



**APB Resources Berhad**

Registration No.: 200101029080 (564838-V)

# **CODE OF CONDUCT AND ETHICS**

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### **1 INTRODUCTION**

- (a) This Code of Conduct and Ethics is adopted by the Board of Directors to attain best corporate governance practices and compliance with legislation governing Director's duties in discharging their duties to achieve corporate objectives.
- (b) This Code is intended to focus the Board and each director on areas of ethical risk, provide guidance to directors to help them recognize and deal with ethical issues, provide mechanisms to report unethical conduct, and help foster a culture of integrity, honesty and accountability.
- (c) This Code of Ethics is in addition to the Board Charter which had been adopted by the Board of Directors.

### **2 PURPOSE**

- (a) This Code of Conduct and Ethics is formulated to enhance the standard of corporate governance and corporate behaviour with the intention of achieving the following aims:
- (b) To establish a standard of ethical behaviour for Directors based on trustworthiness and values that can be accepted, are held or upheld by Directors.
- (c) To uphold the spirit of responsibility in line with the legislation, regulations, and guidelines for administering a common standard of ethics.

### **3 CODE OF CONDUCT AND ETHICS**

- (a) Directors must avoid any conflicts of interest between the director and the Company. Any situation that involves, or may reasonably be expected to involve, a conflict of interest with the Company, should be disclosed immediately all contractual interests, whether directly or indirectly, with the Company to the Chairman of the Audit Committee.
- (b) Directors must neither divert for own advantage any business opportunity that the Company is pursuing, nor use confidential information obtained by reason of their office for own benefits or that of others.
- (c) Directors should promote ethical behaviour and take steps to ensure the Company encourages employees to:
  - (i) talk to supervisors, managers and other appropriate personnel when in doubt about the best course of action in a particular situation;
  - (ii) report violations of laws, rules, regulations or the Company's Code of Conduct to appropriate personnel; and
  - (iii) informs employees that the Company will not allow retaliation for reports made in good faith.

- (d) Directors are prohibited from:
  - (i) taking for themselves personally opportunities related to the Company's business;
  - (ii) using the Company's property, information, or position for personal gain; or
  - (iii) competing with the Company for business opportunities, provided, however, if the Company's disinterested directors determine that the Company will not pursue an opportunity that relates to the Company's business, a director may do so.
- (e) Confidential information obtained in the course of their office or duties remains the property of the Company and it is inappropriate to disclose, allow, or render it to be disclosed or leaked, unless that disclosure had been endorsed by the Board of Directors, or the person whom the information is provided, or is required by law.
- (f) Directors shall comply, and oversee compliance by employees, officers and other directors, with laws, rules and regulations applicable to the Company.
- (g) Directors must keep abreast with the affairs of the Company and be kept informed of the Company's compliance with the relevant rules, legislation and contractual requirements; and
- (h) Directors must have a clear understanding of the aims, purposes, capabilities and capacity of the Company.
- (i) Directors should devote time and effort to carry out their duties and responsibilities, attend meetings and to know what is required of the board and each of its Directors, and to discharge those functions.
- (a) The Directors should exercise their authority of office for a proper purpose, in good faith, and in the best interest of the Company.
- (b) The Directors should exercise duty of care and diligence in fulfilling their functions and power of office.
- (c) The Directors should recognize their primary responsibility is to the Company as a whole but may, where appropriate, have regard for the interest of stakeholders of the Company;
- (d) Exercise independent judgment and actions, if necessary to openly object should the vital interest of the Company be at stake.
- (e) Take all reasonable steps to satisfy the soundness of all decisions taken by the Board
- (f) Promote and cultivate social and environmental responsibilities and encourage effective use of natural resources.
- (g) Comply with the principles of Malaysian Code of corporate Governance.
- (h) Should limit his directorship of companies to a number in which he can best devote his time and effectiveness.

- (i) Directors should be conscious of the interest of shareholders, employees, creditors and customers of the Company and the Group.
- (j) Promote professionalism and improve the competency of management and employees; and ensure adequate safety measures and proper protection to workers and employees at the workplace.