

## **Code of Conduct & Ethics**

### **INTRODUCTION**

Salutica Berhad (“**Company**”) along with all its subsidiaries under the group (“**Group**”) is committed 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 behaviour.

Having established policies and procedures for the Group, the Board extends its roles further with a view to promote ethical values and standards amongst employees.

### **2. OBJECTIVES**

The Code of Ethics is intended to focus on the Board and each Director based on principles of integrity, responsibility, sincerity and corporate social responsibility. This Code is designed to enhance the standard of corporate governance and corporate behaviour with the intention of achieving the following objectives:

- to establish a standard of ethical behaviour for Directors based on acceptable beliefs and values; and
- to uphold the spirit of professionalism, objectivity, transparency, and accountability in line with the legislation, regulations and environmental and social responsibility guidelines governing the Group.

The Code of Conduct is applicable to all Directors and employees of the Group. This Code provides guidance for proper standards of conduct and sound and prudent business practices as well as standard of ethical behaviour for Directors and employees based on principles of integrity, responsibility, trust, discipline and diligence

### **3. CODE OF ETHICS**

#### **Corporate Governance**

Each Director should at all times observe the following in the performance of his or her duties:

- to have a clear understanding of the aims and purpose, capabilities and capacity of the Group;
- to 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;
- to ensure at all times that the Group is properly managed and effectively controlled;
- to stay abreast of the affairs of the Group and be kept informed of the Group’s compliance with the relevant legislation and contractual requirements;
- to insist on being kept informed on all matters of importance to the Group in order to be effective in corporate management;

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- to limit his directorship of companies to a number 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 Group in which he holds directorship;
- to 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;
- to exercise his powers for the purposes they were conferred, for the benefit and best interest of the Group;
- to disclose immediately all contractual interests whether directly or indirectly with the Group;
- to neither divert to his own advantage any business opportunity that the Group is pursuing, nor may he use confidential information obtained by reason of his office for his own advantage or that of others;
- at all times, to act with utmost good faith towards the Group in any transaction and to act honestly and responsibly in the exercise of his powers in discharging his duties; and
- to be willing to exercise independent judgement and, if necessary, openly oppose if the vital interest of the Company is at stake.

### **Relationship with Shareholders, Employees, Creditors and Customers**

Each Director should at all times observe the following in the performance of his or her duties:

- should be conscious of the interest of shareholders, employees, creditors and customers of the Group;
- 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**

Each Director should at all times observe the following in the performance of his or her duties:

- to ensure that necessary steps are taken in accordance with the law to properly wind-up or strike off the company register if the Company or its subsidiaries has not commenced business or has ceased to carry on business and is not likely to commence business in the future;
- to adopt an objective and positive attitude and give the utmost cooperation for the common good when dealing with government authorities or regulatory bodies;
- to strive to be socially responsible persons or Company by supporting life-changing causes and efforts, in the arena of politics, community, education and health, in addition to preserving the environment;

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- to ensure the effective use of natural resources and improve quality of life by promoting corporate social responsibilities;
- to be more proactive to the needs of the community and to assist in society-related programmes; and
- to ensure that the activities and the operations of the Group do not harm the interest and well-being of society at large and assist in the fight against inflation.

### **4. CORE AREAS OF CONDUCT**

- 4.1 Directors and employees shall at all times exercise his powers for a proper purpose and in good faith in the best interest of the Group. He/she shall exercise reasonable, skill and diligence with the knowledge, skill and experience which may reasonably be expected from him/her.
- 4.2 Directors and employees shall avoid involving themselves in any situation where there is conflict of interest between them as individuals and the interest of the Group. Directors and employees must not use their position or knowledge gained directly or indirectly in the course of their duties or employment for private or personal advantage.
- 4.3 Directors and employees who have access to any information of a confidential and sensitive nature relating the Group are strictly prohibited from making them public or divulge to any person, unless the disclosure is duly authorised or legally mandated.
- 4.4 Directors and employees shall not use the price sensitive non-public information which can affect the prices of the securities of the Company (“Inside Information”) for personal gain. Directors and employees are prohibited from providing Inside Information to the public to trade in securities of the Company.
- 4.5 Directors and employees shall always observe and ensure compliance with all applicable laws, rules and regulations to which they are bound to observe in the performance of their duties.
- 4.6 Directors and employees should treat each other fairly and courteously without regard to race, religion, gender, nationality and disability. Employees should respect the personal dignity, privacy and rights of each individual and shall not in any way cause or create any form of discrimination or prejudice in the work place.
- 4.7 Directors and employees shall endeavor to observe and ensure that the Group provide a safe workplace and maintain proper occupational health and safety practices. It is the responsibility of each and every employee to adhere to the prescribed safety rules and regulations as well as to

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report to management any potential threat to health and safety and any unsafe work practices or conditions.

- 4.8 Directors and employees shall endeavor to ensure that all information and communications technology resources including computers, notebooks, and hardware, software and computer programs developed for the Group are the property of the Group. All rights to such programs reside exclusively with the Group. Programs licensed by suppliers should be treated as private and confidential trade secret, not to be used or disclosed to outsiders. Directors and employees shall endeavor to ensure that the Group's properties, assets and resources should be managed in a manner which protects their values and safeguarded from loss, theft, waste, misappropriation or infringement.
- 4.9 Any form of bribery is not tolerated, including receiving and offering of personal gifts. Directors and employees must not put themselves in an obligated or compromised position in any business dealing. Among others, employees should not accept gifts from vendors, suppliers, contractors, transporters and other third parties that may influence any decision making process in the organisation.

### **5. VIOLATION OF THE CODE**

All Directors and employees are governed by the Code and all applicable terms and regulations. Investigation and appropriate action will be taken in the event of any violations of this Code.

### **6. REVIEW OF THE CODE**

The Board has the authority to review the Code from time to time to ensure its appropriateness and relevancy.