

Date of Board Resolution: 27 February 2020

## 1. INTRODUCTION

In line with good corporate governance practices, the Board, the Management and employees of Tadmax Resources Berhad (“Tadmax” or the “Company”) and its subsidiaries (collectively referred to as the “Group”) have made a commitment 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 professionalism and exemplary corporate conduct. This Corporate Code of Conduct (the “Code”) sets out the principles and standards of business ethics and conduct of the Group.

## 2. OBJECTIVE

The objective of the Code is to assist the Directors and Employees (as defined under Clause 3 of the Code) in defining ethical standards and conduct at work.

The Code is not intended to be exhaustive, and there may be additional obligations that Directors and Employees are expected to behave or conduct when performing their duties.

For all intents and purposes, all 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.

The Board wishes to define its objectives of this Corporate Code of Conduct as:

- i. To set forth the **basic standards of ethical and legal behaviour** within the Group as guidance to all stakeholders;
- ii. To emphasize the Group's **commitment to ethics and compliance** with the applicable laws and regulations;
- iii. To communicate, measure and monitor its value and performance designed to achieve objectives and to instil value.

## 3. APPLICABILITY

The Code is applicable to all employees (including full time, probationary, contract and temporary staff) (“Employees”) and Directors of the Group. Each Employee has a duty to read and understand the Code. Violation of any of the Code’s provisions can result in disciplinary action, including termination of employment.

If a Director requires further clarification on the Code, the Director may refer or highlight any concerns to the Chairman of the Board or the Managing Director, whereas for an Employee, the Employee may refer or highlight any concerns to the immediate superior or the Head of Department.

#### 4. PRINCIPLES

The Board defines the principles of Corporate Code of Conduct as the Group's responsibility to:

- a) **it's Customers**, by constantly striving to improve its competitiveness in order to serve its customers better;
- b) **it's Suppliers or Vendors**, by allowing them to make a fair profit from the Group;
- c) **it's Employees**, by creating safe, healthy and secured working environments, acknowledging their dignity and recognising their merit and providing fair remuneration and career growth for those who qualified and perform;
- d) **it's Communities**, by embracing social equity and diversity, complying with regulatory requirements and supporting good causes and charities;
- e) **it's Environment**, by preserving and protecting the environment and natural resources to ensure sustainability;
- f) **it's Shareholders**, by creating wealth and rewarding them with fair return.

#### 5. CORE AREAS OF CONDUCT

##### 5.1 Conflicts of Interest

The Directors and Employees should avoid involving themselves in situations where there is real or apparent conflict of interest between them as individuals and the interest of the Group. Directors and Employees must not use their positions or knowledge gained directly or indirectly in the course of their duties or employment for private or personal advantage (directly or indirectly).

In addition, a Director or an Employee shall avoid any situation in which the Director or Employee has an interest in any entity or matter that may influence the Director or Employee's judgment in the discharge of responsibilities. In the event this is unavoidable, the Director and/or Employee concern is to immediately disclose his/her interests and recuse from deliberating and approving on the matter and to adhere to the Group's existing Policy Governing Conflicts of Interest.

##### 5.2 Confidential Information

It is pertinent that all Directors and Employees exercise caution and due care to safeguard any information of a confidential and sensitive nature relating to the Group which is acquired in the course of their employment, and are strictly prohibited to disclose to any person, unless the disclosure is duly authorised or legally mandated. In the event that a Director or an Employee knows of material information affecting the Group which has not yet been publicly released, the material information must be held in the strictest confidence by the Director or Employee involved until it is publicly released.

### **5.3 Inside Information and Securities Trading**

No Director or Employee shall use price sensitive non-public information, which can affect the prices of the securities of the Company and/or related listed companies when it becomes publicly known (“Inside Information”), for personal benefit. Directors and Employees are prohibited to trade in securities or to provide information to others to trade in securities of the Company and/or related listed companies until the Inside Information is publicly released. Directors or Employees shall also not trade in securities in any other companies where they have Inside Information which they obtain in the performance of their duties.

### **5.4 Protection of Assets and Funds**

Directors and Employees must protect the assets and funds of the Group to ensure availability for legitimate business purposes and that no property, information or position belonging to the Group or opportunity arising from these be used for personal gain.

### **5.5 Business Records and Control**

Accurate, timely and reliable records are necessary to meet the Group’s legal and financial obligations and to manage the affairs of the Group. All books, records and accounts should conform to generally accepted and applicable accounting principles and to all applicable laws and regulations. The preparation and maintenance of accurate and adequate business records are the responsibility of each Employee. No unauthorised, false, improper or misleading records or entries shall be made in the books and records of the Group, under any circumstances.

### **5.6 Compliance to the Law**

The Group will comply with all applicable laws, rules and regulations of the governments, commissions and exchanges in jurisdictions within which the Group operates. Directors and Employees are expected to understand and comply with the laws, rules and regulations that are applicable to their positions and/or work, including the Anti-Money Laundering and Anti-Terrorism Financing Act 2001, Malaysian Anti-Corruption Commission Act (Amendment) 2018, Personal Data Protection Act 2010 and Competition Act 2010. Besides reporting under the Group’s existing Whistle Blowing Policy, the Directors and Employees of the Group reserve the right to report any actions or activities suspected of being criminal in nature to the police or other relevant authorities.

### **5.7 Personal Gifting**

No personal gifts, favours, entertainment or services, in cash or kind, that will or will appear to influence objective and fair business decisions, will be accepted or provided. The gifts, favours, entertainment or services that are deemed as not given to influence the Directors’ or Employees’ performance of duties include normal business courtesies (meals or entertainment), token gifts

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which are occasional, gifts during festive or special occasions and gifts from social functions attended by the Directors or Employees on behalf of the Group, are permissible. This will be subjected to policies and procedures that the Group introduces from time to time.

### **5.8 Health and Safety**

The Group will use its best endeavours to ensure a safe workplace and maintain proper occupational health and safety practices to commensurate with the nature of the Group's businesses and activities. Such a commitment in return requires that all Directors and Employees understand and abide by the Group's policies and procedures.

### **5.9 Sexual Harassment**

Sexual harassment by any Director or Employee is unacceptable. It is the Group's policy to provide all Employees with a working environment free from any form of sexual harassment. Any questions concerning issues of such should be directed either to the Employees' superior or the Human Resource Department pursuant to the Group's existing Whistle Blowing Policy. All such reports and/or complaints shall be treated with strictest confidence.

### **5.10 Outside Interest**

Directors and Employees shall not engage in an outside interest that will undermine the performance of the Directors and Employees or bring disrepute to the Group. IN the event there arises any outside interests, the Directors and Employees of the Group is to adhere to the existing Policy Governing Conflicts of Interest.

### **5.11 Fair and Courteous Behaviour**

All Employees are to treat their fellow Employees fairly and courteously without regard to race, creed, religion, gender, nationality, age or disability, and shall not create any form of discrimination or prejudice in the workplace.

### **5.12 Misconduct**

No Director or Employee is to be involved in or abet any activity that is deemed by the Group to be an act of misconduct (including use and abuse of any drugs whatsoever).

## **6. REPORTING OF VIOLATIONS OF THE CODE**

Any Employee who knows of, or suspects, a violation of the Code, is encouraged to whistle blow or report the concerns through the Group's existing **Whistle Blowing Policy**. The provision, protection and procedure of the Whistle Blowing Policy for reporting of the violations

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of the Code are available on the Tadmax website. No individual will be discriminated against or suffer any act of retaliation for reporting in good faith on violations or suspected violations of the Code.

#### **7. BOARD'S RESPONSIBILITY**

The Board should periodically review the Corporate Code of Conduct and to ensure implementation of appropriate communication channel to receive feedbacks and other appropriate internal systems to support, promote and strengthen the awareness and to ensure compliance of this Code by its Directors and Employees when making their business and operation decisions.

#### **8. MANAGEMENT RESPONSIBILITY**

Management should ensure this Code is readily available to all staff members and communicate the Code with staff members periodically to reinforce its importance and relevance.

In making operational and business decision, the Management is responsible to the Board to observe the principles of this Code. Management shall ensure their action is consistent with the spirit of this Code and promote good culture of ethics through their internal and external interaction with all stakeholders of the Group.

#### **9. DOCUMENTATION**

A copy of the approved Corporate Code of Conduct shall be included in the Employee Handbook. All employees are required to read and familiarise themselves with the Code and acknowledge their understanding and compliance with the Code during their employment with the Group.

#### **10. CORPORATE DISCLOSURE REQUIREMENT**

A copy of the approved Corporate Code of Conduct shall be made available on the Tadmax website.

#### **11. WAIVER OF THE CODE**

Waiver of the Code may be made by the Board or the appropriate Committee of the Board. Waiver of the Code may be granted on a case-by-case basis and only in extraordinary circumstances.

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