCM Group's ICT facilities responsibly and primarily for the business purposes for which they are intended. The ICT facilities include access to the internet, intranet, email services and all other ICT hardware, software, systems and peripherals.

See also CCM's Information Communication And Technology (ICT) Policy.

5.2 Confidentiality, Privacy And Protection Of Company Assets

CCM Group values and protects all confidential, proprietary and personal information. CCM Family may be given by or may have obtained access to confidential, proprietary or personal information from any member of the CCM Group or CCM Group's customers, suppliers or other stakeholders/parties.

CCM Family must take measures to avoid unauthorized disclosure, e.g. by securing access to confidential company records. CCM Family must not communicate or disclose confidential, proprietary or personal information to competitors, customers, suppliers, consultants, service providers, trade associations or other third parties unless such communication or disclosure is authorised by CCM and a non-disclosure agreement (or confidentiality agreement) has been signed. Confidential, proprietary or personal information or ideas received from third parties should not be used, processed, disclosed or communicated unless the third parties' consent has been obtained and the appropriate safeguards are in place. Any confidential, proprietary or personal information must not be disclosed or discussed outside the scope for which the information was provided.

- CCM Family must be aware that any unlawful or unauthorised disclosure of confidential, proprietary or personal information may result in irreparable loss and/or damage to the CCM Group. In such cases, CCM or the relevant CCM Group entity may institute civil and criminal proceedings against the offending party. Any CCM Family found guilty of such misconduct may also be subject to disciplinary

action which may include dismissal.

- It is equally important that confidential, proprietary or personal information is only disclosed to other CCM Family on a need to know basis.

All CCM Family have an obligation to continue to preserve the confidential, proprietary and personal information even after the appointment / employment has ceased, unless disclosure is required by law, an order of any court of competent jurisdiction or any competent judicial, governmental or regulatory authority.

Misappropriation of property owned by CCM Group, CCM Family, customers or suppliers will not be tolerated. Any misappropriation should be reported immediately and properly investigated. Appropriate disciplinary and/or legal action will be taken.

In recognizing the importance of respecting the privacy rights of individuals, CCM Group is also committed to ensuring compliance with the requirements of applicable laws relating to protection of personal data (e.g. the Malaysian Personal Data Protection Act 2010). Therefore, it is the responsibility of all CCM Family to assist CCM Group to comply with such laws and CCM Group's Data Protection Compliance Policy. Breaching the provisions of such laws or policy may result in CCM Group and CCM Family incurring penalties and being exposed to legal action by aggrieved parties. There may also be negative publicity as a result of any breach that is made public.

See also CCM Group's Data Protection Compliance Policy.

5.3 Intellectual Property

Intellectual property ("IP") is a property right derived from creations of the mind through intellectual or discovery efforts in industrial, scientific, literary and artistic fields which can be developed and protected. Examples of IP include patent, trademark, copyright, industrial design, trade secrets and know-how. In accounting or financial terms, it is regarded as an intangible asset. The role of IP and its proper management is crucial in realising the vision and mission of the CCM Group.

CCM Group has acquired or developed valuable IP. CCM Family have a responsibility to protect these assets.

CCM owns the IP rights to anything that CCM Family create or develop during the course of their employment with the CCM Group (e.g. a report, advertising campaign, web pages, software, a product, service, process or concept, a brand, a song, etc.). CCM is entitled to the exclusive benefit of the works created by CCM Family, and may require that the relevant CCM Family waive his/her moral rights to those works.

CCM Group is committed to formulating, monitoring and enforcing effective IP creation, acquisition, protection and governance processes within the CCM Group. For the purpose of achieving the said objectives, a set of processes have been created and embodied in an IP Manual in which the standard operating procedures are outlined in detail. The IP Manual is to be adhered to by all CCM Family of the CCM Group.

Any acquisition, disposal, transfer, licensing of or dispute relating to IP must be referred to the CCM's Group Legal Department for assistance. The acquisition, disposal, transfer or licensing of patents, trademarks, copyrighted works or other IP rights is subject to

Management approval and contractual safeguards. In any event, no statement regarding the ownership, validity, scope, or enforceability of IP rights should be made by CCM Family without the involvement of CCM's Group Legal Department.

See also CCM Group's Intellectual Property Policy And Manual.

5.4 Careful Communication

CCM Family are not allowed to spread malicious rumours about any member of the CCM Group and misrepresenting the CCM Group to others.

CCM Family are also required not to make defamatory, slanderous, seditious or derogatory statements and not to infringe or authorise any infringement of copyright or any other legal right by email or other forms of communication. Any such communication will not be condoned by CCM Group and is outside the scope of the employment of the individual concerned. CCM Group will not accept any liability in respect of such communication, and the employee responsible will be personally liable for any damages, penalties or other liability arising.

6. Maintaining Complete and Accurate Business Records

6.1 Proper Documentation and Authorisation

The Company expects that all business transactions are documented properly. The Company has a Limit of Authority in place to govern the authorizations required in doing business. All CCM Family must be aware of the LOA and follow them without any attempt to bypass requirements.

6.2 Risk Management

CCM Group recognises the broad spectrum of risks which the company faces along with the opportunities which it seeks in its businesses and operations. It is a strategic objective of the CCM Group to have an effective risk management programme and control systems to assess and mitigate these risks and thereby facilitate the CCM Group in meeting all its business objectives. The CCM Group is committed to developing and maintaining a risk management culture in CCM Family through leadership, education, communication and consultation so that risk-based approach is effectively embedded in its business processes and operations.

See also CCM's Risk Management Policy.

6.3 Accounting And Procurement Procedures

CCM Family must observe prescribed accounting, financial and procurement procedures and comply with the requirements of CCM Group's internal control policies, guidelines and procedures. All transactions must be accurately and properly recorded in the books of accounts. Off the record funds and accounts are strictly prohibited.

See also CCM's Finance And Accounting Manual and CCM's Group Procurement Policy Manual.

6.4 Records Retention

CCM Family is expected to know of the Company's record retention policy.

7. Respecting Others in the Workplace and Society

7.1 Equal Opportunity and Workplace Diversity

CCM provides equal employment opportunity and anti-discrimination in the workplace. CCM will strive to ensure that employment opportunities properly reflect gender, ethnicity and age of the Malaysian demographics.

7.2 Workplace Health & Safety

CCM strives to provide safe and healthy working conditions in order to prevent harm to, and promote the health of, all CCM Family and other stakeholders. In order to do so, health and safety programs, rules and regulations apply at all sites. It is the responsibility of each CCM Family to comply with health and safety regulations.

CCM and CCM Family will endeavour to prevent any injuries at work, both for CCM Family and for our contractors.

Beyond this, CCM seeks to adapt work to the capabilities of all CCM Family in relation to their physical and mental health. Care and support should be integral to the response to CCM Family with chronic disability or chronic illness. All CCM Family should have access to affordable health services. In areas with a high prevalence of HIV/AIDS, access to voluntary and anonymous counselling and testing should be encouraged and supported.

See also CCM Group Sustainability Policy.

Smoking in CCM Group's premises and vehicles is strictly prohibited. However, smoking is permitted at such areas within CCM Group's premises that have been officially designated as smoking areas.

7.3 Prevention & Eradication of Drug, Alcohol & Substance Abuse

CCM Group views seriously the case of CCM Family (or contractors on site) using illegal drugs or indulging in alcohol and other substance abuse at the workplace. Appropriate actions will be instituted against anyone who presents himself at work under the influence of illegal substances or, possesses, distributes, or sells illegal drugs in the workplace.

See also CCM's Prevention And Eradication Of Drug, Alcohol And Substance Abuse (PEDAS) Policy.

7.4 Energy Usage

In manufacturing, distribution and sale of CCM Group's products, proper care will be taken to ensure the effective utilisation of all forms of energy.

Essential to our efforts at continuous improvement is our commitment to the principles of sustainable development. In embracing this corporate philosophy, it is our policy to bring benefit to society and the environment through constructive engagement in the areas of energy conservation, recovery and reuse.

We will achieve this by:

- Establishing the energy data base and developing indices for monitoring and control.
- Identifying, evaluating and implementing feasible energy conservation opportunities.
- Complying with the legal requirements and codes of practice on energy conservation and management.
- Educating, training and creating awareness on energy conservation and management issues.
- Ensuring energy efficiency is an integral part of all new business initiatives.
- Promoting energy ownership across every facet of our organisation.

See also CCM Group Sustainability Policy.

7.5 Corporate Social Responsibility

CCM Group is committed to be a responsible corporate organisation. We recognise the importance to integrate our business values and operations to meet the expectation of our shareholders. As such, we will -

- manage our business in the highest standard of integrity and corporate governance practices;
- protect the health and safety of all individuals affected by our activities including our CCM Family, contractors and the public by providing a safe and healthy working environment;
- actively assess and manage the environmental impact of all of our operations;
- provide equal opportunity in all aspects of employment and ensure that CCM Family are treated fairly and given the opportunity to grow with the CCM Group; and
- develop and participate in community programmes which enhances the quality of life especially those related to healthcare, education, sports and the environment.

See also CCM Group's Code On Corporate Governance and CCM Group Sustainability Policy.



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