



CODE OF BUSINESS ETHICS (SUPPLIERS AND BUSINESS ASSOCIATES)

QL Resources Berhad and its subsidiaries

Introduction

As an agro-based group built on the philosophy of value for all, QL Resources Berhad (“QL” or the “Company”) is consciously aware of our role, responsibility and duty to conduct business ethically, operate in a socially and environmentally responsible manner and adhere to sustainable practices. In our efforts to create shared value for all, we endeavour to ensure that our products and activities make a positive difference to the communities and ecosystem we operate in and to society at large while contributing to QL Group’s growth and success.

With regard to the above, QL Group requires its suppliers and Business Associates, which includes agents, consultants, service providers, business partners, etc., to operate their business in accordance to the same standards. This **Code of Business Ethics (Suppliers and Business Associates) (the “Code”)** has been prepared to provide a clear statement of QL Group’s expectations of its suppliers and Business Associates in all procurement dealings and business activities involving QL Group, as well as suppliers’ conduct in relation to labour and human rights, health and safety, environmental protection, ethics, and management practices.

This Code is formulated to enhance the standards of corporate governance and corporate behaviour with the intention of achieving the following aims in our Group:

- to establish a standard of ethical behaviour for suppliers and Business Associates of QL Group based on mutual trustworthiness and acceptable values;
- to uphold the spirit of responsibility and social responsibility in line with existing rules, regulations, and guidelines for conducting business; and
- to formalise and inculcate ethical values through the Code and ensure their implementation and compliance.

The terms “We”, “Our” and/ or “Us” refer to QL Group’s Covered Persons and is used interchangeably throughout this Code.

Scope of, and compliance with, the Code

This Code is developed based on the principle that QL Group intends to form a business relationship with:

- QL Group’s suppliers, including their directors, employees, contractors, agents, suppliers’ representative, business associates, and equivalent (the “Supplier”); and
- QL Group’s Business Associates (including their employees), including QL Group’s vendors, agents, service providers, consultants, business partners, and any third parties performing business or service for or on behalf of QL Group.

(the abovementioned parties are collectively referred to as “Covered Persons”) which is built based on mutually acceptable standards of business ethics, including openness, transparency, accountability, and a high value of integrity.

All Covered Persons shall ensure this Code and other relevant information are communicated throughout their organisation and made available to their respective employees.

All Covered Persons are expected to adhere to this general principle as well as to comply with all the specific provisions of this Code that are applicable to them and other policies adopted by QL Group.

All Covered Persons’ acknowledgment of this Code is a pre-requisite in every QL Group contract for supply, service contract, letter of offer, appointment or engagement, or any official document formalising

a business relationship with QL Group. Through the acceptance of a Purchase Order and/or signing of a business contract, which makes reference to this Code, the Covered Person shall commit that its business operations are consistent with the provisions contained in this Code.

QL Group may require the Covered Person to provide further information or attestation in writing, via the Group's **Integrity and Background Declaration Form**, on its compliance with this Code from time to time.

Compliance to the Code

It is the responsibility of the Covered Person to ensure that its representatives understand and comply with this Code. In the event any breach may have occurred or is likely to occur, the Covered Person must report such situation to the Group immediately.

A Supplier must co-operate with QL Group in any investigation that the Group may be conducting in relation to any allegation of inappropriate or unethical behaviour involving QL Group's directors, employees or Covered Person pursuant to any business dealings, procurement activity, or business activities.

QL Group reserves the right to take any action that QL Group deems fit against the Covered Person for breaching the Code, such as:

- (a) suspension or termination of contract;
- (b) deduction of any amount of money paid or promised to be paid;
- (c) requiring the Covered Person to substitute any representative who breached the Code or acting inconsistently with the Code; or
- (d) disqualify the Covered Person from participating in any tender or procurement exercise.

Furthermore, violations of this Code may also constitute violations of the law, some of which may require QL Group to report the Covered Person to the authorities and/or may result in civil or criminal penalties.

Compliance with laws

QL Group conducts its business in accordance with all applicable laws and regulations. Mere compliance with the law does not comprise QL Group or a Covered Person's entire ethical responsibility. Rather, it is a minimum, essential condition for the performance of QL Group and a Covered Person's duties.

Covered Persons shall comply with all applicable laws and regulations in all locations and jurisdiction where they conduct business. A Covered Person is also expected to ensure it has obtained all necessary regulatory approvals to conduct its business in the relevant jurisdictions. This includes any licenses, permits, approvals, permission granted by local regulatory and federal authorities, and any applicable industry standards.

This Code highlights issues but does not attempt to cover every circumstance which may arise. When conducting business with or for QL Group, Covered Persons are responsible for knowing and complying with all applicable laws and regulations and are urged to consult with their respective liaisons in the Group as to questions concerning these laws and regulations.

Fair Business Dealings

QL Group conducts business on the basis of fair business terms, considering amongst others, the quality, pricing, reliability, and availability of the goods and services in the best interest of the Group's businesses. It expects Covered Persons, such as Suppliers and Business Associates, to conduct business, either

with, for, or on behalf of the Group with integrity, honesty, fairly, openly, and transparently. Information provided by Covered Persons in the conduct of business shall be accurate and not misleading.

QL Group prohibits the use of “side agreement” which is:

- intended to circumvent an official primary agreement or contract; or
- drafted between other third parties other than, and without the consent of, the parties involved in the primary agreement or contract.

Accountability

QL Group expects Covered Persons to be fully accountable for the delivery of their contractual obligations, including service rendered and goods provided, on a timely basis in accordance with specific agreements, contracts, or undertaking made with the Group.

Confidentiality of Information and Data Protection

All information made available by QL Group to Covered Persons is for the specific business purpose in relation to the Covered Persons. Covered Persons shall undertake that all information (including personal data) disclosed, given access to, procured, gathered, collected, received, or handled by Covered Persons are confidential and shall not be made available to any third party without the written consent of QL Group.

Covered Persons shall have in place the necessary systems, policies, and controls to safeguard data privacy and cyber-security to ensure the data and information of QL and QL Group which is made available to Covered Persons are safe and protected against cyber threats and data loss.

Covered Persons shall notify QL Group immediately in the event of any suspected or actual breach or non-compliance of data privacy regulation.

Conflicts of interests

Covered Persons must be sensitive to activities, interests, or relationships that interfere with, or which appear to interfere with, the fundamentals of the business relationship between QL Group and the Covered Persons. These activities, interests, or relationships are considered “conflicts of interest”. Conflicts of interest situations may impair, or appear to impair, the independence or objectivity of the decision-making process in relation to business decisions between QL Group and Covered Persons or any judgment a Covered Person may need to make on QL Group’s behalf.

Examples include but are not limited to the following:

- direct or indirect relationships with an employee of QL Group that may compromise objective decision-making process within QL Group; or
- close relationships with a competitor of QL Group that may place the Covered Persons in an ethically compromised position such as access to sensitive business information.

A Covered Persons should avoid any interaction or relationship with any QL Group’s directors or employees which might conflict or appear to conflict with the ability of the said employee to act in the best interest of QL Group.

If a Covered Person discovers that, as a result of changed circumstances or otherwise, he/she has become involved in a conflict of interest, the Covered Person must report that conflict as soon as the matter comes to his/her knowledge.

As it is impossible to describe every potential conflict of interest, we necessarily rely on Covered Persons to exercise good judgment, to seek advice when appropriate, and to adhere to ethical standards in the conduct of a Covered Person's professional and personal affairs.

Insider trading

No Covered Persons shall use price sensitive non-public information or confidential business information, which can affect securities price of the company when it becomes publicly known ("Inside Information"), for personal benefit or the benefit of other persons. Covered Persons are prohibited to trade in securities or to provide information to others, including but not limited to family, friends, and business associates to trade in securities of entities relating to the Inside Information until the Inside Information is publicly released.

Anti-bribery and corruption

Bribery and corruption acts involve the promising, offering, authorizing, soliciting, or accepting of a gratification, not confined to monetary form, as an inducement to gain or provide, or as a reward for having gained or provided, an undue advantage in which cases such acts could influence the intended recipient's judgement, views, or conduct.

Covered Persons are strictly prohibited to, or prohibited to attempt, directly or indirectly, from promising, offering, authorizing, soliciting, or accepting any gratification, to anyone and/or from anyone, that constitutes or could be reasonably perceived as constituting, unfair business inducements or that would violate laws or regulations or our other policies when conducting business for or on behalf of QL Group. Covered Persons shall not engage in any or all forms of bribery, corruption, extortion, fraud, and embezzlement. This includes the strict prohibition of the use of facilitation payment by Covered Persons.

Covered Persons are required to comply with the Anti-Bribery Policy and other relevant anti-bribery-related policies established by the Group. Violations of the provision of this Code or the Group's Anti-Bribery Policy may constitute violations of the law and may result in civil or criminal penalties.

All business dealings shall be performed transparently and reflected in the Covered Persons' book and record keeping.

Covered Persons shall not engage in any unethical or unacceptable business practices in order to obtain or maintain business relationship with QL Group.

Covered Persons must report to QL Group if any of QL Group directors, employees or Business Associates engage or intended to engage in bribery and corruption.

Anti-money laundering

QL Group does not engage in any money laundering or terrorism financing activities and it does not associate itself with such criminal activities of others within its business operations or value chain. QL Group will not hesitate to act in accordance with applicable laws and regulations to report any suspicious activity to the authorities where required.

Covered Persons performing business for or on behalf of the Group understand and agree that counterparty due diligence may be required to be performed on them for QL Group to understand their business and background, including but not limited to, details of directors and shareholders, and source of proceeds or funds.

Child, Forced, and Involuntary Labour

Covered Persons are required to strictly adhere to all applicable legal requirements, laws, regulations, and standards establishing a minimum age for employment in the countries in which it operates.

Covered Persons shall not tolerate any form of forced or involuntary labour in any of their operations. These include bonded labour, slave labour, indentured labour, or human trafficking.

Working Hours

Covered Persons shall ensure full compliance with all applicable laws and with respect to wage, work hours, overtime, and benefits.

Covered Persons shall comply with local minimum wages and compensate employees competitively relative to the market and industry standards.

Covered Persons should also ensure that all employees have the rights to sick leave and annual holiday as well as all leave types provided by the legislation in the countries they operate in.

Workplace Security, Safety and Health

Covered Persons shall commit to upholding a workplace for all employees that is free from any acts of physical coercion, violence or threats of violence, verbal, sexual, or psychological harassment, bullying, intimidation, abuse or other harsh or inhuman treatment by either their managers or fellow employees.

Covered Persons shall commit to provide their employees with a safe, clean, and healthy working environment in compliance with all applicable laws and regulations.

Environment

Covered Persons shall operate in a manner that is protective of the environment. At a minimum, to comply with all applicable environmental laws, regulations, and standards. Covered Persons shall also comply with any additional environmental requirements specific to the products or services being provided to QL Group to meet the necessary requirement in terms of design and product specification.

Integrity and Background Declaration

QL Group may require the provision of an integrity and background declaration by certain Covered Persons at different frequencies (e.g. annually or biannually) as determined by QL Group. such requirement does not indicate any form of suspicion or distrust, rather they serve as a control measure to protect the integrity of the business relationship between QL Group and the Covered Persons.

Accountability for adherence with this Code

The Board of Directors enforces this Code. If an alleged violation of this Code has been reported to it, the Board of Directors (or its nominated persons) shall determine whether that violation has occurred and, if so, shall determine the actions to be taken, which may include, but not limited to, a review or cessation of business relationship.