



**Business Partners'
Code of Conduct**

INTRODUCTION

Top Glove Corporation Bhd is wholly committed to ensuring its business is managed and products are manufactured in a sustainable manner. This is realised through continual engagement and assessment of its business partners based on metrics including how they conserve and improve the natural environment; uplift employee socioeconomic wellbeing; and conduct business ethically and responsibly.

All Business Partners are required to adhere to the principles of the Top Glove's Sustainability Policy (hereinafter referred to as "Policy") and this Business Partners' Code of Conduct (hereinafter referred to as Code") and adopt practices within their operations and supply chains consistent with the said Policy and Code.

SCOPE OF CODE

- a. 'Business Partner' means any current and prospective contractors, vendors, manufacturers, sellers, distributors, service providers including employees, agents and entities, providing goods and services to any operations of Top Glove, its subsidiaries and joint ventures.
- b. Top Glove reserves its right to vary and improve this Code from time to time and will make known the aforementioned changes to related business partners if necessary.

BUSINESS PARTNER CODE OF CONDUCT

The following outlines the behaviours and practices which are expected of a Business Partner:

1. Regulations and Compliance

- a. Comply with all applicable local, national and international laws on human rights, labour, land use, the environment and governance, which are in force in the country or state where its companies are located including but not limited to chemical use and labelling.
- b. Promote good practices in the business/industry/sector within which it operates e.g. good agricultural practices and sustainable tapping practices for natural rubber suppliers.
- c. Provide traceability of materials along the upstream supply chain wherever possible, when requested.
- d. Meet quality and safety requirements, as well as documentation and reporting requirements under applicable laws and in compliance with Top Glove's standards.
- e. Disclose material characteristic, health and safety information in relation to products supplied to Top Glove.
- f. Business partners providing materials or services related to medical devices shall maintain a Quality Management System (QMS) suitable for the products and services provided to Top Glove, which is certified by an accredited third party certification body with the latest version of ISO certification or other authorised requirements, depending on the nature of business and subject to Top Glove's requirements.

2. Environmental

- a. For natural rubber plantations, there should be no new land development in areas classified as:
 - i. High Carbon Stock ("HCS") as defined in HCS Approach ("HCSA")¹
 - ii. Primary forests, or any area required to maintain or enhance one or more High Conservation Values² ("HCVs")
 - iii. Peatlands, regardless of depth
- b. Conduct Integrated HCV and High Carbon Stock (HCS) assessments before any new land development for natural rubber plantation.
- c. Protect biodiversity and wildlife, including rare, threatened, endangered and critically endangered species of

¹ <http://highcarbonstock.org/>

² <https://www.hcvnetwork.org/about-hcvf/the-six-high-conservation-values>

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flora and fauna.

- d. Establish a No Open Burning Policy in all new and existing operations.
- e. Protection of water quality, preventing water contamination from agricultural and industrial chemicals.
- f. Protect soil quality and prevent erosion, nutrient degradation, subsidence as well as contamination.
- g. Provide products and services that are free from chemical substances prohibited by national, regional, local laws and regulations.
- h. Progressively reduce GHG emissions at existing operations and minimize GHG emissions from new operations.
- i. Improve resource efficiency and minimise waste in the development, production and delivery of products and services through proper waste management practices such as 5Rs (Refuse, Reduce, Repair, Reuse and Recycle) programs.

3. Social

- a. Respect and uphold the rights of all employees with the International Labour Organisation's fundamental conventions and the United Nations Guiding Principles on Business and Human Rights (UNGP BHR) as guidance.
- b. Recognise the inherent dignity of an individual and support the Universal Declaration of Human Rights by the United Nations, including prohibiting retaliation against the Human Rights Defenders ("HRD") in accordance to the United Nations Declaration on HRD.
- c. Prohibit of child labour and respect for child rights.
- d. Zero tolerance for forced labour, which includes modern slavery; human trafficking; forced, bonded, indentured or involuntary prison labour.
- e. Prohibit any deductions from any part of employees' wages and withholding any property, identification cards, passports or other travel documents unless provided for by law.
- f. Ensure ethical recruitment including implementing a Zero Cost Recruitment Policy such that prohibits the imposition or collection by its contractors, of any non-mandated/illegal fees, commissions and/or levies from its employees. The services of non compliant contractors will be terminated if found to be doing so.
- g. Ensure there are no restrictions on employees' freedom of movement.
- h. Recognise and respect employees' rights to have freedom of association, collective bargaining, and to form and join trade unions of their choice.
- i. Zero tolerance for harassment and unlawful discrimination at any stage of employment.
- j. Ensure equal opportunities in the workplace and equal pay for equal work that complies with local laws.
- k. Respect for reproductive rights in line with the country's laws.
- l. Prohibit any form of corporal punishment, harassment and abuse.
- m. Ensure that working hours comply and are compensated in accordance with national legislation including overtime hours (which are on a voluntary basis), and that employees have at least one rest day each week.
- n. Maintain records of working hours and wages for all employees.
- o. Ensure that employees are given in writing, in a language that they understand, a description of their duties, information on working hours, rate of pay, leave, and any other terms and condition of employment.
- p. The abovementioned document in (o) shall be signed by both employer and employee.
- q. Ensure all employees are paid a wage equal to or exceeding local minimum wage and are covered by insurance for work-related illness and injuries.
- r. In cases where accommodation is provided to employees, it complies with applicable accommodation laws and regulations including access to safe drinking water and electricity.
- s. Ensure its employees work in a safe environment and are protected from foreseeable job related hazards.
- t. Provide personal protective equipment (PPE) as appropriate to the work being performed free of cost which shall also be replaced if damaged.
- u. Ensure that there are systems in place to assess, identify, prevent, and mitigate potential threats to the health and safety of workers.
- v. Create awareness amongst workers of their right and responsibility to exit the premises and/or stop working without seeking permission in the event of uncontrolled hazards and/or in dangerous situations.

- w. Take all appropriate measures to ensure the stability and safety of the equipment and buildings being used, as well as protect against any foreseeable emergency.
- x. Prohibit highly toxic, bio-accumulative and persistent pesticides. This includes chemicals listed by the following:
 - i. World Health Organisation Class 1A or 1B, Stockholm or Rotterdam Conventions; and
 - ii. Paraquat.
- y. Respect the rights of indigenous peoples and local communities.
- z. Conduct a process of free, prior and informed consent (FPIC) prior to any activities that may affect the rights of indigenous peoples/land owners, and adhere to the outcomes of this process.

4. Governance

- a. Conduct business in adherence to a high ethical standard, adopting honesty, integrity and transparency in business dealings.
- b. Comply with all applicable local, national and international laws and regulations which are in force within the country or state related to zero tolerance for bribery and corruption.
- c. Respect, safeguard and not infringe any intellectual property belonging to Top Glove or third parties. All Intellectual Property shall be managed in a manner that protects intellectual property rights.
- d. Refrain from participating in or tolerating any forms of corruption, bribery, extortion, embezzlement, commission or remuneration; and adhere to Top Glove's Anti-Bribery & Anti-Corruption Policy.
- e. Act in compliance with antitrust or competition laws and regulations concerning practices such as monopolisations, improper trade restrictions, cartels, bids, rigging, unfair business practices or abuse of dominant positions.
- f. Implement appropriate safeguards to protect confidential information and/or intellectual property belonging to their business partners.
- g. Commit to have in place a proper grievance mechanism and whistleblowing measures to allow employees to raise grievances or report wrongdoings in good faith without fear of reprisal and resolve complaints with reference to the UNGP BHR effectiveness criteria and the Top Glove Whistleblowing Procedure.
- h. In the course of or after the termination of this Agreement, shall not disclose, discuss, circulate or misuse any confidential information with friends, family, business partners or the public. All confidential information obtained during the course of business is to be shredded or destroyed in an appropriate manner.

5. Compliance with Code

Business partners shall take the commitments contained within this Code and the Policy seriously and continually engage with their suppliers, contractors or trading partners to ensure compliance.

Top Glove understands that Business Partners may face difficulties in implementing some or all of the above stated requirements. Therefore, Top Glove aims to hold regular engagement sessions with its Business Partners in order to understand their concerns and help resolve the same, towards achieving compliance with this Code. Top Glove (or a 3rd party appointed by Top Glove) may carry out announced audits or visits to the Business Partners, their facilities and business practices to verify compliance with this Code and reserves the right to act as stipulated in the Top Glove Sustainability Policy Grievance Handling Protocol in the event chronic non compliance with any aspect of the Code is found.

ACKNOWLEDGEMENT

As Top Glove’s Business Partner, we hereby acknowledge, agree and undertake to adhere to the Top Glove Business Partners' Code of Conduct as set out herein.

1. my company, or any subsidiary, is committed to comply with the requirements stipulated in the Top Glove Business Partners’ Code of Conduct and Top Glove Sustainability Policy.
2. that Top Glove or any 3rd party appointed by Top Glove may carry out audits or visits to our facilities to verify our compliance with the Code.
3. that we will effectively communicate the contents of the Code to our employees, agents, subcontractors and suppliers to ensure all requirements are implemented accordingly.
4. that we will declare to the Top Glove personnel in charge, the existence familial or close relationships, affiliations or associations with staff and/or management of Top Glove.
5. that we may raise my/our concerns through various communication channels including the Top Glove Whistleblowing Policy which provides for anonymous reporting and can be found on Top Glove website.

Management Representative,

Name of the Company:

Name of Authorised Signatory:

Designation:

Date:

Company Address & Stamp:
