

Ho Chi Minh city, date 13 month 04 year 2018

COMPLIANCE RULES

Promulgate “Company Compliance Principles and Rules”

CHIEF EXECUTIVE OFFICER FUMIGATION AND CONTROL JOINT STOCK FCC

- On the foundations of Organisation and Operation regulations of Fumigation and Control Company is enforceable by the Board of Directors and Shareholders through 31st of March, 2006 hereby regulate the authority of the Chief Executive Officer ;
- On the foundations of the inquiry from quality organizations with profession operation of the company ;

COMPLIANCE RULES

Clause 1. Promulgation herewith Rule: “*Company Compliance Principles and Rules*”.

Clause 2. The Board of Directors of FCC, Department Managers and the entire resources are obligated to commit to this Compliance Code.

Clause 3. This Compliance Code shall be instructed to the entire organization of FCC to comply with commitment and fulfillment. This Compliance Rule shall be effective from here on signature date.

Regards:

- All department of FCC;
- FCC website;
- Documented.

CHIEF EXECUTIVE OFFICER



The stamp is circular and red, containing the following text: 'M.S.D.N.0306.0004-G.T.C.' around the top edge, 'CÔNG TY CỔ PHẦN' in the center, 'GIÁM ĐÌNH VÀ KHỦ TRƯỞNG' below it, and 'FCC' in large letters at the bottom. The signature 'Tran Phuong' is written in blue ink across the stamp.

Tran Phuong

I. Introduction

1. Objective

The objective of this Compliance Code is to ensure that FCC abides by high standards of professional conduct throughout FCC organization to assure its ethical behaviour and the integrity of its services.

2. Definitions

- FCC: Inclusive of the entire organization in Fumigation and Control Company (FCC)
- HRA: Human resources department

3. Code Documentation

This Code is based on the following documentation:-

- Quality Handbook of FCC.
- Document; ISO 9001, ISO 17020, ISO 17025, ISO 17065.

4. Date of Entry into Force

- The First Edition of this Code entered into force on 13th April 2004.

II. Compliance Principles

1. Integrity

- FCC shall operate in a professional, independent and impartial manner in all its activities.
- FCC shall carry out its work honestly and shall not tolerate any deviation from its approved methods and procedures. Where approved test methods make provision for tolerances in results, FCC shall ensure that such tolerances are not abused to alter the actual findings.
- FCC shall report data, test results and other material facts in good faith and shall not improperly change them, and shall only issue reports and certificates that correctly present the actual findings, professional opinions or results obtained.
- FCC shall ensure the objectiveness in all of its services and activities, thus shall not allow pressure, regarding finance and commercial factors, affect the objectiveness.
- FCC shall be inclined to identify and control risks consistently, involving impartial manner, in various activities or relationships which arise from within the organization.
- FCC shall be obligated in elimination and reduction of risks, if it may arise, concerning objectiveness manner.
- The highest authority of FCC shall pledge to assure objectives manner.
- FCC shall be independent in all aspects and administer services accordingly.

2. Conflicts of Interest

- FCC shall avoid conflicts of interest with any related entities in which FCC has a financial or commercial interest and to which FCC is required to provide services.

- FCC shall avoid conflicts of interest between FCC companies and/or divisions engaged in different activities but which may be providing services to either the same client or each other.
- FCC shall ensure that its employees avoid conflicts of interest with its activities.

3. Confidentiality.

- FCC shall process all information received in the course of the provision of its services as business confidential to the extent that such information is not already published, generally available to their parties or otherwise in the public domain.
- In case the specification as per legal or agreement contracts which enables certify organizations to declare certified confidential information, FCC is obligated to notify all parties involved, unless otherwise prohibited by the law.
- Information regarding clients which were obtained from contrasting sources, for instance; complaints or managing companies...etc, shall be processed in confidence.
- FCC shall handle all other information as properties of the client, thus is processed as confidential information. Therefore FCC is obligated to notify all parties involved on information contents intended for declaration.

4. Anti-bribery

- FCC shall prohibit the offer or acceptance of a bribe in any form, including kickbacks, on any portion of a contract payment.
- FCC shall prohibit the use of any routes or channels for provision of improper benefits to, or receipt of improper benefits from customers, agents, contractors, suppliers or employees of any such party or government officials.

5. Fair Marketing

- FCC shall only present itself and conduct marketing, including any comparisons with or references to competitors or their services, in a manner that is truthful and not deceptive or misleading or likely to mislead.
- FCC shall publicly and proficiently enable services registration and handle requests in a unbiased manner, to the extent of FCC's scope.

III. Compliance Rules

1. Implementation

- FCC shall implement its entire system employed by FCC to ensure compliance with the Code, integrating its requirements into Company Rules and/or Quality Management System as appropriate.

2. Compliance Principles and Rules

- The President of FCC shall confirm his/her commitment to implementing this Code.
- This document of Compliance Code shall be promulgated and implemented throughout the organization of FCC.

3. Compliance Officers

- Human Resources department (HRA) is solely liable for enforcement and regulation of this Compliance Code: Issue instructions for employees to sign the commitment and abide by this Code.
- HRA shall emphasize on violation scopes of this Code.
- Director of individual department shall be responsible to generalise and instruct the terms of this Compliance Code to regarding employees. In addition, reports shall be submitted as conclusion in conduct of this Code. If otherwise complied, employees shall be recorded as award evaluation nominee.
- HRA shall conclude on compliance of this code as reported and formulate rewards as well disciplines suitable accordingly.

4. Compliance Committee.

- The Compliance Committee shall include the entire Board of Directors for FCC.

5. Human Resources.

5.1. Recruitment.

- Prior to job offer, prospective employees shall be informed of FCC Compliance Code.

5.2. Employee commitment.

- Each Employee shall be provided with a copy of FCC Compliance Principles and Rules and requested to sign a declaration that it has been received, read and understood. The record is kept in the file of the Employee.
- Department Managers shall be required to sign an annual declaration that the Code has been implemented in his/her area of responsibility.
- Each Employee shall be required to sign, as a condition of employment, a Non-Disclosure Agreement prohibiting the disclosure to other parties of any confidential business information obtained during the course of his/her employment.
- Employees shall be exempted from suffering demotion, penalty or any other adverse consequences arising from strict implementation of the Programme even if it may result in a loss of business.

5.3. Training

- All Employees, including Department Managers, are required to undergo a Compliance Training Course. The Record of course completion shall be kept in the file of each Employee.

5.4. Consultation on Code development

- Employees shall have the opportunity to provide input on the development of the Code during performance evaluations, staff training sessions or review, or directly to the Human Resources department.

5.5. Employee performance evaluation

- Department Managers shall ensure that each Employee has an on-going understanding of the Compliance Programme during employee performance evaluations.

5.6. Employee "help lines"

- Employees may obtain guidance on any question or matter of concern relating to the implementation or interpretation of the Code through "help line" (Tel: + 28-39101413, E-mail: hra@fcc.com.vn). At the Employee's request, any such question shall be dealt with confidentially and the anonymity, so that the Employee shall be protected to the extent reasonably practicable.

6. Security Measures

- FCC shall implement adequate security measures in its premises containing confidential business information to ensure that (i) access is restricted to authorised personnel only and (ii) documents/data are stored in designated secure area and disposed of in a secure manner.

7. External Communications

- FCC Principles are made public, posting on FCC official web site (<http://www.fcc.com.vn>).
- The web site shall indicate the ways to receive enquiries, complaints or feedback from relevant interested parties.

8. Reporting of Violations

- 8.1.** Employees are encouraged to report details of violations or suspected violations to either (i) the Compliance Officer or the delegate of the HRA department or (ii) the Employee's superior or Department Managers or internal auditor who shall, in turn, inform the HRA office or his/her delegate. The reporting Employee shall be fully protected against any form of reprisal unless he/she acted maliciously or in bad faith. If requested, the Employee's anonymity shall be protected to the extent reasonably practicable.
- 8.2.** Employees are required to report any solicitation for, or offer of an improper payment or advantage coming to their knowledge in the same manner.

9. Investigations and Sanctions

- 9.1.** The Human Resources department (HRA) or his/her delegate shall initiate, where appropriate, an investigation into any violation of the Programme reported to him/her delegate or coming to his/her knowledge.
- 9.2.** The (HRA) department shall maintain the following records for the handling of investigations and sanctions.
 - (a) The records of all reported violations and subsequent actions taken.
 - (b) The alleged perpetrator of such violation to have the right to be heard.
- 9.3.** The (HRA) department shall decide on the appropriate corrective and disciplinary measures including a reprimand, demotion, suspension or dismissal to be

implemented according to the relevant Company Rules if a violation has been established.

- 9.4. The (HRA) department shall receive progress reports from his/her delegate and/or Department Managers in the locations concerned and prepare periodic summary reports for the (HRA) department on investigations, violations established and the implementation of corrective actions and disciplinary measures.

10. Effectiveness of the Programme Implementation

10.1. Management Declarations

10.1.1 Department Managers of FCC Organisation shall prepare and sign, on an annual basis. The (HRA) department shall receive, in respect of all applicable locations and/or activities, then submit an annual summary report to the (HRA) department.

10.2. Internal Audits.

10.2.1. Department Managers shall be responsible for executing an annual internal audit in each location.

10.2.2. The internal auditors assigned shall verify, as part of their internal audit plan, that the Compliance Principles and Rules have been implemented in relevant Departments/Offices.

10.2.3. The compliance findings resulting from such audits shall be reported to the (HRA) department who shall submit a summary report to the Board of Directors. The (HRA) department and/or the Board of Directors shall take follow-up actions where appropriate.

10.3. External Examinations.

- The effectiveness of the implementation of the Compliance Code shall be examined at least annually by an appointed independent external audit firm (TUV, BoA).

11. Business Relationships.

To ensure that FCC Compliance Code is applied to the extent appropriate in its business relations with parties external to the FCC Organisation and that improper payments are not channelled through them, FCC should ensure that such parties abide by the FCC Compliance Code to the extent that is appropriate.

Such parties (who are also referred to as “business partners”) include:—

- Intermediaries, (entities or individuals external to FCC who are required to promote the services of FCC as part of their responsibilities, including consultants and advisers).
- Joint venture partners.
- Agents (entities or individuals external to FCC who are required to provide operational services).
- Subcontractors (entities or individuals performing outsourced activities within the services under a contract with FCC).

- Franchisees (entities or individuals external to FCC who carry on business within the services using the FCC's company name and/or brand, the rights to which are purchased from FCC under a franchise contract).
- FCC should do this by at least:
 - + Conducting due diligence before entering into or renewing any contract with the party
 - + Making known its Compliance Principles to the party and seeking assurance that the party will comply with the Principles in so far as these apply to activities performed on behalf of FCC.
 - + Except in the case of subcontractors, obtaining the party's contractual commitment to comply with the Compliance Principles and to allow FCC to verify this periodically.
 - + Monitoring the party's continual compliance with the Principles (and in the event of discovering a breach taking remedial action).
 - + Not dealing with any parties known to be involved in bribery.
- Due diligence includes:
 - + A risk analysis
 - + An interview with the party
 - + An investigation of the party's background which, for intermediaries, should be reviewed and approved by FCC (HRA) department.
 - + Verification through a remuneration analysis, which should be reviewed and approved by FCC (HRA) department, that the remuneration paid to each intermediary is appropriate and justifiable for legitimate services rendered, and does not facilitate improper payments by the intermediary.
- In addition, for intermediaries and other parties as may be appropriate, FCC should provide training and support.
- FCC should account for all intermediaries' remuneration in a separate general ledger account in its accounting records and consolidate all such payments made by any of its operations and prepare annually a consolidated management statement of all intermediaries' remuneration.

12. Complaints and Disciplinary Procedures.

- Clientele of FCC have the right to submit complaints concerning violations of FCC and shall be resolved officially or in accordance with the Complaints and Disciplinary Procedures.

13. Specific Application of Compliance Principle.

13.1. Integrity.

- 13.1.1. FCC shall provide guidance to its employee for dealing with clients who expect FCC to abuse tolerances to obtain acceptable results.
- 13.1.2. In regards to operating services of FCC, FCC shall abide to all rules and regulations in respect to honesty, impartial and independent with services profession.

13.2. Conflicts of Interest.

13.2.1. In order to avoid conflicts of interest, or the appearance of conflicts of interest, in the FCC's business transactions and services, FCC shall maintain a policy regarding conflicts of interest.

13.2.2. FCC shall avoid conflicts of interest:-

- a) with any related entities in which FCC has a financial or commercial interest and to which it is required to provide services.
- b) between FCC's companies and/or divisions engaged in different activities but which may be providing services to either the same client or each other.

13.2.3. FCC Employees shall not:

- a) directly or through relatives, friends or intermediaries, acquire an interest in a supplier, a client or a competitor of FCC, except for the acquisition of shares of those on a public stock exchange, and then only to an extent which does not grant significant influence over the affairs of the client, supplier or competitor, and which does not make the Employee unduly dependent on its financial fortunes.
- b) hold any position with a competitor or client.
- c) conduct any company business with any member of their family or with an individual or organization with which their family is associated.
- d) employ a member of their family without approval of Department Managers.

13.3. Protection of Confidential Business Information.

- FCC shall ensure that all intermediaries, joint venture partners, agents, subcontractors and franchisees are made aware of the confidential nature business information that they may handle through their dealings with FCC, and that they should not disclose confidential information to other parties.

13.4. Anti-bribery Rules.

13.4.1. Compliance with Laws

- The Principles and Rules of the Compliance Code shall meet the requirements of local laws relevant to countering bribery in all the jurisdictions in which FCC operates.

13.4.2. Analysis of Risks

The Board of Directors and/or Department Managers, or their delegate, in each jurisdiction of operation shall organise periodic reviews to assess bribery risks and determine appropriate control measures. Such reviews shall be systematically conducted:

- (i) Prior to the commencement of a new service or the start up of operations in a new area, and
- (ii) Whenever a significant breach of the Principles and Rules occurs which warrants a review of the existing control measures occurs.

13.4.3 Gifts, Hospitality and Expenses.

- (a) The employees shall not be allowed to receive gifts, hospitality or expenses without special authorisation from the Board of Directors unless they meet the following criteria:

- (i) Made for the right reason: The gift or entertainment is given clearly as an act of appreciation or genuine business intent.
 - (ii) Without obligation: The gift, entertainment or expense does not place the recipient under any obligation.
 - (iii) Without expectations: Expectations are not created in the giver or an associate of the giver or have a higher importance attached to it by the giver than the recipient would place on such a transaction.
 - (iv) Made openly: It is made openly so that the purpose will not be suspect.
 - (v) In accordance with stakeholder perception: The transaction would not be viewed unfavourably by key stakeholders if it were made known to them.
 - (vi) Reported: The gift or expense is reported to Department Managers.
 - (vii) Reasonable value: The size of the gift is small or the value of the entertainment accords with general business practice.
 - (viii) Legal: It conforms to the laws of the country where it is made.
 - (ix) Infrequent: The giving or receiving of the items is not a frequent happening between the giver and the recipient.
- (b) The Employees shall be requested to report to and get special approval of the Board of Directors when they are offered with gifts, hospitality or expenses.
- (c) All extraordinary expenses/proceeds, related to gifts, hospitality and expenses, shall be accounted for in a separate general ledger account in the accounting records, consolidating all such payments made by any of its operations forming part of FCC Organisation.
- (d) FCC shall prepare annually a consolidated management statement, of all extraordinary expenses / proceeds.

13.4.3. Accounting and Book Keeping.

- FCC shall maintain accurate books and records properly and fairly of all financial transactions. Off-the-books accounts shall be prohibited.

13.5. Fair Marketing Rules.

13.5.1. The presentations and publications of FCC shall reflect accurately and unambiguously FCC's current network and affiliations, resources/capabilities, experience and services provided.

13.5.2. The employees, agents and intermediaries shall present FCC accurately and unambiguously in a fair manner.

13.5.3. The employees, agents and intermediaries shall conduct marketing (including comparisons with, or references to competitors, competitors' services or third parties) in a manner that is truthful, is not deceptive or misleading or likely to mislead, and is consistent with applicable laws.

13.5.4. FCC shall be impartial in services providing approach.

14. Commitment.

- The Board of Directors of FCC, department managers and the entire resources are obligated to commit in this Compliance Code.

15. Appendix.

- Appendix A: Management Declaration Template.

CHIEF EXECUTIVE OFFICER



Tran Phuong



**Appendix A
Management Declaration Template**

Confidential

FCC Compliance Code

Management Declaration for the year ending20....

To: Compliance Officer

Name of Department Manager:	Job Title:
Locations and/or activities covered by this Declaration:	
.....	
.....	
.....	
.....	

I..... (*Name of Department Manager*) do hereby declare that in implementation of FCC Compliance Code for the year ending20... in each of the locations and/or activities, as listed above, falling under my area of responsibility: -

1. To the best of my knowledge I, and the members of staff reporting to me, have complied in all respects with the Compliance Principles and Rules;
2. I have verified that the Compliance Principles and Rules have been distributed to each Employee who had not previously received them;
3. I have fully and completely reported to the Compliance Officer any violation or suspected violation of the Principles and Rules, including any solicitation or offer of any improper payment or advantage, which has come to my knowledge;
4. I have fully and completely implemented all corrective and disciplinary actions required by the Compliance Committee in respect of any violation of the Principles and Rules;
5. I will carry out an internal audit for my location/activities in accordance with “Check List for Internal Audit for FCC Compliance Code” and report its results by the due date.

Place..... Date.....

Signature.....