

SAUDEE GROUP BERHAD
(Company No. 838172-P)
(Incorporated in Malaysia)

CODE OF CONDUCT AND ETHICS

1. INTRODUCTION

In line with good corporate governance practices, the Board, the Management and employees of Saudee Group Berhad (“SAUDEE” or the “Company”) and its subsidiaries (collectively referred to as the “Group”) have made a commitment to create a corporate culture within the Group to operate the businesses of the Group in an ethical manner and to uphold the highest standards of professionalism and exemplary corporate conduct. This Code of Conduct and Ethics (the “Code”) sets out the principles and standards of business conduct and ethics of the Group.

2. OBJECTIVE

The objective of the Code is to assist the Directors and Employees (as defined under Clause 3 of the Code) in defining conduct and ethical standards at work. The Code is not intended to be exhaustive, and there may be additional obligations that Directors and Employees are expected to behave or conduct when performing their duties.

All Directors and Employees shall always uphold the spirit of responsibility to observe and ensure compliance with all applicable laws, rules and regulations to which they are bound for administrating a company.

3. APPLICABILITY

The Code is applicable to employees (including full time, probationary, contract and temporary staff) (“Employees”) and Directors of the Group.

Each Employee has a duty to read and understand the Code. Violation of any of the Code’s provisions can result in disciplinary action, including termination of employment.

4. CORE AREAS OF CONDUCT

4.1. Conflicts of Interest

The Directors 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 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).

CODE OF CONDUCT AND ETHICS (Cont'd)

4. CORE AREAS OF CONDUCT (cont'd)

4.1. Conflicts of Interest (cont'd)

In addition, a Director or an Employee shall 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.

4.2. Confidential Information

It is pertinent that all Directors 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 or Employee involved until it is publicly released.

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;

4.3. Inside Information and Securities Trading

No Director or Employee shall use price sensitive non-public information, which can affect the price of the securities of the Company and/or related listed companies when it becomes publicly known ("Inside Information"), for personal benefit. Directors 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.

4.4. Protection of Company's Assets

Directors and Employees must protect the assets of the Group to ensure availability for legitimate business purposes and that no property, information or position belonging to the Group or opportunity arising from these be used for personal gain.

4.5. Compliance with the Law

The Group will comply with all applicable laws, rules and regulations of the governments, commissions and exchanges in jurisdictions within which the Group operates. Directors and Employees are expected to understand and comply with the laws, rules and regulations that are applicable to their positions and/or work, including the Anti-Money Laundering and Anti-Terrorism Financing Act 2001, Malaysian Anti-Corruption Commission Act 2009, Personal Data Protection Act 2010 and Competition Act 2010. The Group reserves the right to report any actions or activities suspected of being criminal in nature to the police or other relevant authorities.

CODE OF CONDUCT AND ETHICS (Cont'd)

4. CORE AREAS OF CONDUCT (cont'd)

4.6. 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

4.7. Sexual Harassment

Sexual harassment by any Director 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 questions concerning issues of such should be directed either to the Employees' superior or the Human Resource Department. All such reports and/or complaints shall be treated with strictest confidence.

4.8. Fair and Courteous Behaviour

All Employees are to treat their fellow Employees fairly and courteously without regard to race, creed, religion, gender, nationality, age or disability and shall not create any form of discrimination or prejudice in the workplace.

4.9. Misconduct

No Director or Employee is to be involved in or abet any activity that is deemed by the Group to be an act of misconduct (includes use and abuse of drugs).

5. CODE OF ETHIC

5.1 Corporate Governance

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

- Should have a clear understanding of the aims and purpose, capabilities and capacity of the company;
- 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;
- Should ensure at all times that the company is properly managed and effectively controlled;
- 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;

CODE OF CONDUCT AND ETHICS (Cont'd)

5. CODE OF ETHIC (cont'd)

5.1. Corporate Governance (cont'd)

- Should insist on being kept informed on all matters of importance to the company in order to be effective in corporate management;
- Should limit his directorship of companies to a number in which he can best devote his time and effectiveness; 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;
- 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;
- Should at all times exercise his powers for the purposes they were conferred, for the benefit and prosperity of the company;
- Should disclose immediately all contractual interests whether directly or indirectly with the company;
- 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;
- 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
- Should be willing to exercise independent judgment and, if necessary, openly oppose if the vital interest of the company is at stake
- Relationship with Shareholders, Employees, Creditors and Customers
 - Should be conscious of the interest of shareholders, employees, creditors and customers of the company;
 - Should at all times promote professionalism and improve the competency of management and employees; and
 - Should ensure adequate safety measures and provide proper protection to workers and employees at the workplace.
- Social Responsibilities and the Environment
 - 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;
 - Should adopt an objective and positive attitude and give the utmost cooperation for the common good when dealing with government authorities or regulatory bodies;
 - Should ensure the effective use of natural resources, and improve quality of life by promoting corporate social responsibilities;
 - 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

CODE OF CONDUCT AND ETHICS (Cont'd)

5. CODE OF ETHIC (cont'd)

5.1. Corporate Governance (cont'd)

- Social Responsibilities and the Environment (cont'd)
 - Should ensure that the activities and the operations of the company do not harm the interest and well-being of society at large.

6. REPORTING OF VIOLATIONS OF THE CODE

Any Employee who knows of, or suspects, a violation of the Code, is encouraged to whistle blow or report the concerns through the Whistle Blowing Policy. The provision, protection and procedure of the Whistle-Blowing Policy for reporting of the violations of the Code are available on the Company's website at www.saudee.com. No individual will be discriminated against or suffer any act of retaliation for reporting in good faith on violations or suspected violations of the Code.

7. 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.

8. 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.