



CODE OF CONDUCT & BUSINESS ETHICS

1. Introduction

This is FARM FRESH BERHAD Reg. No. 201001010221 (894851-U) Code of Conduct and Business Ethics (CCBE). It reflects the laws, regulations and best practices of Malaysia and its dairy industry. CCBE advances the principles of discipline, good faith, professionalism and integrity that are critical to the success and well-being of our company.

The CCBE does not identify or set out every rule, law, policy or procedure that may apply to you in the performance of your duties. You are responsible for informing yourself about company policies, procedures and other requirements that apply to you as a result of your role with FARM FRESH BERHAD (FFB).

2. General business principles

FARM FRESH BERHAD is committed to operating in the spirit of the CCBE and working in a safe, ethical and responsible manner. While we will maintain flexibility to adapt to changing conditions in the dairy and manufacturing industry, the nature of our business requires a focused, long-term approach and the need to balance risks and rewards. We will consistently strive to improve through learning, sharing and implementing best practices in the way we do business. We will be disciplined and selective in evaluating our capital investment opportunities. We will implement appropriate measures to protect our personnel, physical assets, intellectual property and reputation. These principles provide the foundation for our commitment to those with whom we interact. FFB recognizes four core areas of responsibility:

a) FARM FRESH BERHAD - Global – We are committed to creating and enhancing long-term value using the principles of value-based management.

b) Employees – We recognize the high calibre of our workforce as a valuable competitive advantage. We will strive to hire and retain the most qualified people available, offer them competitive compensation and benefits packages and provide opportunities for growth, empowerment and development to reach their fullest potential. We are committed to maintaining a safe work environment enriched by diversity and characterized by open communication, trust, shared accountability, fair treatment, and respect.

c) Business Partners – We will actively develop mutually beneficial relationships with our counterparties, contractors, suppliers and other entities with whom we do business.



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d) Communities – We are committed being a responsible corporate citizen, hiring locally where possible, and contributing to the economic development and quality of life of the communities in which we operate.

Our measures of success are the extent to which we meet these commitments, the long-term value we create, the pride of our workforce in their accomplishments, and the extent to which communities judge our activities as beneficial.

3. Core Values and Culture

FFB is committed to the highest standards of integrity, openness and accountability in the conduct of our business and operations. We seek to conduct our affairs in an ethical, responsible and transparent manner.

The company expects that, throughout your time of service as an employee or contractor, you will:

- (a) serve the company with good faith and diligence;
- (b) strive toward a high standard of professionalism;
- (c) perform your duties with honesty and integrity, goodwill and courtesy;
- (d) seek to protect the interests and reputation of FFB;
- (e) display a high sense of discipline and diligence in carrying out your duties;
- (f) promote creativity and innovation in the course of carrying out your work; and
- (g) comply with applicable laws, regulations and the company's policies, standards and procedures.

4. Application and scope

4.1 Application

This CCBE applies to all FFB personnel, including employees, officers and directors (**employees**). Contractors, sub-contractors, consultants, agents, representatives and other individuals

4.2 Legal and regulatory compliance

If a legal or regulatory obligation conflicts with a rule or policy set out in this CCBE, you are expected to comply with the law. If you believe that a provision of the CCBE conflicts with law, consult with the Legal Department.



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4.3 Amendment

The provisions of the CCBE may be amended by FFB from time to time in FFB's sole discretion. In the case of an amendment, you will be informed about the changes.

4.4 Definitions

Where the context or construction requires, all words applied in plural will be deemed to include the singular and vice versa; and the masculine will include the feminine and vice versa. References to "you" in the CCBE will refer to any employee or contractor, and references to "we", "our", "the company" or "FFB" refer to FARM FRESH BERHAD.

5. Duties of good faith, fidelity, diligence and integrity

5.1 Conflicts of interest

FFB respects your right to manage your personal affairs and investments and does not wish to intrude in your personal life. However, while carrying out your work duties and responsibilities, you must act in good faith and in the best interests of the company. Generally stated, a conflict of interest exists when an individual's private interest interferes, or appears to interfere, with the interest of FFB.

A conflict of interest can exist even if it results in no unethical or improper acts. Even the appearance of improper influence in your decision-making may be an issue. A conflict of interest will undermine the good faith, fidelity, diligence and integrity expected in the performance of your duties and obligations. You must therefore avoid conflicts of interest between your personal dealings and your duties and responsibilities in the conduct of FFB's business. In particular, the use of the company's office, your position, confidential information, assets and other company resources for your personal gain, or for the advantage of others with whom you are associated, is prohibited.

You may not act on behalf of FFB, or deal with FFB, in any matter where your interest conflict with those of the company. In addition, you are not permitted to use your position or relationship with FFB to pursue or advance your private interests.

Conflicts of interest are managed in accordance with FFB's Conflicts of Interest Policy. You should refer to this policy for more information on your duties and responsibilities in relation to conflicts of interest.



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5.2 Corruption and unethical practices

5.2.1 Solicitation, Bribery and Corruption

FFB has a zero-tolerance policy with regards to improper solicitation, bribery and Corruption. Corruption is of concern in both business and government because it prevents fair and open competition based on merit. It is also illegal.

If you are involved in corruption, you will compromise the exercise of your authority and proper performance of your duties. You will also undermine the integrity of the decision-making process and the decisions of FFB concerning its business and affairs. Even the appearance of such conduct has the potential to negatively impact FFB's reputation for honesty and integrity.

A "bribe" is any gift, payment, benefit or other advantage, financial or otherwise, offered, given or received in order to secure an undue or improper result, award, decision, benefit or advantage of any kind. A bribe is not always financial – it can be any kind of advantage, including, but not limited to, the free use of corporate assets or offers of employment for family or friends. A "facilitation payment" is a payment made to secure or expedite the performance of a person performing a routine or administrative duty or function.

You are prohibited from, directly or indirectly, soliciting, accepting or obtaining or agreeing to accept or attempting to obtain, from any party for yourself or for any other party, any bribe as an inducement or a reward for doing or refraining from doing, or for having done or refraining from having done, any act in relation to FFB's affairs or business, or for showing favour or refraining from showing disfavour to any party in relation to FFB's affairs or business.

You may not directly or indirectly offer, promise or give any bribe, whether in the form of a facilitation payment, kickback, donation, fee or any other form, as an inducement or a reward for doing or not doing, or for having another person do or not do, any act relating to FFB's affairs or business, or for showing favour or refraining from showing disfavour to FFB in relation to its affairs or business.

You should satisfy yourself that the business practices and integrity of any contractor, subcontractor, agent, consultant, representative or other person whom you engage (or are considering engaging) to act for or on behalf of the company meet the company's standards. You are also responsible for ensuring that the relevant party understands and accepts FFB's policies prohibiting improper solicitation, bribery and corruption.



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If you are unsure whether an action is permitted, seek guidance from the Legal Department before acting. If you receive a request for a bribe or if you are offered a bribe, immediately report it to the Legal Department.

5.2.2 Gifts and entertainment

The Group adopts a “No Gift” policy, subject only to narrow exceptions. Employees and Directors shall not solicit or accept and give or offer any gifts from or to Business Associates or any third party that may have direct or indirect business interest or relationship (including, any potential interest or relationship) with the Group (“Third Parties”).

Exception to the “No Gift” Policy Notwithstanding the above, Employees and Directors may accept gifts in the following situations, without having to report to his/her Head of Department, where applicable, or in the case of Directors, to the Relevant Board and recording the same: (i) token gifts or promotional items (such as pens, notepads, calendars etc. of minimal value) bearing company logo or brand; and (ii) fruits, flowers, food hampers with an approximate or actual value not exceeding RM400,

The exchange of gifts and entertainment is a common practice in the Malaysian business community however, such practice can affect FFB’s reputation where the nature or value of it compromises or appears to compromise the company’s ability to make fair and objective business decisions. You should always use good judgment and moderation in these situations. No gift or entertainment should be accepted or offered if it creates a sense of obligation or puts you in a situation where you may appear biased. No gift or entertainment should be offered to a public official without the prior written approval of the Legal Department.

5.3 **Antitrust/competition law**

FFB competes vigorously and fairly, based on price, quality and services and does not take actions that would prevent our business partners or competitors from doing the same. Competition and antitrust laws are designed to ensure fair competition for products and services in the marketplace. Activities that may be governed by these laws include arrangements between competitors relating to price-fixing, bid-rigging, fixing or limiting production or supply, agreeing to divide customers, territories or markets between competitors, or sharing competitively sensitive information with competitors. These actions can be seen as evidence of collusion and may be illegal.



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You should never engage in any acts with competitors that are intended to, or likely to, have the effect of reducing competition. You must ensure that your actions toward business partners, competitors and governmental authorities at all times reflect fair and proper business practices and are in compliance with the laws and regulations governing free and fair competition and monopolies. Competition laws are complex and you may not be familiar with all of the details. You should contact the Legal Department for guidance if you have any questions.

5.4 Use of corporate assets

FFB has provided you with access to assets, facilities, resources and records belonging to the company to assist you in effectively performing your duties. In return, FFB trusts you to take all necessary steps to prevent their theft, loss, damage or misuse. You should not use them for your personal benefit, or allow them to be sold, loaned, given away or disposed of without proper authorization. Taking property from the company without permission may be regarded as theft.

Similarly, company credit cards, cash, cheques or other funds must not be used for personal use. You must ensure that documents used to obtain FFB funds and property are accurate and complete to avoid an improper or potentially fraudulent acquisition of company assets.

Email and computer systems are provided for use in performance of your duties. Occasional and incidental personal use is permitted but never for personal gain or any improper purpose. You must not access, send or download any material that could be insulting or offensive to another person, such as sexually explicit messages, racial or ethnic slurs or any other content that could be viewed as harassment. Your messages (including voicemail and email) are considered the property of FFB. Unless prohibited by applicable law, FFB reserves the right to access and disclose this information as necessary for business purposes.

FFB has a formal policy with regards to the use of company computers and information technology equipment. You are expected to consult and comply with the Information Security Policy.

5.5 Compliance, internal controls and procedures

FFB has created a framework for an effective compliance program that monitors performance against its strategic objectives, regulatory requirements and corporate values. This framework consists of numerous policies, procedures, guidelines and standards that set out the requirements for most business processes. Employees are required to work within this framework to minimize the risks to FFB that are inherent in the work it performs, and to ensure consistency with requirements and reporting processes.



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In addition, it is important to ensure that our books and records are accurate and truthful, enabling the company to be able to provide accurate reporting to our stakeholders, governmental entities and business partners. You must comply with all established policies and procedures to safeguard and support the integrity and accuracy of our books and records and financial reporting. As examples, without limitation, you must not:

- conceal, alter, destroy or otherwise modify company records or documents other than in accordance with established, ordinary course procedures;
- intentionally make a false or misleading entry in a record, report, file or claim;
- establish accounts, companies or arrangement to avoid or frustrate FFB's controls, policies or procedures;
- fail to cooperate fully and truthfully with internal and external audits authorized by FFB; or
- engage in any scheme to defraud anyone of money, property or honest services.

You are responsible for familiarizing yourself and complying with such policies and procedures, including the Compliance Policy.

5.6 Contracting practices

Written contracts are used by FFB to safeguard its legal rights and commercial interests. They establish the expectations of each party and the process for resolving negative situations. They also provide FFB with legal protections. For that reason it is important that you comply with the policies regarding contracting including only signing contracts when you have the proper authorization to do so and where the contract has been approved in accordance with the Contracts and Contracting Policy.

Written contracts are required for all business relationships between FFB and third parties, including relationships related to the procurement of goods and services, the purchase and sale of oil, gas or other assets, and the pursuit or performance of any joint venture, joint operation or other business development opportunity.

5.7 Confidentiality, disclosure and communications

FFB's confidential information is sensitive and can be used by competitors or others to the company's detriment. For that reason, it is important for you to not disclose any confidential information to anyone who does not need to know the information, whether internally or externally, unless authorized to do so. You must also take reasonable care to protect confidential information from theft or unauthorized access.



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Confidential information includes non-public information of a proprietary, technical, business or financial nature. It also captures personal information of employees, contractors, stakeholders and counterparties.

Your obligations to maintain confidentiality apply both while you are providing services to the company and after you leave. This means that you may not disclose any confidential information to anyone after you leave FFB, including any new employer.

For further guidance about your obligations regarding confidentiality and disclosure, please refer to FFB's Personal Data Protection Act (PDPA) Policy.

6. Workplace behaviour

FFB is committed to providing a harassment free and violence-free workplace culture and environment, where the values of mutual and reciprocal respect, trust and confidence are upheld and actively promoted.

6.1 Respectful workplace

Our personnel deserve the opportunity to do their job in a respectful environment without fear of harassment or discrimination. FFB values the diversity of our employees and is committed to providing equal opportunities in all aspects of employment. Abusive, harassing or offensive conduct is unacceptable, whether verbal, physical or visual.

You are expected to always be respectful to your co-workers and sensitive to the way in which others may react to your behaviours and comments. In particular you should never take actions or make unwanted comments that relate to gender, race, national or ethnic origin, disability, religion, age, sexual orientation, family status or other legally protected status.

You are encouraged to report any abusive, harassing or offensive behaviour that you observe or experience to your supervisor or a member of management.

6.2 Health, safety and environment

We are committed to protecting the health and safety of employees, contractors, counterparties and all other individuals with whom we interact. No activity is so important that we cannot take the time to do it safely. We are also committed to conducting operations with respect and care for the local environment in each location in which we operate.

You are responsible for conducting your duties safely and in compliance with applicable law. We encourage you to report any health, safety or environment related hazards, potential hazards, incidents or concerns. Refer to the HSE Policy for more information regarding FFB's expectations and your responsibilities.



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6.3 Drug and alcohol use

We expect you to be fit for work while performing any duties for FFB. Being fit for work includes not being under the influence of drugs or alcohol. The use of alcohol, drugs and some medications may adversely affect job performance, productivity, business decisions and the safety of our work environment.

You must be aware of and comply with FFB's policies and standards regarding drug and alcohol use.

7. Disciplinary procedures

Compliance with law and stated policies is critical to maintaining the positive reputation and continued business success of FFB. Failure to comply with the CCBE may result in disciplinary

action which may include termination of employment with FFB. Refer to individual policies of FFB for further guidance on potential disciplinary action.

8. What to do if you have a concern

8.1 Making ethical decisions

You are asked to make decisions daily in the course of your duties for FFB. Sometimes the answers are clear and decision-making is easy; in others the decisions are not as clear or easily made. The following are questions that you may want to consider before taking action:

- is anyone's life, health , safety or the environment at risk?
- is it legal and consistent with FFB's policies, values and long-term business goals?
- is it fair, honest and respectful?
- could my decision or action negatively affect others?
- what will the perception be if this is made public? Could it hurt FFB's reputation?
- will I or others feel obligated by the action? Will it affect my objectivity?
how do I feel about my decision? What advice would I give others in this situation?
- do I need more information or advice from anyone else before I make a decision?

8.2 Whistleblowing

FFB does not tolerate violations of the CCBE. We are committed to the highest standards of integrity, openness and accountability in the conduct of our business and operations. We seek to conduct our affairs in an ethical, responsible and transparent manner. Misconduct must be reported so it can be addressed quickly and objectively.



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We recognize that identifying and reporting breaches is not always easy. Concerns can and should be discussed with your supervisor or the Legal Department. In instances where you may not feel comfortable or it may not be appropriate to talk to your supervisor about a suspected violation, you are encouraged to refer to the Whistle blower Policy. This policy provides a confidential process for you to report actual or suspected violations of the CCBE, or FFB's other policies and procedures, without concern of reprisal for such reporting.

You should refer to the [Whistle Blower Policy](#) for guidelines and the process for making such reports.

8.3 Additional information

FFB is committed to assisting you in complying with your obligations under the CCBE and all other policies. Should you have questions regarding these obligations, you should speak to your supervisor, the Legal Department or the Human Resources Department.

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