

CODE OF CONDUCT AND ETHICS FOR DIRECTORS

(1) PRINCIPLE

The principle of this Code is based on principles in relation to sincerity, integrity, responsibility, transparency and corporate social responsibility.

The Board of Directors (“Board”) of SYF Resources Berhad (“SYF”) recognises that it is important that there exist a level of acceptable corporate behaviour in order to uphold corporate integrity. There is a need to formulate standards of corporate behaviour to create an ethical corporate climate.

(2) OBJECTIVES

This Code of Conduct and Ethics for Directors (“Code”) is to provide the fundamental guiding principles and standards applicable to Directors to enhance the standard of corporate governance and corporate behaviour in order to uphold corporate integrity.

This Code is aimed at achieving the following:

1. To establish the ethical and professional standards corporate and individual behaviour expected of Directors based on trustworthiness and values that can be accepted, are held or upheld by any one person.
2. To uphold the spirit of social responsibility and accountability in line with the legislation, regulations and guidelines for governing a company.

(3) DEFINITION

In the context of this Code, a company Director means any person who holds the position of director in a corporation irrespective of any designation used, including anyone who follows the directives and advice of a corporate director and who usually takes action, as well as an alternate director. A director also includes both executive and non-executive directors as well as executive and non-executive chairpersons.

(4) CODE OF CONDUCT AND ETHICS

In the performance of his/her duties, a Director of SYF should at all times observe the following:

4.1 Corporate Governance

- a) Should have a clear understanding of the aims and purpose, capabilities and capacity of SYF and its subsidiaries (“the Group”);
- b) Should act in the good faith and best interest of SYF and the Group;
- c) Should exercise due care, diligence and skill in the conduct of his/her duties;
- d) Should devote time and effort to attend meetings and to know what is required of the Board and each of its Directors, and to discharge those functions;
- e) Should ensure at all times that the Group is properly managed and effectively controlled;
- f) Should insist on being kept informed on all matters of importance to the Group in order to be effective in corporate management;

- g) Should stay abreast of the affairs of the Group and be kept informed of the Group's compliance with the relevant legislation and contractual requirements;
- h) Should limit his/her directorship of companies to a number in which he/she can best devote his time and effectiveness; each Director is his/her own judge of his/her abilities and how best to manage his/her time effectively in the company in which he/she holds directorship;
- i) Should have access to the advice and services of the company secretary, who is responsible to the Board to ensure proper procedures, rules and regulations are complied with;
- j) Should at all times exercise his/her powers for the purposes they were conferred, for the benefit and interest of the Group;
- k) Should disclose immediately all contractual interests whether directly or indirectly with the SYF and/or any companies in the Group;
- l) Should neither divert to his/her own advantage any business opportunity that the Group is pursuing, nor may he/she use confidential information obtained by reason of his/her office for his/her own advantage or that of others;
- m) Should at all times act with utmost good faith towards the Group in any transaction and to act honestly and responsibly in the exercise of his/her powers in discharging his/her duties; and
- n) Should be willing to exercise independent judgment and, if necessary, openly oppose if the vital interest of the Group is at stake.

4.2 Relationship with Shareholders, Employees, Creditors and Customers

- a) Should be conscious of the interest of shareholders, employees, creditors and customers of the Group;
- b) Should endeavour to deal fairly with customers, suppliers, competitors and employees and should not at any time take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or other dishonest but not illegal practices;
- c) Should at all times promote professionalism and improve the competency of management and employees;
- d) Should ensure adequate safety measures and provide proper protection to workers and employees at the workplace; and
- e) Should protect employee from reprisal for whistle blowing.

4.3 Social Responsibilities and the Environment

- a) Should ensure the effective use of natural resources, and improve quality of life by promoting corporate social responsibilities;
- b) Should adopt an objective and positive attitude and give the utmost cooperation for the common good when dealing with government authorities or regulatory bodies;
- c) Should be more proactive to the needs of the community and to assist in society-related programmes in line with the aspirations of the concept of "Caring Society"; and
- d) Should ensure that the activities and operations of SYF do not harm the interest and well-being of society at large.

4.4 Compliance with laws, rules and regulations

Every Director in exercising and/or discharging his/her powers or duties:

- a) shall comply with all applicable laws, rules and regulations including the constitution of SYF and guidance and directives issued by the authorities; and
- b) shall have a responsibility to be familiar with any legislation or regulations that apply to his/her directorships and to recognize potential liabilities.

4.5 Anti-Corruption/Bribes

To observe high standards of business, professional and ethical conduct, Directors of SYF (whether acting in their own capacity or on the Group's behalf) are committed to refrain themselves from offering, giving or receiving any gifts and any other form of benefits (in kind, cash, advantages and/or favour and etc) from persons or entities who deal with SYF where the gift would reasonably be expected to influence the performance of the Director's duties in any aspect.

4.6 Company Assets

- a) Every Director has a duty to safeguard the Company's assets, including its physical premises, equipment and facilities as well as the records and information/data (both physical and electronic means); and
- b) Company's Assets shall only be used in a safe, ethical and lawful manner and shall not be used for pursuing improper personal gain or opportunity.

4.7 Confidentiality

- a) Directors may come into possession or access to confidential, sensitive and non-public information ("Inside Information") in the course of their directorship with SYF. Directors must treat all such information in strictest of confidence, not disclose such information to any unauthorised persons and take all necessary precautions to maintain such confidentiality and not use it, directly or indirectly, for any purpose other than what it has been intended, except when disclosure is authorised or legally required.
- b) The obligation to preserve SYF's Inside Information is on-going even after an individual ceases to be a Director of the Group.

4.8 Insider Trading

- a) Directors who possess inside information shall not:-
 - i) Deal in securities; or
 - ii) Communicate such information to any unauthorised persons, for the benefit of himself or any other persons.

- b) When dealing in the securities, a Director shall comply with the relevant laws on trading in securities.

5. Reporting Violations of the Code

Directors must immediately report any concern about possible/ actual breaches of the Code by any director to the Chairman (or the Chairman of the Audit Committee, where applicable) and strictly observe the relevant internal document i.e. the Whistleblowing Policy.

6. Enforcement of the Code

In the event of any violation of this Code by any Director, the Board shall determine the appropriate actions to be taken after considering all relevant information and circumstances.

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