



TM CODE

OF CONDUCT & BUSINESS ETHICS

(CBE)

VERSION 5.0

Life Made Easier™





Telekom Malaysia Berhad

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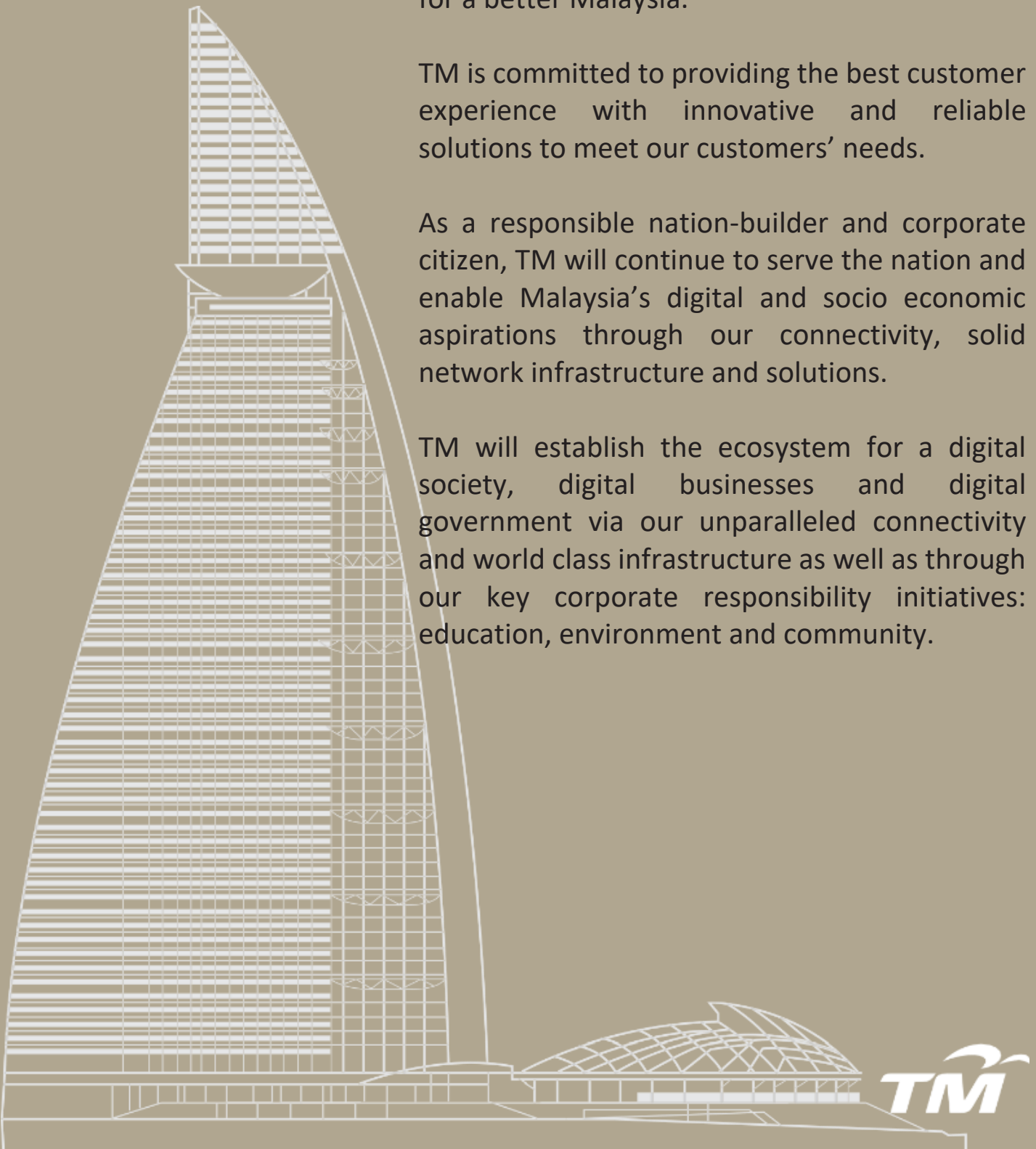
TM GENERAL BUSINESS PRINCIPLE

As Malaysia's national telecommunications provider, TM is a trusted institution committed to enable Digital Malaysia and life made easier for a better Malaysia.

TM is committed to providing the best customer experience with innovative and reliable solutions to meet our customers' needs.

As a responsible nation-builder and corporate citizen, TM will continue to serve the nation and enable Malaysia's digital and socio economic aspirations through our connectivity, solid network infrastructure and solutions.

TM will establish the ecosystem for a digital society, digital businesses and digital government via our unparalleled connectivity and world class infrastructure as well as through our key corporate responsibility initiatives: education, environment and community.



ORGANISING PRINCIPLE

OUR VISION

To make life and business easier, for a better Malaysia

OUR MISSION

We deliver Life Made Easier:

- To customers, through converged lifestyle communication experiences
- To businesses, by collaborating with and supporting them with integrated solutions
- To the nation, by supporting socio-economic development through education, innovation & social initiatives

OUR GUIDING VALUES

KRISTAL

- Total Commitment to Customers
- Uncompromising Integrity
- Respect and Care

OUR BRAND PROMISE & TAGLINE

Life
Made
Easier

A MESSAGE FROM GROUP CHIEF EXECUTIVE OFFICER

Dear Warga TM & our Valued Business Partners,

Ethical behaviour & integrity are not only essential to TM's business, but core to our values and higher purpose.

We believe that returns from good corporate governance and strong business ethics will build trust and deepen the confidence of our stakeholders. The TM Code of Conduct & Business Ethics ("Code") reflects our commitment to an ethical working environment.

For decades, we have been guided and governed by our KRISTAL Core Values, namely Total Commitment to Customers, Uncompromising Integrity, Respect & Care. This Code sets out the values and principles along with the main policies on Conflict of Interest, Whistle-Blowing Policy, rules about Gifts & Entertainment & Corporate Hospitality as well as the Anti-Corruption Policy which reflects our zero-tolerance policy against all forms of corruption. It shall act as the guiding principle in inculcating a business ethics mindset in all Warga TM.

It is necessary for this Code to be revisited from time to time and made briefer to be effective and understood by all of us. It will provide clear guidance to us regarding our ethical and legal obligations when conflicts arise between business ethics and organizational demands. Unethical behaviour is not a justification for the survival of the business.

I urge all of us to understand the contents of the Code and to avoid being involved in any corrupt practices for the benefit of ourselves and TM. Do not tolerate any unethical action for the sake of achieving corporate targets. Always refer to this Code and ask questions to ensure we do the right thing.

Let us take pride in upholding our KRISTAL Core Values and abide by the principles and policies stated in this Code while conducting our business dealings. Let us act with integrity as we pursue our purpose of achieving Commercial Sustainability so that we can fulfil our business objectives and support nation-building. This is the path that will allow us to enable the Digital Malaysia aspiration together.

Thank you.

Imri bin Mokhtar,
Group Chief Executive Officer
Telekom Malaysia Berhad



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1. INTRODUCTION

1.1 Objective

This Code provides guidance in resolving any business, legal and ethical issues that one may encounter in conducting business and standards of behaviour expected of the Board of Directors, Management, Employees and all Business Partners of TM Group in line with TM's vision and mission and TM Core Values (KRISTAL).

1.2 Scope

- 1.2.1 The Code applies to the Board of Directors, Management, Employees and all Business Partners of TM Group.
- 1.2.2 If any Applicable Laws conflict with any policy in this Code, one must comply with such Applicable Laws. If a local custom or practice conflicts with any policy in this Code, one must comply with this Code.
- 1.2.3 This Code shall by no means be exhaustive, nor shall it include all of the policies of TM. This Code provides general policy and guidance for resolving a variety of legal and ethical issues encountered by us internally and externally. We are also required to comply with other applicable policies, procedures, guidelines, directives, rules and practices issued by TM. We must apply sound and ethical judgment in dealing with any situation involving our stakeholders including Board of Directors, Management, Employees, Customers, Business Partners, Governmental Authorities and general public, as well as to ask for help when needed.
- 1.2.4 This Code may be reviewed, changed and updated from time to time which we are expected to comply and be bound by it.
- 1.2.5 The latest version of the Code is available on TM's website.

1.3 Responsibility and Compliance to the Code

- 1.3.1 TM Board of Directors, Management, Employees and Business Partners **MUST**:
 - (a) understand and comply with the Code;
 - (b) ensure the subordinates understand and comply with the Code;
 - (c) portray and exercise good ethical values;
 - (d) be aware with the changes or amendment of the Code;
 - (e) be accountable for behaviours of the subordinates in failing to comply with the Codes and other applicable policies, procedures, guidelines, directives, rules and practices.

- 1.3.2 TM strictly prohibits any activities or acts to gain improper benefit or advantage to TM Group in every business dealing. TM does not tolerate any form of Conflict of Interest in every dealing with our Business Partners.
- 1.3.3 Employees may be subjected to disciplinary actions including but not limited to withholding of bonuses, increments and merit award, denial of promotion and termination or dismissal of employment for violating the Code.
- 1.3.4 Employees are responsible to ensure our Business Partners to understand and comply with the relevant aspects of the Code. Violation of the Code may result in blacklisting or termination of their contract by TM Group.
- 1.3.5 Should there be other TM policies and procedures that are in conflict with this Code, the policies as covered in this Code shall prevail over the others.
- 1.3.6 We have the rights to take appropriate action to TM Board of Directors, Management, Employees, Business Partners or individuals acting for or on behalf of TM who is investigated for criminal allegation by any enforcement agencies (“Party Under Investigation”). Party Under Investigation should not include any person assisting such investigation.

2. DEFINITIONS

2.1 In this Code unless the context otherwise requires the following terms shall have the meanings hereby respectively assigned to them:

Applicable Laws: shall mean with respect to a person, any laws, regulations, rules, measures, guidelines, treaties, judgments, determination, orders or notices of any Governmental Authority or stock exchange that is applicable to such person.

Assets: shall mean tangible or intangible resources controlled by TM as a result of past transactions or events and from which future economic benefits are expected to flow to TM.

Associate Company: shall mean a corporation, partnership or other entity in which the Group exercises significant influence but which it does not control nor jointly control, generally accompanying a shareholding of between twenty percent (20%) and fifty percent (50%) of the voting rights. Significant influence is the power to participate in the financial and operating policy decisions of the Associate Company but not control over those policies.

Board of Directors: shall mean all Directors of TM be it, independent and non-independent executive directors and non-executive directors and, includes the alternate director. The term “Board of Directors”, wherever appropriate shall also be referred to the board of directors of the Group of Companies. The term “Board of Directors” or “Board” shall have the same meaning and may be used interchangeably.

Business courtesy: shall mean a gift or favour from a person or a firm, regardless of whether a business relationship exists between TM and that person or firm, for which fair market value is not paid by the recipient, which includes tangible or intangible benefit, such as non-monetary gifts, meals, drinks, entertainment, recreation, prizes, transportation, discounts, tickets, passes, promotional items or use of donor’s time, material or equipment.

Business Partners: for the purpose of this Code shall mean individual or entity who has some degree of involvement with another individual or entity’s business (as defined under the Malaysian Anti-Corruption Commission Act 2009 (“MACCA 2009”)) dealings. A Business Partner may include but is not limited to suppliers/vendors, service providers, Customers, Competitors, agents (as defined under the MACCA 2009) and/or resellers, contractors (including sub-contractors) joint venture partners or others acting for or on behalf of TM Group.

Business Policy & Governance: A set of documents that outlines TM’s policies and governance across key functional areas and indicates relevant process and procedures that supports the respective policies and governance.

Code: shall mean this TM Code of Business Ethics, a set of rules and policies, which shall govern the business conduct and relations of the Board of Directors, Management, Employees and Business Partners of TM.

Competitors: shall mean any persons or entities that render the same or similar services or supply the same or similar products to what TM renders or supplies, in anyone or a number of business environments.

Confidential Information shall mean to include

- a. Any information in any form whatsoever not generally known, and proprietary to TM including but not limited to Personal Data, information relating to their processes, operations, trade, products, research, development, manufacture, purchasing, business, business prospects, transactions, affairs, activities, know-how, intellectual property, accounting, finance, planning, operations, Customers, engineering, marketing, merchandising and selling, proprietary trade information, payroll figures, personal data of the Board of Directors, Employees, Customers' list, records, agreements and information, technical and other related information, and any books, accounts and records kept by TM for the purpose of its business;
- b. All information disclosed to the Director or Employee or to which the Director or Employee obtains access during his tenure which he has reason or ought to have reason to believe to be Confidential Information and this shall be presumed to be Confidential Information and this shall include (but shall not be limited to) price lists, business methods, customer history, records, information and inventions; and
- c. Any information as described in paragraphs (a) and (b) above which relate to TM including its Customers and Business Partners.

Conflict of Interest: shall mean any personal interest or material interest that a Director or an Employee may have and could be seen to have the potential to interfere with their objectivity in performing their duties or exercising their judgment on behalf of TM.

Customers: shall mean any persons or entities to which TM provides its products and render its services, which may include potential customers, Business Partners or Competitors.

Close Relationship: shall mean relationship between Director or Employee with such person who may include but not limited to any one of the categories:

- i) Spouse;
- ii) Parents including Parents In-Law;
- iii) Child including an adopted child and step child;
- iv) Brother or sister; and
- v) Spouse of the person referred to in sub-paragraphs (iii) and (iv) above.
- vi) Relative of the person referred to above as defined as "relative" under the MACCA 2009.

Director: shall mean any of the directors of TM holding office for the time being, which includes his duly appointed alternate.

Division: Refers to the key functional area in which you work [e.g. Group IT & Digital, Group Network Technology, Group Procurement, Group Human Capital Management etc].

Employees: For the purpose of this Code, it shall mean all personnel including the senior and top management, managers, assistant managers and non-executives under the employment of TM which comprise permanent, contract, leasing, trainees and interns. The term “Employee” or “Employees” shall have the same meaning and may be used interchangeably.

Ethics: Refers to standards of conduct, which indicate how to behave, based on moral duties and virtues arising from the ability to distinguish right from wrong and the commitment to do what is right.

Facilitation payments: Commonly known as “facilitating”, “speed” or “grease” payments are payments made to an individual in control of a process or decision with the intention of expediting the administrative process and performance. Facilitation payments fall within the interpretation of Gratification under the MACCA 2009 and therefore prohibited in Malaysia.

Family: For the purpose of this Code, the term “family” shall be defined as person who has Close Relationship which is hereinbefore defined.

Government or Governmental Authorities: means any government or any department, bureau, commission, court, official, political subdivision, tribunal or other instrumentality of any government, whether national, provincial or local, domestic or foreign.

Government Officials: shall includes, any person who is a member, an officer, an employee or a servant of a government agency whether federal or state authorities.

Gratification: shall have the meaning as assigned to it under Section 3 of MACCA 2009.

Instead of the word “bribe,” or “corruption”, the MACCA 2009 defines the word “Gratification,” which includes both pecuniary and non-pecuniary bribes, which includes money, donation, gift, any valuable thing of any kind, any forbearance to demand any money or money’s worth or valuable thing, any other service or favour of any kind, or any offer, undertaking or promise of any such Gratifications. Under the MACCA 2009, offering and accepting gifts, services and hospitality will be a corruption offense if there is the requisite intention for such an offer/acceptance to be a bribe. The MACCA 2009 does not contain any provision for a de minimis threshold. The MACCA 2009 deems a corrupt intent in the giving or receiving of Gratification unless the contrary is proven.

There is an additional offense under the MACCA 2009 for any person to offer to an Officer of any Public Body, or being an Officer of any Public Body, to solicit or accept any Gratification as an inducement or a reward for certain situations. An offense would be committed even if the officer did not have the power, right or opportunity to do so, show or forbear, or accepted the Gratification without intending to do so, show or forbear, or did not in fact so do, show or forbear, or that the inducement or reward was not in relation to the affairs of the public body. A public body here includes the federal Government, state Government, local authorities, and their departments, services and undertakings. Also included are companies or subsidiaries over which a public body has controlling power or interest, and various registered societies and trade unions.

Information: shall mean all communications and all information whether written, visual or oral and all other materials:

- a. supplied to the Employee by TM during the Employee's employment with TM;
- b. relating to any inventions, improvement, report, recommendation or advice given to TM by the Employee in pursuance of his employment with TM; and
- c. concerning the business, associations, transactions or financial arrangements of TM with any other persons or bodies, including other technical or commercial cooperation agreements.

Intellectual Property Rights: refers to the legal rights granted with the aim to protect the creations of the intellect. These rights include but are not limited to patents, industrial designs, trademarks, copyrights, service marks, confidential information, designs, knowhow, techniques, processes, equipment, software programs, software source documents, formulae, hardware, software, firmware, sketches, drawings, models, inventions (whether patentable or not), schematics, samples, audio and/or visual contents, business plans, engineering items or information, marketing information, data, materials, analysis, compilations, forecasts, studies, experience and/or copies and reproductions thereof.

Inventions: shall mean all patentable and non-patentable inventions, discoveries and improvements, processes and know-how, copyright works (including without limitation computer programs), new designs discovered or created by the Employees in the course of or for the employment or discovered or created by the Employees as a result, whether directly or indirectly, of anything done by the Employees in pursuance of his duties with TM and/or (as the case may be) based whether directly or indirectly on any item of the Information.

Legal Division: shall mean the Legal Strategy & Intellectual Property.

Management: Management shall cover top management, and senior management of TM.

Officer of a Public Body: means any person who is a Member, an Officer, an Employee or a servant of a Public Body.

Proprietary Information: shall mean information held by a person or entity concerning the know-how, trade secrets or other information of any kind, whether in printed or electronic format, including but not limited to the intellectual property rights, technical information, business processes, sales forecasts, marketing strategies, customer lists or potential customer information, financial records or operations which is regarded as being confidential in nature (whether or not labelled as confidential) and belongs to and owned by TM.

Personal Data: shall mean personal data (having the meaning ascribed under the PDPA), including but not limited to, the personal information of Customers and/or Employees.

Public Body: includes Government of Malaysia, the Government of a State, any local authority and any other statutory authority and which have the same meaning as assigned to it under Section 3 of the MACCA 2009 and shall include TM.

Sexual Harassment: shall mean any unwanted conduct of sexual nature having the effect of verbal, non-verbal, visual, psychological or physical harassment that might, on reasonable grounds, be perceived by the recipient as placing a condition of a sexual nature on his or her employment or as an offence or humiliation or threat to his/her well-being, but has no direct link to his/her employment.

Subsidiary: A subsidiary is an entity that is controlled either directly or indirectly by another entity (the investor). An investor controls an entity when the investor:

- a. is exposed, or has rights, to variable returns (risk and rewards), arising from its involvement with that entity; and
- b. has the ability to affect those returns through its power over the investee.
- c. Whilst typically, control is secured through a majority shareholding in the investee, this is not necessary when the investor has the abilities in (a) and (b) above or to appoint or control a majority of the investee's board members, as well as a right to direct relevant activities of the investee.

TM or Company: shall mean Telekom Malaysia Berhad and its TM Group. The term "TM" or "Company" shall have the same meaning and may be used interchangeably.

TM Core Values (KRISTAL): shall mean the values adopted by TM to be applied by the Board of Directors, Management and Employees of TM in their daily work and operation, which consist of the following principles: Total Commitment to Customers, Uncompromising Integrity and Respect and Care.

TM Group: shall mean TM and all its Subsidiaries within TM's group of companies, which include all companies in which TM whether directly or indirectly has controls over such companies.

References to "We" in this Code refer to any person to whom this Code applies. Where more specific references are used, such as Employee or Director, the more specific reference is intended.

3. OUR DEALINGS WITH EMPLOYEES

We respect and treat each Employee fairly and equally.

3.1 Respect for the Individual

3.1.1 We will treat each other with respect and fairness at all times, just as we wish to be treated ourselves. In line with TM Core Values (KRISTAL), we should:

- (a) Propagate team spirit, co-operation among Employees;
- (b) Practice mutual respect and courtesy in all our dealings and interactions; and
- (c) Demonstrate understanding and open-mindedness for all concerns, comments, ideas and feedback received.

3.1.2 We will value the diversity of the individuals among us.

3.1.3 We are committed to keep personal information of the Board of Directors, Management and Employees as private and confidential. Access to and knowledge of the personal information of the Board of Directors, Management and Employees will be limited to people in TM who need the information for legitimate purpose only.

3.2 Harassment, Threat and Violence

3.2.1 We will not tolerate any types of harassment, threat and violence whether verbal, physical or visual. These actions or behaviours include but are not limited to derogatory comments based on gender, religion, racial or ethnic characteristics, physical attributes, using any medium of transmission whether conventional or digital including but not limited to the use of emails, voicemail or other forms of communication channels which may or may not cause disharmony, disunity, feelings of enmity, hatred, prejudice or ill-will.

3.2.2 We do not tolerate any forms of Sexual Harassment or any form of inappropriate conduct which may be perceived by the recipient as of sexual nature, and will ensure compliance with the Human Resource Policy on Sexual Harassment.

3.2.3 We also do not tolerate any form of violence, threat, harassment, discrimination or bullying within our organisation and should we encounter any of the above conducts by other Employee, we shall immediately report to Group Human Capital Management for further investigation.

3.3 Safety, Health and Environment

3.3.1 We are responsible in maintaining a safe workplace by following the safety, health and environment rules and practices such as the TM's Occupational Safety and Health Manual.

- 3.3.2 We are responsible for immediately reporting accidents, injuries, and unsafe equipment, practices or conditions to a supervisor or other designated person. TM is committed to keep its workplaces free from hazards.
- 3.3.3 The onus is also on us to declare immediately any dangerous/contagious disease that we are afflicted with to our superior or other designated persons appointed by TM.
- 3.3.4 In a situation of pandemic and/or any unprecedented situation, we are required to comply with any rules and regulation related to safety and health as issued and/or outlined by the Group Human Capital Management or any responsible parties assigned by the Management.

3.4 Drugs, Alcohol and Prohibited Substances

We are strictly prohibited from bringing into the premise, using, possessing, distributing, sharing, conducting or attempting to conduct sale, transferring, manufacturing or producing any type of illegal drugs, alcohol or prohibited substances while in the course of TM's activities.

3.5 Weapons

We are strictly prohibited from bringing into the premise, using, possessing, distributing, sharing, selling any weapons or illegal materials, imitation or otherwise including but not limited to firearms, explosives, sharp or dangerous/harmful objects in the course of TM's activities.

3.6 Criminal Breach of Trust

- 3.6.1 We shall not commit a criminal breach of trust in violation of any law of the country in which the business is conducted.
- 3.6.2 In the context of Malaysian law, criminal breach of trust is as defined under the Penal Code (Act 574).

3.7 Criminal Activities and Wrongdoings

- 3.7.1 We shall at all times uphold the good name and reputation of TM during or after official working hours.
- 3.7.2 We shall not engage or be involved in any behaviours or activities that may be categorised as tarnishing the image of TM or subversive or commit any criminal offence punishable under the law of the country in which the business is conducted.
- 3.7.3 If we are found to be involved in any behaviours or activities that may be categorized as subversive or commit any wrongdoing, criminal or otherwise that may be detrimental to the image and reputation of TM, we shall be dealt with in accordance with TM's disciplinary policies and procedures and/or liable in the court of law.

3.8 Giving Evidence in Court

If we are subpoenaed or required to give evidence in court for any legal proceedings related to TM's business, we should first refer it to the immediate superior who will consult with the Legal Division and in the case of labour related matters to Group Human Capital Management, failing which disciplinary action may be instituted against the person concerned.

3.9 Equal Opportunity

We believe and shall on best endeavour provide equal employment opportunities for all applicants regardless of the race, ethnicity, religion, national origin, gender or disability.

3.10 Business Dress and Attire

3.10.1 We must ensure that when dealing with the Customers, we are not dressed in such a manner or wear clothing that may offend the Customers or compromise health and safety standards.

3.10.2 Wherever TM provides uniforms or special attire, we must abide by the requirement.

3.11 Leaving TM

We must return all TM Assets including TM Proprietary Information and Intellectual Property if we are leaving TM for any reason including retirement and any disclosure or use of TM Proprietary Information are not allowed.

3.12 Relationship with Clubs, Societies and Non-Governmental Organisations

3.12.1 TM promotes and encourages active participation by Employees through non-governmental, charitable organisations and also clubs and societies within TM. Whilst such activities outside working hours are permitted, we must ensure that the reputation and interest of TM are not compromised.

3.12.2 To avoid any direct or potential Conflict of Interest these non-governmental, charitable organisation, clubs and societies are not allowed to have any business arrangement with TM except in exceptional circumstances and authorise in writing by the Chief Human Capital Officer, Group Human Capital Management.

4. OUR DEALINGS WITH CUSTOMERS

TM gives total commitment to its Customers.

4.1 Total Commitment to Customers

4.1.1 In line with TM Core Values (KRISTAL), we must be

4.1.1.1 Proactive in dealing with Customers' needs and try to exceed their expectations;

4.1.1.2 Sensitive to Customers' needs and requirements; and

4.1.1.3 Responsive and serve Customers with conviction and professionalism.

4.2 Product and Service Quality and Safety

4.2.1 Compliance to quality processes and safety requirements are essential to maintain TM's valuable reputation. We may damage our good name and reputation if we deliver products and services that fail to live up to TM's standard of quality.

4.2.2 Commitments made to Customers must be reasonably honoured. If commitments could not be honoured, prompt feedback must be given to Customers within agreed time frames or organizational guidelines.

4.3 Sales and Marketing

We will build long-term relationships with our Customers by demonstrating honesty and integrity. All of our marketing and advertising must be accurate and truthful. Deliberately misleading messages, omissions of important facts, or false claims about our competitors' offerings are not acceptable.

4.4 Customer Information

We must comply with TM's policies and licenses and Applicable Laws and regulations concerning the protection of Customers' information including the protection of Personal Data.

4.4.2 Except when compelled by the law, or in the normal course of business such as performing repair, isolation of trouble or preventive maintenance, we must not:

4.4.2.1 Disclose Customer's information or location of equipment, circuits, trunks or cables to any unauthorised persons;

4.4.2.2 Tamper with or intrude upon any voice, video, data, fax or any communication transmission;

- 4.4.2.3 Listen to or repeat Customers' conversations or communications or permit either to be monitored or recorded or allow access to any communication transmitted by TM;
 - 4.4.2.4 Install or permit anyone to install any device that enables someone to listen to, observe or determine that a communication has occurred.
- 4.4.3 Any request from Governmental Authorities for TM's information including for the Customer's information must be channeled to the following Division/ unit:
- 4.4.3.1 Group Corporate Regulatory: Responsible for any request for information from Regulatory bodies other than a request from Bursa Malaysia Securities Berhad such as Malaysian Communication and Multimedia Commission or Central Bank of Malaysia;
 - 4.4.3.2 Company Secretary Division: Responsible for any request for information from Bursa Malaysia Securities Berhad;
 - 4.4.3.3 Group Integrity & Governance: Responsible for any request for information from the Malaysian Anti- Corruption Commission;
 - 4.4.3.4 Security Management Unit: Responsible for any request for information from Royal Police Malaysia and agencies under Ministry of Internal Affairs; and
 - 4.4.3.5 Legal Division: Responsible for any request for legal matters.

5. OUR DEALINGS WITH BUSINESS PARTNERS

Building quality relationships with Business Partners gives TM a competitive advantage.

5.1 Doing Business with Others

5.1.1 In line with TM Core Values (KRISTAL) and this Code we should:

5.1.1.1 Practice honesty in all our actions and statements;

5.1.1.2 Demonstrate trustworthiness in carrying out all our duties and responsibilities;

5.1.1.3 Exhibit sincerity in all our interpersonal relationships;

5.1.1.4 Approach our work with full dedication; and

5.1.1.5 Treat all our stakeholders with fairness.

5.1.2 TM shall only do business or associate with Business Partners who share, value or practice TM Core Values (KRISTAL) and Ethics and the principles laid down in this Code.

5.2 Agents and Consultants

Commissions, rates or fees paid to any dealers, distributors, agents, finders or consultants must be reasonable in relation to the value of the product or work that is actually being done. Any payment made must be in line with the Applicable Laws, Business Policy & Governance and this Code.

5.3 Procurement Practices

5.3.1 TM's procurement philosophy is to procure by open and transparent procedure goods/ services/works that are the best in terms of quality, price, quantity, delivery, supplier and technology as to ensure the best returns to TM. All participants in the procurement processes need to uphold the basic principles of trust, honesty, fairness and transparent behaviour in the business dealings.

5.3.2 All Employees handling procurement shall not have any Conflict of Interest in any procurement activities under their responsibility. Such Employee shall abstain from participating if such conflict exists.

5.3.3 All documents relating to procurement processes shall be documented, filed and properly kept by the person responsible. Purchasing agreements should clearly identify the services or products to be provided, the basis for payment, and the applicable price rate or fee. The amount of payment must commensurate with the services or product provided.

5.4 Raising Concerns

If any Business Partners wish to report any possible violation of the Code, he may do so through the option available under Article 14 of this Code (Whistleblowing Policy and Reporting) and/ or the Whistleblower Protection Act 2010 (“WPA”).

6. OUR DEALINGS WITH SHAREHOLDERS

TM is committed to protect shareholders' investments and deliver value.

- 6.1 Our contact, handling and cooperation with shareholders should be carried out in a professional manner.
- 6.2 In our effort to create value for shareholders, TM is committed to clearly communicate its strategy and activities regularly to its shareholders and, to that end, maintain active dialogue with investors through a planned program of investor relations activities and engagements.
- 6.3 If we are approached by shareholders or prospective shareholders on confidential or sensitive information, we must refer them to Investor Relations or Group Brand and Communication Division in accordance to the Group Communications Policy.
- 6.4 Only information which is published and available in the public domain may be disclosed.

7. OUR DEALINGS WITH COMPETITION

TM believes in competing fairly and ethically because we all benefit from fair, free and open markets. We compete strictly on the merits of our products and services and make no attempts to restrain or limit trade.

7.1 Competition Law

- 7.1.1. We should adhere to the local competition laws and also the competition laws of the countries in which TM business is conducted no matter how competitive the environment is.
- 7.1.2 Any clarifications on whether an action constitutes a violation of any competition laws should be referred to the Legal Division.

7.2 General Competition Practices

In the context of Malaysian law, the relevant laws applicable for TM are the Communications and Multimedia Act 1998 and Competition Act 2010.

7.2.1 Communication and Multimedia Act 1998 (“CMA”)

- 7.2.1.1 The competition practices under CMA prohibits any conduct which has the purpose of substantially lessening competition which include, amongst others, arrangements which provide for rate fixing, market sharing, boycott of supplier or competitor and mandatory tying or linking arrangements regarding the provision or supply of products and services.
- 7.2.1.2 The Malaysian Communications and Multimedia Commission has published three (3) guidelines with regards to competition, which are as follows:
 - (i) Guideline on Substantial Lessening of Competition in a Communications Market;
 - (ii) Guideline on Dominant Position in a Communications Market; and
 - (iii) Guidelines on Mergers and Acquisitions.
- 7.2.1.3 In TM’s effort to ensure compliance to the competition requirements under the CMA, TM’s internal guidance on this regime of competition is also made available. Please refer to the Legal Division’s for further information and consultation.

7.2.2 Competition Act 2010 (“CA”)

- 7.2.2.1 CA applies to commercial activities which are NOT regulated under the CMA. Commercial activities of TM which are regulated under the CMA would be excluded from the scope of the CA.
- 7.2.2.2 The competition practices under the CA prohibits amongst others, horizontal and vertical anti-competitive agreements and Conduct that could constitute an abuse of dominant position.
- 7.2.2.3 The Malaysian Competition Commission has published four (4) guidelines with regards to competition under the CA, which are as follows:
- (i) Guidelines on Market Definition;
 - (ii) Guidelines on Anti-Competitive Agreements;
 - (iii) Guidelines on Abuse of Dominant Position; and
 - (iv) Guidelines on Intellectual Property Rights and Competition.
- 7.2.2.4 In TM’s effort to ensure compliance to the competition requirements under the CA, TM’s internal guidance on this regime of competition is also made available. Please refer to the Legal Division for further information and consultation.

8. OUR DEALINGS WITH COMMUNITIES

TM is a responsible corporate citizen in all communities wherever we do business.

8.1 Community Services

We serve society by providing telecommunication services at a fair and competitive price, and by actively supporting the communities in which we operate. Our support towards the community will be focused on the areas of education and nation-building activities. TM's involvement with the community should be carried out with integrity and the highest regard to good corporate governance and transparency.

8.2 Personal Community Activities

We are encouraged and free to support community, charitable, Non-Governmental Organisations and causes of our choice; as long as we make it clear that our views and actions are not those of TM. We must however ensure that no Conflict of Interest be it actual or potential exists between our employment with TM and our duties in community affairs, whether elective or appointed, paid or voluntary. We must ensure that our outside activities do not interfere with our job performance.

8.3 Environment

- 8.3.1 We will respect the environment by complying with all applicable environmental laws in all countries in which we conduct businesses. TM is committed to the protection of the environment by minimising the environmental impact of our operations and operating our businesses in ways that will foster a sustainable use of the world's natural resources. We must support this commitment by complying with TM's environmental policies and programs.
- 8.3.2 We must notify TM if any hazardous materials come into contact with the environment or are improperly handled or discarded.

8.4 Communicating to External Audiences

- 8.4.1 Contact and communication with the media is extremely important to TM. It is therefore necessary that we handle this relationship in a professional manner. If we are approached by members of the media, we should immediately refer them to Group Brand and Communication. Only an official spokesperson duly appointed by TM has the authority to speak on behalf of TM at any occasion and on all platforms, both physical and virtual.
- 8.4.2 Similarly, any requests or queries from the media should also be forwarded to the Group Brand and Communication, in order to ensure professional and consistent handling of the concerns.

9. OUR DEALINGS WITH GOVERNMENTS

As a responsible citizen, it is our obligation to comply with the law.

9.1 Government as Customer

- 9.1.1 We must take special care to comply with all legal and contractual obligations in dealing with the Governments. National and local Governments all around the world have specific and varied procurement laws, regulations, practices and procedures that have been established to protect the public interest.
- 9.1.2 These laws generally prohibit or put strict limits on gifts, lavish entertainment and travel offered to Government Officials. They also often apply to the hiring of current or recently retired officials and their Family, and to any conduct that may be viewed as improperly influencing objective decision-making.
- 9.1.3 When liaising with Business Partners to fulfill their commitment, we must also be responsible for communicating these unique governmental requirements to them. When dealing with Government Officials and contracts we are responsible to know and comply with Applicable Laws and regulations.

9.2 Crossing National Borders

When importing or exporting products, services, information or technology, TM will comply with applicable local laws, regulations, and restrictions. In addition, when we travel internationally on company business we are subject to laws governing what we import and export. Board of Directors, Management, Employees and Business Partners are responsible for knowing the laws that pertain to them, and for checking with their import/export compliance officials when in doubt.

10. OUR DEALINGS WITH COMPANY'S ASSETS

We protect TM's Assets and use them in the best interest of TM.

10.1 Protecting TM's Assets

- 10.1.1 As part of our job, we will have access to and use many types of TM's Assets. These Assets may be tangible ranging from equipment to computer hardware. It can also include intangible Assets such as intellectual property and computer software, and from our work time to TM's brand identity.
- 10.1.2 We are responsible for the protection of all TM's Assets used in carrying out TM's business. We must take reasonable steps to prevent theft, loss, abuse, misuse, waste, or damage to, such resources regardless of condition or value and return to TM upon cessation of employment. We must also use these resources only for legitimate business purposes. We must also ensure that our use of any TM's resources is properly authorised.
- 10.1.3 Never use TM's resources to conduct outside business activities that may materially benefit us or engage in any unethical or illegal activities. We must also not allow TM's resources to be borrowed, loaned, or disposed of, except in accordance with TM's policies.
- 10.1.4 Our working time is also considered to be a valuable TM's resource. Limit personal activities during working hours to avoid interfering with our productivity or that of others.
- 10.1.5 We are also responsible for the proper expenditure of TM's funds including expenses.

10.1(a) Customer or Business Partners' Assets

- (i) In the same way that we are responsible for all physical Company's property entrusted to our care, we are also responsible for property of Customers or Business Partners in our custody.
- (ii) We should treat it as we would our own, and not damage it, deface it or remove it or for personal use unless authorised to do so.

10.1(b) IT Resources and Facilities

- (i) In many countries there are strict laws governing the use of IT resources which consist of but not limited to people, IT systems (computer hardware, software and data that resides in these resources), and IT Facilities (email system, internet/intranet access etc). Employer is normally held responsible for all the information transmitted on or from their systems.

- (ii) We are required to understand and strictly comply with TM IT Governance Manual (IT Governance). We should use all IT resources and facilities provided by TM, only for approved purposes and should not use or misuse for personal gain or in furtherance of personal interest.
- (iii) We should take advantage of the emergence of the social media sites (which includes but not limited to social networking such as Facebook, Twitter, WhatsApp, Telegram, online forums, blogs, weblog, micro blogging instant messaging and YouTube) to build a good perception towards TM.

We should avoid any posting or make any commentaries in social media that could tarnish the reputation of TM.
- (iv) We should also be responsible and accountable for the information shared in social media sites and be mindful not to disclose any of TM's Confidential Information. We are prohibited from using/editing TM's trademarks, logos and pictorial images related to TM in our own personal social media accounts. Further, we must comply with TM's Social Media Policy & Guidelines when using social media.
- (v) We should not access any IT resources other than for company business purposes unless prior written approval has been given by an authorised person.
- (vi) Access provided by TM shall be used in an appropriate manner. We are prohibited from sharing our ID access and passwords with others. We should also not engage in any electronic communications that contains offensive comments about religious, race, excessive politics, gender, age, national origin, disability, offensive, disruptive, derogatory, defamatory, harassing, pornographic, obscene, or otherwise vulgar remarks that could create a situation of disharmony in TM.
- (vii) We should not use TM's IT facilities to improperly disseminate copyrighted or licensed materials, such as articles or computer software. We should also not transmit chain letters, advertisements, or solicitations on TM's IT facilities unless being authorised.
- (viii) We should not alter any data in IT systems unless we are authorised to do so and we must always ensure that any software used is licensed and comply with the relevant rules and regulations.
- (ix) We shall always from time to time be alert and refer to IT Governance for any communications, activities or process by TM that involve resources from IT. Ignorance of IT Governance is no excuse for breaching it. Any failure to comply with IT Governance shall be subjected to disciplinary action. Any action that violates the Malaysian law shall be subjected (but not limited) to Malaysian Computer Crimes Act 1997, CMA, PDPA and other relevant Malaysian laws and regulations.

10.1(c) Intellectual Property Rights

- (i) All works created during the course of employment and are capable of being protected as intellectual property rights such as (but not limited to) trade or service marks, patents, and copyright (hereinafter referred as the “Intellectual Property Rights”), whether directly or indirectly shall vest in and be the absolute property of TM and we are responsible to protect and further TM’s interests.
- (ii) We will not infringe any third party’s Intellectual Property Rights during the course of the employment with TM.
- (iii) Business Partners shall not infringe our and third party’s Intellectual Property Rights when having business dealing with us.

10.1(d) Proprietary and Confidential Information

- (i) We must protect and value all Proprietary and Confidential Information concerning TM and its Customers and Business Partners.
- (ii) We must also ensure that we keep in complete secrecy all Confidential Information and Proprietary Information entrusted in us, and not use or attempt to use any such information in any manner which may or is likely to injure or cause loss, either directly or indirectly, to TM.
- (iii) The restriction as stated above shall continue to apply after the termination or cessation of our employment or contract with TM.
- (iv) If we are required to disclose any Proprietary or Confidential Information, ensure that we immediately notify TM in writing and obtain a written authorisation from TM prior to any such disclosure.
- (v) Any unlawful or unauthorised disclosure of Proprietary or Confidential Information may result in irreparable damage to TM Group.
- (vi) We should be responsible to know what information is proprietary and confidential and to obtain clarification when in doubt. This obligation continues even after leaving TM.
- (vii) The use of TM’s information for personal gain is strictly prohibited. In particular, we should not trade our Company’s information or conduct “information brokering” with unauthorised parties.
- (viii) Where Proprietary and Confidential Information are entrusted to persons outside of TM, efforts must be made to ensure the continuing protection and confidentiality of that information. Within TM, Proprietary and Confidential Information should be disclosed only on a “need-to-know” basis.

10.2 Trading on Insider Information

- 10.2.1 We are not allowed to trade in securities based on price-sensitive information that is in our possession or has come to our knowledge in the course of our employment with TM.
- 10.2.2 Price-sensitive information are information that, if made generally available, would or would tend to have a material effect on the price or value of the securities of TM (“Price Sensitive Information”).
- 10.2.3 A person is an “insider” if that person possesses Price-Sensitive Information and knows or ought reasonably to know that the information is not generally available publicly. As an illustration, an Employee, who possesses the Price-Sensitive Information shares or communicates the said Information, to his or her spouse, who then informs the neighbour and later the said Information flows to the neighbour’s relatives. All these persons in the chain of transmission are deemed as “insiders” or “tippees” and are subject to the law.
- 10.2.4 It is against the laws of many countries to trade or to “tip” others who might make an investment decision based on insider information. In the context of Malaysian law, insider trading is considered as prohibited conduct under Part V, Subdivision 2 of the Capital Market and Services Act 2007 (“CMSA”) and punishable under Section 188 (4) of the CMSA.

10.3 Accuracy of Company Records

- 10.3.1 We require honest and accurate recording and reporting of information in order to make responsible business decisions. This includes data such as quality, safety, and personnel records, as well as all financial records.
- 10.3.2 All financial books, records and accounts must accurately reflect transactions and events, and conform both to required approved accounting standards and to TM’s system of internal controls. In the context of Malaysian law, Section 2 of the Financial Reporting Act 1997 states “approved accounting standards means accounting standards which are issued or adopted by the Malaysian Accounting Standards Board (MASB) under paragraph 7(1A) (a) and 7(1A) (b) and in relation to foreign companies listed on a stock exchange in Malaysia, acceptable internationally recognized accounting standards”.
- 10.3.3 No false or artificial entries may be made. When a payment is made, it can only be used for the purpose spelled out in the supporting document.
- 10.3.4 No secret fund of TM cash or other unrecorded Assets shall be set up for whatever purpose.
- 10.3.5 We should be sure that the transaction is genuine and properly documented when spending or committing TM’s funds and that TM receives appropriate value in return.

10.4 Recording and Retaining Business Communications

All business records and communications should be clear, truthful and accurate. Business records and communications often become public through litigation, Government investigations and/or the media. We will avoid exaggeration, colourful language, guesswork, legal conclusions, and derogatory remarks or characterisations of people and companies. This applies to communications of all kinds, including e-mails and “informal” notes or memorandums. Records should always be retained and destroyed according to TM’s record retention policies.

10.5 Sharing Best Practices

TM allows and encourages sharing of best practices document, information and knowledge with another company or organisation provided that the information and knowledge shared are not regarded as proprietary information and not detrimental to or adversely affecting TM’s business and competitive advantage.

10.6 Dealing with Personal Data

10.6.1 The PDPA regulates the processing of Personal Data in regards to commercial transaction. The PDPA requires compliance with the following seven Personal Data protection principles:

10.6.1.1 **General Principle:** Use Personal Data only for the purpose it was given or for compliance with legal obligations. Consent is required if use for a different purpose or if sensitive personal data is being processed. Processing is defined as collecting, recording, holding or storing the personal data or carrying out any operation or set of operations on the personal data including outsourced process.

10.6.1.2 **Notice and Choice Principle:** Consistent with the concept of fair use, a data user must notify the individual of the nature of the Personal Data being processed, the purposes for which it is collected and further processed and the data subject’s right to request access to and correction of Personal Data, etc. Notification can be in electronic form as long as the individual can record and keep a copy.

10.6.1.3 **Disclosure Principle:** Limit disclosure of the Personal Data to the purpose which the data subject had been informed of at the time of collection and for which the data subject had consented. A list of disclosures made to third parties must be maintained.

10.6.1.4 **Security Principle:** Take practical steps to safeguard Personal Data from loss, misuse, modification, unauthorised or accidental access or disclosure, alteration or destruction.

- 10.6.1.5 **Retention Principle:** Do not retain Personal Data for longer than is necessary for the fulfilment of the purpose.
 - 10.6.1.6 **Data Integrity Principle:** Take reasonable steps to ensure that the Personal Data is accurate, complete, not misleading and kept up-to-date by having regard to the purpose, including any directly related purpose, for which the Personal Data was collected and further processed.
 - 10.6.1.7 **Access Principle:** Give a data subject access to his Personal Data held by the data user and ability to correct that Personal Data where it is inaccurate, incomplete, misleading or not up-to-date.
- 10.6.2 Personal Data relates directly or indirectly to a data subject, who is identified or identifiable from that information or from that and other information in the possession of a data user, including any sensitive Personal Data and expression of opinion about the data subject. For example: name, identity card number, date of birth, mobile number and etc.
- 10.6.3 In the case where Personal Data processing is outsourced to a third party, known as the data processor, it is the responsibility of the data user to ensure that the data processor provides sufficient guarantees to protect the personal data from any loss, misuse, modification, unauthorised or accidental access or disclosure, alteration or destruction.
- 10.6.4 The PDPA affects the Personal Data life cycle management process from the point Personal Data is collected, used, stored and destroyed. The PDPA applies to Customers, Employees and third party service providers' personal data. Companies' way of doing business will definitely be affected as business processes are required to be refined to comply with the PDPA requirements. Most importantly, a central repository may be required for consent management. The process becomes more complex when cross border Personal Data transfer is involved.
- 10.6.5 In TM's effort to ensure compliance to the PDPA, TM wishes to draw your kind attention to:
- 10.6.5.1 TM's Privacy Policy for Employees available at Group Human Capital Management's Portal: <http://1intra/workgroups/hc/home3/default.aspx>; and
 - 10.6.5.2 TM's Privacy Statement at TM's Corporate Website: www.tm.com.my

11. CONFLICT OF INTEREST

We operate and make business decisions based on TM's best interests rather than personal considerations or relationships. TM expects us to avoid situations in which our personal interest may conflict with or perceived to conflict with TM's interest. For the avoidance of doubt, a Conflict of Interest exists where the Board of Directors, Management & Employees could abuse their position for private gain. We owe a fiduciary duty to TM and must not put ourselves in a position where our personal interests conflict with TM. Fiduciary relationship means that the Employees must act with the utmost good faith and not abuse their confidence.

11.1 General Considerations

- 11.1.1 Business decisions and actions must not be motivated by personal interest, considerations or relationships. Relationships with prospective or existing Business Partners, Customers, competitors or regulators must not affect your independent and sound judgment on behalf of TM.
- 11.1.2 Conflict of Interest will arise where our ability to perform our duties effectively and impartially is potentially impaired by an outside appointment, relationship or activity. We should not take improper advantage of our positions or of information obtained in the course of our employment.
- 11.1.3 We are expected to exercise basic common sense in avoiding any Conflict of Interest and to act in a manner consistent by giving our full-time services to TM. On occasions, however, the question of whether or not Conflict of Interest exists may be less clear and open to interpretation. Whenever such a case arises, we should consult our respective superior or the Legal Division.

11.2 Outside Business Appointments, Directorships/Undertakings

11.2.1 General rule

- 11.2.1.1 The general rule is that we may not accept employment or undertake work for any other company, firm or organization.
- 11.2.1.2 However, we may be allowed to:
 - (i) Help the community by being an ordinary member or by holding leadership positions such as serving on boards of non-profit or community organisations, as long as the activities are not to the disadvantage of TM and our involvement shall not affect our job performance. However, in the event where such organisation has any relationship with TM or receives and/or solicits any form of financial aid or other support from TM, prior approval from the Chief Human Capital Officer, Group Human Capital Management ("GHCM") must be obtained before participating and/or accepting such positions or membership.

- (ii) Receive honorariums for lectures/speeches delivered or expert advice rendered in our capacity as experts in certain fields or as Employee of TM. All invitations for our services must be approved by the respective line managers. Honorarium received must be declared to the approving line manager and to the Chief Human Capital Officer. GHCM shall have full discretion to seek clarification on the amount of honorariums received and/or to decide whether we may or may not retain the honorarium whether partially or in full.
- (iii) Serve on TM's behalf as an officer or Board Member of a company that represents and reflects the interest of TM.

11.2.1.3 Any outside activity must be strictly separated from our employment of TM and should not harm our job performance. We must ensure that our skills are not used in such a way that could adversely affect TM.

11.2.1.4 We are not allowed to accept outside directorships or become partners in entities, which are either listed on the TM's list of authorised Business Partners of any tier that have any form of business dealings with TM directly or indirectly. Under certain circumstances, permission to participate in such entities may be granted subject to the discretion of the Chief Human Capital Officer, GHCM. The GHCM shall have full discretion to seek clarification on our involvement in this matter.

11.3 Involvement in Other Activities Outside Employment & Other Types of Employment

11.3.1 TM recognizes that Employees may want to engage in activities outside of their employment, which are private in nature and unrelated to TM's business.

11.3.2 The engagement may be related but not confined to any form of non-binding temporary jobs such as freelancing and micro business related activities, whether such participation involves working as an independent agent for a short-term, flexible or temporary commitment. This includes any form of engagement in any form of media such as master of ceremonies, photographer, social influencer, webmaster etc.

11.3.3 However, involvement in situations where Employee is being bound by two or more contracts of employment with two or more entities is prohibited. eg. Part- Time Worker.

11.3.4 In such situations, Employees must be responsible to use their best judgment to objectively evaluate these activities to ensure that such activities do not interfere in any form or manner and/or place us in a position which may conflict with our primary duties and responsibilities with TM.

11.3.5 Employees are reminded of the Guiding Principles which must be applied:

- (i) Involvement must not effect TM's reputation negatively. We have a duty to TM to devote our best efforts to the interest of TM at all times.
- (ii) We shall not engage with any form of activities, firm or organization that may directly or indirectly in competition with our company's business, products and services presently and in the future.
- (iv) We are not allowed to use any form of TM's asset, resources, systems, supplies, information, premises or working time, to promote the interest of our gig engagement.
- (v) We shall not disclose, reveal, transmit or share in any form or manner any TM's policies, programs, information to any individual, entity, firm or organisation without expressed permission from our superior, regardless of whether these individuals or entities are competitors or otherwise.

11.3.6 We shall declare our involvement in DOA system. However, if at any point of time the involvement in the activity may pose a potential or actual Conflict of Interest, we are obliged to disclose and obtain a written approval promptly from Chief Human Capital Officer.

11.4 Ownership of Equity in Entities Having a Business Relationship with TM

11.4.1 We are not allowed, either directly or indirectly, e.g., through our Family as proxy, holding shares or other forms of beneficial interest in:

11.4.1.1 Privately owned entities which derive the major part of their income from contractual or other business arrangements with TM.

11.4.1.2 Privately owned entities which are listed in TM's list of authorised Business Partners of any tier, even if the entities concerned do not derive most of their income directly or indirectly from contractual or other business arrangements with TM.

11.4.1.3 Privately owned entities supplying materials, equipment, property and/or services to TM whether directly or indirectly.

11.4.2 As can be seen, the above ruling does not apply to shares held by us in publicly quoted companies, which have a business relationship with TM, either directly or through a subsidiary.

11.4.3 However, in the event TM has a reasonable cause to believe that such involvement may cause conflict with our duty as an Employee, we shall expressly declare such interest following the required and recognised procedure (eg. via DOA system or other methods) and we shall bring the matter to the immediate attention of the Chief Human Capital Officer. Thereafter, we are to abstain ourselves from any involvement in the business dealings.

We acknowledge that TM has the rights to take any reasonable steps to ensure such situations would no longer pose a conflict to TM.

11.4.4 As an Employee we have to also take note of Section 3 of MACCA 2009 which provides a wider definition of the word Family; and Employee may be charged under Section 23 of MACCA 2009 if it is proven that the Employee has used his office or position for any Gratification for himself or his relative.

11.5 Personal Relationship

11.5.1 The potential for Conflict of Interest also exists if any person with whom we have a Close Relationship also works at TM or is in a reporting relationship to us. This may also create opportunities for favouritism or bias. Such relationships can also undermine core values such as respect and trust amongst Employees and Business Partners.

11.5.2 Accordingly, we are not allowed to be in the same Division and/or should not directly or indirectly supervise or be in a position to influence the hiring, work assignments or assessments of such persons that we have relationship. Any relocation of such person must have written permission from the Chief Human Capital Officer of GHCM.

11.6 Business Dealings with Employees

11.6.1 TM shall not purchase or lease property, equipment or materials from or enter into business dealings (other than employment contracts) with Employees, except in exceptional circumstances and authorised in writing by the Chief Human Capital Officer, GHCM.

11.6.2 As a further exception, TM has no objection to renting houses or buildings owned by Employees or their Family provided such interest has been declared to the Chief Human Capital Officer, GHCM.

11.7 Investment Activities

- 11.7.1 We must not allow our investment activities to influence, or appear to influence, our independent judgment on behalf of TM. The situation that is most likely to create the appearance of a Conflict of Interest is when we have an investment in a competitor, Business Partners, or Customers and our decisions may have a business impact on this outside party. If there is any doubt about how an investment might be perceived, it should be disclosed to our superior.
- 11.7.2 We are also prohibited from directly or indirectly buying, or otherwise acquiring rights to any property or materials, when we know that TM may be interested in pursuing such an opportunity and the information is not public.

11.8 Political Activities and Donations

11.8.1 Political Donation

We must not make any political contribution or payments on behalf of TM.

11.8.2 Political Activities

- 11.8.2.1 TM recognises that Employees in their role of citizen has the right to participate in legitimate political activities. However, we must disclose and obtain prior written approval from the Chief Human Capital Officer, Group Human Capital Management if we want to stand for election or wish to hold any elected position as office bearer in any political party at the Branch, Division, State or National level of the political party.
- 11.8.2.2 We must first resign from the employment of TM if we wish to actively participate full time in politics or be nominated as a candidate in any election or elected as representative in Federal or State Legislative Body.
- 11.8.2.3 We should not be seen to be supporting or giving any preference to any political party. Do not express our political views in such a way that others think we are speaking on behalf of TM.
- 11.8.2.4 We must ensure that any participation in political campaigns is conducted on our own time, with our own resources and in accordance to TM's procedures applicable. Our involvement is to be kept separate from our role and responsibilities as an Employee of TM.

11.9 Personal Finances

- 11.9.1 We and our Family may not borrow money from or lend money to Customers, Business Partners or independent contractors. We should not in any manner place ourselves under any serious obligation to any person who is directly or indirectly subject to our official authority or with whom we have or likely to have official dealings.
- 11.9.2 However, we may borrow money or purchase items on credit from a Customer or Business Partners that is in the financial services business, as long as we do not receive preferential treatment.
- 11.9.3 This Code however does not prevent us from borrowing from or lending money to Family members or friends in a personal capacity and not in contravention of business ethics.
- 11.9.4 In any event we must not put TM in a pecuniary embarrassment that might tarnish the good name of TM.

11.10 Money Laundering

- 11.10.1 We must understand the business and background of any prospective third party that wants to do business with TM. Due diligence needs to be carried out in order to understand the business and background of such party to determine the services and the origin and destination of money and property of such party.
- 11.10.2 Any suspicious incidents of money laundering transactions must be reported to the Group Integrity & Governance.
- 11.10.3 For the purpose of this provision “money laundering” occurs when the criminal origin or nature of money or Assets is hidden in legitimate business dealings when legitimate funds are used to support criminal activities and terrorism.
- 11.10.4 In Malaysia the offences of money laundering falls under the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001.

11.11 Public Services, Recreational, Sporting and Community Activities

- 11.11.1 We are encouraged to participate in any outside working hours of unpaid voluntary public service, recreational, sporting and other community activities of such nature. We must be able to discharge our dual responsibilities satisfactorily both in respect of the time taken up by the outside activity and our full time employment in TM.
- 11.11.2 If we wish to serve on statutory or public bodies, we must obtain written permission from the Chief Human Capital Officer, GHCM.
- 11.11.3 We must obtain written permission from our immediate supervisor if we consider it sufficiently important to take time off during working hours to undertake some outside activity or duty.

11.12 Disclosures and Declarations

11.12.1 Declaration on Conflict of Interest shall be made upon the conflict arises, and shall be made at the earliest opportunity, as soon as the Employee becomes aware of the conflict.

11.12.2 All Management and Employees are responsible to disclose and/or declare the following:

No	Type of Declaration	To Who	Frequency
1	Declaration of Assets and Interest of the Employees and their spouses	Through the DOA System specified by TM	Annually / As and When
2	Family working or provides any kind of services to competitors (direct or indirect)	Through the DOA System specified by TM	
3	Conflict of Interest (i) Outside Business Appointments, Directorships/Undertakings (ii) Involvement in other activities outside employment (iii) Ownership of Equity in Entities Having a Business Relationship with TM (iv) Personal Relationship (v) Contractual Dealing with Employees (vi) Political Activities	(i) Through the DOA System specified by TM (ii) Chief Human Capital Officer, if at any time the activities/ engagement / involvement may imposed potential or actual Conflict of Interest	(i) Annually (ii) As and When
4	Conflict of Interest - Investment Activities (11.6)	Line Manager	As and When

Note: *

The Head of Division must make immediate disclosure to the Chief Human Capital Officer upon becoming aware of such relationship

11.12.3 With reference to the conflict of interest mentioned in table 11.12.2 (Item 3), senior management is to disclose any conflict to the following authority:

No	Type of Reporting	To Who	Frequency
1	Board of Directors	The Board (through the Chairman and/or Company Secretary)	As and when the conflict arises (and be recorded by the Company Secretary)
2	Direct report to Group CEO (administratively or operationally)	Group CEO	Upon appointment / As and when required (and be recorded by GHCM)
3	Non Direct report to Group CEO	Chief Human Capital Officer	

12. UNDERSTANDING THE RULES ABOUT GIFTS, ENTERTAINMENT AND CORPORATE HOSPITALITY

12.1 General Provision

12.1.1 As a Public Body, TM prohibits the use of gifts, entertainment and corporate hospitality to influence business decisions unethically. TM adopts a “no-gift” policy to prevent bribery and corruption. We must comply with the Applicable Laws including but not limited to the MACCA 2009, which amongst others imposes strict and corporate liability against TM for corrupt practices of its Directors and/or Employees.

12.1.2 “Gifts, entertainment and corporate hospitality” means anything of value. It can include the following (a non-exhaustive list):

- meals
- travel and lodging
- discounts
- loans
- cash
- services
- prizes
- transportation
- use of vehicles or vacation facilities
- home improvements
- tickets to entertainment/sport events
- gift cards or certificates
- stocks
- products
- favourable terms on a product or service

12.2 Gifts

12.2.1 We or our Family are prohibited from, directly or indirectly:

12.2.1.1 soliciting, requesting, receiving gifts (cash or otherwise) from Business Partners or any third parties that has dealings with TM; or

12.2.2 We must inform Business Partners or any third parties involved in business dealings with TM on this Gift Policy and they must respect and adhere to TM’s policy.

12.2.3 Receiving / Accepting

We are not allowed to receive or accept a gift for ourselves or a third party.

12.2.4 Giving / Offering

12.2.4.1 We are not allowed to provide gifts to third parties unless it is in accordance with the Corporate & Premium Gifts Guidelines TM Premium Items Management Guidelines.

12.2.4.2 We are prohibited to give / offer gifts if it would violate the recipient’s policies or could, in any way, be perceived as a kickback or bribe.

12.2.5 Exceptions to Gift Policy

12.2.5.1 There are certain circumstances where the provisions of gifts are permitted which are as follows:

- (i) Exchange of gifts on a company-to-company level.
- (ii) Gifts from company to external institutions or individuals in relation to the company's official functions, events and celebrations.
- (iii) Gifts from TM to Employees and Directors and/or their Family members in relation to an internal or externally recognised Company function, event and celebration.
- (iv) Token gifts of nominal value normally bearing TM company's name or logo or that are given out equally to members of the public, delegates, Customers, exhibitions, training, trade shows, etc and deemed as part of TM's brand building or promotional activities.
- (vi) Gifts to external parties who have no business dealings with TM (e.g. monetary gifts or gifts in kind to charitable organizations).

12.3 Entertainment & Corporate Hospitality

- 12.3.1 Any business travel-related sponsorship by Business Partner is strictly not allowed unless the trip is stipulated, pre-agreed and detailed in a contract between TM and the Business Partner.
- 12.3.2 TM shall not pay any transportation and lodging expenses for or incurred by the Customers or Business Partners and the visit must be for legitimate business purpose, for example, on-site examination of equipment, contract negotiations, or training unless stated in the contract.
- 12.3.3 Any travel provided by TM or Business Partners must be supported by a detailed program.
- 12.3.4 Offering entertainment or corporate hospitality in order to win or keep business is strictly prohibited.
- 12.3.5 We are prohibited to give or accept entertainment or corporate hospitality that are illegal, inappropriate or would violate our commitment to TM. We should politely decline entertainment or corporate hospitality that does not comply with this Code or any Applicable Laws.

12.4 Providing Gifts and Entertainment to Government Officials

- 12.4.1 We are prohibited from offering gifts, entertainment and corporate hospitality to Government Officials. The Government prohibits giving anything of value to Government Officials in order to obtain or retain business or to secure any other improper advantage.
- 12.4.2 Providing gift, entertainment and corporate hospitality to Government Officials or their Family/household members is generally considered a red flag situation.

12.5 Charitable Donations, Sponsorships and Corporate Social Responsibility

- 12.5.1 All donations, sponsorships and Corporate Social Responsibility (CSR) are made in accordance with TM Sponsorship Management Guidelines.
- 12.5.2 We are prohibited from making any contributions intended to influence or could be perceived to influence a tender or other decision in favour to TM.
- 12.5.3 Due diligence must be conducted on the recipients to determine whether they are a legitimate body or organisation.

12.6 Facilitation payment

- 12.6.1 TM prohibits any form of facilitation payments.
- 12.6.2 Employees who have knowledge of such practice of facilitation payment in TM should report to TM Ethics Line on immediate basis.

13. ANTI-CORRUPTION POLICY

TM Group adopts a Zero-Tolerance policy with a top down approach against all forms of corruption, whether directly or indirectly. Employees and Business Partners are responsible for upholding TM's reputation and applying the highest standards of ethical conduct and integrity in its business dealings in line with TM's vision and mission and TM Core Values (KRISTAL).

TM Anti-Corruption Policy (the "Anti-Corruption Policy") sets out the parameters to prevent the occurrence of bribery and corrupt practices in relation to the businesses of the TM Group.

13.1 Compliance to Laws

- 13.1.1 Employees and Business Partners are committed to comply with the MACCA 2009 including the provision on Corporate Liability under its Section 17A, and all Applicable Laws.
- 13.1.2 Being an Officer of a Public Body, any Employee of TM who use his office or position for Gratification as provided for under Section 23 of the MACCA 2009, commits an offence and will be dealt with under the MACCA 2009.

13.2 Bribery and Corruption

- 13.2.1 We are prohibited from accepting or soliciting, giving or offering any form of Gratification as an inducement or reward to do or forbear any act in relation to any matter in which any Business Partners, friends or Families has an interest whether directly or indirectly.
- 13.2.2 Our Business Partners are also prohibited from offering and/or giving any form of Gratification to us as an inducement or reward for us to use our office or position when making any decision, or take any actions in relation to any matter in which the Business Partners, friends or Families have an interest whether directly or indirectly.
- 13.2.3 Employees and Business Partners are prohibited from corruptly give, agree to give, promise or offer to any third party, any Gratification whether for the benefit of that party or another party with intent to obtain or retain business for TM Group; or to obtain or retain an advantage in the conduct of business for TM Group.
- 13.2.4 TM encourages all Employees and Business Partners to immediately report any corrupt practices within TM Group as stated in Provision 14 of this Code (Whistle Blowing Policy and Reporting).
- 13.2.5 Any offence of accepting, soliciting, giving or offering of any form of Gratification will be dealt with under the MACCA 2009 or any other Applicable Laws.
- 13.2.6 Employees and Business Partners are required to observe this Code and the Anti-Corruption Guide as well as to uphold TM's zero tolerance policy towards bribery and corruption.

13.3 Top Level Commitment

13.3.1 TM Board of Directors are committed to:

- (i) oversee the establishment, implementation and enforcement of effective policies and procedures throughout TM Group to adequately address corruption risks in TM; and
- (ii) review the adequacy and integrity of such internal control system and compliance with all Applicable Laws;

13.3.2 TM Management are committed to:

- (i) ensure that the results of any audit, reviews of risk assessment, control measures and performance related to corruption risks are reported to Board of Directors, and acted upon;
- (ii) effectively manages the key corruption risks of the organisation including the implementation of Anti-Bribery Management System and continual improvement of anti-bribery compliance in TM; and
- (iii) ensure proper and adequate communication on TM's policies and commitments on anti- corruption to both internal and external parties;

13.4 Anti-Bribery Compliance Function

Group Integrity & Governance ("GIG"), led by Chief Integrity & Governance Officer as an independent body which is responsible for monitoring compliance on anti-corruption initiatives based on Ministerial Guidelines on Adequate Procedures (TRUST principles) as well as TM Anti-Bribery Management System and reporting to the Board of Directors and Management for issues relating to bribery and corruption.

13.5 Compliance to the Anti-Corruption Policy

13.6.1 Employees and Business Partners must comply with the Anti-Corruption Policy. Non-compliance with or violation to the Anti-Corruption Policy by any Employees may result in disciplinary action by TM in accordance with its policies, procedures and guidelines and/or initiation of legal proceeding against those involved.

13.6.2 Business Partners shall also comply with the Anti-Corruption Policy. Non-compliance or violation to the Anti-Corruption Policy may result to consequence management taken by TM Group.

13.6 TM Anti-Corruption Guide (“ACG”)

TM Anti-Corruption Guide (“ACG”) has set out the guidelines in relation to improper solicitation, bribery, and corruption that may arise in the course of TM’s business. In the event of conflict between this Code and the ACG, this Code will prevail.

14. WHISTLE-BLOWING POLICY & REPORTING

- 14.1 TM and its Board of Directors are committed to internal whistle-blowing program by introducing a safe and acceptable platform for Employees and Business Partners to channel concern about improper conduct not limited to illegal, unethical, improper business conduct affecting TM and about business improvement opportunities.
- 14.2 The internal whistle-blowing program allows us to take appropriate preventive and corrective actions inside TM without the negative effects that come with public disclosure, such as loss of Company image and reputation, financial distress, loss of investor confidence or drop in value of share prices.
- 14.3 Employees and also Business Partners are encouraged to discreetly disclose concerns about improper business conduct within TM. In this manner, the Employees and Business Partners can help TM to monitor and keep track of such illegal, unethical or improper business conduct within TM which otherwise may not be easily detected through normal process or transaction. If we have reasonable grounds to believe that an offence could have been committed, TM may accept anonymous disclosure for investigation.
- 14.4 This Whistle-Blowing Policy is aimed for Employees and Business Partners to raise the matters in an independent and unbiased manner.
- 14.5 Employees and Business Partners may make a disclosure of improper conduct based on his or her reasonable belief that any person is engaged, is engaging or is preparing to engage in improper conduct. The disclosure of improper conduct does not necessary lead to any disciplinary action or prosecution against the person whom the disclosure is made. Employees and Business Partners are just required to provide sufficient information for management to take appropriate steps.
- 14.6 The whistle-blower protection conferred on a whistle-blower will be:
- 14.6.1 Protection of confidential information; and
 - 14.6.2 Protection against detrimental action.
- 14.7 We give assurance that Employees and Business Partners will not be at risks to any form of employer's harassment which is not limited to threats, victimization, retribution or retaliation from their superiors or from any of the Management. However, the protection conferred under this program will be revoked if the whistle-blower:
- 14.7.1 participated in the improper conduct disclosed;
 - 14.7.2 willfully made the disclosure which you knew or believed to be false;
 - 14.7.3 the disclosure of improper conduct is frivolous or vexatious; and
 - 14.7.4 the disclosure of improper conduct is made with the motive of avoiding dismissal or other disciplinary action.

- 14.8 Any attempt to retaliate, victimise or intimidate against anyone (whistle-blower) making a report in good faith is a serious violation of this Code and shall be dealt with serious disciplinary actions and procedures.
- 14.9 All concerns received will be duly investigated and deliberated by GIG.
- 14.10 If Employees and Business Partners have concerns about illegal or unethical conducts in the workplace or in the business dealings with TM, and feel uncomfortable discussing the problems through normal channels, they are strongly urged to use the Ethics Line with the identity only known to specific persons. These services are not a substitute for speaking directly to us, but as an encouragement and to facilitate disclosure of improper conduct and to protect Employees and Business Partners from detrimental action and for the matters to be disclosed further.
- 14.11 As provided by the law, Employees and Business Partners may also report illegal or unethical practices directly to the statutory bodies such as the Malaysian Anti-Corruption Commission, the Securities Commission, the Royal Police Malaysia or other similar Government agencies in other countries where the business is located. In such event, protection of the confidential information is also provided for under the respective law such as the Evidence Act 1950, MACCA 2009, Companies Act 1965 and the Witness Protection Act 2009.
- 14.12 All Employees and Business Partners should be alert and sensitive to situations that could result in actions by themselves, or others, which might violate the Code.
- 14.13 It is the duty of every Employee and Business Partners to report any breaches or suspected breaches of any behavioural or business conducts and ethics commitments of which he/she is aware of or has knowledge, whether these relate to the Employee or the Business Partners, direct reports or others to the following channels:

TM Ethics Line

Toll Free Number : 1-800-88-2377 (Malaysia Only)

Email : ethic@tm.com.my

15. CERTIFICATION OF COMPLIANCE TO TELEKOM MALAYSIA'S CODE OF CONDUCT & BUSINESS ETHICS

I hereby certify that I have read and understood TM Code of Conduct & Business Ethics (the "Code") and I understand that the Code applies to Board of Directors, Management, Employees and Business Partners of TM.

I agree that any business decisions and actions that I am dealing with, shall be based on the best interest of TM Group and shall not be motivated by personal interest, considerations or relationships. My relationships with prospective or existing Business Partners, Customers, Competitors or regulators shall not affect my independent and sound judgment on behalf of TM.

I also certify that neither I or my Family (based on the relevant facts and information, which is to the best of my reasonable knowledge) have shares, conducts business, has other direct or indirect financial interest or liability or serves as an officer, director, committee member or employee of any business entity that will have potential interference or affect any of my business decisions and area of responsibilities.

I further certify that I do not know of any other matters, including Family or personal relationship, as defined by Article 122A (2) of the Companies Act 1965 which might give rise to an apparent or possible Conflict of Interest involving my present employment.

I also certify that I do not perform any outside employment or activity that conflict with my official duties.

I am also aware of the policies regarding gift, entertainment or corporate hospitality from or to any Business Partners with whom I am dealing with, and I certify that I have not violated these prohibitions.

I hereby agree that I will fully comply with all provisions of the Code and understand my responsibility to immediately report any known or possible Conflict of Interest situations or suspected violations of the Code to my immediate supervisor or the Ethics Line.

I also certify my understanding that any failure by me to comply with this Code may result in disciplinary action taken against me, including but not limited to withholding of bonuses, increments and merits award, denial of promotion, and termination of my employment.

I CERTIFY THAT THIS STATEMENT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Signature : _____

Name : _____

Staff No : _____

Designation : _____

Date : _____