

**CNI VALUES AND ETHICAL
WORKPLACE BEHAVIOR BOOKLET**

- CNI HOLDINGS BHD
- CNI ENTERPRISE (M) SDN BHD
- CREATIVE NETWORK INTERNATIONAL (S) PTE LTD
- EXCLUSIVE MARK (M) SDN BHD
- Q-PACK (M) SDN BHD

page

Table of contents

1-2
Message from Chief Executive Officer

3-7
CNI Ants Values

8
1. Why do we need Values, Ethics and Discipline in the Company?

8
2. What are your roles?

9-10
3. What are your responsibilities?

11-17
4. Classification of behaviors

4.1 Disrespectful workplace behavior

4.2 Progressive discipline behavior

4.3 Zero tolerance behavior

MESSAGE

from the
Chief Executive Officer

Integrity is the foundation upon which all successful businesses are built. Our distributors, stakeholders, fellow colleagues and the society where we work expect honesty and ethical conduct from each of us everyday.

The management knows that the overwhelming majority of CNI employees conduct themselves ethically and in accordance to the law and legislation of the relevant authorities. Our "CNI values and ethical workplace behavior booklet" is a means to reaffirming our shared commitment to our core values.

Our commitment to the highest standards of integrity begins with ensuring that all of us across CNI Holdings and its related companies ("CNI") understand our core values. Values that define how we conduct ourselves both as employees and as decision makers.

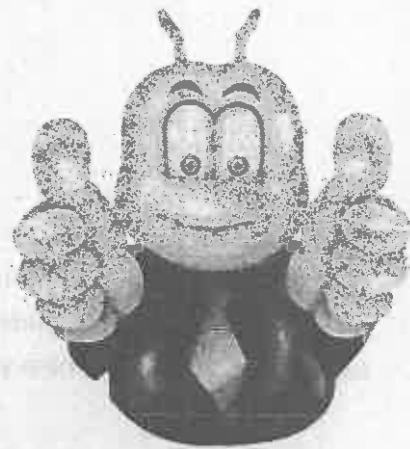
Our 10 Ants Spirits / culture are the foundation of CNI guides to ethical workplace behavior.

This booklet together with our general strategies and policies on behavior provides a guide to help you understand what is expected of you and to help you make good decisions.

It is our responsibilities to make our core values a vital part of our business activities. The board of directors, senior management, myself and all CNI employees must be accountable to the highest standards of integrity and full compliance with the regulations and policies that affect the conduct of our business.

We have a zero tolerance policy for ethical violations. We tolerate nothing less.

Please join me in making CNI a strong and successful company.



CNI Ant Values



COMMUNICATIVE

1. Expresses oneself clearly and effectively when speaking and/or writing to individuals or groups
2. Listens well and asks appropriate questions
3. Ensures that information is understood by all parties
4. Shares information in a timely manner using the most appropriate method
5. Keeps manager(s) and colleagues well informed



CREATIVE

1. Brings new ideas that improve business operations and customer service.
2. Offers suggestions and make decisions that go beyond existing procedures.
3. Generates new and valuable ways to do one's job more effectively and efficiently by improving processes, methods, systems, or services.
4. Tries new ways when problem solving by seeking ideas or suggestions
5. Brainstorms and encourages new ideas and solutions



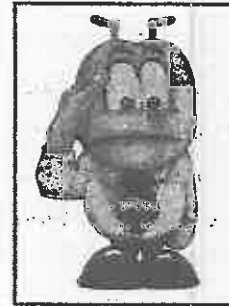
TEAMWORK

1. Demonstrates respect for the opinions of others
2. Identifies and pushes for solutions in which all parties can benefit
3. Helps and supports colleagues to contribute to company/ department success
4. Keeps people informed and up-to-date
5. Shares information and expertise with others to help accomplish group goals



HUMBLE

1. Maintains communication and interactions at professional and respectful level
2. Does not show pride or arrogance in actions or speech
3. Willing to admit mistakes and willing to take positive corrective actions
4. Demonstrates respect for others' behavior and values
5. Finds non-threatening ways to approach others about sensitive issues



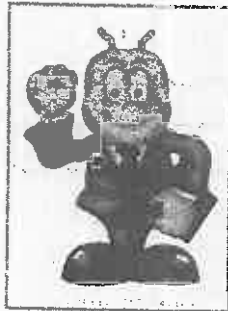
DISCIPLINE

1. Maintains good attendance and punctuality in all situations
2. Is fair, dependable, and honest in approach to others
3. Values and follows CNI Code of Conduct, work rules, policies and procedures
4. Maintains appropriate confidentiality
5. Does not lie, cheat, or steal. Straightforward and fair in all company matters



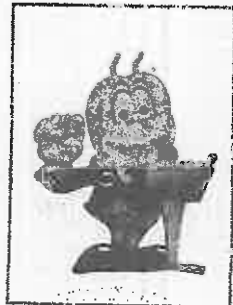
INITIATIVE

1. Minimize problems quickly without needing to be asked
2. Seeks personal growth and professional self-development
3. Doing more than is required/expected in a job
4. Seeks new and improved solutions and approaches to completing assignments
5. Looks for opportunities to help others and team



COMMITMENT

1. Takes responsibility for all work activities and personal actions
2. Follows through on commitments
3. Implements decisions that have been agreed upon
4. Maintains confidentiality with sensitive information
5. Completes all assigned tasks on time and with minimal supervision



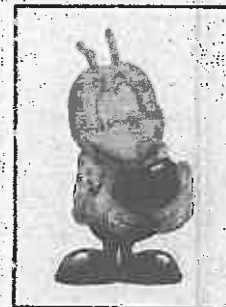
POSITIVE

1. Offers encouragement to others
2. Approaches others in a pleasant, happy and cheerful manner
3. Maintains enthusiasm despite criticism of ideas
4. Demonstrates support to department/company mission
5. Shows professional attitude, courtesy, and respect for others



PRODUCTIVITY

1. Gets the job done by doing whatever it takes, within an appropriate time frame; Handles and delivers multiple tasks simultaneously
2. Implements plans and makes changes when necessary to achieve goals
3. Sets short-term and long-term goals and action plans to meet them
4. Shows persistence in overcoming obstacles



CARING

1. Treats all people with respect
2. Demonstrates compassion, consideration, and caring
3. Demonstrates care for health and safety of others
4. Values contributions of others
5. Speaks up on behalf of others when differences are not respected

1. Why do we need Values, Ethics & Discipline in the Company?

- 1.1 Because we need to :
- 1.1.1 Protect the continual existence of CNI as a company where all our staff and distributors can earn a good living
 - 1.1.2 Create a safe yet motivating environment for staff to perform optimally and be rewarded for their efforts
 - 1.1.3 Prevent, minimize, and detect unsuitable behavioral actions and attitudes that will bring harm to the company and its people.

2. What are your roles?

- 2.1 To embrace and practise CNI Ants Values at all times
- 2.2 To discharge your responsibilities and accountabilities with utmost honesty, integrity and to follow the highest standard of moral and ethical conduct
- 2.3 To observe and abide to the guidelines contain in this "CNI Values and Ethical Workplace Behavior" booklet, Employee Handbook, and all other relevant statutory requirements

3. What Are Your Responsibilities?

Your roles begin but do not end in just embracing, discharging and observing the company core values, its rules and regulations and the relevant statutory requirements.

IF any ethical or legal compliance RAISES a question in your mind, you must bring it forward. Speak to your supervisor, human resources representative or call the Interactive Helpline and speak in confidence to the Performance, Ethics and Discipline "PED" committee members.

The Interactive Helpline is an independent, impartial and totally confidential resource for our employees to raise and address compliance concerns. The primary function of the committee is to ensure all compliance issues raised are resolved quickly and fairly and at the proper level in the organization.

IF you are unsure of the appropriateness or ethics of any activity, ask yourself the following questions:-

- 3.1 Does it comply with the law, CNI values, rules and regulations and ethical workplace behavior?
- 3.2 How would our distributors, customers, shareholders and the general public look upon it?

You must remember you have a duty to report any violations of this guide. You may be reluctant to "get involved" initially but failure to report violations can have substantial consequences. In addition to the possibility of being held personally liable for the legal or ethical violation, you may be subject to disciplinary proceedings. So when in doubt, speak up.

You should call the Interactive Helpline 03-5568 5566 or write to ethics@cni.com.my if you have to lodge a complain or "grumbling" concerning another employee or department or if you have to report an alleged ethical or disciplinary misconduct of another employee.

CNI also provide an Employee Assistance Program ("EAP") that is designed to help employees and families of employees whose attendance and job performance are adversely affected by job stress, personal problems, or alcohol or substance abuse. The EAP will provide telephone or personal contact on a confidential basis for employees with questions, crises, or needs and provide referrals to substance abuse clinics or other services, education of all types, health care management, and wellness information. The EAP is intended to educate employees and to identify problems as early as possible before an employee resorts to carrying out disciplinary behaviors.

4. Classification of Behaviors

4.1 Disrespectful Workplace Behavior

4.1.1 Definition

These are behaviors in the workplace that show a lack of good manners and respect for others.

4.1.2 Examples of Actions and Behaviors under "Disrespectful Workplace Behavior"

- a) Offensive and disrespectful conversation
- b) Unacceptable dress code
- c) Late to meetings, appointments, trainings, or gatherings.
- d) Handphone ringing during meetings, appointments, trainings, or gatherings
- e) Shouting / making excessive noise
- f) Taking things without asking
- g) Rude and boastful
- h) Showing an angry face and not greeting
- i) Playful during meetings / discussion

These types of behavior in the workplace show a lack of manners and respect for others. Employees who do not know the boundaries of appropriate workplace conduct can:

- erode or destroy CNI's culture of caring and respect - thus demoralizing good staff and reducing productivity, and

4.1.3 Root Causes of "Disrespectful Workplace Behavior"
Employees do not understand that their behavior is improper or offensive or do not understand the potential consequences of their behavior.

4.1.4 Prevention and Treatment of Disrespectful Workplace Behavior

- a) One hour per year compulsory training on "CNI Values and Ethical Workplace Behavior" for all staff
- b) Ethics and value orientation for all new recruits on first day of reporting to work
- c) Highlight the company's position in internal newsletters, memos and gatherings.
- d) Annual acknowledgment by all employees on their awareness and understanding of the CNI Values and Ethical Workplace Behavior booklet and Employee Handbook
- e) Investigation and Corrective Actions by Superior / HOD, HR or PED committee to any employee found to have violated these behaviors

4.2 Progressive Discipline Behavior

4.2.1 Definition

Progressive discipline is where the severity of the penalty increases each time an employee breaks the rules.

4.2.2 Examples of Actions and Behaviors under "Progressive Discipline":

- a) Absenteeism (unreported, unscheduled or excessive) from work, events/functions or staff training
- b) Tardiness (Late to work, events / functions or staff training)
- c) Bad attitude and service
 - Refusal to serve a fellow employee, HOD or customer even though it is part of the employee's job scope
 - Refusal to adhere to lead times and SOPs
 - Being rude either verbally or non-verbally to another employee, HOD or customer.
 - Refusal to contribute in any task that requires them to do so.
 - Refusal to help or support colleagues to contribute to company/ department success
 - Unwillingness to share information and expertise with others to help accomplish company goals
- d) Continual poor performance (i.e. achieving below average performance - to refer to respective HR Depts for definition)

- e) Insubordination or refusal to comply with reasonable instructions or duties
- f) Lying to superior
- g) Overtime work without permission
- h) Unauthorized communication with media or public community
- i) Smoking in non-smoking designated areas
- j) Unauthorized use of company equipment, time, or property
- k) Deliberate negligence that results in damage or loss of machinery or equipment
- l) Threatening or abusive language against superior, an employee or distributor involving excessive swearing or offensive remarks
- m) Asking for a "gift" from distributors, customers or suppliers
- n) Sleeping while on duty
- o) Abusing company internet access service for downloading of unauthorized materials.

4.2.3 General Treatment for "Progressive Discipline"

Typically, the progression is:

- a) Verbal Warnings (private counseling / Employee Assistant Program)
- b) Written Warnings (basic investigation) / Downgrade in Performance Rating
- c) Decision Leave with or without pay
- d) Domestic Inquiry (advance investigation)

- e) Suspension / Down Grading or other form of reprimand / Termination

4.3 Zero Tolerance Behavior

4.3.1 Definition

Unacceptable and harmful behavior that will not be tolerated under any circumstances.

4.3.2 Actions and Behaviors under "Zero Tolerance":

a) theft and fraud

- Embezzlement large or small, ranging from criminal robbery to stealing from petty cash or postage
- False filling of expenses claims
- Removal of equipment from company premises without approval
- Exaggerate fictitious accident / injury claims
- Use company facilities for personal benefits (internet, courier, photostat, telephone)
- Cheating company paid-travel supposedly for business but in fact for personal purposes
- selling company products to others at lower than DP price made possible under the staff purchase scheme
- Offering and receiving money for professional services by "moonlighting" that is in conflict with CNI business
- Inappropriate off-the-clock business dealings or sharing of company information for personal favors
- Taking advantage of company customers for personal gain

- Tampering of records, schedules, files etc in such a way to discredit a fellow employee, hide one's own errors or place company in a bad light
 - Forging or altering of cheques
 - Tampering of accounting / attendance / overtime etc records
- b) violation of confidentiality or security of company information (to refer to ICT Computing Policy in company server)
- Written and oral agreements between the company and employees, distributors, customers, strategic partners, and/or other third parties;
 - Intellectual property - such as trademarks, patents, and copyrights;
 - Company financial information;
 - Proprietary software or company-owned software modifications, templates, worksheets, or other programs;
 - Financial and other information about potential acquisitions;
 - Drawings for current or potential new products;
 - Customer lists and agreements, market share data, supplier agreements, and other files.
 - Information provided to CNI in good faith by our customers and suppliers
- c) Exposing written agreements, market share data, customers lists, software programs etc etc to 3rd parties or co-workers who do not need to know

- d) Providing intellectual property to others (product formula, trademarks, patents, copyrights)
 - e) possessing or consuming non-prescribed narcotics on company property
 - f) reporting to work intoxicated/impaired
 - g) instigating a fight on company property
 - h) carrying a weapon on company property
 - i) intentional harassment, including racial, religious, or sexual harassment
 - j) directly or indirectly inciting racial or religious issues
 - k) act of violence / physically threaten or abuse superior, an employee or customer
 - i) misrepresentation of important facts in seeking employment
 - m) sabotage or intentionally harming the company
 - n) Conflict of interest
- 4.3.3 **General Treatment for "Zero Tolerance Behavior"**
- a) Immediate Domestic Inquiry (D.I.)
 - b) Criminal prosecution. (upon professional legal advice)