



IOI GROUP

CODE OF BUSINESS CONDUCT & ETHICS

IOI's Core Value On Integrity

March 2014

TABLE OF CONTENTS

Message From The Group Executive Director	2
IOI Vision	3
IOI Core Values	4
Introduction	5
Fairness	6
Work Environment And Employment	7
<i>Diversity and Respect in the Workplace</i>	7
<i>Equal Opportunity Employment</i>	7
Environment, Safety, Health And Security	8
<i>Protecting the Environment</i>	8
<i>Safety, Health and Security at Work</i>	8
Company Assets And Information	9
<i>Appropriate Use of Company Assets and Equipment</i>	9
<i>Managing Documents</i>	9
<i>Intellectual Property and Information</i>	9
<i>Management and Security in our Computing Environment</i>	10
<i>Data Privacy</i>	10
<i>Employee Privacy in the Communication and Computing Environment</i>	10
Dealing With Conflicts Of Interest	11
<i>Gifts, Benefits or Entertainment</i>	11
<i>Bribes and Kickbacks</i>	12
<i>Employment of Family Members and Relatives</i>	12
Communicating With The Public	14
Financial Accounting And Reporting Accuracy	15
Failure To Comply	17

Message From The GROUP EXECUTIVE DIRECTOR

Dear fellow employees,

As a large corporate organisation, we make decisions every day, analyse information, consider many factors and use our judgement to make the best choices for the company we work in. Our personal principles and values come into play, apart from what we know about IOI Group.



We are obliged to observe and obey laws imposed, and we also follow IOI Group's policies, practices, procedures, standards and guidelines. And we do more.

IOI Group has a long tradition of, and a strong reputation for doing business with utmost integrity. This simply means our people interact with stakeholders in a fair and honest way, without fail. In other words, we do the 'right things' the 'right way'.

Though this may sound straightforward, it may not be so in a complex business environment. This has prompted us to highlight the basics of ethical behaviour as a guide in this Code of Business Conduct & Ethics. Read this important document and consider how the information applies to your job. Follow your instincts if they tell you to ask questions or express concerns. These are your responsibilities.

IOI Group's leadership is committed to doing business with integrity. No challenge or quest for success should merit sacrificing your personal workplace integrity or that of the company. It is your right to expect the support and commitment from the management of the organisation on this.

The value of integrity is priceless. We must ensure to safeguard it in whatever situation we face. By publishing this Code, I hope that it will be able to provide the necessary guidance in the way all of us work here. And if ever we do come across a difficult situation, remember, we must do the right thing.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lee Yeow Chor'. The signature is fluid and cursive, with a horizontal line underneath it.

Dato' Lee Yeow Chor



IOI GROUP

OUR VISION

Our Vision is to be a leading corporation in our core businesses by providing products and services of superior values and by sustaining consistent long-term growth in volume and profitability.

We shall strive to achieve responsible commercial success by satisfying our customers' needs, giving superior performance to our shareholders, providing rewarding careers to our people, cultivating mutually beneficial relationship with our business associates, caring for the society and the environment in which we operate.





IOI GROUP

CORE VALUES

In our pursuit of VISION IOI, we expect our people to uphold, at all times, the IOI CORE VALUES which are expressed as follows:

INTEGRITY

which is essential and cannot be compromised

COMMITMENT

as we do what we say we will do

LOYALTY

is crucial because we are one team sharing one vision

EXCELLENCE in EXECUTION

as our commitments can only be realized through actions and results

SPEED or TIMELINESS

in response is important in our ever changing business environment

INNOVATIVENESS

to provide us additional competitive edge

COST EFFICIENCY

is crucial as we need to remain competitive



Introduction

The IOI Group has created this Code of Business Conduct & Ethics to ensure that our employees' business decisions follow our commitment to the highest ethical standards and law. Adherence to this Code and its underlying (local) policies is essential to maintaining and furthering our reputation for fair and ethical practices among our customers, shareholders, employees, communities and other stakeholders. Working with a strong sense of integrity is critical to maintaining trust and credibility.

The Code of Business Conduct & Ethics is our guide to appropriate conduct. It describes the moral and ethical behaviour that is expected from all employees. As members of IOI Group, you should review the Code and policies that relate to your position and think about how they apply to you.

If in doubt, please refer to this Code as to how you can obtain information, express concerns or report any suspected Code violations.

As a Company, we must maintain our honesty and integrity. Complying with and upholding these commitments is essential to our continued success. Employees who do not comply with the Code of Business Conduct & Ethics may be liable to disciplinary action including the termination of employment and/or referral to the appropriate authorities for criminal prosecution, and legal action in some cases. It is your responsibility as an employee of IOI Group to safeguard the integrity by behaving ethically or to report any Code violations that you are aware of.

If you have any questions or are unsure of what to do in a situation, you should seek guidance from your superior or manager. Alternatively, you may choose to call your respective Human Resource Department.

Fairness

Each employee should endeavour to deal fairly with the Company's customers, suppliers, contractors, competitors and other employees. No one should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing practice.

Our reputation for honesty is itself our valuable asset. The Company shall protect the interest of an employee who reports actual or suspected violation of the Code at any time. If you feel that you are being victimised because you adhered to the Code of Business Conduct & Ethics, please contact your respective Human Resource Department.



Work Environment And Employment

Diversity and Respect in the Workplace

IOI is sincere in its commitment to build a work environment where openness, trust and respect are integral parts of our global corporate culture. Employees are expected to treat each other with respect and to value each other's differences and the diverse perspectives those differences bring.

The Company considers harassment and discrimination to be unjust and damaging to our work environment. Employees are expected to obey all existing laws, policies, standards and procedures related to work environment, and to respect fellow colleagues at the workplace.

IOI will not tolerate any act or threat of violence in the workplace. Employees who bring weapons or hazardous materials to work or act in a manner inconsistent with the Code or intimidate other employees shall be dealt with severely.

Equal Opportunity Employment

Our employees are our most valuable assets. The Company's success depends on attracting and keeping a diverse workforce of talented employees. Every employee will be recognised for their skills, knowledge, experience and performance, which are vital to the growth of the organisation. The Company fully supports all principles of providing equal opportunity in employment.

Do I contribute to a respectful environment at IOI?

Ask Yourself:

- *Does my conduct make colleagues feel valued and respected?*
- *Could someone be offended by my words or my actions?*

Environment, Safety, Health And Security

Protecting the Environment

IOI is committed to preserving the environment. The Company holds firmly to operating its businesses in ways that meet regulatory requirements on environmental impact in the countries or markets in which we operate. We strive to achieve a sustainable long-term balance between meeting our business goals and preserving the environment. Specifically, we adopt a group-wide policy of greening the environment. At the same time, we strive to achieve the same standard of environmental care from our suppliers and business partners.

Safety, Health and Security at Work

At IOI, the health of the workers and the safety of the workplace shall always be a priority concern. The Company takes a strong commitment to continually improve on the standards set and expects constant safety vigilance by every employee.



Company Assets And Information

Appropriate Use of Company Assets and Equipment

All employees are responsible to protect the Company's assets. Employees should not only follow policy of use but also help to safeguard our Company assets and immediately report any suspected theft, damage, misuse, fraud, embezzlement or improper usage.

Managing Documents

Company records are important corporate assets. Prompt, accurate record keeping and filing helps the integration of work processes. All employees are responsible for creating, using, storing, preserving, and where appropriate, disposing of records according to Company policies and practices, as well as current laws and regulations. You should consult your manager for guidance if you are uncertain as to how you should manage the Company's documents.

Intellectual Property and Information

Intellectual assets include knowledge, information and technical know-how that a Company and its employees possess. Written plans, product design, current and future projects, patents, trademarks, technical know-how, work processes, and more are all intellectual assets owned by the Company.

Employees are obligated to protect the confidentiality of the Company's information and guard against unauthorised disclosure or use. Confidential or proprietary information includes all information that is not generally known to the public and is valuable to the company, or would be helpful to competitors. Proprietary information should be marked accordingly, kept secure and access limited to those who have a need to know in order to do their jobs. Should you have any doubt on this matter, please consult your manager for further guidance and clarification.

Management and Security in our Computing Environment

Sensitive Company information is stored by employees in their work computers and within IOI's systems. Employees are required to adhere to our computing system environment responsibly and to follow its policies and procedures related to its security. They are designed to protect our information and to safeguard our computing system from viruses.

Computing assets are intended to be used mainly for business purposes. It is the employee's responsibility to be familiarised with the policies to avoid violation of use.

Employees should not allow any party to use their access rights to IOI's systems. Unauthorised download or installation of non-standard software or systems is not allowed, including games, music videos, etc.

Data Privacy

IOI strives to protect such confidential information and privacy of personal data. Personal data includes information of employees, such as employment, medical, financial, education and training records. It is the responsibility of the Company and individual employees to protect this information.

Employee Privacy in the Communication and Computing Environment

IOI's Communication and Computing systems within the Group, are the Company's property. Unacceptable usage of these systems include sending illegal, defamatory, offensive, harassing messages or files, violating copyright laws, disclosing confidential information, solicitations for funds, etc.

As all the hardware and software used by employees are Company property, employees should not consider their emails private or personally confidential. The Company reserves the right to monitor or audit employee's use of its IT and communication systems, and access, review and disclose data stored on IOI systems, to ensure appropriate use and compliance with its IT policy that is in place.

If in doubt, kindly contact the IT Support team for further enquiries.

Dealing With Conflicts Of Interest

Employees should avoid any situation that involves, or appears to involve, a conflict between their personal interests and the interests of the Company. That means employees should avoid circumstances that might affect their judgement or impartiality when performing their jobs.

List of non-exhaustive examples where a conflict of interest may arise:-

- If an employee or immediate family is an owner or part-owner of a company of an IOI customer, supplier or partner.
- If an employee receives personal gain from arranging a relationship between IOI and a customer, supplier or partner.
- If an employee receives personal benefits, such as loans or guarantees of obligations, from a customer, supplier or partner.
- If an employee is connected with any business that has direct or indirect competition with IOI.
- If an employee discovers an opportunity for personal gain through own position and or through the use of Company equipment or systems.

Employees with a conflict of interest must disclose any obligation, commitment, relationship or interest that could conflict or may be perceived to conflict with his or her duties by making a declaration using the Conflict of Interest Disclosure Statement which is available at the IOI Corporate Intranet or you may contact your respective Human Resource Department for a copy.

Gifts, Benefits or Entertainment

An IOI employee shall not be influenced by receiving favours nor shall they try to improperly influence others by providing favours. Employees shall not accept gifts, benefits or entertainment from a third party containing excessive value that would constitute a violation of laws or that could affect, or appear to affect, the professional judgement or create the impression of improperly influencing the respective business relationship. It can be viewed damaging to both the employee's personal business reputation and that of IOI's.

Bribes or Kickbacks

In a business relationship, no employee should directly or indirectly, accept from, or offer to, any third party any kind of bribes, kickbacks or any other unlawful or unethical benefit that might be seen to be an activity or behaviour that could give rise to the appearance or suspicion of such conduct or the attempt thereof.

Employment of Family Members and Relatives

Whilst the Company permits employment of qualified family members and relatives, declaration of such relationship must be made prior to approval of such employment and subject to conditions as per Company's policies. Employment of family members of employees within the same department or division, depending on the nature of job, where it may cause rise of conflict, whether directly or indirectly will be at the sole discretion of the Company.

If in doubt as to whether a situation is a Conflict of Interest, consult your respective Regional Head or Human Resource Department.

In any potential Conflict of Interest situation, ask yourself :

- *How would you feel if your decision were made public?
Could the decision be honestly explained and defended?*
- *How will your decision affect others, including our customers, suppliers, contractors, shareholders and the community?*
- *Would I be willing to publicly talk about the issue without feeling embarrassed or fearing disciplinary action or legal proceedings?*
- *Is the action legal?*
- *Is it ethical?*
- *Does the action comply with this Code?*
- *Am I trying to hide this situation from anyone?*





Communicating With The Public

It is important that communication with the public is accurate, consistent and does not violate the Company's confidentiality, applicable policies, laws or sensitivities. Published information can have a significant effect on the Company's reputation and have business and legal consequences.

Communication with the public includes those with the media, financial analysts and investors, our communities, industry partners, customers, and other members of the public.

The easy access of electronic communication in today's world means company information is easily available on the Web. We have to ensure that work-related communication complies with the Company's policy prior to publication. If you are approached by the media or wish to publish any information about the Company, contact the Corporate Communications Department for advice. Should there be a need to reveal any information or presentations, prior approval should be obtained from your Regional Head.

Financial Accounting And Reporting Accuracy

Honest financial reporting is the basis to our reputation for integrity. As a public listed company, its financial accounting and reporting rules are governed by existing laws and regulations as well as IOI's policy that requires honest and accurate financial reporting.

Honest reporting means accurate, full and fair, disclosure of financial reporting. All employees play a role in this, whether it is relating to payments, claims, bills, invoices, etc.

IOI files complete financial reports with Bursa Malaysia and issues financial summaries in public statements and communications. It is essential that these statements are true and accurate and in compliance with the law and to live up to public expectations.

Accurate reporting also helps us to make good decisions for our business and operations, which contributes to the continued business success.



All business records should be compiled according to IOI's policies, local regulations and guidelines provided by the Finance & Accounts Department.

Here are some guidelines for reference:

- Substantiate your ledger entries with detailed documentation.
- Make no false or intentionally misleading entries including numbers, categories, timing or other pertinent information.
- Keep corporate funds and accounts according to standard practices.
- Use accounts and funds only for a purpose that is fully and accurately described in the documentation.
- Never falsify any document.
- Do not distort the true nature of any transaction.



Failure To Comply

It is each employee's responsibility to ensure full compliance with all the provisions in this Code of Business Conduct & Ethics and to seek guidance where necessary from their Regional Head or from the Human Resource Department.

To "do the right thing" and to ensure the highest standards of integrity shall be each IOI employee's personal responsibility that cannot be delegated.

When in doubt, all employees should always be guided by the basic principles stated herein. Failure to comply with this Code may result in disciplinary action, including the possibility of dismissal and, if warranted, legal proceedings or criminal sanctions.

The Code of Business Conduct & Ethics can also be downloaded from IOI's Intranet to enable employees easy access to information contained herein. The Code shall form an integral part of the terms and conditions of employment within the IOI Group and shall be binding. The management of the IOI Group reserves the right to amend, alter, or suspend all or any part of this Code at any time and for any reason whatsoever, subject to the application of the local laws.



