

Supplier Code of Practice

Building Sustainable Business Relationship with Our Suppliers

Introduction

Fraser & Neave Holdings Bhd and its subsidiary companies (“**FNHB**”) commits to conduct an effective business under good governance as a foundation of sustainable growth and social acceptance. FNHB has established “ Code of Business Ethics & Conduct” for all FNHB’s directors (“**Directors**”) and all FNHB’s employees up to and inclusive CEO level (“**Employees**”) in order to meet such commitment. In addition to this, FNHB strongly encourages that its suppliers adopt and adhere to the same practice, as it would be beneficial to, not only FNHB and its suppliers, but also its customers, local communities, society, and the environment in a wider range. For this reason, FNHB has placed significant importance on its supplier’s capacity building, a key factor in its supply chain, by promoting sustainability development among its suppliers. The Supplier Code of Practice (“**SCOP**”) is based on the same ethical standard that FNHB adheres to. FNHB looks forward to its suppliers’ compliance with it as FNHB is certain that by following this guideline, FNHB will achieve strong, steady, and sustainable growth together, as well as create a better society and environment.

Scope

The requirements stated hereinafter shall apply to all of FNHB’s suppliers (“**Suppliers**”), which shall also include other business entities of Suppliers which have business transactions with FNHB, for instance, Suppliers’ parent company, affiliates, subsidiaries, and/or sub-contractors.

A. Business Ethic

Suppliers are expected to conduct their business in accordance with ethical business standards and applicable laws.

Antitrust

Suppliers shall not engage in any form of action that may prevent a fair and competitive business environment.

Business Gift

Suppliers shall not offer, provide, demand, accept, or receive any form of bribery, excessive gifts, entertainments, or other activities having higher value than normal, which could influence FNHB’s and/or Suppliers’ business decisions under any circumstance.

Legal Compliance

Suppliers shall conduct their business in full compliance with applicable laws and regulations.

Confidentiality

Suppliers shall not, in any manner, disclose or use any confidential information of FNHB for their own benefit or for any illegal purposes, unless prior written consent has been obtained.

Conflict of Interest

Suppliers shall avoid any circumstance that could lead to a conflict of interest with FNHB, and are requested to immediately notify FNHB should they encounter any such circumstance.

B. Environmental Management

Suppliers are expected to conduct their business in an environmentally responsible manner.

Contamination

Suppliers shall conduct their business in a cautious manner that prevents chemical contamination or leakage which may be harmful to humans and the ecosystem, and shall develop responsive measures to minimize the impact towards local communities and the environment from the aforementioned scenario.

Resource Consumption

Suppliers shall develop policies or measures to optimize the consumption of available resources in their supply chain processes.

C. Human Right

Suppliers are expected to treat their employees equally, with respect and dignity, in accordance with International Labor Organization (ILO) standards and applicable labor laws.

Child and Compulsory Labor

Suppliers shall not engage in or support the use of child labor under minimum age. Furthermore, young worker shall not be assigned to tasks, workplaces and/or working hours prohibited by law, nor shall they be forced to provide labor in any manner.

Equality

Suppliers shall treat their employees equally regardless of their physical or mental differences, such as gender, nationality, race, belief, disability or any other means.

Human Capital Development

Suppliers shall ensure that their employees receive sufficient training hours with regards to their assigned role and responsibility.

Management System

Suppliers shall have in place environmental management systems in accordance with international standards or equivalent thereto. We also expect Suppliers to perform environmental impact assessments.

Waste Disposal

Prior to discharge, disposal, or release, Suppliers shall manage and separate hazardous waste appropriately.

Layoffs Practice

Suppliers' layoff measures shall be in line with applicable laws and regulations, and compensation shall be paid fairly to their employees in accordance with applicable labor laws.

Wages and Benefits

Suppliers shall ensure that wages and benefits including compensations and remunerations, are provided to their employees in accordance with applicable labor laws.

Working Hours

Suppliers are prohibited from forcing their employees to work in excess of the maximum working hours as regulated by labor laws.

D. Occupational Health and Safety

Suppliers are expected to procure and maintain proper workplaces and working environments which are safe and hygienic, in accordance with applicable laws.

Working Conditions

Suppliers shall provide a safe and hygienic workplace and/or working environment, and shall ensure that sufficient and appropriate training and personal protective equipment are provided to their employees. Suppliers shall also develop mitigation plans for emergency situations to reduce potential losses and casualties, and shall strictly comply with applicable laws and regulations.

Occupational Injuries and Illnesses

Suppliers shall develop preventive and remedial measures to support their employees' occupational injuries or illnesses. Records of such injuries or illnesses shall also be kept appropriately in accordance with applicable laws.