
Corporate Compliance Policy

TASCO

Version R1 (Effective from 1 March 2010)



CORPORATE COMPLIANCE POLICY

It is the policy of TASCO to adhere to the highest legal and ethical standards in its business activities and to ensure compliance with all applicable laws. TASCO shall demonstrate its commitment through a comprehensive compliance program.

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[Foreword]

TASCO aims to create value for its stockholders, its employees and society as a whole. We can only sustain an increase in corporate value if we act within the law and in accordance with ethical principles.

Every employee is responsible for ensuring that his or her conduct is legally and ethically compliant, this applies to employees at all levels.

All our actions must be consistent with our good name and reputation. After all, business partners, investors and the public expect us to be competent, fair and reliable.

Due to the growing importance of good and responsible corporate governance and the increase in legal risks, the Board of Directors has decided to issue our Corporate Compliance Policy. The new release of policy is based on the proven principles that characterize our business operations and clearly explains where and how we can obtain help with compliance questions.

Lets us work together to uphold TASCO's reputation.

Yours sincerely,

Lee Check Poh
Group Managing Director

[Introduction]

Concerned about Corporate Compliance

Corporate Compliance refers to the lawful and proper conduct of the company's business. Each employee is obligated to obey all applicable laws and corporate guidelines in his or her work for TASCO.

The Corporate Compliance Policy serves as the basis for this. It does not, however, cover all conceivable situations or describe all of the particular rules that must be followed. Furthermore, the law in some standards than those set forth here, in which case the stricter standards govern.

Individual employees who violate the principles of this Corporate Compliance Policy also face serious consequences, such as fines or imprisonment, claims for damage, sanctions under labour law and possible termination of employment.

Employees who disobey the rules cannot claim to have been acting in TASCO's interests, because any compliance violation ultimately harms the company. In view of the possible consequences, any advantage somebody purports to have gained in a specific situation can never, not even economically, be advantageous to the company as a whole.

TASCO desires to succeed in the competitive arena by being innovative, quality-driven, reliable and fair. If the only way to close a deal is by acting in a way that is illegal or unethical, we will forego the deal. An employee who declines business in such circumstances will never suffer retaliation as a result.

This Corporate Compliance Policy is intended to give employees a point of reference in their daily work and thereby help them avoid violations. By definition, its focus is limited to areas of particular practical significance. However, it should also encourage employees to familiarize themselves with the rules that affect them and to seek counsel

in case of doubt. Ignorance is no defense against the potential consequences of breaking the rules. For support, employees can turn to their superior or their respective Compliance Officer.

[Our Principles of Business Conduct]

In TASCO, we need to comply with the following requirements:

a. Compliance With All Laws And Regulations

All of TASCO's employees must scrupulously comply with all federal, state and local laws and government regulations and must immediately and directly report to TASCO's Compliance Officer any actual or perceived violation of the laws and regulation, the Corporate Compliance Program or any other TASCO policy. TASCO further expects all employees to comply with all licensure laws and regulations.

b. Compliance With All TASCO Policies And Procedure

All of TASCO's employees must also scrupulously comply with all TASCO policies and procedures included in any administrative policy and procedures policy maintained by any branch of TASCO including, but not limited to Accounting Manual, Finance Manual, IT Policy, Quality Policy etc.

c. Business Intelligence

In today's business environment, we have access to a great amount of public information about other companies, their products, and services. It is generally not unethical or illegal to have and make use of public information in conducting our business. You are free to gather intelligence about companies from public sources such as their web sites, published articles, price bulletins, advertisements, brochures, public presentations, and customer conversations. You should only accept business information about other companies when you believe that the receipt and use of it are lawful and ethical, and do not violate anyone's confidentiality obligations. You must never use, or ask any third party to use, unlawful or unethical means such as misrepresentation, deception, theft, spying, or bribery to gather any such information.

d. Safeguarding TASCO's Restricted Information

It is TASCO's policy to control closely the dissemination of TASCO's proprietary information. Except as specifically authorized by management pursuant to established policy and procedure, do not disclose to any outside party, any non-public business, financial, personnel, commercial or technological information, plans or data acquired during employment by TASCO. Employees should also be careful in discussing company matters in public. Upon termination of employment, an individual may not copy, take or retain any documents containing TASCO's restricted information. The prohibition against disclosing TASCO's restricted information extends beyond the period of employment as long as the information is not in the public domain. An individual's agreement to continue to protect the confidentiality of such information after the term of employment ends is considered an important part of that person's obligations to TASCO.

e. To Integrity In Business Dealing – No Corruption

No monetary payments should be provided to any member of TASCO's staff or his or her family members by a vendor. Never accept anything of value from someone doing business with TASCO or someone whose services are subject to TASCO's review if the gratuity is offered or appears to be offered in exchange for any type of favorable treatment or advantage. To avoid even the appearance of impropriety, do not accept any gifts or promotional items of more than nominal value. Gifts received, which are valued in excess of \$500.00, must be reported to a Compliance Officer. An employee may accept meals, drinks or entertainment only if such courtesies are unsolicited, infrequently provided and reasonable in amount. Such courtesies must also be directly connected with business discussions, unless an exception is approved by their superior. Do not accept reimbursement for lodging or travel expenses or free lodging or travel without the express written approval of the Director for the division.

f. To Keep Corporate And Personal Interest Separate - No Conflicts Of Interest

No employee of TASCOCO may have any employment, consulting or other business relationship with a competitor, customer or supplier, or invest in any competitor, customer or supplier unless advance written permission is granted by a Compliance Officer/ Director. Advance written permission of a Compliance Officer also is required before an employee may invest in any privately held company or entity that performs services for TASCOCO or that employs providers who may refer customers to TASCOCO or to which TASCOCO customers may be referred. Outside employment may constitute a conflict of interest if it places an employee in the position of appearing to represent TASCOCO, involves services substantially similar to those TASCOCO provides or is considering making available, or lessens the efficiency, alertness or productivity normally expected of employees on their jobs. Outside employment may also constitute a conflict of interest if employees perform services either for individuals or entities, whose services are employed by TASCOCO or who may refer customers to TASCOCO, or for any individuals or entities that provide services for or employ such individuals or entities. All outside employment that raises any question in this regard must be disclosed to TASCOCO and approved in advance by a Compliance Officer.

g. Confidentiality of Personal Data

Confidentiality applies not only to business information, but to the personal information of TASCOCO employees, former employees, job applicants, research study subjects, customer or other persons. TASCOCO protects all such personal information in the Company's possession by following these principles:

- Personal data is collected, processed, stored, and transferred with adequate precautions to ensure confidentiality and is accessible only to individuals with legitimate reasons to know about or have access to it.

- When appropriate, individuals will be asked for their consent to the collection, processing, transfer, and storage of their personal data.
- Employees will have the opportunity to update their own personal data held by the Company and to correct any errors found.

h. To Fair And Respectful Working Conditions

The Company prides itself on providing staff members with a work environment in which all individuals are treated with respect and dignity. The Company is an equal opportunity employer, which means we are committed to providing equal employment opportunity to all employees and applicants for employment without regard to

- Race
- Color
- Religion
- Sex
- Any other characteristic protected by federal, state or local laws

In support of this policy, the Company expressly prohibits any form of discrimination or harassment. It is the responsibility of each member of management to create an atmosphere free of discrimination or harassment, sexual or otherwise. In addition, it is the responsibility of each employee to respect the rights of co-workers.

If you experience any job-related harassment, or have a related complaint, or believe you have been treated in an unlawful discriminatory manner, promptly report the matter to your superior or a Compliance Officer. He or she will investigate the matter and take appropriate action, if necessary.

i. No Inappropriate Risks For Human Health And The Environment

TASCO is well aware of the company's goal to protect the environment and the health and safety of everyone. This is extremely important to the way we conduct business.

- Workplace safety – premises and material handling equipment require systematic inspection and servicing in order to prevent malfunctions, accidents, and major hazards. Employees who work in our premise must be thoroughly trained, be given detailed instructions and be properly supervised.
- Occupational health and safety – maintaining the health of TASCO's employees is in everyone's, the employees' and the company's best interests. Line management receives support in preventing accidents and illness from specialists in occupational medicine and safety who strive to maintain and improve safety and health. Extreme care must be exercised when dealing with potential sources of danger. Every employee is called upon to strictly and constantly observe all safety rules in his or her respective workplace.
- Environment protection – We believe in making an important contribution to sustainable development through the efficient use of resources. Reducing the consumption of energy and raw material in operation and hereby limiting discharge requires exhausting all reasonable opportunity for process optimization. All employees involved in the operation of environment must follow local rules to apply for and receive permits.

j. Media and Public Inquiries

TASCO is committed to delivering accurate and reliable information to the media, financial analysts, investors, brokers, and other members of the public. All public disclosures, including forecasts, press releases, speeches, and other communications, will be honest, accurate, timely, and representative of the facts. To ensure consistent, accurate delivery of Company information, unauthorized employees shall not answer

questions from the news media, securities analysts, investors, or other members of the public. When approached for information, you must record the name of the person making the inquiry and immediately notify Management.

k. To Proper Record-Keeping And Transparent Financial Reporting

TASCO has records retention and disposal procedures to ensure that Company records are maintained, stored, and, when appropriate, destroyed in accordance with TASCO's needs and in compliance with applicable legal, regulatory, environmental, tax, employment, and trade requirements. You are expected to be familiar with the specific requirements of your business and location, as well as with applicable corporate procedures. Subject to local requirements, you may keep active documents in a way that suits your daily business needs. Inactive or historical documents must be stored in a reasonable manner intended to protect such documents from damage. Regular document destruction must stop immediately if you are aware of a legal request for such documents.

All items with accounting relevance must be supported by complete and correct documentation and entered into the books accordingly. The company's accounting records and related documents must be fully and accurately reflect all business transactions and give a true and fair view of the company's assets.

Every employee tasked with presenting information that is relevant to our financial reporting and destined for public disclosure is responsible for ensuring that this information is complete and accurate. Employees must promptly notify their superior if ever they have reason to doubt whether material business transactions have been correctly presented in the financial reporting.

I. Compliance With Competition Act 2010

All of TASCO's employees must scrupulously comply with Competition Act and must immediately notify to their superior for any in accordance to Management's instruction pertaining to Competition Law. TASCO further expects all employees to strictly comply and report with licensure Competition Law.

m. Safeguarding TASCO's Computer And The Internet

Information System use is prevalent within the TASCO, the company have adopted TASCO's IT Policy, IT Risk Management Policy, IT Security Policy, IT Disaster Recovery Policy and IT End User Security Policy which describe the Company's policy for guideline of IT system implementation at TASCO.

[Please refer to IT Policy, IT Risk Management Policy, IT Security Policy, IT Disaster Recovery Policy and IT End User Security Policy for details]

[Compliance at TASCO – A Shared Responsibility]

Our Standards

As an employee of TASCO, you share the privilege and responsibility of upholding the Company's honorable reputation. You do this each time you act ethically and legally. That is why we have this *Corporate Compliance Policy* of TASCO. It is a guide to the Company's compliance structure, applicable laws, and key policies and procedures that govern doing business in a legal and ethical manner. These guidelines do not describe all the details or all of the applicable laws, regulations, and Company policies. Rather, it explains those that you are most likely to encounter.

Compliance is a shared responsibility between the Company and employees. The Company is responsible for defining how TASCO will comply with applicable laws and regulations (through systems, policies, and procedures); monitoring our efforts; and correcting any non-compliance. You are responsible for understanding and following the standards described in these guidelines, and for seeking guidance when you need it.

Compliance Officers

The Compliance Officers ensure adherence to laws, regulations, and Company policies on a day-to-day basis. Compliance Officers are responsible for overseeing TASCO's compliance system, including the internal auditing, monitoring, and self-evaluation programs relating to the legal and regulatory obligations of the Company. The

Compliance Officers ensures that there is broad application and consistent interpretation of our standards throughout the Company. The Compliance Officer reports directly to the Managing Director, as well as to the Board of Directors.

In addition to investigating matters and promoting compliance with our standards of conduct, the Compliance Officers also published these guidelines, respond to the Compliance Hotline, and are generally available as a resource on compliance matters.

Reporting violations and discipline

Staffs are encouraged to report any non-compliance issues, business fraud or business irregularities to the Management, either by sending an e-mail or directly contact the Compliance Hotline.

The company established the whistle blowing process, that act as deterrent to malpractice, encourage openness, promote transparency, underpin the risks management systems of the company and help protect the reputation of the company and senior managements.

All employees are encourage to speak out should they have concerns or complaints regarding company accounting , internal accounting controls, including those that could harm the reputation and/ or financial standing of the company, any serious unethical, illegal action, violation of rules and regulations or other concerns relating to the company.

All channels of whistle blowing will be in charged by Compliance Office and all acknowledgement of receipt of the report will be made to the complainant within 48 hours (with the exception of the anonymous complaints). The investigations of most complaints will be handled internally and will typically be carried out by Compliance

Officer or his designated body. On case by case basis, it may be determined that outside resources are required to assist in such investigations.

Confidentiality

It is essential that you feel secure when participating in the Company's compliance system. Therefore, confidentiality is a priority and every effort will be made to protect your identity whenever you interact with any element of the compliance system. In some instances, however, it may be impossible to keep your identity confidential because of the demands of conducting a thorough investigation or because of certain legal requirements. If you are concerned about confidentiality, you may consider placing an anonymous call to the TASCOCOMPLIANCE Hotline.

Compliance Hotline

The Compliance Hotline is available within office working hours (Monday to Friday, excluding public holiday, 8.30am to 6.00pm)

One of the following channels listed below can be contacted, either on confidential or anonymous basis.

COMPLIANCE HOTLINE - 603 51018820 (Mr KY Tan)

COMPLIANCE EMAIL - ky.tan@tasco.com.my

- checkpoh.lee@tasco.com.my