

APM'S CODE OF CONDUCT

FOR SUPPLIERS

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1. INTRODUCTION

- 1.1 **APM Automotive Holdings Berhad** and its group of companies (“**APM**”) see integrity as the moral conviction to do right thing under all circumstances. Our experience over the years has enabled us to understand and appreciate that integrity is one of the primary foundation and keys to any successful relationship, be it in business or otherwise, where without which other core components such as trust, honesty and reliability will not ensue.
- 1.2 Established in early 1971 as a humble automotive parts and component manufacturer, our operation has grown locally, regionally and internationally to become a leading global mobility solutions provider with presence in countries that include Vietnam, Myanmar, Indonesia, Thailand, Australia, the United States of America and the Netherlands. Our growth would not have been possible if integrity had not played its part. We are aware of the responsibility we bear towards our customers, shareholders, employees and the communities in which we work. Thus, we have given ourselves a strict set of ethical standards to guide us in our business dealings.
- 1.3 These standards are reflected in this Code for which we expect all those with whom we deal with for the supply of goods and services (including our suppliers, contractors, agents, representatives, dealers, distributors, business partners, service providers and vendors (“**Supplier**” or “**Suppliers**” as the case may be) to observe and meet. This Code sets the minimum standards for doing business with us or any member of our group of companies and any failure by a Supplier to meet these standards may result in the suspension or termination of our relationship with such Supplier.
- 1.4 This Code is not a standalone document. It forms part of APM’s other policies, guidelines, procedures, manuals, regulations and codes.

2. LAWS AND ETHICAL STANDARDS

- 2.1 The Supplier shall comply with all laws applicable to its business and do all the necessary to support and meet the principles of the United Nations Global Compact, the UN Universal Declaration of Human Rights as well as the 1998 International Labour Organization Declaration on Fundamental Principles and Rights at Work, in accordance with local laws and practice. This especially applies to:

2.1.1 Human Rights and Fair Labour Practices

2.1.1.1 Child Labour

The Supplier shall not by itself or through others employ or benefit from the employment of children under the legal age of employment in any country or local jurisdiction. If no minimum age of employment is

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defined, then such age shall for the purposes of this Code be 18 years. Workers under the age of 18 shall only perform work in accordance with legal requirements (e.g. with regards to working time and working conditions) and subject to any requirement regarding education or training.

2.1.1.2 Forced Labour

The Supplier shall not by itself or through others use or benefit from any form of forced, bonded or involuntary labour. All labour must be voluntary.

2.1.1.3 Compensation and Working Hours

The Supplier shall comply with all applicable laws and mandatory industry standards regarding working hours, overtime, wages and benefits. The Supplier shall pay workers in a timely manner and clearly convey the basis on which workers are being paid. Deductions from wages as a disciplinary measure shall not be allowed, if not legally permitted.

2.1.1.4 Freedom of Association and Collective Bargaining:

The employees of the Supplier must be free to join or not to join a union/employee representation of their choice, free from threat or intimidation. The Supplier recognizes and respects the right to collectively bargain in accordance with applicable laws.

2.1.1.5 Diversity

The Supplier shall promote an inclusive work environment that values the diversity of its employees. The Supplier shall not discriminate or tolerate discrimination with respect to gender, race, religion, age, disability, sexual orientation, national origin or any other characteristic protected under applicable law.

3. HEALTH & SAFETY

3.1 We expect our Suppliers to strive to implement the standards of occupational health and safety at a high level by applying a health and safety management approach appropriate for the business. The Supplier shall comply with all applicable occupational health and safety regulations and provide a work environment that is safe and conducive to good health, in order to preserve the health of employees, safeguard third parties and prevent accidents, injuries and work-related illnesses. This includes regular workplace risk assessments and the

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implementation of adequate hazard control and precautionary measures. Employees are to be adequately educated and trained in health and safety issues.

4. COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

4.1 The Supplier shall at all times comply with all applicable laws and regulations. This especially applies to:

4.1.1 Data Protection and Disclosure of Information

The Supplier shall comply with relevant data protection and security laws as well as to respective regulations, in particular with regard to personal data of customers, consumers, employees and shareholders including the Malaysian Personal Data Protection Act 2010 (Act 709) and the European Union's General data Protection Regulations (EU GDPR). The Supplier shall comply with all said requirements when personal data is collected, processed, transmitted or used. Suppliers shall safeguard and make only appropriate use of confidential information. The Supplier shall not disclose any information that is not known to the public unless such disclosure is duly authorized or required under applicable law or regulation.

4.1.2 Bribery and Corruption

4.1.2.1 The Supplier shall comply with all applicable anti-corruption and anti-bribery laws, regulations and standards including the Malaysian Anti-Corruption Commission Act 2009 (Act 694).

4.1.2.2 The Supplier shall not directly or through others and under any circumstances give, provide, supply, offer, promise to provide or allow to be given gratification of any kind to APM or any person associated with APM to corruptly, dishonestly, unfairly or improperly influence such person to act or to secure an improper advantage in order to obtain or retain business. For the purposes hereof, the expression "gratification" shall have the meaning as ascribed thereto in the Malaysian Anti-Corruption Commission Act 2009 (Act 694).

4.1.2.3 The Supplier shall also cause and ensure that all its representatives, agents, service providers or independent contractors with whom the Supplier has dealings with for the conduct of APM's business to observe and comply with this Code.

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4.1.2.4 The Supplier shall not engage with any person whom the Supplier believes or ought to know will or may attempt to offer a bribe to conduct APM's business.

4.1.3 Trade Regulation, Sanctions and Embargoes

The Supplier shall comply with all applicable trade and import regulations including sanctions and embargoes that apply to their activities.

4.1.4 Money Laundering & Financial Records

The Supplier shall comply with applicable laws and regulations designed to combat money laundering activities including the Malaysian Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (Act 613). The Supplier shall maintain financial records and reports according to international laws and regulations.

4.1.5 Fair Competition

The Supplier shall comply with applicable competition and anti-trust laws including the Malaysian Competition Act 2010 (Act 712).

5. CONFLICT OF INTEREST

5.1 The Supplier must ensure at all times that, there is no conflict of interest in their dealing(s) with us. A conflict of interest arises when an individual has a private/personal interest, which could or has the potential of influencing their decision(s) or objectivity. Such conflict of interest situations include a relationship by blood or marriage, partnership, business partnership or investment. The Supplier must forthwith disclose to us any actual or potential conflict of interest with our personnel.

6. ENVIRONMENT

6.1 The Supplier shall comply with all applicable environmental laws, regulations and standards as well as implement an effective system to identify and eliminate potential hazards to the environment. We expect our Suppliers to support our climate protection goals through the goods and services they deliver (e.g. by providing relevant data on climate protection when required). In this regard, we also expect our Suppliers to take climate protection appropriately into account in their own operations, for example, by setting climate protection goals for themselves and achieving them.

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- 6.2 The Supplier shall:
 - 6.2.1 have in place management systems and/or processes that are environmentally friendly;
 - 6.2.2 ensure that all its material, equipment and assets that it uses meets applicable environment laws and regulations;
 - 6.2.3 as far as possible apply or use environmentally friendly materials by proposing solutions integrating recycled materials and/or materials of natural origin;
 - 6.2.4 implement policies and processes to reduce CO² emissions; and
 - 6.2.5 have in place or strive for ISO14001 certification or its equivalent and demonstrate that it is taking steps to become certified.

7. BUSINESS CONTINUITY PLANNING

- 7.1 The Supplier shall be prepared for any disruptions of its business (e.g. natural disasters, terrorism, software viruses, illness, pandemics, infectious diseases). This preparedness especially includes disaster plans to protect both employees as well as the environment as far as possible from the effects of possible disasters that arise within the domain of operations.

8. DIALOGUE

- 8.1 The Supplier shall encourage its own suppliers, vendors and service providers to adhere to this Supplier Code of Conduct as part of fulfilling their contractual obligations.

9. AUDIT

- 9.1 We reserve the right, upon reasonable notice, to check compliance with the requirements of this Code. We encourage our Suppliers to implement their own binding guidelines for ethical behavior. We consider any breach of the obligations stipulated in this Code to be a material breach of contract by the Supplier.

10. AMENDMENTS

- 10.1 APM reserves the right to amend this Code or any part thereof at any time. Suppliers are encourage to visit www.apm.com.my for updates and the Suppliers' continued dealings with us following such amendment(s) shall be deemed as the Suppliers' acceptance of the same.

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11. ENQUIRIES

11.1 For any enquiries, please contact:

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