



MARINE & GENERAL
BERHAD

EMPLOYEE CODE OF CONDUCT

CODE OF CONDUCT

1.0 Application and Interpretation

- 1.1 This Code of Conduct applicable to all employees of Marine & General Berhad effective 19 May 2020.
- 1.2 Rules, regulations and guidelines (including Circulars and Letters) from regulatory authorities with purview over Marine & General Berhad's activities will automatically supersede the existing operating policies and procedures herein stated. Where such rules, regulations and guidelines that supersede the existing operating policies and procedures are issued and/or amended, the Company will circulate an appropriate advisory to the employees.
- 1.3 The terms "employee" or "staff" as used in this Code of Conduct refers to all employees of Marine & General Berhad.
- 1.4 The word "he" shall also mean "she" unless the context states otherwise. Where the context so admits, words imparting any singular number shall include the plural number and vice-versa.
- 1.5 The term "Company", unless the context states otherwise, shall mean Marine & General Berhad.
- 1.6 "Public Official" refers to persons who hold a legislative, administrative or judicial office (either appointed or elected), any person exercising a public function, including for a public agency or a public enterprise (e.g. a state-owned enterprise).

2.0 General Guidelines

- 2.1 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

2.2 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.

2.3 An employee who is in breach of the above code of conduct will render himself liable to disciplinary action.

2.4 An employee shall also strictly:-

- a. observe all statutory laws and regulations applicable to the Company and its business,

- b. comply with the Company's Employee Handbook, Financial Authority Limit and any other applicable rules, guidelines and/or procedures that may be issued from time to time.

2.5 Stern disciplinary action will be taken against any employee for non-compliance of such laws, rules and procedures.

3.0 **Business activities outside the Company**

3.1 Save insofar as the employee is required to in the course of his/her 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.

3.2 Any permission granted may be withdrawn at any time without assigning any reason therefore.

3.3 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.

4.0 **Political and Socially Sensitive Activities**

4.1 The Company recognises that employees in their capacity as responsible private citizens may wish to involve themselves in legitimate movements or organisations.

4.2 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.

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

5.0 Expression of offensive views on Company's communication channels and use of social media

5.1 The Company is cognisant of its business reputation and integrity and the importance of maintaining goodwill and harmony in the office. With this in mind, the Company takes a stern view of any employee using the Company's communication channels (e.g. official website, bulletin board, newsletter or other official electronic communication channels) to express views which may be offensive to others. Employees are strictly prohibited from sharing any racist, sexist, political or hate based news, views or material. Sharing of any unverified news is also strongly discouraged.

5.2 Before sharing any email, posting, article or news via the Company's communication channels, the employee should take reasonable steps to verify the information contained therein by cross checking the material with reputable news sites or official channels.

5.3 Employees must also use good judgment when using their personal social media accounts. Employees must avoid any personal social media activity that might lead to, or suggest, that the postings or views being expressed in their personal capacity are made by or on behalf of the Company. Employees should also be aware that any views expressed in their personal capacity, may nonetheless be seen as representing the views of the Company. Above all, employees are also reminded to be mindful when making and/or forwarding any statements and/or postings on social media that may harm the reputation of the Company.

5.4 Employees must be mindful not to disclose confidential and/or proprietary information through their social media accounts. Employees must not post confidential information or information which could cause reputational damage to the Company.

6.0 Conflicts of Interests

6.1 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.

6.2 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 of the Company where the employee or their related parties have direct or indirect interest.
- iv. Diverting of any potential business opportunities of the Company to another party, for his personal gain.
- v. Divulging confidential information of the Company to third parties for personal gain.
- 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, photocopying machines, telephones, hand phones, etc.

6.3 Employees are responsible to ensure that any conflict of interest is declared and managed in accordance with the appropriate internal Standard Operating Procedure and/or Policy. Where no appropriate internal Standard Operating

Procedure and/or Policy is in place, an employee in a conflict of interest situation must declare the conflict of interest to their direct supervisor.

- 6.4 When an employee believes or have reason to believe that another person may be in breach of the conflict of interest provisions in this Code of Conduct, the employee should report the matter to their direct supervisor. Where this option is not appropriate, the employee should report the matter in accordance with the Company's Whistle Blowing Policy.

7.0 Anti-Bribery & Corruption

- 7.1 The Company has a zero-tolerance policy against all forms of bribery and corruption. 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.

- 7.2 All staff members of the Company must comply with the Company's Anti-Bribery & Corruption ("ABAC") Policy, which may be revised from time-to-time.

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

8.0 Securities and Insider Trading

- 8.1 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.

- 8.2 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.

8.3 When an employee believes or have reason to believe that another person may be in breach of the securities or insider trading laws, the employee should report the matter to their direct supervisor. Where this option is not appropriate, the employee should report the matter in accordance with the Company's Whistle Blowing Policy.

9.0 Money Laundering

9.1 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 or finance terrorism. Partners and/or counterparties means any party that the Company is currently in relationship with or intends to do business with in the future, either on a regular or once-off basis. This includes but is not limited to customers, contractors, suppliers, consultants and any other business partners.

9.2 When an employee believes or have reason to believe that a transaction may be in breach of AMLA, the employee should report the matter to their direct supervisor. Where this option is not appropriate, the employee should report the matter in accordance with the Company's Whistle Blowing Policy.

10.0 Personal Declaration on Legal and Regulatory Proceedings

10.1 An employee must promptly declare to his immediate supervisor or the person in charge of human resources if he is involved in any criminal (excluding minor traffic offenses), civil or regulatory proceedings, whether or not the proceedings relate to the Company.

11.0 Sexual Harassment

11.1 Every employee is entitled to work in a safe and conducive environment. As such, all employees must abide by the Company's Sexual Harassment Policy as contained in the Staff Handbook. The Company views sexual harassment as a serious offence and appropriate action will be taken against any staff found guilty of committing the offence.

11.2 When an employee believes or have reason to believe that another person may be in breach of the Sexual Harassment Policy provisions in the Employee Handbook, the employee should report the matter to their direct supervisor. Where this option is not appropriate, the employee should report the matter in accordance with the Company's Whistle Blowing Policy.

12.0 **Disciplinary Procedure**

12.1 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.

12.2 Before an employee is subjected to any disciplinary action, the Company is to ensure that natural justice elements are satisfied.

12.3 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.

12.4 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.

12.5 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.

12.6 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.

- 12.7 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.
- 12.8 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.
- 12.9 The Board of Inquiry shall make its findings and recommendation to the Management, who in turn, shall decide on the action to be taken.
- 12.10 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.

12.11 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 Code of Conduct has been approved by the Board of Directors on 19 May 2020.