



Code of Conduct & Ethics

INTRODUCTION

The Board of Directors (“the Board”) of Latitude Tree Holdings Berhad (“LTHB” or “the Company”) has adopted this Code of Conduct and Ethics for the Directors of the Company (“Code”). The Code covers a wide range of business practices and procedures. It does not cover every issue that may arise but sets out basic principles to guide all the Directors of the Company and its subsidiary companies.

Appropriate standards of conduct and ethical behaviour are fundamental to the preservation of the Company’s reputation and the success of its operations. Directors consider that the highest standards of business conduct and ethical behaviour should govern the exercise of their duties and responsibilities as Directors of the Company. This Code describes the standards of business conduct and ethical behaviour for Directors in the performance and exercise of their responsibilities as Directors of the Company or when representing the Company.

Accordingly, this Code is established to reflect the Board’s commitment to such standards. No code can offer a complete guide to cover all possible situations that might be encountered, and the Directors must exercise judgment in applying the principles embodied in this 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. Compliance with this Code will not relieve a director from any such obligations.

1. Compliance with laws, rules and regulations

- 1.1 Each director shall comply with all applicable laws, rules and regulations, and shall use all reasonable efforts to oversee compliance by employees and other directors with all applicable laws, rules and regulations governing their conduct.
- 1.2 Directors have a responsibility to be sufficiently familiar with legislation or regulations that apply to their directorships and to recognize potential liabilities, seeking legal advice where appropriate in accordance with the Company’s internal procedures governing the seeking of external advice by any Director.
- 1.3 Directors must not engage in or give the appearance of being engaged in any illegal or improper conduct that is in violation of this Code or that indicates a casual attitude toward compliance with laws, regulations or this Code.

2. Corporate Governance

- 2.1 Directors should have a clear understanding of the aims and objectives, capabilities and capacity of the Company and should at all times exercise their powers for the benefit of the Company.
- 2.2 Each director should devote sufficient time and effort to attend meetings and to know what is required of the Board and of each director, and to discharge those functions. Therefore, directors should limit the number of directorships they take up in accordance with the amount of available time at their disposal for the discharge of their duties.



- 2.3 Directors should ensure that at all times, the Company is properly managed and effectively controlled and should insist on being kept informed on all matters of importance to the Company, in order to be effective in corporate management.
- 2.4 Directors should stay abreast of the affairs of the Company and be kept informed of the Company's compliance with relevant legislation and contractual requirements.
- 2.5 A director should be willing to exercise independent judgment and, if necessary, oppose positions which in his or her view, are to the detriment of the Company or are contrary to the best interests of the Company.

3. Conduct of Business and Fair Dealing

3.1 No director shall:

- compete with the Company by providing services to a competitor; whether as an employee, officer or director;
- profit, or assist others to profit, from confidential information or business opportunities that he/she gains by virtue of his/her directorship of the Company;
- improperly influence or attempt to influence any business transaction between the Company and another entity, in which a director has a direct or indirect financial interest or acts as an employee, officer or director; or
- take unfair advantage of any customer, supplier, competitor or other person through manipulation, concealment, misrepresentation of material facts and/or other unfair practice.

4. Conflicts of Interest, Corrupt Practices, Unlawful and Unethical Behaviour, and Improper Use of Company Assets

- 4.1 Every director has a duty to avoid business, financial or other direct or indirect interests or relationships which conflict with the interests of the Company, or which divides his/her loyalty to the Company. Each director must deal at arm's length with the Company and should disclose to the Chairman or Managing Director, any conflict or any appearance of a conflict of interest on his or her part.
- 4.2 Any activity which even appears to present such a conflict must be avoided or terminated unless, after such disclosure to the Board, it is determined that the activity is not harmful to the Company or otherwise improper. The end result of the process of disclosure, discussion and consultation may well be the approval of certain relationships or transactions on the grounds that, despite initial appearances, no conflict in fact exists.
- 4.3 Each director undertakes to comply with all applicable laws, rules and regulations currently in force in Malaysia in relation to corrupt practices, unlawful and unethical behavior, as well as improper use of company assets, including but not limited to the Companies Act 2016, Penal Code (Act 574), the Malaysian Anti-Corruption Commission Act (2009) and the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act (2001), as well as all amendments and revisions thereto currently in force in Malaysia.



5. Use of Non-Public Information and Disclosure (Insider Trading)

- 5.1 A director who has in his or her possession important information about the Company that has not been disclosed to the public, must keep such information confidential. Directors who have access to confidential information about the Company or any other entity are not permitted to use or share that information for the purposes of trading in the securities of the Company, the securities of the other entity, or for any purpose other than the conduct of the Company's business.
- 5.2 Directors shall maintain the confidentiality of any non-public information obtained in the course of the performance of their duties on behalf of the Company, except when disclosure is authorized or legally mandated.

6. Use of Company Funds, Assets and Information

- 6.1 Each director shall protect the Company's funds, assets and information and shall not use the Company funds, assets or information to pursue personal opportunities or gain.
- 6.2 No Company funds, assets or information shall be used for any unlawful purpose.
- 6.3 No undisclosed or unrecorded funds or assets of the Company shall be established for any purpose.

7. Social Responsibilities and the Environment

- 7.1 The Company shall constantly conceptualises and implements corporate social responsibility programmes and initiatives to minimise environmental impact.
- 7.2 Directors shall be responsible to maintain a safe and healthy workplace by following safety rules and practices and by reporting accidents, injuries and unsafe equipment, practices or conditions. Group related work is performed in a safe manner, free from the influences of alcohol, illegal drugs or controlled substances. The use of alcohol, tobacco or illegal substances inside the workplace is not tolerated.
- 7.3 Directors shall ensure that the activities and the operations of the Company do not harm the interests and wellbeing of society as a whole.
- 7.4 The Company is committed to providing all directors, officers and employees with an environment that respects their basic human rights and is free from discrimination and harassment. Each director is responsible for taking all reasonable precautions to not demonstrate behavior that can be reasonably construed as discriminatory or harassing in nature, whether on grounds of gender, race, religion or sexuality. Directors are encouraged to report all incidents of discrimination and harassment to the Chairman.

8. Proper Records and Communication

- 8.1 Directors must not make or engage in any false record or communication of any kind, whether internal or external, including but not limited to:
- false expense claims, attendance, production, financial or similar reports and statements.



- false advertising, deceptive marketing practices or other misleading representations.

9. Spokesman

- 9.1 Only the Chairman, Managing Director and Executive Directors are authorised spokesmen of the Company. Other appointed agents may sometimes be appointed to speak on behalf of the Company temporarily, by the Chairman, Managing Director or Executive Directors.
- 9.2 Only the authorised spokesman or other authorised person is allowed to address the public, approve announcements, make press releases, clarify rumours and/or authorise the publication of any contents on the Company's website on behalf of the Company.

10. Whistle Blowing

- 10.1 Whistle blowing is a specific mechanism by which a worker or stakeholder can report or disclose through established channels, concerns about any violations of the Code, unethical behavior, malpractices, illegal acts or failure to comply with regulatory requirements that is taking place / has taken place / may take place in the future.
- 10.2 Only genuine concerns should be reported under the whistle blowing procedures. Under the Company's whistle blowing policy, such report should be made in good faith with a reasonable belief that the information and any allegations in it are substantially true, and the report is not made for personal gain. Malicious and false allegations by the whistle blower will be viewed seriously and treated as a gross misconduct and if proven, may lead to dismissal or termination of the whistle blower who abuses this system. The identity of the whistle blower will always be kept in strictest confidentiality.

11. Breaches of the Code

- 11.1 In case of breaches of this Code including violations of laws, rules, regulations or the Company's policies by any director, the director or other directors are required to:-
- (i) as soon as possible, disclose the violations to the Chairman and the rest of the directors;
 - (ii) use best efforts to reduce the magnitude of damage/loss, if any; and
 - (iii) strictly observe the whistle blower policy.

12. Waiver of the Code

- 12.1 In extraordinary circumstances and where it is clearly in the Company's best interests to do so, the Chairman, upon recommendation by the Audit Committee and approval by the Board, may waive a director's compliance with any provision of this Code. Conditions may be attached to such a waiver.

13. Review of this code

- 13.1 The Board shall periodically review and reassess the adequacy of this Code and make such amendments to this Code as the Board may deem appropriate.

Revised on: 21 May 2018