



# **Code of Conduct and Business Ethics**

## **Leadership Message**

### **A message from the Chief Executive Officer on EcoWorld's Code of Conduct and Business Ethics**

Dear Team EcoWorld,

I am very delighted to launch EcoWorld Code of Conduct and Business Ethics here. I believe and am confident that this Code will make a significant contribution to improving the knowledge and understanding of the principles of business conduct and ethics amongst all of us, and I am determined that the guidance set out in the Code is followed in daily practice.

Our reputation and integrity is a key business asset and the foundation of our success, and in this respect, we must act with honesty at all times and treat each other with infallible honour. All that we do at work will be - and should be - measured against the highest possible standards of ethical and business conduct. This commitment will consequently enable us to hire people of better calibre, build greater products, and is fundamental to our long-term relationships with our customers.

It is our responsibility to carry ourselves in an ethical business manner and also to ensure that others do the same. By applying the principles that we have set out, guided by the values that underpin them, you can play your part in upholding EcoWorld's reputation.

**Dato' Chang Khim Wah**  
**Chief Executive Officer**  
**2<sup>nd</sup> May 2014**

# **Code of Conduct and Business Ethics**

## **Executive Summary**

EcoWorld Group of Companies, hereinafter referred to as EcoWorld is committed to maintaining a high standard of code of conduct and business ethics. The value of integrity is the cornerstone of this Code. Hence, everything in this Code is an expression of commitment to performance with integrity.

This Code serves as a road map to help guide actions and behaviors while working for and/ or dealing with EcoWorld. We expect and require each employee, as representative of EcoWorld, to also fulfill our commitment to good ethical behavior. Business representatives engaged to act on EcoWorld's behalf are also required to adhere to this Code and maintain high standards of conduct and business ethics.

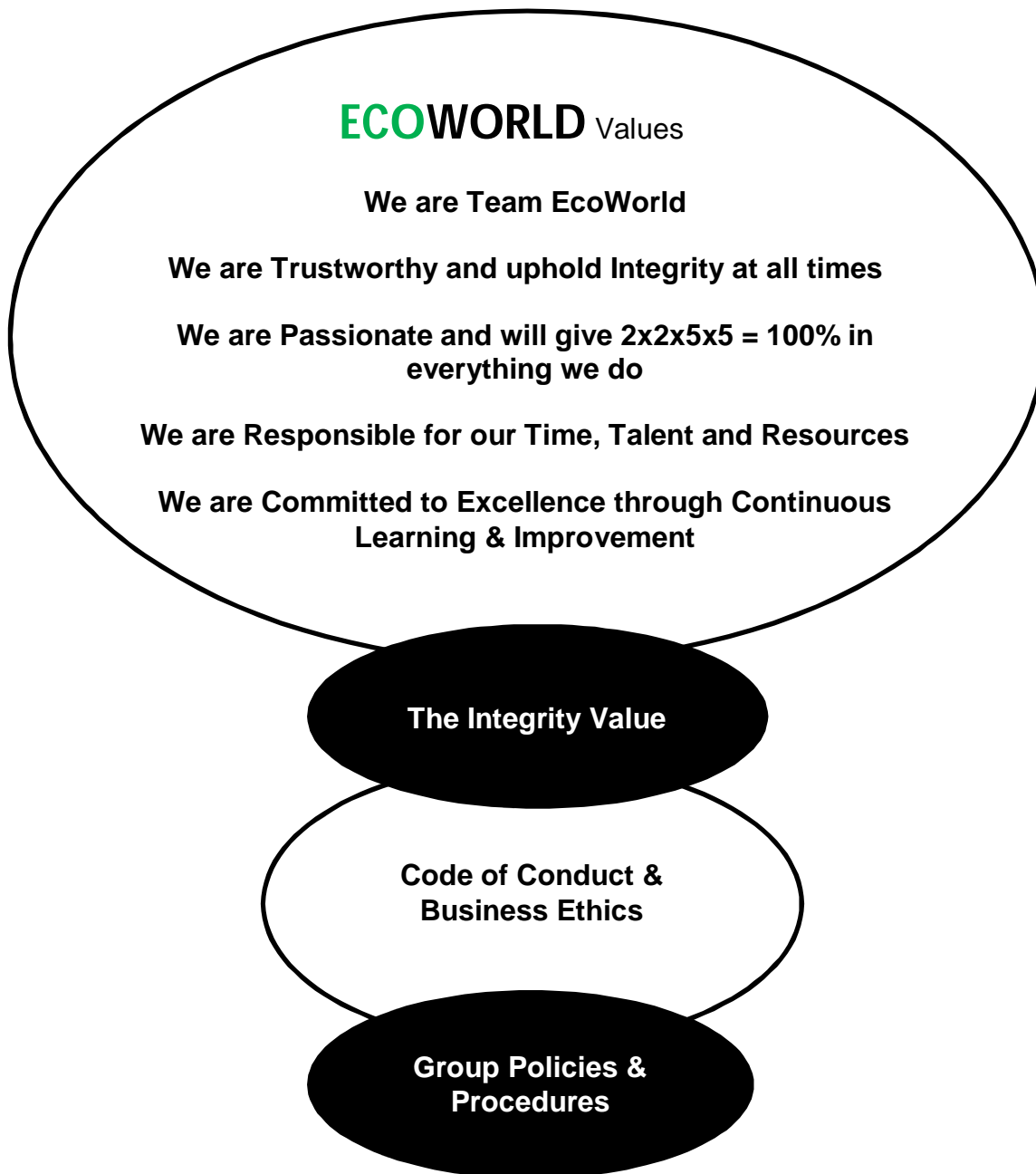
EcoWorld conducts its business with honesty and integrity, and respect the integrity of persons with whom we do business. We are committed to fair and impartial practices and comply with the laws and regulations. The same principle applies to EcoWorld's business activities outside Malaysia. We shall, in each country where EcoWorld is active, abide by the laws of that country.

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## The Link Between EcoWorld's Guiding Values and Code of Conduct & Business Ethics

This diagram illustrates how the Code of Conduct and Business Ethics link to EcoWorld's Guiding Values and EcoWorld's Group policies and procedures. This means it has to be read in conjunction with these policies and procedures.



Fundamentally, all employees shall conduct themselves professionally following principles of fair play, based on agreed contractual obligations with dealing parties. Interest of the Group shall take precedence over that of the employee and other dealing parties. As a matter of principle, all employees are not to place themselves in a position where their professionalism and integrity may be compromised.

## **1. Responsibility and Accountability**

### **1.1. Employees**

All employees are to comply with this Code. Ignorance of the existence of this Code will not be accepted as an excuse for its breach. Disciplinary action will be initiated against those who violate this Code. EcoWorld will require all employees to declare that they will abide by this Code and it's the responsibility of the employees to keep themselves abreast of the latest update of this Code.

### **1.2. Managers and Business Unit Heads**

Managers and Business Unit Heads, as business leaders, have added responsibility to demonstrate exemplary conduct and act with integrity. Additionally, they are expected to continuously promote high standards of conduct and business ethics amongst employees through making ethical behavior a cornerstone of conduct at EcoWorld. EcoWorld encourages consultation when in doubt of this Code. Refer to No.14 Getting Help section.

### **1.3. Vendors, Suppliers and Contractors**

EcoWorld also expects all vendors, suppliers, contractors and their respective subcontractors to comply with this Code in their dealings with EcoWorld. Our selection must be based on the track records, quality of their products and services. Our relationship with them should be purely professional in order to maintain independence in our business judgments.

### **1.4. Interpretation of This Code**

The Code of Conduct and Business Ethics cannot anticipate every situation that may arise in today's complex and dynamic business environment. Hence, where relevant, read this Code in conjunction with the relevant prevailing policies and procedures. Where provisions in this Code generate differing interpretations from an applicable law or EcoWorld policy, the more stringent standard will prevail. In case of uncertainty, seek help and clarification before taking action. Refer to No.14 Getting Help section.

## 2. EcoWorld and Its People

### 2.1. EcoWorld's Commitment

- 2.1.1. EcoWorld is committed to treating everyone with respect and dignity, valuing individual and cultural differences. EcoWorld empowers its people to use individual and collective capabilities to deliver quality product and services to both internal and external clients.
- 2.1.2. EcoWorld is also committed to the wellbeing of its people by providing a conducive environment that is free from discrimination or harassment and conducts its business with compliance to regulatory requirements.
- 2.1.3. EcoWorld is committed to upholding a politics-free work environment and therefore it strictly prohibits employees from practicing office politics. Any employee who is found to have violated this will result in severe disciplinary actions.
- 2.1.4. EcoWorld also seeks to fulfill its corporate social responsibility through activities undertaken by employees and EcoWorld Foundation.

### 2.2. People's Commitment

- 2.2.1. All employees are expected to reciprocate the commitment of treating everyone with respect and dignity by valuing individual and cultural differences. Verbal abuse, threats or physical acts of violence or intimidation on fellow employees are prohibited.
- 2.2.2. All employees are expected to preserve EcoWorld's brand and reputation and exercise due care in representing the Company.
- 2.2.3. All employees are personally responsible to adhere to the legal and ethical standards that apply to their job function.
- 2.2.4. All employees are expected to refrain from practicing office politics.

Examples of office politics include but are not limited to the following:

- a) Informal groups which create conflicts that pollute a healthy working environment.
- b) Instigate or influence others to go against the Company's direction or policies.
- c) Stepping over others for own interest or career advancement.

- d) Backstab or badmouth others to strengthen own position.
- e) Pursue personal agenda which is detrimental to the Company.

### **3. Policies and Procedures**

- 3.1. Company policies and procedures are implemented to achieve business objectives through effective and efficient operations. Therefore, all policies and procedures must be strictly adhered to. Failure in observing these policies and procedures may result in disciplinary action.
- 3.2. Managers and Business Unit heads should exercise reasonable care to ensure that effective systems of business controls are put in place to ensure:
  - a) Appropriate authority and responsibility are assigned to individuals.
  - b) Proper authorization of transactions.
  - c) Accurate and adequate records are maintained.
  - d) Disclosure of information is on a need-to-know basis.
  - e) Adequate segregation of duties and to avoid conflict of interest.

If an employee requires further clarification or views any policies or procedures to be inappropriate or outdated, they may discuss their concerns with their Managers.

### **4. Confidential, Proprietary and Sensitive Information**

- 4.1. Employees are prohibited from disclosing any confidential, proprietary and sensitive information of EcoWorld to family, friends and any 3<sup>rd</sup> parties unless otherwise authorized by the Company or required by law. Examples of such information include but are not limited to trade secret, financial and business forecast, competitive bids, business acquisition and any information that may affect the Company's business and share price. Information of such nature should remain confidential until it is in the public domain.
- 4.2. Those who have left the Company are expected to maintain confidentiality of proprietary and sensitive information acquired in the course of employment with EcoWorld.
- 4.3. All queries from the media or third parties about the Company's business must be directed to Investor Relations/Corporate Communication for a consistent and professional approach in the handling of such matters.



- 4.4. Insider trading is illegal by law. It can take many forms. This includes the use of or disclosure of price sensitive information for personal benefit or for the benefit of others. Employees holding positions which allow access to price sensitive information should observe the Company law, Securities Commission regulations, Bursa Malaysia Securities Berhad and other applicable laws in respect of trading in the securities of the Company.
- 4.5. A non-disclosure agreement should be signed by vendors or any 3<sup>rd</sup> party who may have access to confidential and proprietary information so as to protect the interest of EcoWorld.

## **5. Assets, Properties and Facilities**

- 5.1. Employees are expected to exercise reasonable care to safeguard EcoWorld's assets to avoid any loss, damage, misuse or theft.
- 5.2. EcoWorld will provide Internet and e-mail access to employees who need such facilities. Such facilities are primarily for business purposes.
- 5.3. Employees with internet access should not use such network access to engage in illegal activities or any non-professional conduct or any other activity which may bring disrepute to EcoWorld.
- 5.4. Employees are expected to protect the intellectual property rights of EcoWorld and ensure compliance with applicable laws and regulations. This includes EcoWorld's name, logo, taglines and innovations. Any intellectual property created by the employees in the performance of job responsibilities belongs to EcoWorld.

## **6. Restrictions Upon Leaving EcoWorld**

In order to prevent the appearance of impropriety and unfair competitive advantage to companies hiring former employees of EcoWorld, all of EcoWorld's employees are subject to the post-employment restrictions in which EcoWorld shall not contract with a former employee who attempts to secure business or contracts for service on behalf of his/her current company or for his/her own establishment.

## 7. Social Media

### 7.1. Definition

Social media is a term for internet-based tools used in the sharing and discussion of information among people. It refers to user-generated information, opinion and other content shared over open digital networks. It may include but is not limited to:

- 7.1.1. Social networking sites (e.g. Facebook, Myspace, LinkedIn, Instagram, Twitter).
- 7.1.2. Video and photo sharing websites (for example Flickr, Youtube).
- 7.1.3. Blogs, including corporate blogs and personal blogs.
- 7.1.4. Blogs hosted by media outlets.
- 7.1.5. Wikis and online collaborations (for example Wikipedia).
- 7.1.6. Forums, discussion boards and groups (for example Google groups, Low Yat Forum).
- 7.1.7. Podcasting.
- 7.1.8. Instant messaging (including SMS).
- 7.1.9. Geo-spatial tagging (Foursquare).
- 7.1.10. Other emerging electronic/digital communication applications.

### 7.2. Guidelines for Authorized Employees

- 7.2.1. Authorization from the General Manager is required for the professional use on behalf of EcoWorld.
- 7.2.2. Authorized employees must:
  - a) disclose and comment only on information classified as public domain information;
  - b) ensure that all content published is accurate and not misleading and complies with all relevant Company policies and other relevant requirements;
  - c) ensure they are not the first to make an announcement, unless specifically given permission to do so;

- d) comment only on their area of expertise and authority;
- e) ensure comments are respectful of the community in which they are interacting online;
- f) adhere to the terms of use in social media platform or website;
- g) adhere to legislation including copyright, privacy, defamation, contempt of court, discrimination, harassment and any other applicable laws, and the Company's Privacy Policy;
- h) not post or respond to materials that are offensive, obscene, defamatory, threatening, harassing, oppressive, discriminatory, hateful, racist, sexist; or material that infringes on copyright laws, constitutes a contempt of court, breaches a court suppression order, or is otherwise unlawful;
- i) not use or disclose any confidential or secure information;
- j) not comment on or post any material that might otherwise cause damage to the Company's reputation or bring into disrepute.

### 7.3. Guidelines for Other Employees

7.3.1. Other employees should also be aware of and understand the potential risks and damages to the Company that may occur, either directly or indirectly, in their personal use of social media and beyond. , Employees are to adhere to the guidelines below:

- a. expressly state that stated views are personal and are not representative of the Company;
- b. behave politely and respectfully;
- c. not imply that you are authorized to speak as a representative of the Company nor give the impression that the views expressed are those of the Company's;
- d. not use the identity or likeness of another employee;
- e. not use the Company email address or logos or insignia that may give the impression of official support or endorsement of your personal comment;

- f. not use or disclose any confidential information or personal information obtained in your capacity as an employee of EcoWorld;
- g. not post material that is, or might be construed as threatening, harassing, bullying or discriminatory towards another employee of the Company;
- h. not comment or post any material that might otherwise cause damage to the Company's reputation or bring into disrepute;
- i. not respond to customers' complaints in EcoWorld Facebook or other social media platforms administered by EcoWorld if you are not the authorized person-in-charge.

## **8. EcoWorld and Its Customers**

### **8.1. External Customers**

- 8.1.1. EcoWorld is committed to delivering quality product and services to all customers. Employees are expected to treat customers professionally in all business transactions, and to provide high standards of customer care to address any complaints.
- 8.1.2. EcoWorld is also committed to protecting the privacy of its customers' personal information. No employee should disclose the customers' personal information to unaffiliated third parties unless required by law.
- 8.1.3. All gifts presented to customers should be made aware and channeled through the Business Unit Heads.

### **8.2. Internal Customers**

- 8.2.1. EcoWorld is committed to treating all of our internal customers with respect and dignity by demonstrating a high level of professionalism.
- 8.2.2. EcoWorld will not condone any forms or acts of harassment. Harassment includes verbal, physical and visual conduct that creates a hostile work environment. Any employee who believes that he/ she has been subjected to harassment can lodge a report to Group Talent Management who will be responsible to review the case and consider the appropriate course of action where applicable.
- 8.2.3. All employees are expected to nurture a conducive environment that promotes the culture of working together and having pride in what we do.

- 8.2.4. Managers and Business Unit Heads are to ensure that achievements are recognized and that employees are given the opportunity to realize their full potential.

## **9. EcoWorld and Its Suppliers, Vendors, Contractors**

### 9.1. Business Dealings With Others

#### 9.1.1. In order to protect the interest of EcoWorld

- a) All business decisions are taken based on objective and independent judgment in the best interest of the Company, and must not be motivated by personal considerations or relationships, whether real or perceived.
- b) All business negotiations are on arms-length basis and EcoWorld adopts the principle of integrity and fairness in its business dealings and expect the other parties to reciprocate.
- c) Employees are prohibited from receiving any form of payments, gifts, favors, and entertainment that may compromise the integrity, professional judgment or assessment of product, services, price and performance of our vendors, suppliers/ contractors.
- d) Solicitation and acceptance of bribes in any form or manner are serious misconducts which may result in termination of employment.

### 9.2. Conflict of Interest

9.2.1. Conflict is deemed to exist when an employee, by virtue of holding a particular position, causes him/her to obtain an improper gain or advantage, in which such gain or advantage adversely affects EcoWorld's interest.

9.2.2. Employees should notify their Manager or Business Unit Head in writing immediately upon becoming aware of a conflict, whether real or perceived, either involving himself/herself, other employees or a third party. For example, an employee must notify his/her Business Unit Head if his family member has any business dealings with EcoWorld.

### 9.3. Receiving and Giving Business Courtesy

9.3.1. As a rule of thumb, no employee should accept gifts, the use of services or entertainment or gratuities given by third parties who have business dealings with EcoWorld as this may compromise our integrity or affect our professional judgment in discharging our full responsibilities to the

Company. This includes items such as meals and beverages, travel and accommodation, tickets to sporting and cultural events, discounts not available to the general public etc.

- 9.3.2. Under no circumstances is it acceptable to offer, give, solicit, or receive any forms of bribe, kickback or gratuities. This applies to all Company transactions, even where the practice is widely considered as “a way of doing business”.
- 9.3.3. Exception to 9.3.1 above applies to festive seasons or special occasions, subject to Business Unit Head/General Manager’s endorsement and COO/CEO’s approval, whereby distribution of such gifts to business associates are customary.

#### 9.4. Purchasing and Procurement

##### 9.4.1. Acting in the best interest of EcoWorld

- a) All procurement and purchasing decisions should be based solely on the Company’s best interest, covering product or services suitability, price, delivery and quality. Due considerations should be given to
  - i. Treating all suppliers, contractors or service providers fairly.
  - ii. Confidentiality by ensuring that no information is disclosed during the bidding process.
  - iii. More than 1 supplier, service provider or contractor.
  - iv. Check and balance amongst employees.
  - v. Other operational considerations as advised by the respective business units.
- b) All procurement or purchasing agreements should document services or products to be provided with specific deliverable milestones to enable independent verification when the need arises.

##### 9.4.2. Commitment on behalf of EcoWorld

- (a) All monetary commitments should be approved according to the approved limits of Authority.
- (b) Authorization and approval of the budget or operating plan is not equivalent to authorization of financial expenditure. Approval for the expenditure is still required even though it is budgeted for.

- (c) No employee is allowed to –
  - i. Approve own claims or expenses for payment.
  - ii. Approve a requisition, place an order, receive goods and approve invoice for payment by him or herself.
  - iii. Breakdown the total value of the procurement into multiple purchase requisitions to evade limits established by management.

9.4.3. Business Unit Heads can only delegate their limit of Authority to their subordinates. Such delegation must be task specific and the Business Unit Heads remain accountable for the delegated task.

#### 9.4.4. Commitment by Resigned Employees and Consultants

An employee who is serving resignation notice; or is a consultant or part-time/temporary employee is not allowed to make any commitments on behalf of the Company, unless written permission is given.

## 10. Community and Society

- 10.1. EcoWorld is committed to making a positive difference in the society. We always have before ourselves the goal of contributing to the improvement of the quality of life of our community.
- 10.2. EcoWorld and its employees shall be mindful of the consequences of EcoWorld's conduct that affects people around, beyond the requirement of law, and shall make full efforts to conduct business that will benefit the economy and society and continue its effort in carrying out its corporate social responsibilities.

## 11. The Environment

- 11.1. EcoWorld believes in building a sustainable future. All employees shall endeavor to:
  - 11.1.1. work with our contractors to ensure our products are delivered in a socially and environmentally responsible manner;
  - 11.1.2. use utilities in a responsible and efficient manner; and
  - 11.1.3. dispose of site wastes in a proper and environment friendly manner.

## **12. Ethics Checklist**

12.1. When making a decision or following a directive, ask ourselves:

- 12.1.1. Does my action comply with the spirit of EcoWorld's policy and the applicable law?
- 12.1.2. Is my behavior consistent with EcoWorld's guiding values and its ethical standards?
- 12.1.3. Does my decision/ action reflect the right thing to do?
- 12.1.4. Is my decision being driven by responsible professional judgment?
- 12.1.5. Would I feel confident that I could explain my decision if it were made public?

12.2. Embracing good practices:

- 12.2.1. Keep abreast of the ethical and legal standards that apply to your job activities or areas of specialization.
- 12.2.2. Initiate discussions during departmental meetings on issues pertaining to the Code.
- 12.2.3. Know who to consult if you are unsure of what the right thing to do is.
- 12.2.4. Speak up if you have a genuine concern.
- 12.2.5. Get help if you need it.

## **13. Compliance with This Code**

13.1. Those who violate this Code, regardless of position or title, may be subjected to disciplinary action, including termination of employment. The following are some of the examples of conduct that may result in disciplinary action:

- 13.1.1. Violating and/or instigating others to violate laws or EcoWorld's Code of Conduct and Business Ethics.
- 13.1.2. Failing to report known or suspected violations of law and this Code.
- 13.1.3. Retaliating against others for reporting a concern or violation.



## **14. Getting Help**

- 14.1. Seek advice when you are unsure of an appropriate legal or ethical course of action. Some examples include:
  - 14.1.1. Applicable policies seem difficult to understand/ interpret.
  - 14.1.2. You have limited experience in dealing with the subject matter.
  - 14.1.3. Differences between opinions make the course of action unclear.
- 14.2. Select an appropriate avenue for getting help given the situation on hand. A good place to start is your immediate supervisor. If it remains unresolved, escalate it to your Business Unit Head, Group Talent Management, Chief Operating Officer, Chief Executive Officer.

## **15. Reporting Concerns**

- 15.1. You are encouraged to report a genuine concern without fear for retaliation. EcoWorld will take appropriate action against anyone who engages in retaliatory conduct.
- 15.2. Malicious or defamatory reporting or purposeful false reporting, however, is a breach of this Code and may result in disciplinary proceedings.

## **16. Review**

- 16.1. This Booklet of Code of Conduct and Business Ethics will be reviewed periodically by Group Talent Management and evaluated by the Risk Management Committee for the Chief Operating Officer's approval and updated as and when necessary to ensure that it remains current and relevant in addressing any ethical issues that may arise within the organization.