



CODE OF BUSINESS ETHICS

Effective Date: 10 January 2022

PREAMBLE

As a leading urban property and construction company, Malaysian Resources Corporation Berhad (“Company”) wishes to maintain the industry’s best practices on integrity which includes maintaining its social responsibilities and position. In accordance with this objective, the Code of Business Ethics (“Code”) requires all directors and employees to observe highest ethical business standards of honesty and integrity and to apply these values to all aspects of its business and professional practices.

The Company accepts that it is not possible to draw a specific definition for universal application of this Code and it acknowledges that situations may arise which appears ambiguous and difficult to interpret as violating the Code. The onus is on all parties to approach each situation with a conscience.

The Code applies to all Directors and employees of the Company and its subsidiary companies (“Group”).

OBJECTIVE OF THE CODE

The Code of Business Ethics (“Code”) shall serve as a guide and reference to assist us in maintaining high ethical business standards. It provides guidance in ways of how we conduct business and duties in a manner that is efficient, effective and fair.

The Code highlights key issues and identifies the relevant policies and procedures and resources to conduct business and duties in line with our standards. It is not a comprehensive manual and thus, you should seek advise from the Legal Department on any doubts with regards to the legality of any business practices.

RESPONSIBILITY AND ACCOUNTABILITY

Directors and Employees are expected to:

1. Understand and comply with the Code;
2. Ensure subordinates understand and comply with the Code;
3. Exercise proper care and judgement;
4. Act in the best interests of MRCB.

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I. THE COMPANY

(A) GENERAL BEHAVIOUR

(i) Proper Conduct

- (a) All employees shall always conduct themselves professionally in business relations with customers, vendors, suppliers, contractors, and stakeholders. Proper conduct is necessary to maintain the reputation of MRCB.
- (b) All employees shall refrain from any act of immorality as this will contradict with our values and our professionalism.

(ii) Fraud and Similar Irregularities

- (a) The Company strictly prohibits fraud and will take strict and stern action against offenders. Stern action may include dismissal.
- (b) Fraud and irregularities will include but are not limited to:
 - 1. bribery and corruption;
 - 2. acts of dishonesty;
 - 3. fraudulent acts;
 - 4. forgery of company documents and negotiable instruments;
 - 5. misappropriation of funds;
 - 6. misuse of Company assets;
 - 7. abuse of power;
 - 8. insider trading;
 - 9. money laundering.

(iii) Graft, Corruption and Unethical Practices

- (a) An employee shall not in any manner or form offer on behalf of the Company or receive an offer of graft or a bribe for his/her own benefit, or the benefit of his/her relatives or spouse.
- (b) The Company will not tolerate bribery and corruption, and is committed to behaving professionally, ethically and with integrity in all business dealings and relationships wherever the Company operates. All deeds defined as “gratifications” under the relevant laws of each jurisdiction where the Company operates will be adopted by the Company in defining the “gratifications”. These are defined in the “Anti-Bribery & Corruption Policy” and “Gifts, Hospitality, Donations, & Similar Benefits Policy.”

(B) SAFE WORK ENVIRONMENT

(i) Safe and conducive work environment

- (a) It is the policy of MRCB to assure that business activities are conducted with full concern for safety of its facilities in order to protect the safety and health of its employees, communities adjacent to our operations and the general public.
- (b) MRCB is committed to providing a safe and conducive work environment and will provide appropriate safety and health training and will require strict adherence to safety rules and procedures.
- (c) MRCB will provide qualified safety and health personnel & appropriate equipment to support management in carrying out its objectives and goals.

(ii) Employees' obligations

- (a) It is everyone's responsibility to promote safe behaviour, and immediately report accidents, injuries, and unsafe equipment, practices or conditions to a supervisor or other designated person. All employees must report for work free from the influence of any substance that could prevent us from conducting work activities safely and effectively. Threats or acts of violence or physical threats on fellow employees are prohibited.
- (b) We must follow all rules and regulations laid down on safety matters; influence and persuade others to do the same and report cases of non-compliance.
- (c) All rules and regulations on safety matters must be adhered to. Any non-compliance must be reported to the Environmental, Safety and Health Committee.
- (d) Employees are to use common sense and best judgement to ensure safety.

(C) ASSET AND PROPERTY

(i) Employees' responsibilities

- (a) All MRCB assets and property assigned to staff must be protected from loss, damage, misuse, illegal use and theft.
- (b) All MRCB assets and property are meant to be used only for business purposes and other purposes approved by the Management. Usage for personal reasons is strictly prohibited.
- (c) All company's assets must be returned to the respective departments when it is no longer needed for business purposes.

(ii) Company vehicles and petrol card

- (a) Authorised employees assigned to drive Company vehicles must ensure the usage is for official Company/work purposes only. Personal usage is strictly prohibited.
- (b) Petrol cards assigned to Company vehicles are not to be shared with other vehicles or individuals and are meant for purchasing fuel for the designated vehicle only.

(iii) Internet Access and Software

- (a) Internet access is provided for business purposes, which includes any research work related to the user's field of work.
- (b) MRCB reserves the right to revoke the user's internet access if he/she is found to abuse the computing facilities outside the scope of the work.
- (c) There shall be no other means of accessing the internet except through specific means provided by MRCB IT services provider.
- (d) Materials from the internet that are or could be perceived as offensive from religious, political, racial or gender perspectives are classified as objectionable material. These include materials that have the potential to incite hatred or ill feelings of various parties. Objectionable material also includes pornography, gambling and insensitive religious, sexist, political and racist comments. Objectionable material must not be transmitted or downloaded. Such activities are considered to be serious breach of this Code.
- (e) All users are not permitted to participate in any "chain letters", "flaming" personal attacks and other non-professional conduct. This includes any other activity that involves broadcasting unnecessary and irrelevant e-mail contents.
- (f) Only software that is developed by the organization, or that is licensed or provided by the developer to the organization may be used.
- (g) All employees (permanent or contractual) are to restrain from the following:-
 1. Duplicating copyrighted material without the owner's consent;
 2. Copying software from one machine to another without the owner's documented authority;
 3. Copying Company proprietary software for use in computers that do not belong to the Company, or for any purpose not authorized by the Company;
 4. Installing unauthorized software (this is to prevent computer viruses from infecting the system).

(D) INFORMATION

(i) Confidential and proprietary information

- (a) Confidential and proprietary information includes: -
 1. Any information that is not generally known to the public and is helpful to MRCB or would be helpful to competitors;
 2. Information that suppliers and customers have entrusted to us;
 3. Technical information, data, know-how and information relating to business, marketing strategies, financial condition and operations of all companies in the MRCB group of Companies.

(ii) Employees Obligations:

- (a) Employees will not disclose information about the Company to unauthorized people or use the information for personal gains.
- (b) Every employee is expected to exercise judgment in seeking clarification or proper authorization prior to disseminating confidential, proprietary or sensitive information.

(iii) Information to be protected

- (a) All confidential and proprietary information (defined above) including concerning securities, financial condition, earnings or activities of MRCB and information that is particularly sensitive which include knowledge of acquisitions and divestiture, new products or process, audit reports and earning figures and trends must remain confidential until it is fully and properly disclosed to the public.
- (b) All MRCB corporate, customers and employees' information are strictly private and confidential, and must be treated as such at all times. They must not be disclosed to anybody without proper authorization. There shall be no release of such information to casual contacts made through the internet or any other means of information dissemination.
- (c) MRCB policy is to recognize fully and respect the legal rights of others on matters involving the ownership, use and disclosure of Intellectual property. This includes the avoidance of any act which would result in the improper use of any trademark or service mark belonging to another party. It also includes the avoidance of any act which would result in unauthorized use of appropriation of any design, formulation, product or is covered by valid patent belonging to another party.
- (d) The obligation to preserve confidential and proprietary information continues even after employment ends.

(iv) Recording and storing of information

- (a) All books, records and accounts are to be kept in a complete and accurate manner
 - 1. there can be no "special funds" or other accounts representing company assets, which are "off-the books" or otherwise maintained outside MRCB normal financial accounts.
 - 2. employee expense account reimbursements are to be only for proper and authorized business expenditures accurately described in such accounts.
 - 3. no customers or suppliers are to be "over-invoiced" to create funds for any unlawful or improper use.
 - 4. discounts and rebates to customers must reflect true commercial transactions and should not be intended to serve any illegal or improper purpose.
 - 5. fees and commissions to consultants, agents and other third parties must be legal, proper and reasonable in relation to customary commercial practice.
- (b) Storage media containing confidential data or licensed or copyrights software, must not be taken off-site by employees and contractors without consent and authorization from the owner or your immediate supervisor.

(E) TIME

(i) Punctuality

- (a) Employees must be punctual in regards to working hours, attending meetings, conferences, training and appointments; both in-house as well as with external customers.
- (b) Employees must be at their assigned workstation, ready to work at the beginning of their daily working hours. They are also expected to remain at work until the end of their assigned work hours, except for approved breaks and outside appointments.

(ii) Absence with permission

- (a) An employee needs to obtain prior approval from the immediate supervisor if she/he has to leave the workplace to attend to urgent personal matters outside the Company during work hours.

II. OUR CUSTOMERS

(A) INTERNAL CUSTOMERS

(i) Relationship with colleagues

- (a) At MRCB we believe that the internal customer is as important as our external customers. As such, we shall conduct ourselves in a professional manner and in the best interest of the Company and demonstrate the highest regard for one another and shall treat each other with respect, avoiding any language or behaviour that intimidates or offends others in any dealings with them.
- (b) Abusive, harassing or offensive conduct is unacceptable, whether verbal, physical or visual. Examples include derogatory comments based on racial or ethnic characteristics and unwelcome sexual advances. We are encouraged to speak out when a co-worker's conduct makes us uncomfortable, and to report harassment when it occurs.

(ii) Employee's responsibility

- (a) We shall each be responsible for fostering an atmosphere that promotes good relations between one another.
- (b) Managers are to direct and manage their subordinates in the most effective and efficient manner and make fair decisions without discrimination based on guidelines and policies provided by the Company. Do not discriminate against any individual or group because of race, religion, gender or disability. Do not use your position or other advantage you may have, such as seniority or physical size, to harass or intimidate others.

(B) EXTERNAL CUSTOMERS

(i) Integrity and professionalism

- (a) We will build long-term relationship with our customers by demonstrating honesty and integrity.
- (b) All of our marketing and advertising will be accurate and truthful. Deliberately misleading messages or omissions of important facts are prohibited.
- (c) To maintain MRCB's valuable reputation, compliance with our quality processes and safety requirements is essential. We strive to provide the best products and services that meet customer expectations.

(ii) Relationship with customers

- (a) We are to ensure that the highest ethical standards are demonstrated in satisfying customer's needs.
- (b) Customers' information are to be kept and maintained with highest confidentiality.
- (c) We will maintain our customers' self-esteem by employing the highest business standards when we interact with them face-to-face, through our correspondences, and over the telephone.

III. OUR VENDORS, SUPPLIERS/CONTRACTORS

(A) DOING BUSINESS WITH OTHERS

(i) Legal & Ethical Business Deals

- (a) Business decisions and actions must be based on the best interests of MRCB and must not be motivated by personal considerations or relationships. Relationships with prospective or existing suppliers, contractors, competitors or regulators must not affect our independent and sound judgment on behalf of MRCB.
- (b) MRCB employees who are employed on a full-time basis are not allowed to work for, or receive payment for services from any competitors, customers, distributors or suppliers of MRCB without the prior written approval of management.
- (c) Bribes, facilitation payments and kickbacks are strictly prohibited. These are defined in the "Anti-Bribery & Corruption Policy."

(ii) Conflicts of interest

- (a) In general, conflict of interest is a situation in which a person is in a position to derive personal benefits, either directly or indirectly, from actions or decisions made in their official capacity. These are defined in the "Conflict of Interest Policy."
- (b) Employees and directors are expected to act in the best interest of MRCB. Where there is a potential conflict of interest, the employee or director should disqualify him/herself from participating in the decision-making process. Any conflict-of-interest situation must be declared.

- (c) The policy of the Company requires that its employees avoid any conflict between their own interest and the interest of the Company.
- (d) A conflict of interest will arise where an employee's ability to perform his or her Company duties may be adversely affected by an outside appointment, relationship, or activity.
- (e) Employees should not take improper advantage of their position in the Company or of any information obtained in the course of their employment.
- (f) Employees are required to always act in a way that is consistent with their commitment to the Company. They should avoid situations which give rise to conflicts of interest. In instances where an existing conflict of interest may seem to be unclear and consequently open to interpretation, on any such occasion, the employee concerned should consult his/her manager and/or Human Resource Department or Integrity & Discipline Department (IDD).

(B) GIVING AND RECEIVING GIFTS

(i) Guiding principles

- (a) All directors and employees are prohibited from directly or indirectly, receiving or providing any gifts, kickbacks or guarantees in any form that may compromise their judgement and decision making. These are defined in the "Gifts, Hospitality, Donations, & Similar Benefits Policy."
- (b) Providing gifts, loans or other benefits to a customer (or customer's representative) or potential customer to get sales or beneficial arrangements from the customer are also not allowed.
- (c) Directors and employees should neither ask for, nor accept, gifts on behalf of the Company or any other Company within the Group even for legitimate purposes such as training or sponsorship of any sporting or welfare events.

(ii) Employees' obligations

- (a) In principle, staff should not accept gifts from vendors, suppliers, contractors, customers and other third parties that may influence, or are perceived to be able to influence decision-making. Decision-making should be objective, based purely on merits and should benefit the Company. Decision-making should never be based on personal interest.
- (b) Employees are required to comply with MRCB's "Gifts, Hospitality, Donations, & Similar Benefits Policy" as gifts can be viewed as a bribe that may tarnish the Company's reputation and be in violation of anti-bribery and corruption laws.

(C) PURCHASING AND PROCUREMENT PRACTICE

(i) MRCB's best interest

- (a) Purchasing decisions must be made based solely on MRCB's best interest with proper documentation and clearly identifying the services or products to be provided, the basis for earning payment, and the applicable rate or fee. The amount of payment must commensurate with the services or products provided.
- (b) All staff involved in procurement in one form or another must comply with the features of sound procurement practices as follows:
 - 1. All vendors are treated equally and all are accorded the same information at the same time;
 - 2. Ensuring that no information leaks during the procurement process;
 - 3. No conflict of interest through relationships, receipt of gifts etc. to ensure no favouritism amongst vendors. Any conflicts of interest (or potential thereof) through relationships or friendships with people in other companies invited by us to tender for any project must be declared. In situation where there is evidence or suspicion of improper behaviour during the tender process or after its award, it must be reported to Integrity & Discipline Department;
 - 4. More than one bidder;
 - 5. Transparency, which ensures that the procurement process is auditable and justifiable, and can stand up to scrutiny;
 - 6. More than one staff is involved, to ensure proper check and balance; and
 - 7. Getting the best deal for the Company

(ii) Commitments on behalf of the Company

- (a) Any monetary commitment on behalf of the Company must be done in accordance with the Limits of Authority.
- (b) All directors and employees must comply with the Limits of Authority and be aware that management will view violation of his /her authority seriously and any non-compliance will result in severe disciplinary action.
- (c) No employee is permitted to break down the total value of commitment i.e. purchase or contract, into smaller value in order to avoid approval by higher approving authority.

(iii) Commitments by resignees and consultants

- (a) An employee who has given the notice to resign and is serving the notice

period, is not allowed to make any commitment on behalf of the company.

- (b) No consultant (i.e. a person who is not a full-time employee of MRCB)) is allowed to make or approve any commitment on behalf of the Company.

(iv) Cash and company monies

- (a) We will follow all instructions on how to handle cash and other company funds that we are responsible for. We will maintain tight control over the funds we are responsible for and report any non-compliance immediately to the appropriate channel.
- (b) The Company's financial records will conform to generally accepted accounting principles. There must be no undisclosed or unrecorded funds or assets.

IV. OTHER EXTERNAL PARTIES

(A) SAFEGUARDING OUR REPUTATION

(i) Establishing business relationships

- (a) We will not do business with parties who are likely to harm MRCB reputation
- (b) We will also avoid doing business with parties who intentionally and continually violate the law. All arrangements with third parties must conform and comply with MRCB policies and the law.
- (c) We will not use a third party to perform any act prohibited by law or by the MRCB Code of Business Ethics.

(ii) Maintaining Ethical Practices

- (a) We will not make payments to third parties to secure sales or obtain favourable terms or treatment.
- (b) Gifts of substantial value or extravagant entertainment of such parties are prohibited since they may be construed as attempts to influence their decisions.
- (c) Assistance or entertainment given to third parties should not compromise or even appear to compromise their integrity.

(iii) Product and services endorsement

- (a) Employees are not allowed to endorse products and services of a third party without prior approval from the Company.

(B) GOVERNMENT AGENCIES

(i) Dealings with government officials and contracts

- (a) Directors and employees involved in business deals with government officials and contract must comply with applicable laws and regulations.
- (b) We are expected to co-operate with reasonable requests for information from government agencies and regulators, and to consult with relevant MRCB departments before responding to any non-routine requests. All information provided must be correct and accurate. We will not alter or destroy documents or records in response to an investigation or other lawful request.

(ii) Offers and unlawful payments are disallowed

- (a) All payments made to Government officials, statutory bodies must be as per applicable law and regulations.
- (b) This requirement applies both to MRCB and its agents, such as service agents and dealers, irrespective of geographical location.

(C) COMPETITORS

(i) Competitors' proprietary information, trade secrets, etc.

- (a) All information of competitors must be obtained with owner's consent and from legal sources.
- (b) If information is obtained by mistake that may constitute a trade secret or confidential information of another business, or if we have questions about legality of information gathering, we should consult Legal Department.

(ii) Maintaining ethical practices in a competitive environment

- (a) We must never use any illegal or unethical methods to gain competitive advantage (including in obtaining information about our competitors).
- (b) We will sell MRCB products and services fairly and honestly, stressing their quality and value.
- (c) We will not use tactics that unfairly undermine the products of competitors (in advertisements, demonstrations or by disparaging comments or innuendoes)
- (d) Comparative advertising may only be used when comparing MRCB products against the competitor's own statements about their products.

(D) MEDIA

(i) Third parties' Queries

- (a) To ensure professional and consistent responses, requests from the media should be forward to Corporate Communication Department
- (b) Requesters from financial analysts and shareholders should also be treated in the same manner.

(E) POLITICAL PARTIES, NON-GOVERNMENTAL ORGANIZATIONS (NGOs) AND NON-PROFIT ORGANIZATIONS (NPOs)

(i) Contributions to political parties

- (a) No MRCB employee may propose that the company make a political contribution without prior determination that such a contribution is lawful, and no such proposal may be acted upon without the express approval or concurrence of the Board of Directors.
- (b) No political contributions utilizing MRCB funds or other resources are permitted to be made, directly or indirectly, to any political candidate or any political party except where such contributions are permitted by law and expressed permission has been given by Board of Directors.

(ii) Contributions to NGOs and NPOs

- (a) Any contributions to be made on behalf of MRCB to NGOs and NPOs must have prior written approval from ED irrespective of the nature and amount.
- (b) Personal involvement in such organizations has to be done at your own expense and time. Employees are prohibited to be involved in such organisations' activities during work hours.

V. BREACH OF CODE

- (a) We are required to follow all established rules and practices in this Code of Business Ethics. MRCB will hold all employees and directors accountable in ensuring observation of highest ethical business standards and to apply these values to all aspects.
- (b) A breach of the Code will be construed as misconduct and may be subjected to disciplinary action.
- (c) In the case of suspected corruption, breach of law or regulations or other forms of criminal activities, the Company will report the case/breach to the

appropriate authorities.

- (d) An employee who has any knowledge of any questionable or possible breach of the Code or possible illegal action affecting the Company is expected to promptly report such actions to his/her superior or to the Company immediately. Additionally, full disclosure and co-operation of the employee with the parties involved in the investigation is essential.
- (e) Any concealment regardless of any reasons will be considered violation of the Code.

Expectations of an MRCB Employee

MRCB employees are expected to comply with all applicable laws and regulations wherever we do business. You may disclose any alleged improper conduct and practices and compliance concerns to the channels set out in Whistleblowing Policy without fear of retaliation.

Consult your immediate supervisor and manager

If you have any question about the MRCB Code of Business Ethics, your first point of contact is your immediate supervisor or manager. They will be able to engage in discussions with you about the Code and advise you accordingly. Alternatively, you may seek the advice of the Integrity & Discipline Department when in doubt.



CODE OF BUSINESS ETHICS

DECLARATION BY DIRECTOR

I,

Identity Card No., hereby confirm that I have read the MRCB Code of Business Ethics and agree to observe and adhere to it, as amended from time to time. I shall conduct myself with complete integrity and be true to the spirit of the Code of Business Ethics, in the daily execution of my duties and assignments as the Board of Director of Malaysian Resources Corporation Berhad.

I acknowledge that failure to abide by this Code of Business Ethics will lead to appropriate action being taken against me.

.....

(Signature)

Name:

Date:

Appendix B: Declaration by Employee



CODE OF BUSINESS ETHICS

DECLARATION BY EMPLOYEE

I,

NRIC No., hereby certify that I have read the Code of Business Ethics and agree to be bound by MRCB and the amendments made from time to time. I will act in accordance with the Code of Business Ethics in the course of daily duties and responsibilities as an employee of Malaysian Resources Corporation Berhad.

Failure to comply with the Code of Business Ethics will allow disciplinary action against me.

Signature : _____

Date : _____

Note: Kindly read the Code of Business Ethnics which is available in the Company’s SharePoint Portal. Please ensure that all details are properly filled-in before submitting this form to the Human Resources Department within one (1) week of commencement date.