



WZ SATU BERHAD  
مساتو ڤرهاد

**WZ SATU BERHAD**

(666098-X)

(Incorporated in Malaysia)

**CODE OF CONDUCT**

## 1. **INTRODUCTION**

The directors of WZ Satu Berhad (“**the Company**”) hold the position of trust with the public, shareholders, other stakeholders, officers and employees as well as with each other. Therefore, it is important to establish appropriate standards of business conduct and ethical behaviour to govern the exercise of the Directors’ duties and responsibilities as directors of the Company in order to uphold good corporate integrity.

This Code of Business Conduct and Ethics for Directors (“**the Code**”) sets out the general principles and standards of business conduct and ethical behaviour for the Directors in the performance and exercise of their responsibilities as directors of the Company or when representing the Company and includes the expectation of professionalism and trustworthiness from the Directors.

The formulation of corporate accountability standards in the Code is fundamental to the preservation of the Company’s reputation and the success of its business and is important for the promotion and maintenance of confidence and trust in the Company.

## 2. **OBJECTIVES**

The objectives of the Code are:-

- a. to establish a standard of ethical corporate behaviour for the Directors based on universally accepted values;
- b. to uphold the spirit of social responsibility in line with the legislations, regulations and guidelines for administrating a company;
- c. to offer guidance to the Directors in their business conduct;
- d. to prevent the development and acceptance of unethical practices by the Directors;
- e. to enhance the standard of corporate governance;
- f. to enhance public confidence and trust in the integrity, objectivity and impartiality of the Company and its directors.

## 3. **PRINCIPLES**

The Code is based on the principles of *integrity, objectivity, accountability, commitment, transparency, honesty* and *corporate social responsibility*.

### **a. Integrity**

Directors shall not place themselves under any financial or other obligation to any person that might reasonably be thought to influence them in the performance of their duties. They shall ensure full, fair, accurate, timely and understandable disclosure in regulatory filings and shall also through the Audit Committee, uphold integrity in financial reporting.

### **b. Objectivity**

Directors shall make decisions solely on merit when carrying out the business of the Company. The decision making and advice provided should be on the basis of the relevant law and policy, and the merits of each case, without regard for personal gain and should not be prejudiced by personal preferences.

- c. Accountability** Directors shall consider issues on their merit, take account of views of others and ensure that the Company uses its resources prudently and in accordance with the law. They shall at all times exercise their powers for the purposes they were conferred, for the benefit and prosperity of the Company and always be conscious of the interest of shareholders, employees, creditors and customers of the Company.
- d. Commitment** Directors shall observe their time commitment to the Company by attending the Board and committee meetings unless valid reason(s) are given.
- Directors shall also limit their directorship in other listed and non-listed companies to a number in which he/she can best devote his/her time and effectiveness to the Company.
- e. Transparency** Subject to the restraints of the relevant laws and regulations, Directors shall be as open as possible and provide rationale for their decisions and actions. They shall establish appropriate and transparent corporate disclosure policies and procedures and accord shareholders access to information and advice. An open and transparent dialogue with the shareholders and other stakeholders should be maintained based on fairness, mutual respect and professionalism.
- f. Honesty** Directors shall act in accordance with the highest standards of honesty and with utmost good faith towards the Company in any transaction in the best interest of the Company.
- Any interest, whether directly or indirectly, in a proposed contract, business dealing or transaction with the Company must be declared to the Board and/or to the Company Secretary.
- g. Corporate Social Responsibility** Directors shall provide a better account of the effects and outcomes of the Company's business strategies and practices on external stakeholders as well as indicate clearly their commitment towards environmental, social, governance ("ESG") and sustainability agendas.
- Directors shall work towards a balanced approach in ESG and sustainability issues and ensure that the activities and the operations of the Company minimise any unfavourable impact on the well-being of stakeholders at large.

#### **4. EXPECTED STANDARDS OF CONDUCT AND ETHICS**

- a. Compliance with applicable laws and** Directors shall comply with the laws and regulations governing their conduct. They have a responsibility to be sufficiently familiar with any legislations or regulations

- regulations** that apply to their directorship and, where appropriate, to seek legal advice or advice from the Company Secretary.
- b. Maintain the highest standards and uphold corporate values** Directors shall maintain the highest standard of ethical behaviour and business conduct in the performance and exercise of their responsibilities as Directors of the Company or when otherwise representing the Company. The Directors shall further conduct themselves in a manner that reflects the corporate values and overall spirit of the Code.
- c. Conflict of interest** **of** Conflict of interest occurs when a Director's private or personal interest interferes, or may appear to interfere, with the interests of the Company. A conflict of interest can arise when a Director takes actions or has interests that may make it difficult to perform his/her responsibilities objectively and effectively.
- Directors shall avoid conflicts of interest and take steps to resolve any conflicts arising in a way that protects the interests of the Company.
- The Directors shall not hold positions or engage in other interests that adversely impact the performance of duties owed to the Company and shall avoid any relationship with a third party that could compromise the ability to transact business on an impartial and competitive basis.
- Where a conflict of interest situation arises, the Director shall disclose to the Board all potential conflict and where relevant, abstain from voting as a member of the Board or relevant board committee on any matter in which he/she may have an interest (direct or indirect) or where there may be potential conflict of interest.
- d. Personal and Family Relationships** Directors who have a personal or family relationship with another Director, officer or employee of the Company must take appropriate steps to ensure that the relationship will not affect the credibility or reputation of the Company or cloud their judgement in carrying out their responsibilities.
- e. No Gifts Policy** Directors and employees are not permitted to solicit gifts or personal favours from contractors, sub-contractors, suppliers, consultants, bankers, dealers or customers or other parties having business dealings with the Company, whether actual or potential, regardless of value.
- If directors and employees are authorised under the Company's policy to provide gifts or entertainment, directors and employees may only provide gifts or entertainment that have a legitimate business purpose. No gifts of cash may be given, directors and employees should not pay for entertainment or a gift personally in order to avoid having to seek pre-approval.

Under no circumstances may gifts or hospitality, including travel-related expenses be offered as an inducement or reward for taking, or refraining from taking, any act in relation to the Company's affairs of business.

**f. Confidentiality** Directors are prohibited from disclosing any confidential information they obtain in the course of their employment or service with the Company. Directors have a contractual and moral responsibility to safeguard the confidential information to which they may have access to.

It is therefore pertinent that Directors exercise caution and due care in handling such information they shall not make improper use of any unpublished price sensitive information which if generally known might reasonably be expected to materially affect the share price of the Company.

Directors shall not do, say or publish anything which may be detrimental to the interests of the Company without first having obtained the prior approval from the Board.

No Director, with the exception of the Executive Director who is authorised to be the spokesperson for the Company, is permitted to make any statements about the Company to the media or the public (except in a shareholders' meeting) without prior approval of the Board.

**g. Insider Trading** Directors are prohibited from engaging in insider trading. Restrictions apply to trading in securities of the Company while aware of confidential information about the Company that could, if it became public, affect the share price and in the securities of other companies using confidential information that the Directors have access to because of employment or service with the Company.

Insider trading is an illegal act and would expose Directors to civil and/or criminal action.

## **5. COMPLIANCE OF THE CODE**

### **a. General Compliance**

No Code can replace the thoughtful behaviour of an ethical director or offer a complete guide to cover all possible situations that might be encountered, and Directors acknowledge that they must exercise judgment in applying the principles embodied in the Code to any particular situation. The provisions of this Code are in addition to, and not in substitution for, any obligation imposed upon a Director by agreement, common law, equity, statute or regulation. Directors acknowledge that compliance with this Code will not relieve them from any such obligations.

### **b. Reporting of violations of the Code**

Directors who have reasonable grounds to believe that another Director has done something unethical or illegal that breaches this Code, including violations of laws, rules, regulations or the Company's policies, are under an obligation to report the same to the Chairman or to the Board.

**c. Review of the Code**

Directors are responsible for establishing, reviewing and updating appropriate policies, guidelines and procedures for this Code. They are also required to provide advice and if appropriate, issue written opinions to Directors on code of conduct matters they may encounter in fulfilling their respective responsibilities.

The Board shall review and reassess the adequacy of the Code periodically and make such amendments to the Code as the Board may deem appropriate. The provisions of this Code can be amended and supplemented from time to time by a resolution of the Board.