

## THE CODE OF ETHICS

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### 1. OBJECTIVES

While the Board recognizes that it is not possible to set a code that guides behavior for every situation, the Board wishes to define its principles of code of ethic to:

- 1.1. Uphold the spirit of responsibility and social responsibility in line with the legislation, regulations and guidelines for administrating a company;
- 1.2. Provide guidance to stakeholders on the ethical behaviors to be expected from the Group; and
- 1.3. Communicate, measure and monitor its values and performance designed to achieve objectives and to instill values.
- 1.4. Establish a standard ethical behaviour for directors based on trustworthiness and values that can be accepted, are held or upheld by any one person;

### 2. SCOPE

The Code of Conduct and Ethics applies to all employees and directors of Gabungan AQRs Berhad and its subsidiaries ("The Group"), including full-time or permanent employees, part-time employees, employees on probation, trainees and interns, employees on secondment and personnel on fixed-term contracts.

However, this code is not a comprehensive guide that covers every ethical situation employees may encounter in their course of work. In any circumstances which is not covered by this Code or in case of any doubt, the employees shall refer to his or her Head of Department or the Company's Head of Human Resource Department for clarification or guidance.

### 3. POLICY STATEMENTS

#### 3.1 RESPONSIBILITY AND ACCOUNTABILITY

##### 3.1.1. Workplace and Culture Environment

Our Employees' safety and security in their jobs. Also we respect our employees' dignity and recognize their merit. They must have a sense of security in their jobs. Compensation must be fair and competitive. We must be mindful of ways to help our employees fulfill their family responsibilities. Employees must feel free to make suggestions and complaint. There must be equal opportunity for employment, development and advancement for those qualified.

We also committed to providing a safe and healthy work environment to all Employees. Health and safety support and training will be provided to Employees so that they understand their occupational health and safety obligations and diligently comply with all health and safety requirements, policies and procedures as set out by the Group. Safety is everyone's responsibility.

We consider harassment and discrimination to be unjust and damaging to the Group's environment. Employees are expected to obey all existing laws, policies, standards and procedures related to work environment, and to respect fellow colleagues at the workplace. Hence, we will not tolerate any act or threat of violence in the workplace. Employees who bring weapons or

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hazardous materials to work or act in a manner inconsistent with the Code or intimidate other employees shall be dealt with severely.

### **3.1.2. Protecting the Company's Assets and Information**

We provide our Employees a variety of resources and assets including licensed software for Employees to deliver their work. Employees shall safeguard and make proper and efficient use of the assets and resources in compliance with all applicable laws, company policies and licensing agreements, and take all necessary steps to prevent loss, damage, misuse, theft, fraud or destruction of the Group's assets and resources.

Company records are important corporate assets. Prompt, accurate record keeping and filing helps the integration of work process. All employees are responsible for creating, using, storing, preserving and where appropriate, disposing of records according to Company policies and practices, as well as current laws and regulations. Employees should consult with their manager for guidance if they are uncertain as to how you should manage the Company's documents.

Hence, Employees are required to protect the group's confidential information and guard them against unauthorised disclosure or use. Employees are also required to protect confidential information of third party which Employees have access to in the course of their work. Confidential information includes, but are not limited to, data and technical know-how, business plan and budget, product design, customer list and information, information on current and future projects and work processes, and any non-published financial or other data. Unless required by law or authorised by the Company, Employees shall not disclose confidential information or allow such disclosure or use confidential information for unauthorised purposes. This obligation continues beyond the termination of employment.

### **3.1.3. Our Clients or Customers who engage us**

In meeting their needs, the Group would provide high quality work to our clients. We would also constantly strive to improve our competitiveness in order to serve our clients better.

### **3.1.4. Our Contractors and Suppliers or any Third Party dealings or transactions**

We will ensure that the dealing and any transactions to be made are in a fair profit from us. As a general rule, Employees are discourage from giving or accepting gifts, entertainment or other benefits to or from business partners. Notwithstanding this, the Group recognises that the occasional acceptance or offer of modest gifts and entertainment maybe a legitimate custom or practice in business relationship.

Hence, the following guidelines shall be observed:

- Employees should not give or accept gifts or any other benefit or privilege that would in any way influence or appear to influence any business decision or gain an unfair advantage.
- The situation in which the gifts, entertainment and other benefits is received or given should not be connected with contractual negotiations, tender awards or similar circumstances.

Furthermore, we are committed to acting professionally, fairly with integrity in all business dealings and relationships whenever it operates and in implementing and enforcing effective systems, if necessary to counter bribery and corruption. Hence, Employees shall not offer, give,

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solicit or accept any bribes in order to achieve any business or personal advantage for themselves or others or engage in any transaction that contravene any applicable anti-bribery or anti-corruption laws.

### **3.1.5. Our Communities in which we live and work**

We must be good corporate citizens, complies with all regulatory requirements, support good courses and charities and fulfill our tax responsibility. We protect the environment and natural resources to ensure sustainability.

### **3.1.6. Our Shareholders and investors**

Our Shareholders and investors in making a sound profit and fair return. We continue to explore new project and business opportunities to create wealth to our shareholders and at the same time maintain adequate reserves for adverse times.

### **3.1.7. Handling Conflict of Interest**

Employees have an obligation to act in the best interest of our Group at all times. Employees are prohibited from using their position or knowledge gained directly or indirectly in the course of their duties and responsibilities or employment for private or personal advantage.

If Employee at any time thinks that he or she may have potential or actual conflict of interest, Employee is obliged to disclose the conflict promptly to the Chairman of the Board (in case of any Director) or the Company's Head of Human Resources Department or Employee's Head of Department (in all other cases) so that a determination can be made as to the existence and seriousness of an actual conflict. When in doubt, Employees shall adopt the highest standard of conduct.

### **3.1.8. Code of Ethics for Directors**

In the performance of his duties, a director should at all times observe the following codes:

#### **Corporate Governance**

- a) Should have a clear understanding of the aims and purpose, capabilities and capacity of the company;
- b) Should devote time and effort to attend meetings and to know what is required of the board and each of its directors, and to discharge those functions;
- c) Should ensure at all times that the company is properly managed and effectively controlled;
- d) Should stay abreast of the affairs of the company and be kept informed of the company's compliance with the relevant legislation and contractual requirements;
- e) Should insist on being kept informed on all matters of importance to the company in order to be effective in corporate management;

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- f) Should limit his directorship of public listed companies to 5 or such other number prescribed by Bursa Malaysia Securities Berhad from time to time; each director is his own judge of his abilities and how best to manage his time effectively in the company in which he holds directorship;
- g) Should have access to the advice and services of the company secretary, who is responsible to the board to ensure proper procedures, rules and regulations are complied with;
- h) Should at all times exercise his powers for the purposes they were conferred, for the benefit and prosperity of the company;
- i) Should disclose immediately all contractual interests whether directly or indirectly with the company;
- j) Should neither divert to his own advantage any business opportunity that the company is pursuing, nor may he use confidential information obtained by reason of his office for his own advantage or that of others;
- k) Should at all times act with utmost good faith towards the company in any transaction and to act honestly and responsibly in the exercise of his powers in discharging his duties; and
- l) Should be willing to exercise independent judgment and, if necessary, openly oppose if the vital interest of the company is at stake
- m) Relationship with Shareholders, Employees, Creditors and Customers
  - (i) Should be conscious of the interest of shareholders, employees, creditors and customers of the company;
  - (ii) Should at all times promote professionalism and improve the competency of management and employees; and
  - (iii) Should ensure adequate safety measures and provide proper protection to workers and employees at the workplace.
- n) Responsibilities and the Environment
  - (i) Should ensure that necessary steps are taken in accordance with the law to properly wind-up or strike off the company register if the company has not commenced business or has ceased to carry on business and is not likely to commence business in the future or resume business as the case may be;
  - (ii) Should adopt an objective and positive attitude and give the utmost cooperation for the common good when dealing with government authorities or regulatory bodies;
  - (iii) Should ensure the effective use of natural resources, and improve quality of life by promoting corporate social responsibilities;
  - (iv) Should be more proactive to the needs of the community and to assist in society related programmes in line with the aspirations of the concept of 'Caring Society' in Vision 2020; and
  - (v) Should ensure that the activities and the operations of the company do not harm the interest and well-being of society at large and assist in the fight against inflation.

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### 4. BOARD'S RESPONSIBILITY

The Board should periodically review and update the code of ethic and to ensure implementation of whistle blowing program to receive feedback and other appropriate internal systems to support, promote and ensure its compliance to remain current and relevant in addressing any ethical issues that may arise within the organisation.

### 5. MANAGEMENT'S RESPONSIBILITY

5.1. Managements are required to demonstrate exemplary conduct and act with integrity. Additionally, we are expected to continuously promote high standards of conduct and business ethics amongst Employees through making ethical behaviour a cornerstone of conduct at Gabungan AQRs Berhad.

5.2. Management should ensure the code be readily available:

- all staff members are knowledgeable about the code; and
- periodic communication of the code with staff members to reinforce its importance and relevance.

5.3. In making its operational decision, the management is responsible to the Board to observe the principles of the code of ethics. Management shall ensure their action consistent with the spirit of the code and promote the good culture of ethics through their internal and external interaction with all stakeholders of the Group.

### 6. DOCUMENTATION

Copy of the approval code of ethics shall be included in Employee Handbook. All Employees are required to read and familiarize themselves with the code of ethics and acknowledge their understanding and compliance annually during their employment with the Company.

### 7. CORPORATE DISCLOSURE REQUIREMENTS

Copy of the approved code of ethics shall be published in the corporate website.