

# CODE OF CONDUCT AND ETHICS



## **CODE OF CONDUCT AND ETHICS**

The Code of Conduct and Ethics (the “Code”) covers a wide range of business practices and procedures. It does not cover every issue that may arise, but it sets out basic principles to guide all the directors, management and employees (including full time, probationary, contract and temporary staff) of Axteria Group Berhad (the “Company”) and its subsidiaries (collectively referred to as the “Group”).

All directors, management and employees of the Group are required to display the highest levels of professionalism in all aspects of their work and comply with the Code and all applicable laws, regulations and other policies of the Group. Violation of any of the Code’s provisions can result in disciplinary action, including termination of employment.

### **CORE AREAS OF CONDUCT**

#### **1. Compliance to the Law**

Obeying the law is the foundation on which the Group’s ethical standards are built. Directors, Management and Employees are expected to understand and comply with the laws, rules and regulations that are applicable to their positions and/or work. The Group reserves the right to report any actions or activities suspected of being criminal in nature to the police or other relevant authorities.

#### **2. Conflicts of Interest**

All directors, management and employees should avoid involving themselves in situations where there is real or apparent conflict of interest between them as individuals and the interest of the Group. Directors, Management and Employees must not use their positions or knowledge gained directly or indirectly in the course of their duties or employment for private or personal advantage (directly or indirectly).

In addition, a director or an employee should avoid any situation in which the director or employee has an interest in any entity or matter that may influence the director or employee’s judgment in the discharge of responsibilities.

Areas where conflicts might arise include:

- Substantial share ownership in competing organizations;
- direct or indirect personal interest in contracts;
- receiving improper personal benefits as a result of his or her position in the Group;
- loan to or guarantees of obligations to the directors and/or employees, and/or their family members by the Group;
- work for a competitor, customer or supplier.

Directors, management and employees should fully disclose any actual or potential conflicts of interest to the Board of Directors and/or the Management and where such circumstances are permitted by the Board and/or the Management to continue, shall not be deemed a breach of the Code.

### **3. Competition and Fair Dealing**

All directors, management and employees should endeavour to respect the rights of and deal fairly with the Group's customers, suppliers, competitors and other business partners. Directors, management and employees should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other illegal trade practice.

### **4. Confidential Information**

It is pertinent that all Directors, Management and Employees exercise caution and due care to safeguard any information of a confidential and sensitive nature relating to the Group which is acquired in the course of their employment, and are strictly prohibited to disclose to any person, unless the disclosure is duly authorized or legally mandated. In the event that a director or an employee knows of material information affecting the Group which has not yet been publicly released, the material information must be held in the strictest confidence by the director, management or employees involved until it is publicly released.

### **5. Inside Information and Securities Trading**

No director, management or employee shall use price sensitive non-public information, which can affect the prices of the securities of the Company and/or related listed companies when it becomes publicly known ("Inside Information"), for personal benefit. Directors, management and employees are prohibited to trade in securities or to provide information to others to trade in securities of the Company and/or related listed companies until the Inside Information is publicly released. Directors or employees shall also not trade in securities in any other companies where they have Inside Information which they obtain in the performance of their duties.

### **6. Protection of Company's Assets**

Directors, management and employees must protect the Group's assets and ensure their efficient use. All the Group's assets are to be used for the Group's purposes only. Any suspected incident of fraud or theft should be immediately reported for investigation.

### **7. Business Records and Control**

Accurate, timely and reliable records are necessary to meet the Group's legal and financial obligations and to manage the affairs of the Group. All books, records and accounts should conform to generally accepted and applicable accounting principles and to all applicable laws and regulations.

The preparation and maintenance of accurate and adequate business records are the responsibility of each Employee. No unauthorized, false, improper or misleading records or entries shall be made in the books and records of the Group, under any circumstances.

### **8. Personal Gifting**

No personal gifts, favours, entertainment or services, in cash or kind, that will or will appear to influence objective and fair business decisions, will be accepted or provided. The gifts, favours, entertainment or services that are deemed as not given to influence the Directors' or

Employees' performance of duties include normal business courtesies (meals or entertainment), token gifts which are occasional, gifts during festive or special occasions and gifts from social functions attended by the Directors or Employees on behalf of the Group, are permissible.

## **9. Health and Safety**

The Group will use its best endeavors to ensure a safe workplace and maintain proper occupational health and safety practices to commensurate with the nature of the Group's businesses and activities. Such a commitment in return requires that all Directors and Employees understand and abide by the Group's policies and procedures.

## **10. Sexual Harassment**

Sexual harassment by any director, management or employee is unacceptable. It is the Group's policy to provide all employees with a working environment free from any form of sexual harassment. Any concern or complaints regarding such issues should be directed either to the Human Resource Department. All such reports and complaints will be handled with utmost confidentiality.

## **11. Fair Treatment and Anti-Discrimination**

All directors, management and employees are required to treat their fellow colleagues fairness and equity, regardless of their race, ethnicity religion, gender, sexual orientation, disability, age or any other characteristic protected by the laws. Discrimination or prejudice in any form is strictly prohibited.

## **12. Bribery And Corruption**

All directors, management and employees are expected to adhere to laws and policies governing anti-bribery and corruption in all business dealings, conducting themselves legally, ethically, and with integrity. One shall not offer, give, solicit or accept bribes, whether in monetary or non-monetary form, including unauthorised remuneration such as referral fees, commissions, material goods, services, gifts, business amenities, in order to gain business or personal advantages for themselves or others. Engaging in any transaction that could be construed as contravening the anti-bribery and corruption laws is strictly prohibited.

## **13. Money Laundering**

Every director, shall not condone, facilitate or support any activity that is even remotely associated with money laundering or financing of terrorism. Directors must be on their guard to help protect the Company's reputation and ensuring compliance with the laws.

Directors' responsibilities :-

- a) must not knowingly deal with criminals, suspected criminals or the proceeds of crime.
- b) must act diligently to prevent the Company's products and services from being used to further money laundering and terrorist financing.
- c) apply the appropriate level of due diligence when entering business relationships and where applicable, individual transactions.
- d) mindful of the risk of the Company's business being used for money laundering activities and to raise any suspicious transactions to the Board.

## REPORTING OF NON-COMPLIANCE

Employees are encouraged to report to their immediate superior or other appropriate personnel about observed behaviour that they believe may be non-compliance with the Code.

The Group will keep confidential the identity of the person reporting a possible non-compliance with the Code. Reprisal against the person who has, in good faith, reported non-compliance or suspected non-compliance is strictly prohibited.

## REVIEW OF THE CODE

The Board will monitor compliance with the Code and review the Code regularly to ensure that it continues to remain relevant and appropriate.

## WAIVER OF THE CODE

Waiver of the Code may be made by the Board or the appropriate Committee of the Board. Waiver of the Code may be granted on a case-by-case basis and only in extraordinary circumstances.