



## Code of Business Practice

# 1. PREAMBLE TO FGV GROUP'S CODE OF BUSINESS PRACTICE

- 1.1 FGV Holdings Berhad ("FGV" or the "Company") and its Group of Companies\* (collectively referred to as the "FGV Group") place the highest priority in conducting its business with integrity. FGV Group fully supports the National Integrity Plan (NIP), which advocates good corporate governance, business ethics and corporate social responsibility.
- 1.2 The Board of Directors of FGV has thus adopted this FGV's Code of Business Practice ("FGV-CoBP") or the code to be followed by all Directors of FGV Group in the performance of their responsibilities with respect to FGV Group's businesses. This CoBP shall be read in conjunction with Directors' Code of Ethics & Conduct. The CoBP provides specific ethical business practices to be observed, adopted and embedded in all FGV Group's operations and businesses.
- 1.3 The FGV-CoBP aims to enhance the corporate governance and business ethics and practices within FGV Group, in line with the National Integrity Plan to reduce and eliminate corruptions, malpractices and abuses of power.
- 1.4 As such, the FGV-CoBP generally outlines business practices which aim to promote, amongst others, the following:
- 1.4.1 Compliance and uphold the spirit of responsibility and accountability with applicable laws and regulations;
- 1.4.2 Honest, transparent, and ethical business practices;
- 1.4.3 Fair trading across all businesses and operations of FGV Group; and
- 1.4.4 Accountability for business performance as well as the broader social and environmental impacts of FGV Group's activities, in line with FGV's vision for sustainable development.
- 1.5 This FGV-CoBP has been developed to consider the various related prescriptions of the law and other ruling guidelines, namely the Rukun Niaga in the Malaysian Code of Business Ethics established by Ministry of Trade, Co-operatives and Consumerism, the Malaysian Anti-Corruption Commission Act 2009, Anti-Money Laundering Act 2001, and the Anti-Corruption Ethics and Compliance Handbook for Business issued by Organisation for Economic Co-operation and Development (OECD).

*\*Note – include FGV's wholly owned Subsidiaries, Associate and Jointly-Controlled Entities in which FGV holds a controlling interest, established under the Corporate Structure of FGV Holdings Berhad.*



## Code of Business Practice

### 2. APPLICATION OF FGV-CoBP

- 2.1 The FGV-CoBP applies to all Directors (Executive and Non-Executive Directors) of FGV Group, including their alternate Directors. The FGV-CoBP further applies to all businesses and countries in which the FGV Group operates. In view of FGV-CoBP's international application, some provisions of the FGV-CoBP may be modified to adapt the local jurisdictions where FGV Group is operating.
- 2.2 However, the FGV-CoBP is not an exhaustive document and does not address every possible situation. All Directors are responsible to familiarize and adhere to all applicable laws and regulations of the host countries and policies and procedures in which FGV Group operates. The FGV-CoBP shall be read together with FGV Group's Code of Ethics & Conduct for Directors.
- 2.3 When there is a conflict between the provisions of the FGV-CoBP and other FGV Group policies and regulatory and legislative provisions, the applicable law(s) shall apply. However, if the local custom or practice conflicts with this handbook, Directors are required to comply with the CoBP. Directors are advised to seek additional guidance, where required, from FGV's Company Secretary or Head of Governance & Risk Management Division. The administration of the FGV-CoBP shall be under the responsibility of FGV's Company Secretary. This FGV-CoBP shall be reviewed and updated as and when necessary.

### 3. RESPONSIBILITY AND COMPLIANCE WITH FGV-CoBP

- 3.1 The FGV-CoBP is approved and enforced by FGV Board of Directors. It is the responsibility of all Directors of FGV Group to set high personal standards by understanding and complying with this FGV-CoBP. All Directors, as a Board and as an individual shall endeavour to ensure that all Directors of FGV Group act in accordance with the principles of the FGV-CoBP.
- 3.2 Upon acceptance of his/her directorship with FGV Group, each Director becomes accountable for full compliance, under all circumstances, with the Directors Code of Ethics & Conduct, the FGV-CoBP and other applicable codes and policies of FGV Group. As evidence of the understanding and the declaration of compliance to this FGV-CoBP, each Director of FGV Group must complete the acknowledgement form upon commencement of directorship with FGV Group.
- 3.3 Failure to observe this FGV-CoBP may result in disciplinary action(s), up to and including dismissal of Directorship. Where violations of this FGV-CoBP may constitute as violations to the law, the violations may also result in civil or criminal penalties. Suspected violations shall be investigated, upon which FGV Board of Directors (or its nominated persons) shall determine appropriate action to be taken in the event that a violation is confirmed.



## Code of Business Practice

### 4. PRINCIPLES OF FGV'S CODE OF BUSINESS PRACTICE

- 4.1 As embodied in the Malaysian Code of Business Ethics (Rukun Niaga), FGV has adopted the following six universal principles:
- 4.1.1 **Honesty in Business Dealing** - FGV Group aims to conduct its business dealings with honesty, including the intent and declaration there of on the business transactions of the Group.
- 4.1.2 **Responsible Towards Customers, Society and Environment** - FGV Group is dedicated to be responsible towards its customers, society and the environment for every actions and decisions made.
- 4.1.3 **Geniality Towards Fellow Humans** - FGV Group is compassionate and respectful towards other humans, courteous and generous with mutual cooperation. Actions and decisions taken shall take into account the interest of all parties and not solely on the interest of the stakeholders.
- 4.1.4 **Moderation in Business Dealing** - FGV Group is committed to adopt a humble, reserved, modest, moderate, charitable approach and be frugal in all areas of business dealings.
- 4.1.5 **Fair Treatment towards Suppliers and Customers** - FGV Group is committed to ensure equitable treatment irrespective of race, class or status and is not selective of any one side more than the other. FGV Group further endeavours to avoid double standards in all of its business transactions.
- 4.1.6 **Zeal in Making the Business a Success** - FGV Group is committed to execute all its businesses with tenacity, diligence, patience, and persistence, with the courage to take risks and ready to put the utmost efforts to achieve FVG Group's goals and objectives.

## 5. FGV's CODE OF BUSINESS PRACTICE

### 5.1 Compliance with Relevant Laws and Regulations

- 5.1.1 Directors of FGV Group are responsible to ensure that FGV Group is properly managed and effectively controlled, which includes the accuracy of FGV Group's financial statements.
- 5.1.2 As such, all Directors of FGV Group must ensure its compliance with all applicable laws, rules and regulations, including those concerning prevention of unfair competition, insider trading, money laundering, bribery and tax evasion, of Malaysia and other countries where FGV Group operates.
- 5.1.3 This FGV-CoBP does not summarize all laws, rules, and regulations applicable to either FGV Group or its business. The FGV Group shall, where applicable, provide to the Directors information about specific laws, rules, and regulations, which may include anti-trust laws, securities laws concerning disclosure requirements and insider trading.
- 5.1.4 Directors are expected to consult with the Chairman of the Board or the Head of Governance and Risk Management Division or the Company Secretary in regards to questions about laws that may be applicable to either FGV Group or its businesses.

Directors of FGV Group is responsible to ensure FGV Group's full compliance to all applicable laws, rules and regulations, including those concerning unfair competition, insider trading, money laundering, bribery and tax evasion.





## Code of Business Practice

### 5.2 Conflict of Interest

- 5.2.1 All Directors of FGV Group shall act, at all times, in the best interests of the FGV Group and not based upon their personal interests. Directors must not put themselves in a position where they are involved in an activity for personal gain, to themselves or their family members, which conflicts with FGV Group's interests.
- 5.2.2 For the purpose of this FGV-CoBP, "family members" includes spouse(s), parents (including step-parents and adopted parents), children (including step-children and adopted children), siblings (including step-siblings), grandparents, grandchildren, in-laws, uncles, aunts, nieces, nephews, and first cousins, as well as other persons who are members of the Director's household.
- 5.2.3 A conflict of interest may arise when personal interests and relationships impair, or appear to impair the independence of any judgement in which, a Director may need to make in discharging his/her duties to FGV Group. This includes, but not limited to:
- i. A Director giving preference to his/her interests or the interests of his/her family members, associates and friends rather than to the interests of FGV Group;
  - ii. A Director or a member of his/her immediate family member receiving personal benefit as a result of the Director's position as a Director of the Group;
  - iii. A Director in a position to influence decisions that are made by FGV Group with respect to dealings with a business, enterprise or entity owned or partially owned by the Director, Director's family, associates or those with close personal relationships; or
  - iv. A Director competing with or against FGV Group.
- 5.2.4 As it is impossible to describe every potential conflict of interest, it is the responsibility of Directors to exercise good judgement, to seek advice where appropriate and to adhere to ethical standards in discharging their duties in FGV Group. Please refer to FGV Holdings Berhad's Code of Ethics & Conduct for further coverage on Conflicts of Interests.

"family members" includes spouse(s), parents (including step-parents and adopted parents), children (including step-children and adopted children), siblings (including step-siblings), grandparents, grandchildren, in-laws, uncles, aunts, nieces, nephews, and first cousins, as well as other persons who are members of the Director's household.



## Code of Business Practice

### 5.2.5 Financial Interest in Suppliers, Customers, Agents or Competitors of FGV Group

- i. Any Director or his/her family members must not have any financial interest (whether in the form of directorships, partnerships, shareholding or through agencies) in suppliers, customers, agents or competitors of FGV Group that might impair, or appear to impair, the independence of Directors.
- ii. Suppliers and agents include entities which are on FGV Group's list of registered contractors, its related companies or vendors which have contractual or supply arrangements with FGV Group, in which he/she is involved in any decision-making by FGV Group relating to, or have dealings (whether directly or indirectly) with such entities in the course of the Directors' tenure.

### 5.2.6 Interest in Company under FGV Group

- i. Directors must not have any business dealings or contractual arrangements with any Company under FGV Group. Company includes wholly owned subsidiaries, associates and jointly-controlled entities in which FGV Group has significant control.

### 5.2.7 Personal Business Dealings with Suppliers and Customers

- i. Directors may not, directly or indirectly, enter into dealings for the supply or purchase of any personal property, goods or services from any of FGV Group's customers, suppliers, contractors or vendors with whom Directors have or are likely to have official dealings on behalf of FGV Group, other than transactions or dealings on such terms that are on no more favourable terms than those offered to the public.

### 5.2.8 Investment Activities

- i. Directors must not have any personal investments that could influence Directors' independent judgement on behalf of FGV Group, except in the case of a public listed issuer whereby shareholding is less than 5% in equity, is permitted by the Bursa Malaysia Securities Main Market Listing Requirements.

### 5.2.9 Board Membership

- i. As Directors may serve on the Board of other organisations, this may raise a conflict of interest, even if the service is voluntary or unpaid.
- ii. As such, Director shall not vote on any contract or proposed contract or arrangement in which he/ she is directly or indirectly interested.

### 5.2.10 Family Members and Other Close Personal Relationships

- i. Directors are in a conflict of interest situation when he/she is involved in the hiring, supervising, managing and/or career planning in respect of any of his/her family members or any other parties where a close personal relationship exists, in FGV Group.
- ii. For the purpose of this Code, "Close Personal Relationship" can be defined as a romantic/sexual relationship.



## Code of Business Practice

- iii. As such, Directors must not hire, recommend hiring, exert influence over hiring decisions, supervise, or affect the terms and conditions of employment where it relates to the appointment of any family members or persons with close personal relationship.
- iv. Family members and persons with close personal relationships with Directors may be hired as employees only if the appointment is based on their qualification, performance, skills and experience, and in accordance with the FGV Group's hiring policies and procedures.
- v. A Director must also disclose where family members/persons with close personal relationship are involved in any business activities in FGV Group and refrain from any related decision making process in relation to the conflicting matter.
- vi. Any significant interest, directly or indirectly, held by the Director's family members and/or persons with close personal relationship as suppliers, customers and/or other related parties as well as competing companies must be declared upon knowledge thereof. Such declarations shall be made through FGV's Company Secretary.
- vii. "Competing companies" refer to entities that render/supply the same or similar products and services as FGV Group.

"family members" includes spouse(s), parents (including step-parents and adopted parents), children (including step-children and adopted children), siblings (including step-siblings), grandparents, grandchildren, in-laws, uncles, aunts, nieces, nephews, and first cousins, as well as other persons who are members of the Director's household.

### 5.2.11 General Notice of Disclosure

- i. In accordance with applicable laws and regulations, the Directors must disclose any contractual interest, direct or indirect, with the Group as and when it arises.
- ii. Directors are required to provide a general notice of the nature and extent of interest to FGV's Company Secretary prior to the Board/Board Committee meeting. Directors shall further abstain from participating in any FGV Group's decision making or deliberations involving the conflicting matter. Directors shall also avoid doing anything which could influence the decisions on such dealings.
- iii. Directors shall further update and submit the Annual Declaration Form\* of directorship and shareholdings to FGV's Company Secretary. The Company Secretary shall facilitate and coordinate the circulation and submission of the forms. All forms received shall be processed and maintained in accordance to the data protection principles as set out in the Personal Data Protection Act (PDPA) 2010, gazetted on 15<sup>th</sup> November 2013.

All Directors must formally disclose any potential or actual conflict of interest, directly or indirectly, including interests of their family members and persons with close relationships to the Board of Directors and abstain from participating, deliberating and decision making of the conflicting matter.

- iv. If a Director is in doubt whether a situation involves a conflict, the Director must immediately seek the advice of the Chairman of the Board/ Board Committee or the Company Secretary. Decision made shall be final and shall be recorded in the minutes of the meeting.

\*Note - Directors may refer to FGV's Company Secretary for the forms to be filled for this purpose.



## Code of Business Practice

### 5.3 Business Integrity

#### 5.3.1 Commitment towards Corporate Integrity Pledge (CIP)

- i. FGV had signed both the Corporate Integrity Pledge (CIP) and Integrity Pact (IP) with Malaysian Anti-Corruption Commission (MACC) on 9<sup>th</sup> April 2012. This serves as a declaration of FGV's support of the national agenda to combat corruption.
- ii. The Corporate Integrity Pledge sets out principles for corporations to adopt and demonstrate their commitment towards creating a business environment that is fair, transparent and free from corruption.
- iii. The Principles are intended to guide corporations in playing their role in contributing toward anti-corruption efforts in Malaysia, in line with the objectives of the National Key Result Area (NKRA) to fight corruption under the Government Transformation Programme (GTP), introduced by the Honourable Prime Minister, YAB Dato' Sri Mohd Najib bin Tun Abdul Razak.
- iv. The Corporate Integrity Pledge represents a key nexus between reforms taking place in the public sector and the continued improvements taking place in the private sector, to drive the nation's progress towards becoming a developed nation.
- v. By signing the Corporate Integrity Pledge, FGV has demonstrated its commitment to hold a high standard of governance, transparency and accountability. It also demonstrates FGV's commitment towards improving the business environment in Malaysia and upholding the principles in its business operations.
- vi. As such, all Directors within FGV Group must observe the following Anti-Corruption Principles:
  - a. Committing to promote values of integrity, transparency, and good governance;
  - b. Strengthening internal systems that support corruption prevention;
  - c. Complying with laws, policies and procedures relating to fighting corruption;
  - d. Fighting any form of corrupt practices; and
  - e. Supporting corruption prevention initiatives by the Malaysian Government and Malaysian Anti-Corruption Commission (MACC).
- vii. FGV Group further expects all its Directors to observe the Corporate Integrity Pledge as well as any applicable anti-corruption laws and regulations and treaties in all countries in which FGV Group operates.
- viii. As a declaration of commitment to FGV's Corporate Integrity Pledge, all Directors of FGV Group must sign and acknowledge their commitment to support the pledge and compliance to refrain from participating in corrupt practices while discharging their duties as Directors of FGV Group.
- x. Directors may obtain a copy and further details of the Corporate Integrity Pledge from the Head of Ethics & Integrity Management Department, FGV.

All Directors of FGV Group must observe the Corporate Integrity Pledge (CIP) signed by FGV, as well as any applicable anti-corruption laws and regulations and treaties in all countries in which FGV Group operates.





## Code of Business Practice

### 5.3.2 Bribery and Gratification

- i. Directors may not, in any circumstances, directly or indirectly, accept or obtain, or agree to accept or attempt to obtain, from any party, for themselves or for any other party (including their family members), any form of bribery or gratification as an incentive or a reward for doing or forbearing to do, or for having done or forborne to do, any act in relation to FGV Group's affairs or business, or for showing or forbearing to show favour or disfavour to any party in relation to FGV Group's affairs or businesses.
- ii. Directors also must not, in any circumstances, give or offer any bribe or gratification to any party as an incentive or a reward for doing or forbearing to do, or for having done or forborne to do any act in relation to FGV Group's affairs or businesses, or for showing or forbearing to show favour or disfavour to any person in relation to FGV Group's affairs or businesses.
- iii. Directors must also refrain from any activity or behaviour that could give rise to the perception or suspicion of any corrupt conduct or the attempt there of.
- iv. In this section, a "bribe" or a "gratification" refers to, but not limited to:
  - a. Money, donation, gift, loan, fee, reward, valuable security, property or interest in property being property of any description whether movable or immovable, financial benefit, or any other benefit and similar advantage;
  - b. Any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;
  - c. Any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;
  - d. Any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;
  - e. Any other service or favour of any description, including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted, and including the exercise or the forbearance from the exercise of any right or any official power or duty; and
  - f. Any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding points above.

A bribe or gratification includes financial and non-financial advantage that is or perceived as an incentive or reward to or from the Directors, his/her family members or persons with close personal relationships, for doing or forbearing to do, or for having done or forborne to do, any act in relation to FGV Group's affairs or business, or for showing or forbearing to show favour or disfavour to any party in relation to FGV Group's affairs or businesses.



## Code of Business Practice

### 5.3.3 Facilitation Payments

- i. Directors are prohibited from, directly or indirectly, offering, giving, accepting or obtaining facilitation payments to/from any Persons (s) to gain undue advantages in relation to any business with FGV Group.
- ii. In this part, the term "Facilitation Payments" refers to payments made to gain access, secure or expedite the performance of an administrative duty or function. "Persons (s)" include, but not limited to government officials, and officers of private enterprises.

### 5.3.4 Commissions, Discounts and Secret Profits

- i. Directors must not accept or obtain, directly or indirectly, any commission, discounts secret profits or any other benefits (cash or in kind) in respect of any goods or services sold or purchased or other businesses with FGV Group.

### 5.3.5 Abuse of Power for Gratification

- i. Directors must not use their position for any gratification or benefits, whether for own, family members, or any persons with close personal relationship, when making business decisions for FGV Group, in which they have interest in, directly or indirectly.

### 5.3.6 Benefits – Gifts, Entertainment and Travel

- i. In line with FGV's Corporate Integrity Pledge, Directors, including their family members, are prohibited from offering or receiving gifts, entertainment and travel during the conduct of businesses for or on behalf of FGV Group, as guided in FGV's Policy. Directors must further observe all applicable policies, procedures, laws and regulations related to the use of gifts, entertainment and travel in all countries in which companies of FGV Group operate.

#### a. Gifts

- a.1 Both Directors and their family members must not solicit nor accept any gifts from third parties and/or agents, directly/or indirectly, in exchange for an exercise or non-exercise of Directors' authority to the detriment of FGV Group.

#### b. Entertainment

- b.1 Directors, including their family members must not offer or accept any form of entertainment from third parties and/ or agents, directly/or indirectly. Acceptance to social events or entertainment, where the attendees include events do not become regular feature that may influence business decision making process of a Director.
- b.2 Directors may offer modest entertainment that is legal and reasonable, for maintaining good business relationships. However, Directors must not accept, engage or offer any entertainment that may impair the FGV Group's reputation.

#### c. Travel

- c.1 Directors may only accept lodging and other travelling expenses (e.g. ground transportation, meals, etc) provided from third parties and/or agents, directly within the host country if the trip is for a business purpose and prior approval has been obtained from the FGV Board. However, the cost of travelling to the host country must be borne by the Company of FGV Group that incurs the expenses.

**d. Donations**

- d.1 Directors must observe that all charitable donations are not to be used as a subterfuge for bribery. Any donations made on behalf of FGV Group must obtain prior approval in accordance with the FGV Group’s established procedures before making donations.

Directors, including their family members, are prohibited from offering or receiving gifts, entertainment and travel. Directors must further observe all applicable policies, procedures, laws and regulations related to the use of gifts, entertainment and travel in all countries in which companies of FGV Group operates.

**5.3.7 Disclosure on Receipt of Benefits**

- i. In the event that a Director, including his/her family members, directly or indirectly, obtains any benefits (whether in cash or in-kind), due to his/her position or authority with or on behalf of FGV Group, he/she shall immediately disclose such receipt and he/she shall be liable to surrender those benefits received to FGV Group.
- ii. Any non-observance of such disclosure shall be deemed as a breach of the FGV-CoBP and shall be reported and investigated for disciplinary action, as deemed necessary (see Section 14 of FGV-CoBP).

**5.3.8 Consequences of Fraud and Corrupt Conduct**

- i. Fraud is a deception deliberately practiced in order to secure unfair or unlawful gain. Any Director found to be performing fraudulent activity may result in disciplinary action and criminal charges against them.
- ii. Promising, offering, giving or receiving any form of advantage, bribe or gratification in order to influence decision of the recipient or to be so influenced may not only result in disciplinary action but also criminal charges.
- iii. If convicted, Directors may face imprisonment, unlimited fines, debarment from tendering for public contracts, and damage to the FGV Group’s reputation.

Fraudulent to secure unfair or unlawful gain, promising, offering, giving or receiving any form of advantage, bribe or gratification in order to influence decision of the recipient or to be so influenced may not only result in disciplinary action but also criminal charges.

**5.4 Insider Trading**

- 5.4.1 Directors are required to comply with applicable laws and regulations on insider trading, including restriction in dealing with securities of FGV Group while in the possession of material non-public information or price sensitive information.
- 5.4.2 Directors shall at all times protect the confidential business information of FGV Group and shall never use it to trade in shares or other securities or to recommend or cause a third-party to do so. Unless authorised, Directors may only disclose such information by any order of any court or competent jurisdiction or any competent judicial, governmental or regulatory authority.

## Code of Business Practice

- 5.4.3 As such, Directors of FGV Group, including their respective family members, is required to abide by all applicable laws on insider trading, i.e. trading shares or other securities while in possession of price-sensitive information or sharing such information with someone else who then trades in those shares or other securities. All Directors, including their respective family members must not deal in the securities of FGV while in the possession of price-sensitive information.
- 5.4.4 “Price Sensitive Information” is generally non-public information that on becoming generally available would or would tend to have a material effect on the price or value of securities, in which a reasonable investor would consider important when deciding to buy or sell securities. The restrictions described here also apply to other similar types of information in jurisdictions where the applicable insider trading laws make reference to those types of information. Disclosure of price sensitive information to others can result in civil and criminal penalties.
- 5.4.5 All Directors of FGV Group must also abide by all applicable laws pertaining to securities crimes, which include false trading, market rigging, market manipulation, fraudulent and misleading trading, and dissemination of false trading.
- 5.4.6 Directors can further refer to FGV’s Corporate Disclosure Policy on the process flow in disseminating information to Bursa Malaysia and the authorised parties that are allowed to make announcement containing financial information. The Corporate Disclosure Policy strictly prohibits Directors to make announcements or disclose material non-public information that could affect the trading of FGV securities.

“Price-sensitive information” is generally non-public information that could have a material effect on the price or value of securities.

### 5.5 Compliance to National and International Trade

#### 5.5.1 Competition and Anti-Trust Laws

FGV Group is committed to observe the highest principles of integrity in the marketplace. As such, Directors must ensure that the business affairs with customers, suppliers, competitors and government authorities are in compliance with the applicable fair competition and anti-trust laws.

Directors must further comply with the competition and anti-trust laws in every country in which FGV Group operates.

#### 5.5.2 Fair Trading

Directors shall endeavour to deal fairly with customers, suppliers, competitors and employees at all times. Directors shall ensure that the FGV Group does not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair practices. Such practices include, without limitation:

- i. Rigging a competitive bidding process (including arrangement to submit sham bids);

## Code of Business Practice

- i. Misappropriating proprietary information obtained without owners' consent or by inducing disclosures from employees of other companies; and
- ii. Taking on actions to exclude competitors from the market.

5.5.3 Directors must ensure that procurements and business dealings, at all times, reflect fair and proper business practices and are in compliance with the laws and regulations governing free and fair competition.



Directors must ensure that the business affairs with customers, suppliers, competitors and government authorities are in compliance with the applicable fair competition and anti-trust laws.

### 5.5.4 Disclosures Giving Undue Advantage to Third Parties

- i. Directors must not be involved in any acts which gives or perceived to give an undue advantage to third parties in its dealings or possible dealings with FGV Group, whether or not such act results in the Directors, his family members or other persons in close personal relationships with, obtaining a personal gain, benefit, favour or advantage in business transactions or dealings involving FGV Group.
- ii. Releasing confidential FGV Group information to third party, without appropriate authorisation to gain advantageous bargaining position or for any other reason in order to secure business for FGV Group, shall be considered a violation of this restriction.

### 5.5.4 Violation to Competition Rules

- i. Any behaviour even suggestive of illegal anti-competitive activity is against this FGV-CoBP and any Directors engaging in such conduct shall expect to face disciplinary action by FGV Group, up to and including dismissal of directorship. Infringement of laws and regulations governing free and fair competition can further result in civil or criminal liability for both Directors and FGV Group.
- ii. In case of doubt concerning the compliance of the procurement activities with competition rules, Directors must contact the Head of Governance & Risk Management Division and Head of Procurement Division.

Infringement of laws and regulations governing free and fair competition can result in civil or criminal liability for both Directors and FGV Group.

## Code of Business Practice

### 5.6 Child Protection Law

- 5.6.1 FGV Group is dedicated to uphold the National Child Protection Policy as well as support other international and local treaties which demand that children receive protection against any forms of abuse and exploitation.
- 5.6.2 In discharging their duties, Directors shall ensure that all FGV Group's business partners observe the need to comply with the relevant child labour laws. All FGV Group's suppliers and subcontractors must not hire employees who are under the minimum legal age or who have not yet finished their mandatory schooling.

### 5.7 Political Activities

- 5.7.1 Directors who are actively involved in political activities must not use their position with FGV Group to make any contribution or incur any expenditure using FGV Group's resources to benefit any political campaign, party or politician in any country without approval from FGV Board of Directors.
- 5.7.2 FGV Group's facilities, equipment and resources must also not be used for any political campaigns or party functions without approval from FGV Board of Directors.

Directors who are actively involved in political parties must not use their position in FGV Group to make any contribution or incur any expenditure using FGV Group's resources to benefit any political campaign, party or politician in any country.

### 5.8 Anti-Money Laundering/Anti-Terrorism Financing

- 5.8.1 Money laundering is any act or attempted act to conceal or disguise the identity of illegally obtained proceeds and passing it through legitimate business channels so that they appear to have originated from legitimate sources.
- 5.8.2 FGV Group prohibits Directors' involvement in money laundering activities, either directly or indirectly, which may include, but not limited to:
- i. Payments made in currencies that differ from invoices;
  - ii. Mode of payment used outside the normal business practice;
  - iii. Payments made by parties that are not the contracting parties; and
  - iv. Payments to parties that are not the contracting parties.
- 5.8.3 Directors must ensure that counterparty due diligence are conducted to understand the business and background of FGV Group's prospective business counterparties and to determine the origin and destination of money, property, and services.
- 5.8.4 Directors must further observe FGV Group's compliance to any local provisions as well as any other applicable laws and regulations pertaining to anti-money laundering in countries where FGV Group operates, established to prevent legitimate business from being used as a medium for any anti-money laundering activities by criminals.



Any Director who is convicted for engaging or assisting in money laundering activity can result in criminal penalties, in accordance to the respective local laws pertaining to anti-money laundering provision. Such conviction shall also result in immediate dismissal of Director's directorship in FGV Group.

## 5.9 Minority Shareholders Interest

- 5.9.1 The minority shareholders in Malaysia are represented by the Minority Shareholder Watchdog Group (“MSWG”). The MSWG was established as a government initiative in 2000, as part of a broader capital market framework to protect the interests of minority shareholders through shareholder activism.
- 5.9.2 As such, minority shareholders shall be treated equally as with the other shareholders of FGV Group. Directors must always consider the interests of minority shareholders when making decisions in the interest of FGV Group.

## 5.10 Confidentiality

- 5.10.1 Directors may never use Confidential Information for his or her own personal benefit or to benefit persons or entities outside FGV Group.
- 5.10.2 “Confidential Information” means all non-public information entrusted to or obtained by a Director by reason of his/ her position as a Director of the FGV Group. It includes, but is not limited to, non-public information that might be useful to competitors or harmful to FGV Group or its customers if disclosed, such as:
- i. Non-public information about FGV Group’s financial condition, prospects or plans, its marketing and sales programs, research and development information, as well as information relating to mergers and/or acquisitions and divestments;
  - ii. Non-public information concerning possible transactions with other companies or information about FGV Group’s customers, suppliers or joint venture partners that FGV Group is under an obligation to maintain as confidential; and
  - iii. Non-public information about discussions and deliberations relating to business issues and decisions between and among employees, officers and Directors.
- 5.10.3 Directors shall not disclose Confidential Information outside FGV Group, either during or after their service as a Director of the Group, except when disclosure is required by any order of any court of competent jurisdiction or any competent judicial, governmental or regulatory authority, as the case may be.

“Confidential Information” refers to all non-public information which includes, but not limited to, information that might be useful to competitors or harmful to FGV Group or its customers if disclosed.

## 5.11 Business Communication

- 5.11.1 Public Disclosure/Public Statement
- i. FGV Group has established its Corporate Disclosure Policy, in which Corporate Designated Personnel (“CDP”) are identified to ensure communications to the public are timely, accurate, complete, truthful and broadly disseminated. CDPs are identified as follow:
    - a. Group President/ Chief Executive Officer;
    - b. Chief Financial Officer;
    - c. Chief Counsel;
    - d. Head of Investor Relations;
    - e. Company Secretary; and
    - f. Head of Corporate Communication.

## Code of Business Practice

- 5.11.2 As such, Directors shall not, either oral or written or in any other form, make any public statement or comment on policies, procedures decisions, measures or issues of FGV Group to any person, organisation or institution nor shall he/she circulate any such statements made by him/her or by anyone else, that could unfavourably affect FGV Group's reputation.
- 5.11.3 The phrase 'Public Statement' includes the making of any statement or comment to any media (electronic and/or print), the internet, verbal engagement and/or body gesture. It also applies to every kind of correspondences with the media in print or electronic form.

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### 5.12 Personal Data Protection and Record Management.

- 5.12.1 FGV Group's documents and records are meant for business purposes and may include personal details of the employees of FGV Group. As such, Directors shall observe compliance to the Personal Data Protection Act 2010, gazetted on 15<sup>th</sup> November 2013. Under the Act, users of personal data shall not disclose the data to third party without consent of the data owner, unless it is for the purpose for which the data was originally collected.
- 5.12.2 Directors shall further ensure that all records of FGV Group are adequately protected and retained in accordance with any applicable laws, regulations and policies pertaining to recordmanagement, e.g. in compliance with legal, tax, accounting and regulatory laws.





## Code of Business Practice

### 5.13 Sustainable Development

- 5.13.1 FGV Group is committed to maintain its legacy for sustainable development for generations to come through economical, environmental and socially responsible efforts.
- 5.13.2 FGV Group aims to create lasting social benefits:
- i. safeguard the health and safety of employees, contractors and neighbours;
  - ii. minimise disruptions to the community;
  - iii. lower emissions;
  - iv. minimise impact on ecosystems and biodiversity; and
  - v. use energy, water and other resources more efficiently.
- 5.13.3 Directors thus must support FGV Group's commitment to ensure compliance with the local environmental, safety and health laws.

### 5.14 Reporting Illegal or Non-Compliance to FGV-CoBP

- 5.14.1 Failure to observe this FGV-CoBP may result in disciplinary action, up to and including termination of directorship. Furthermore, violations of this FGV-CoBP may also constitute violations of the relevant law(s) and may result in civil or criminal penalties.
- 5.14.2 Directors shall communicate any suspected violations of FGV-CoBP (hereinafter refer to "Report") promptly to the Senior Independent Director of FGV, who shall refer the Report to the Chairman of the Audit Committee. Suspected violations shall be investigated by or at the direction of the FGV Board or the Audit Committee, and appropriate action shall be taken in the event that a violation is confirmed. Alternatively, instances of actual or suspected violation of this Code can be reported through FGV's Whistleblowing Policy approved by FGV Board.
- 5.14.3 The Whistleblowing Policy is established to provide avenue to disclose any acts or wrongdoings and to assure that reporting person be protected from reprisals, discrimination or victimisation for whistle blowing in good faith. Failure to report a known violation of the Code itself is a violation of the Code.
- 5.14.4 The purpose in requiring a Report is to permit FGV Group to undertake all remedial actions that may be necessary to avoid future violations. Reporting allows doubtful issues on compliance with the law or the FGV-CoBP to be resolved on the basis of legal advice. FGV Group shall protect and safeguard the confidentiality of the Report. Details of any reported violation shall be protected and safeguarded in accordance to the data protection principles as set out in the Personal Data Protection Act 2010. Further reference shall be made by Directors to FGV's Whistleblowing Policy.
- 5.14.5 The Capital Markets & Services Act 2007, Section 320 (1) permits the external auditor of FGV Group to submit a written report to either the Securities Commission and/or Bursa Malaysia Securities Berhad, as the case may be, if the auditor, in the course of performance of his/her duties as an auditor, is of the professional opinion that there has been a breach or non-performance of any requirement or provision of the securities laws or a breach of any of the rules of Bursa Malaysia Securities Berhad or any matter where it may adversely affect to a material extent the financial position of FGV Group.

