

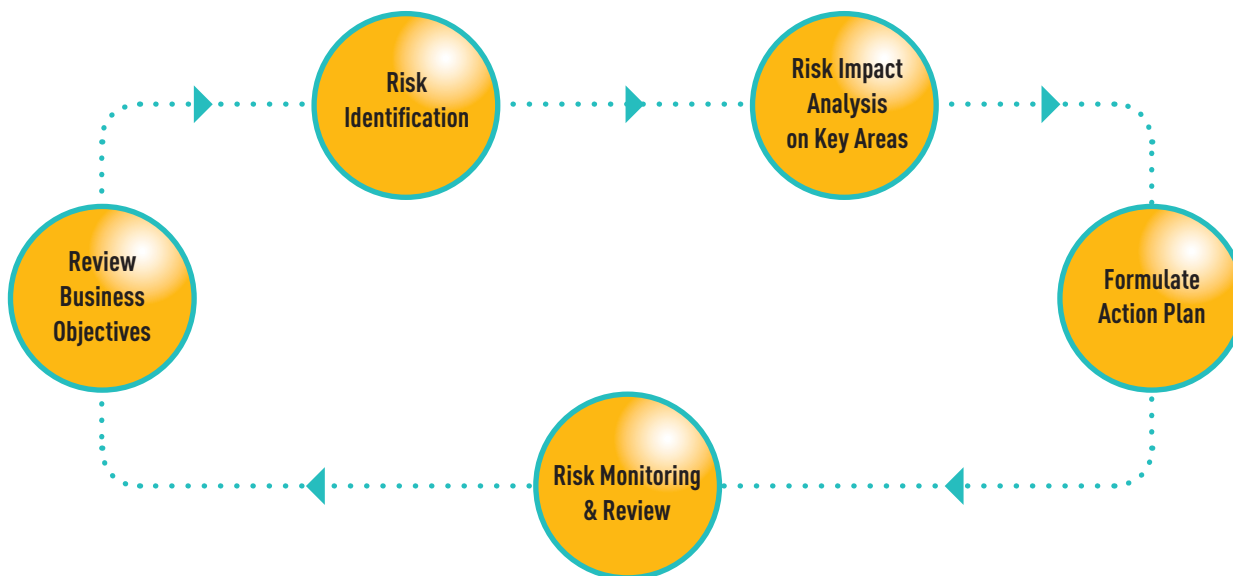
Risk Management

The Group has in place an on-going process in identifying, evaluating and managing the risks faced by the Group in pursuing its business objectives and strategies throughout the financial year ended 30 June 2009.

The Group's risk management process is managed by the Risk and Control Workgroup ("RCW") which is made up of cross-functional senior managers and is headed by the Finance Director. The RCW reports to the Audit Committee through the Head of Internal Audit. The Group adopts a proactive approach to managing its business risks in a rapidly changing business environment which principally aims at:

- Ensuring the continuity of supply of its products to the consumers at all times.
- Protecting its assets and reputation.
- Preserving the safety and health of its employees.
- Ensuring that the Group's operations do not impact negatively on the business community.
- Improving business performance by improving decision making and planning.
- Protecting the interests of all stakeholders.
- Ensuring compliance with the Malaysian Code on Corporate Governance, brand partners guidelines and all applicable Malaysian laws.
- Promoting an effective risk awareness culture where risk management is an integral aspect of the Group's management systems.

The risk management processes are categorized into five (5) broad processes as follows:-



The Group reviewed its risk profile on a regular basis to identify and re-assess risk events, controls and mitigation plan. Risks identified will be analysed and categorised in the following manner to enable the Group allocates its resources to deal with the different levels of risks:-

Impact	Risk Management Actions		
Significant	Considerable management required	Must manage and monitor risks	Extensive management essential
Moderate	Risks may be worth accepting with monitoring	Management effort worthwhile	Management effort required
Minor	Accept risks	Accept, but monitor risks	Manage and monitor risks
	Low	Medium	High
	Likelihood		

The Group has in place a comprehensive Business Continuity Plan as an integral part of the Group’s strategy to mitigate risks and manage the impact of crisis events. Crisis simulations are conducted periodically to enhance the Group’s preparedness in crisis and emergency response so as to ensure that there is no disruption to its operations and business during a crisis or disaster.

PROMOTION OF RISK AWARENESS

In support of the Group’s efforts to promote a risk awareness culture, the RCW communicates the Group’s risk management programme to the appropriate levels of employees and other stakeholders via the appropriate channel. Employees are also encouraged to give feedback on risk management issues and make suggestions for improvement.