

HARN LEN CORPORATION BHD

200001000001(502606-H)

CODE OF ETHICS AND CONDUCT

Introduction

Harn Len Corporation Bhd and its subsidiaries (collectively referred to as the “Group”) is committed to conducting its business in an ethical manner and to uphold the highest standards of professionalism and exemplary corporate conduct, and in compliance with the law. This Code of Ethics and Conduct (the “Code”) sets out the principles and standards of business ethics and conduct of the Group. This Code is part of the Group’s overall corporate enhancement programme. It reflects the need for effective corporate governance compliance measures in the conduct of the Group’s business.

Objective

The Group has adopted this Code of Ethics and Conduct to provide guidance on the handling of ethical issues and the promotion of an ethical culture. The Code is not intended to be exhaustive, and there may be additional obligations that all Directors and Employees are expected to behave or conduct when performing their duties.

For all intents and purpose, 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.

Applicability

This Code applies to all Directors and Employees of the Group

Your compliance with and support of this Code is vital to the Group’s continued success. Your failure to comply may have severe consequences for the group and may result in disciplinary action against you.

This Code contains general principles and cannot anticipate all possible circumstances. Should questions arise related to the application of the Code, employees may refer or highlight any concerns to the Head of Department Directors must refer to the Managing Director.

The Group reserves the right to modify, revise, cancel or waive any policy, procedure or condition without notice and without revision of the Code. Moreover, the provisions of the Code may be modified by the Group to adapt them to the local laws and conditions.

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Avoid Conflicts of Interest

Employees must avoid any relationship or activity that might impair, or even appear to impair, your ability to make objective and fair decisions when performing your jobs. Employees should act in the best interest of the Group while performing your job for the Group. A conflict of interest arises when your personal activities and relationships interfere, or appear to interfere, with your ability to act in the best interest of the Group.

Employees must not engage directly or indirectly in any business activity that competes or conflicts with the interest of the Group. These activities include, but are not limited to, the followings:-

- You should not be employed by, or otherwise provide services for or receive payment from, any supplier, contractor or competitor of the Group without prior written approval from the top management.
- It is considered a conflict of interest if you conduct business other than the Group's business during office hours.

Where the acquisition of any business interest or participation in any business activity outside the Group and office hours demands excessive time and attention from the employee, thereby depriving the Group of the employee's best efforts on the job, a conflict of interest also arises.

- If you are responsible for selecting or dealing with a supplier or contractor on behalf of the Group, your personal interests and relationships must not interfere, or appear to interfere, with your ability to make decisions in the best interest of the Group. When selecting supplier or contractors, always follow applicable Group procurement guidelines

Determining whether a conflict of interest exists is not always easy to do. Employees with a conflict of interest question should seek advice from Management. Before engaging in any activity, transaction or relationship that might give rise to a conflict of interest, employees must seek review from their Head of department.

Confidentiality Obligations

Employees must maintain the confidentiality of nonpublic information entrusted to them by the Group or other parties with whom the Group does business, except when disclosure is authorized or legally required. Protected information includes any information the Group has not disclosed or made generally available to the public, and that is material or might be harmful to the Group or its shareholders or customers if disclosed. This may include information related to the Group's financial information, mergers and acquisitions, management changes and contract.

Such confidential information is strictly private and confidential and may not be utilized, discussed with, divulged to or disclosed to persons inside or outside the Group, except by persons authorized to do so. All necessary precautions are to be taken by you with respect to the confidentiality of such confidential information.

Corruption and Unethical practices

An act of corruption by you has the effect of compromising the due and proper performance of your duties and the exercise of your authority, thereby undermining the integrity of the decision-making process and the decisions of the Group concerning its business.

You are prohibited from, directly or indirectly, soliciting, accepting or obtaining or agreeing to accept or attempting to obtain, from any bribe or gratification as an inducement or a reward for doing or for having done, any act in relation to the Group's business or affairs, or for showing favour or forbearing to show disfavour to any party in relation to the Group's business or affairs.

Money Laundering

Money laundering is generally defined as occurring when the criminal origin or nature of money or assets is hidden in legitimate business dealings or when legitimate funds are used to support criminal activities.

You must conduct appropriate counterparty due diligence to understand the business and background of the Group's prospective business counterparties and to determine the origin and destination of money, property, and services. You must report to your Head of Department suspicious transactions or suspected incidents of money laundering or bribery .

Gifts, Meals and Entertainment

Do not accept gifts, meals or entertainment, or other favour, from customers, suppliers or contractors if doing so might compromise, or appear to compromise, your ability to make objective business decisions in the best interest of the Group.

Acceptance of gifts, meals or entertainment that exceeds the following limitations must be approved in writing by the management.

Gifts

- Do not request for or accept gifts in exchange for doing, or promising to do any special favor(s) for a customer or supplier or contractor in the performance of your job duties and/or in carrying out the business of the Group.
- Do not accept gifts of cash or cash equivalents, such as gift vouchers.
- Do not accept gifts or more than modest value. Examples of acceptable gifts include a logo pen or t-shirt.
- Gifts of symbolic value, such as trophies and statues that are inscribed in recognition of a business relationship, may be accepted.

Meals and Entertainment

- Do not request for or accept meals or entertainment in exchange for doing, promising to do any special favor(s) for a customer, supplier or contractor in the performance of your job duties and/or in carrying out the business of the Group..
- You may accept occasional meals and entertainment from customers, suppliers or contractor if the event is attended by the customer, supplier or contractor and the costs involved are in line with custom for business-related meals and entertainment (for example, ordinary business meals and attendance at local sporting events generally are acceptable) provided always that it is accepted without any requisite intention for it to be a bribe nor does it contravene the provisions of Malaysian Anti-Corruption Commission Act 2009 (as amended via the Malaysian Anti-Corruption Commission (Amendment) Act 2018) or the Group's Anti- Bribery And Corruption Policy.

Insider Dealing and Information

You must protect the confidential business information of the Group, and never use it for your own benefit or the benefit of other persons . You are required to abide by all applicable laws on insider dealing, which generally is when you trade in shares or other securities while in possession of material non-public information or when you share such information with someone else who then trade in those shares or other securities. We expect all employees to comply with these principles, along with other laws and regulations concerning the handling of confidential information.

You are also required to abide by all applicable laws on securities market abuse, which involves spreading false information or engaging in activities designed to manipulate the market for publicly traded securities.

Trading in stocks or securities based on material nonpublic information, or providing material nonpublic information to others so that they may trade, is illegal and may result in prosecution.

- It is against the law for employees to buy or sell stock based on material, non-public "insider" information about or involving the Group.
- Do not speculate in the securities of the Group when you are aware of information affecting the Group's business that has not been publicly released or in situations where trading would call your judgement into question.
- Do not use non-public information for personal gain
- Do not pass along such information to someone else who has no need to know.

Making of Public Statements

Irrespective of whether in your personal or official capacity, you will not either orally or in writing or in any form (including on social media websites) make or circulate any public statement on the policies or decisions of the Group or discuss publicly any measures taken by the Group or any official matter taken or carried out by you, unless you are duly appointed or authorized to make such statement on behalf of the Group.

Sexual Harassment

Sexual harassment means any unwanted conduct of a sexual nature, whether verbal, non-verbal, visual, gesture or physical, directed at a person which is offensive or humiliating or is a threat to his well-being, arising out of and in the course of his employment.

The promotion of the physical, emotional and psychological well-being of employees is an important objective of the Group. In this regard, our Group is committed to providing a conducive working environment where your right to protection from all forms of sexual harassment and unsolicited or unwanted sexual overtures and advances is accorded due recognition.

Outside Interest

Employees shall not engage in an outside interest that will undermine the performance of the employees or bring disrepute to the Group. You must devote your time and attention to the fulfillment of your employment obligations to the Group.

Social Media/Information Technology

Employees must not upload, download, send or otherwise access or store pornography or other indecent or offensive material using Group premises, equipment or systems. Sending or forwarding obscene, libelous, defamatory, offensive or racist remarks is strictly prohibited. If you receive materials of this nature, you must promptly notify the management.

Disclosure of Group Information

- Safeguard Group's nonpublic information, which includes everything from contracts and pricing information to marketing plans and employee information.
- Do not disclose nonpublic information to anyone outside the Group, including to family and friend, except when disclosure is required for business purposes. Even then, take appropriate steps, such as execution of a confidentiality agreement, to prevent misuse of the information.
- Do not disclose nonpublic information to others inside the Group unless they have a business reason to know.

- Employees are obligated to protect the Group's nonpublic information at all times, including outside of the workplace and working hours, and even after employment ends.
- The Group will disclose information in a timely manner in accordance with the Group's rules and the relevant laws and regulations.

Responsibility for Group's Assets

Insofar as you have possession of or are given access to assets, facilities or resources belonging to the Group, that possession or access is provided on the basis of trust and confidence that they are to be used for the furtherance of the interest of the business of the Group. You are responsible for the safekeeping of all assets, facilities and resources belonging to the Group that are provided to you for the performance of your duties.

You must further take all necessary steps to prevent theft, loss, damage to, or misuse of assets, facilities and resources belonging to the Group, the occurrence of which should be reported immediately to the Head of Department.

Disclosure Duties

If you find or suspect that another person subject to this Code may have committed or may be about to commit any breach of any of his/her terms and conditions of service, of his/her engagement, or of this Code, whether deliberately or through inadvertence, you must forthwith report the same, in writing, to your Head of Department.

If you make a report or disclosure as stated above in good faith, belief, without malicious intent, that a breach or violations aforesaid may have occurred or may be about to occur, you will not be penalized or subject to any form of victimization or retaliatory action notwithstanding that, after investigate, it is shown that you were mistaken.

