



BOUSTEAD PLANTATIONS BERHAD

VENDOR'S CODE OF CONDUCT

Boustead Plantations Berhad (BPLANT) emphasizes and establishes the standard of conduct for its business relationship that reflect high standards of social and environmental responsibilities as well as ethics. BPLANT expects all Vendors together with their workers, agents, and subcontractors to observe with our high ethical standards in this Code of Conduct while conducting business with us or on our behalf.

Compliance of code:

The Code of Conduct is **mandatory** for Vendors to comply as it is the condition of conducting a business with BPLANT. Non-compliance of this Code of Conduct shall warrant termination of any business relationship between BPLANT and the Vendor, if any.

1. LAWS & REGULATIONS

- 1.1** Vendors shall abide by all applicable laws, regulations, order, judgement, licence, permit, consent, decree of any government and/or regulatory authority, agency, or court by which the Vendor is bound or affected.
- 1.2** Any documents or contract must be subjected to all applicable laws, procedures, terms, rules, directives, and regulations as of governing law in Malaysia including any policies as may established by BPLANT or such authority having jurisdiction over BPLANT from time to time.

2. INTEGRITY

Vendors are expected to uphold the culture of integrity to prevent conflict of interest between BPLANT and Vendors. The importance of integrity is to ensure transparency and full disclosure (whenever necessary) in aspects of business transactions between Vendors and BPLANT in order to prevent any corruption and bribery.

2.1 Anti-bribery & corruption

Vendors shall abide and comply with all related law, regulations and legislation associated to bribery and corruption by the government, BPLANT or authority that have jurisdiction over BPLANT. Vendors should not engage or involve in any forms of bribery and corruption. Vendors shall comply with applicable anti-bribery and corruption laws in Malaysia, including but not limited to the Malaysian Anti-Corruption Commission Act 2009.

2.2 No gift policy

Vendors are not permitted to offer, promise, or give and accept any bribe or improper advantage in any shape or form (whether financial or in kind) to or from any person in BPLANT or any person on behalf of BPLANT. BPLANT uphold the Gift, Entertainment, Hospitality and Other Similar Benefits Policy to ensure high integrity standards and avoidance of any suspicious conduct between BPLANT's personnel and third party engaging in any business transactions.

2.3 Conflict of interest

Vendors must maintain the highest standard of integrity in doing a business transaction with BPLANT by ensuring the business activities are carried out with honesty, integrity, and fair manner. Vendors are expected to declare any potential or actual conflict of interest (whether directly or indirectly) to BPLANT immediately.

2.4 Anti-Money Laundering and Counter Financing of Terrorism Laws

Vendors are required at all times to comply with any anti-money laundering and counter financing of Terrorism laws in all countries in which they operate. Vendors shall not be involved in money laundering activities, either directly or indirectly. Such activities include colluding with any of the BPLANT's personnel to transfer or obtain illegal funds and using their work with the BPLANT as a cover up for their illegal activities and money laundering transactions.

Other activities may include, but not limited to the followings:

- a) Payments made in currencies that differ from invoices;
- b) Attempts to make payment in cash or cash equivalent (out of normal business practice);
- c) Payments made by third parties that are not parties to the contract; and
- d) Payments to or accounts of third parties that are not parties to the contract.

2.5 Zero tolerance

Vendors are expected to comply with and apply similar standard in conducting the business activities as BPLANT has zero tolerance when it comes to illegal conduct such as bribery, corruption, and forced labour.

2.6 Anti-Trust & Competition Laws

Vendors shall comply with all applicable anti-trust and competition laws of the country in which the BPLANT operates particularly in Malaysia which govern under Competition Act 2010 (Act 712). Vendors shall not use illegal or unethical methods to compete in the market which includes but are not limited to:

- a) Exchanging, agreeing or arrangement to exchange commercially sensitive or competitive information with competitors;
- b) Fixing prices or terms related to pricing;
- c) Dividing up markets, territories or customer;
- d) Adopting strategies to illegally exclude competitors from the market; or
- e) any other matters connected therewith or incidental thereto.

2.7 Protecting BPLANT Assets

Vendors are expected to safeguard BPLANT resources which include but not limited to property, assets, intellectual property, company technology, trade secrets and other confidential, proprietary or sensitive information while performing work for the BPLANT. The use of the BPLANT's resources without proper approval or for anything other than performing work for the BPLANT is strictly prohibited.

2.8 Accountability

Vendors shall maintain full accountability for any services or goods supplied and held their commitments on timely basis and in accordance with their obligations under specific agreement with BPLANT.

3. LABOUR RIGHTS

3.1 Professional Conduct

Vendors shall ensure the business activities are conducted in a professional manner by respecting the dignity, privacy, and rights of each worker. Vendors shall not involve in any type of violence.

3.2 Labour standards

BPLANT is committed in ensuring an ethical business conduct that protects the rights of workers in our operations. Every appointed vendor by BPLANT are required to uphold and respect for labour rights by treating their workers with respect, trust, honesty and dignity, and by providing a fair and ethical workplace. Vendors are also encouraged to have similar commitments within their own business practices as well as full compliance with Employment Act 1955 and adhere to the indicators of forced labour as outlined by the International Labour Organization (ILO). In the course of conducting work for BPLANT, Vendors are required to demonstrate the following standards of behaviours, where applicable:

- a) Vendors shall not employ anyone under the age of 18 or the applicable minimum legal age in the countries they operate, unless in vocational and/or formal and structured apprenticeship, educational and training programmes.
- b) Vendors shall not use forced labour, which consists of any work or service, not voluntarily performed, that is exacted from an individual under threat of force or penalty, and includes any kind of involuntary or compulsory labour. Vendors shall not use coerced, bonded or indentured labour, prison labour, or other forms of forced labour.
- c) Vendors shall ensure that their workers have a valid working permit and employment contract which clearly outlined the terms and conditions of the employment including the entitled wages and other benefits.
- d) Vendors shall ensure that workers are compensated, and the minimum wage and hours are applicable based on the relevant industry and standard regulations.
- e) Vendors shall not practice any discrimination over culture, race, colour, age, nationality, ethnicity, disability, religion, gender or any difference to the workers.

- f) In respect of any employment with foreign workers, vendor shall ensure that the foreign workers are documented and hired legally and in accordance with relevant laws and regulations in Malaysia.

3.3 Eradication of Exploitation

BPLANT endeavours to eradicate all forms of bonded and forced labour, slavery, human trafficking, and sexual exploitation by implementing International Labour Organisation (ILO) core labour standards and conventions. When supplying labour to perform work for BPLANT, Vendors shall refrain from using or facilitating any of the following activities:

- a) The vendors' workers are not charged with recruitment fees for the purpose of restricting free movement.
- b) Original identification documents of the vendors' workers such as passports or work permits are not retained by the vendors.
- c) Payment of the workers' salaries are not withheld or delayed beyond the extent permitted by applicable laws and regulations in the countries where the vendors operate.

In addition, the vendors shall ensure that recruitment of its workers are done via legitimate recruitment agencies, which are properly licensed to operate under the applicable laws.

3.4 Freedom of Association

Vendors are to respect the rights of workers to associate freely, seek representation and collectively bargain in accordance with local laws. Workers shall be able to communicate openly with management regarding the working conditions without fear of reprisal, intimidation or harassment.

4. SAFETY, HEALTH AND ENVIRONMENT

4.1 Communication

Vendors must ensure that workers are aware, through any effective form of communication, of the vendors' obligations with regards to the safety in workplace and workers' obligations in ensuring their own safety.

4.2 Facilities

Vendors shall provide workers with reasonable access to potable clean water and sanitary facilities, fire safety, emergency preparedness and response, industrial hygiene, adequate lighting and ventilation, occupational injury and illness prevention and machine safeguarding, where applicable. Vendors shall provide a safe and healthy workplace and where applicable, provide workers with appropriate personal protective equipment (PPE), to prevent accidents and injury to health, arising out of, linked with, or occurring in the course of, work or as a result of the operation of facilities.

4.3 Alcohol & Drug Abuse

Vendors shall have in place a policy regarding alcohol and other drug abuse, and communicated appropriately to workers. Vendors shall ensure their workers or associates are not involved in any illicit or narcotics abuse and consumption of alcohol during working hours.

4.4 Environment

Vendors should have in place an effective system for managing environmental issues including measuring and reporting on their environmental impact, and taking a precautionary and responsible approach to mitigate negative impacts of their operations on the environment.

Vendors shall ensure protection of the environment including through:

- a) Prevention of pollution by eliminating or minimizing any potential adverse effects associated with any activities, products and services;
- b) Efficient use of natural resources by applying Good Agricultural Practices (GAP) and Good Manufacturing Practices (GMP);
- c) No deforestation, no new planting on peat and no development on areas of natural forest, high carbon stock (HCS) or high conservation value (HVC);
- d) Adoption of Best Management Practices (BMP);
- e) Prohibition of the use of agrochemicals that are categorised as World Health Organization Class 1A or 1B or that are listed by the Stockholm or Rotterdam Conventions and paraquat except in specific situations;
- f) Implementation of no open burning policy;
- g) Deployment of water management practices to ensure activities do not lead to any negative impact to natural water bodies or to water quality and availability;
- h) Management of waste in accordance with applicable regulatory requirements and measures to reduce, reuse, recycle or dispose waste in an environmentally responsible manner;
- i) Reduction of greenhouse gas (GHG) emissions and the use of renewable energy where possible;
- j) Protection of pregnant or breastfeeding women or individual with medical restrictions from any work with pesticides.

5. SUSTAINABILITY

5.1 BPLANT's Sustainability Policy

Vendors are expected to adopt responsible practices as per BPLANT's Sustainability Policy in their operations. Vendors are required to meet and comply with all applicable laws, rules and regulations in which they operate. In this regard, Vendors are expected to develop, implement and maintain effective policies to meet these requirements.

5.2 Adherence to Sustainability Certifications

Vendors are required to appraise themselves in accordance with sustainability certification schemes including but not limited to the Roundtable on Sustainable Palm Oil (RSPO) and the Malaysian Sustainable Palm Oil Certification Scheme (MSPO), and further expected to conform with the principles and criteria therein. BPLANT expect all our Vendors to adhere to our sustainability policy in their operations.

6. CONSEQUENCE MANAGEMENT

Non-compliance to the Vendors Code of Conduct can tantamount to enquiry and investigation by BPLANT, wherever required. Upon conclusion of the enquiry and investigation, the vendor may be subjected to the vendor's consequence management which shall be imposed to the vendor at BPLANT's discretion. The consequence management shall vary depending on the degree of the misconduct and may include termination of all active contracts, suspension, blacklisting and excluded from future considerations. BPLANT will also act in line with the statutory and regulatory requirement of any regulations and laws mentioned above and cooperate with the relevant authority in investigating the relevant misconduct.

7. REPORTING OF POTENTIAL BREACH

BPLANT is committed to provide the highest standard of integrity, ethical, accountability and legal conduct. BPLANT pledged in committing to Malaysia's Anti-Corruption principles in promoting highest standard of transparency, integrity and abide all the laws and regulations in all aspects of BPLANT operation.

- a) Vendors shall raise concern if there's any potential misconduct of business activities between BPLANT, vendor or any third party through our whistleblowing channel via:
 - **Whistleblowing Form:** <https://www.boustead.com.my/eform.html>
 - **Whistleblowing E-mail:** alert@boustead.com.my
- b) Vendors shall report in accordance with BHB whistleblowing policy if any of BPLANT workers have attempted to solicit or request any gifts or bribes from Vendors including the directors, workers, representatives.