



MARINE & GENERAL
BERHAD

EMPLOYEE CODE OF CONDUCT

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1.0 General Guidelines

1.1 It is the Company's expectation that an employee should inculcate in himself the following values:-

- a. strive towards a high standard of professionalism;
- b. give his undivided loyalty and devotion to the Company at all times and on all occasions;
- c. diligence in performing task;
- d. serve with honesty and integrity, goodwill and courtesy;
- e. display a high sense of cooperativeness and proactiveness in carrying out his duties;
- f. be practical and flexible, creative and innovative in the course of his work

1.2 In view of the above values an employee shall not:-

- a. subordinate his duties to the Company in favour of his private interest.
- b. conduct himself in such a manner as likely to bring his private interests into conflict with his duties.
- c. conduct himself in any manner as likely to cause a reasonable suspicion that :-
 - i. he has allowed his private interests to come into conflict with his duties so as to impair his usefulness as an employee of the Company;
 - ii. he has used his position in the Company to his personal advantage.
- d. conduct himself in such a manner as likely to bring the Company into disrepute or bring discredit to the Company.
- e. bring or attempt to bring any form of outside influence or pressure to support or advance a claim relating to the Company whether the claim is his individual claim, or that of other executives of the Company.
- f. conduct himself in such a manner as can reasonably be construed as lacking in efficiency
- g. be dishonest and conduct himself in such a manner as to lay himself open to suspicion of being dishonest.
- h. conduct himself in an irresponsible manner.
- i. conduct himself in such a manner as may be construed as an act of insubordination.

- 1.3 An employee who is in breach of the above code of conduct will render himself liable to disciplinary action.
- 1.4 An employee shall also strictly:-
 - a. observe all statutory laws and regulations applicable to the Company business,
 - b. comply with the Company established rules and procedures.
- 1.5 Stern disciplinary action will be taken against any employee for non-compliance of such laws, rules and procedures.

2.0 **Activities outside the Company**

- 2.1 Save insofar as he is required to in the course of his duty or expressly permitted by the Company to do so, employees are strictly prohibited from taking part, whether directly or indirectly, in the Management or business activities of any company or companies, firms, corporations or other activities whatsoever, whether for gain or otherwise.
- 2.2 Any permission granted may be withdrawn at any time without assigning any reason therefore.
- 2.3 Any employee having any interest either directly or indirectly through nominees or trustees in any Company, firms or business, must declare his interest to the Company.

3.0 **Political and Socially Sensitive Activities**

- 3.1 The Company recognises that employees in their capacity as responsible private citizens may wish to involve themselves in legitimate movements or organisations.
- 3.2 While the Company does not wish to discourage employees from doing so, employees would be required to strictly observe the following:
 - a) limit these activities to their off duty time or leave entitlement; no time off, with or without pay, will be considered.
 - b) such activities, including those of political and socially sensitive in nature which may affect working and social harmony, are strictly prohibited from the Company's premises.

c) the Company's official attire/uniform must not be worn while attending the functions of such movements or organisations.

3.3 Strict disciplinary action will be taken against any employees for non-compliance of the above.

4.0 **Conflicts of Interests**

4.1 Conflict of Interest is a situation in which an employee has a private or personal interest sufficient to influence or appear to influence the objective exercise of his or her official duties as an employee, or a professional.

4.2 The Company has an established policy to identify and minimize the possibility of conflict of interest arising between the private interests and official duties of employees and providing for the objective and fair resolution of such conflicts should they have.

4.3 Situations as described below could lead to real or potential conflicts of interest:

- i. Working for any organization (e.g. holding key positions, consulting, freelancing, working part-time) or managing a business outside the company that is competing directly or indirectly with any of the company's businesses (both during and after official working hours).
- ii. Having a direct or indirect financial relationship (e.g. holding directorship, partnership, shareholding, etc.) with the company's existing or potential competitors, suppliers or vendors (exception to this is holding insignificant stock interests in public companies or the employee had been given ESOS by their prior employer).
- iii. Taking part in business decisions or managing a project/contract where the employee or their related parties have direct or indirect interest.
- iv. Diverting of any potential business opportunities of the company, for his personal gain.
- v. Divulging confidential information of the company to third parties for personal gains.
- vi. Accepting gifts, bribes, kickbacks or any other form of special favors from both current and potential business partners of the company, given because of the position the employee holds at the company, which is not generally offered to other employees.
- vii. Having a personal relationship with another employee that can interfere with the judgment or objectivity of either employee.
- viii. Indulging in private businesses such as direct selling, selling food, etc.

during office hours and using company's facilities such as fax, photostating machines, telephones, hand phones, etc.

4.4 Employees are responsible to ensure that any conflict of interest is declared and managed as stated in the policy.

5.0 Anti-Bribery & Corruption

5.1 Any form of bribery and corruption is prohibited. Staff members of the Company must not provide, offer or accept bribes, kickbacks, corrupt payments, facilitation payments, or inappropriate gifts, to Government Officials or any commercial person or entity, regardless of local practices or customs.

5.2 All staff members of the Company must comply with all applicable anti-bribery laws and regulations, including, but not limited to, the Malaysian Anti Corruption Commission Act (MACC Act).

6.0 Securities and Insider Trading

6.1 As regards dealings in the shares or securities of the Company, or of any other public listed company connected with or related to the Company, certain restrictions have been placed by laws and regulations, including without limitation the Capital Markets And Services Act, 2007 and the Bursa Malaysia Listing Requirements.

6.2 Staff members having access to unreleased price sensitive information must avoid conduct known as "Insider Trading" and avoid any adverse inference being drawn from unfair dealings by them. Violation of insider trading laws could result in criminal charges being brought against the defaulting staff member.

7.0 Money Laundering

7.1 Staff members shall only conduct business with partners involved in legitimate business activities with funds derived from legitimate sources. Staff members shall take reasonable steps to prevent any illegal form of payments, and prevent the Company's financial transactions from being used by others to launder money. Money laundering in this context means to convert proceeds from criminal activities into assets which appear to be derived from legitimate sources.

7.2 In Malaysia the offences of money laundering falls under the Anti-Money Laundering and Anti-Terrorism Financing (Amendment) Act 2014.

8.0 **Disciplinary Procedure**

- 8.1 The Company reserves the rights to take appropriate disciplinary action towards any employee in the event an employee breaches the rules set by the Company.
- 8.2 Before an employee is subjected to any disciplinary action, the Company is to ensure that natural justice elements are satisfied.
- 8.3 For the purpose of an inquiry, the Company may for cases of serious misconduct suspend the offending employee for a period not exceeding fourteen (14) days with half-pay. However, if the inquiry reveals his innocence, such payment withheld shall be restored to the suspended employee.
- 8.4 If further suspension is required to enable the Company to complete its investigations, the offending employee may be further suspended for another maximum period of two (2) weeks but the extended suspension will be with full pay.
- 8.5 During the period of suspension, the offending employee is not required to report for duty and shall not be allowed to enter the premises of the Company, unless his presence is required to assist the Company in its investigation, in which case, he shall be informed in writing/ or via telephone.
- 8.6 To assist in the conduct of disciplinary proceedings the Company shall set up a Board of Inquiry comprising:
 - (a) Officers who are not involved directly with the investigation and circumstances of the case.
 - (b) Officers of a rank or status above the employee facing the disciplinary charges.
- 8.7 The Board of Inquiry shall comprise either sitting alone or a maximum of three (3) staff whose appointments shall be at the sole discretion of the Company.
- 8.8 The Board of Inquiry shall consider all matters relevant to the inquiry and shall call anyone whom it considers is able to assist in its inquiry.
- 8.9 The Board of Inquiry shall make its findings and recommendation to the Management, who in turn, shall decide on the action to be taken.
- 8.10 Any employee who is subjected to disciplinary action has the right to appeal to the Management and the written appeal must reach the Management within three (3) working days from the date of the handing down of the award of punishment.

All disciplinary actions against an offending employee are to be recorded in writing with copies thereof to be kept in their respective personal files.

8.11 The Management may, on the grounds of misconduct inconsistent with the fulfilment of the express and implied conditions of his service, after due inquiry impose one or any combination of the following punishments against the employee:

- a) written warning;
- b) suspension with or without pay for a period to be determined by the Company;
- c) downgrade or demotion;
- d) transfer;
- e) withholding/deferment of increment for a period to be determined by the Company;
- f) no increment for a period to be determined by the Company;
- g) non-payment of bonus or ex-gratia;
- h) any other types of punishment as the Company deems fit;
- i) termination of service;
- j) summary dismissal.

The Policy has been approved by the Board of Directors on 29 November 2017.