SOUTHERN STEEL GROUP
SUPPLIER CODE OF CONDUCT AND ETHICS

Why do we have this Code?

We, Southern Steel Berhad and our subsidiaries ("**SSB Group**"), are committed to conducting business in a fair, ethical and lawful manner in every country in which the Group operates. Accordingly, we expect our business partners to share the same commitment. This Supplier Code of Conduct and Ethics ("**Code**") serves to set out the minimum standards of business we expect from all our Suppliers (as hereinafter defined).

This Code may be amended by us from time to time and all such amendments shall be binding on the Suppliers with effect from the date the amended Code is uploaded on our website at www.southsteel.com.

Who does this Code apply to?

This Code applies to all Suppliers of the Group. For purposes of this Code, "**Supplier**" means all third parties that are permitted to perform duties and functions for, or provide goods and/or services to, any company within the Group ("**OC**"), whether directly or indirectly – this includes, without limitation, contractors, sub-contractors, consultants, suppliers, vendors, and agents of the OC.

We expect our Suppliers to communicate the standards and expectations contained herein effectively throughout their organisation as well as their supply chain to ensure that this Code is at all times upheld throughout the entire supply chain.

This Code shall be a condition to all contracts made or to be made between the Supplier and the OC. By the acceptance of any purchase order from the OC, the entering into any contracts with the OC, and/or the supply of any goods and/or services whether directly or indirectly to the OC, the Supplier acknowledges and signifies its acceptance of this Code and the agreement to comply with the provisions hereunder.

What are the standards and expectations?

(a) Compliance with Applicable Laws and Regulations

The Supplier shall comply with all applicable laws and regulations in every country in which the Supplier operates and where its goods and/or services are provided/supplied. This includes, without limitation, ensuring that it:

- has obtained, and maintains, all the necessary licences, approvals, permits and permissions; and
- has control measures in place to prohibit, detect and rectify any non-compliance or breach.

Where there is a discrepancy between the requirements of this Code and any prevailing laws or regulations, the Supplier shall comply with the provision which imposes a higher or more onerous standard and/or obligation on the Supplier.

(b) Anti-Bribery and Corruption Practices

The offering or acceptance of any form of bribe or corruption such as, without limitation, facilitation payment, kickbacks, reward, gifts, blackmail, gratification or behaviour involving improper advantages, benefits or incentives, is strictly prohibited. The Supplier shall conduct business ethically in compliance with:

- the Malaysian Anti-Corruption Commission Act 2009 and all applicable anti-bribery and corruption laws; and
- the OC's Anti-Bribery and Corruption Policy, an electronic copy of which is available at www.southsteel.com.

(c) Gifts and Entertainment

The Group adopts a "No Gift" policy whereby, except in limited exempted circumstances, employees of the Group are prohibited from receiving or providing gifts, whether directly or indirectly. Accordingly, the Supplier shall refrain from offering or giving gifts and entertainment in any form with the intention of influencing business decisions or encouraging the recipient to act inconsistently with his/her duties and obligations, whether for the benefit of the Supplier or otherwise.

(d) Conflict of Interest

The Suppliers shall not engage directly or indirectly in any personal or business activity that conflicts with the interest of the Group.

Additionally, in the event any of the directors, shareholders or key management members of the Supplier is or becomes related to any director, shareholder or employee of an OC, the Supplier shall immediately notify the Head of Internal Audit or Head of Human Resources of the SSB Group, details of which is set out at the bottom of this Code.

(e) Fair Competition Conduct

The Supplier shall adopt fair practices in all its business conduct. The Supplier shall ensure compliance with all applicable anti-competition / anti-trust laws and regulations, and shall not engage in anti-competitive conducts or arrangements such as, without limitation, price fixing, manipulation, bid rigging, allocations/division (whether of customers, territories, products and/or market), boycotting, collusive behaviour (such as entering into an arrangement with competitor(s) to increase the price of a product/service), tying or linking arrangements, misuse/abuse of market power, dumping, and refusal to supply without any justification.

(f) Privacy

The Supplier shall comply with all applicable data privacy laws and regulations as well as the Group's Privacy Policy, the electronic version of which is available at www.southsteel.com. This includes, without limitation, having adequate system and policies in place to safeguard the collection, use, disclosure, retention and processing of all personal data.

(g) Labour and Human Rights

All forms of forced, abusive, child and illegal labour are prohibited. The Supplier shall treat its employees (whether contractual or permanent) with fairness, dignity and respect, and provide a working environment that is free from discrimination and harassment, regardless of race, ethnicity, nationality, gender and age, amongst others. The Supplier shall ensure compliance with all applicable labour laws and regulations, including, without limitation, those in respect of minimum age, health and safety standards, minimum wage and benefits, working hours, freedom of association, collective bargaining and provident/retirement fund contributions.

(h) Environment

The Supplier shall comply with all applicable environmental laws and regulations. The Supplier is also encouraged to operate in an environmentally responsible and efficient manner. This includes, without limitation, the responsible and efficient use of energy, water, and materials/resources, along with sustainable waste disposal methods, with the objective of reducing environmental issues such as waste generation and pollution, as well as climate change and biodiversity impacts.

(i) Safety and Health

The Supplier shall provide its employees with a safe and healthy working environment in compliance with all applicable occupational safety and health laws and regulations. This includes, without limitation, providing the employees with adequate personal protective gears and equipment and trainings on its use, as well as having appropriate controls and safe work procedures in place. Consistent with such obligation, the Supplier shall also conduct safety trainings and implement effective programmes to educate and raise awareness amongst the employees of the fundamentals of health and safety in a workplace.

(j) Disclosure of Information

The Supplier shall be honest and transparent in the disclosure of all information to the Group. It is the responsibility of the Supplier to notify the relevant OC in writing in the event of any change or update in information provided to the OC. Falsification of documents or concealment or misrepresentation of fact is unacceptable to the Group.

(k) Confidentiality and Intellectual Property

The Supplier shall respect the principles of confidentiality and all third party's intellectual property rights, and shall ensure that there are no infringements on its part.

(l) Anti-Money Laundering

The Supplier shall comply with all applicable anti-money laundering, anti-terrorism financing and proceeds of unlawful activities laws and regulations. Amongst others, we expect our Suppliers to refrain from engaging or attempting to engage in any transaction involving proceeds derived from unlawful activities and not have dealings with individuals or entities who are subject to international economic sanctions.

(m) Monitoring and Review

The Supplier shall have in place policies and procedures to ensure its compliance with the provisions of this Code. The Supplier shall also monitor and ensure that its supply chain is made aware of, understands and complies with the standards and expectations of this Code. The Supplier shall participate in compliance verification activities of this Code and/or audits that may be carried out by the OC from time to time.

What happens in the event of a breach of this Code?

In the event a Supplier breaches any provision of this Code, the OC shall be entitled to terminate any business transactions with the Supplier, and the Supplier shall indemnify and hold harmless the OC and the Group and each of their respective officers, directors, employees, attorneys and agents ("**Indemnified Parties**"), from and against any and all claims, demands, causes of actions, liabilities, losses, damages, judgments, suits, settlements or the like entered into by any of the Indemnified Parties (whether or not liability is admitted by such Indemnified Party), royalties, licence fees, and all cost and expenses of any kind arising out of or resulting from or in connection with such breach.

Who to contact in the event of any concerns?

Should you have any concerns about improper or illegal conducts, please contact:

Head of Internal Audit 2723, Lorong Perusahaan 12 Prai Industrial Estate, 13600 Prai, Pulau Pinang, Malaysia Email: iahead@southsteel.com	**or**	Head of Human Resources 2723, Lorong Perusahaan 12 Prai Industrial Estate, 13600 Prai, Pulau Pinang, Malaysia Email: hrhead@southsteel.com

An electronic version of this Code is available at www.southsteel.com.

Supplier Acknowledgement of Understanding and Acceptance

We, _____, the Supplier, have read and fully understand the Code, and hereby confirm our acceptance and undertaking of the same, including such amendments as may be effected from time to time and uploaded on your website.

Signed for and on behalf of the Supplier,

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Name:
Designation:
Date:
Company's official rubber stamp: