

# **JATI TINGGI GROUP BERHAD**

## **Code of Conduct and Ethics for Directors**

## **CODE OF CONDUCT AND ETHICS FOR DIRECTORS**

### **1. INTRODUCTION**

- a) Appropriate standards of conduct and ethical behaviour are fundamental to the preservation of the reputation of Jati Tinggi Group Bhd ( “**the Company**”) and its subsidiaries (“**JTGB**”) and the success of their operations. Adherence to ethical values will create an environment of mutual trust whilst increasing the confidence of the stakeholders.
- b) **JTGB** is committed to the highest standard of conduct in all its business dealings and its relationships with its employees, customers, shareholders and stakeholders, premised on the core principles of sincerity, integrity, transparency and accountability. **JTGB** takes a zero-tolerance approach towards fraud, bribery and corruption and any form of dishonesty in its business dealings.
- c) The Board of Directors of **JTGB** (“Board”) is entrusted with the fiduciary responsibility of oversight of the affairs of the **JTGB** for which the Board is committed to ensuring that **JTGB** conducts its business dealings in the manner as stated above. As Directors<sup>1</sup> of the **JTGB**, they are obliged to carry out their duties in an honest, fair, diligent and ethical manner, within the scope of the authority conferred upon them and in accordance with the applicable laws, rules, regulations, guidelines and internal policies and relevant procedures.
- d) This Code of Conduct and Ethics for Directors (“**Code**”) is to provide the fundamental guiding principles and standards applicable to the Directors where such principles and standards are founded on high standards of professional and ethical practices. The Directors acknowledge that they must exercise judgment in applying the principles embodied in the Code to any particular situation. This Code is not intended to be exhaustive. It should be read in conjunction with the existing framework of all relevant laws and regulations as well as the directives and policies of the **JTGB** including any relevant best practices/standards in corporate governance and provisions of the constitutions of companies within the **JTGB**.

### **2. PRINCIPLES**

- a) The principles of this Code are drawn and derived from international standards of corporate governance best practices and best practices in Malaysia, where relevant.
- b) Duty to act in the public interest and best interest of **JTGB**.
- c) Directors have a statutory duty to act in the public interest and to ensure the maintenance of a fair, orderly and transparent market. Directors also have a duty to act in good faith having regards to the best interests of the **JTGB** and its shareholders and stakeholders.

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<sup>1</sup> Any person who holds the position of Director, or a person performing the functions of a Director of XXX Berhad or the subsidiaries within the Group, as defined under the Companies Act 2016

- d) Directors discharge and perform their duties to **JTGB**, its shareholders and other stakeholders by honestly observing high standards of ethical behaviour and abiding by all laws, rules and regulations.
- e) Directors exercise independent oversight and make decisions solely on merits.
- f) Directors take into account sustainability considerations in setting the strategic direction of **JTGB**.

### 3. COMPLIANCE WITH LAWS, RULES AND REGULATIONS

Every director in exercising and/or discharging his/her powers or duties shall comply with all applicable laws, rules and regulations including the constitutions of the Group and guidance and directives issued by the authorities.

### 4. CONFLICT OF INTEREST

- a) Directors should avoid conflicts of interest as far as possible.
- b) Directors are required to declare at all times the nature and extent of any conflict of interests, whether direct or indirect, or whether actual or potential, with the Company or its subsidiaries, and if so required by the relevant Board/Board Committees, to recuse themselves from any deliberation and decision relating thereto.
- c) Where a potential or actual conflict arises, every Director shall adhere to the procedures provided by the relevant laws imposed by the Malaysian Government, when applicable.
- d) Where a potential or actual conflict arises in respect to competing businesses by principal officers, directors and/or major shareholders, the party in interest shall declare the competing businesses in writing, the conflict of Interest situations, possible mitigating solutions for evaluation, deliberation and recommendation of the Audit Committee. The party in interest shall provide an update (if any) of the latest competing business situation to the Board of Directors annually.
- e) The members of the Board as well as principal officers shall submit a written declaration of shareholding and directorship update every quarter to the Company Secretary. The Company Secretary shall highlight any potential conflict of interest situation (if any) to the interest party as well as the Audit & Risk Management Committee for further evaluation and advices.
- f) The Audit & Risk Management Committee shall recommend and advise the mitigating solution to the Board of Directors as well as party in interest.

### 5. ANTI-CORRUPTION/BRIBES

- a) To observe high standards of business, professional and ethical conduct, the Directors (whether acting in their own capacity or on the Group's behalf) are committed to refrain themselves from offering, soliciting, giving or receiving any gifts, donations (including political donations), sponsorship, and any other form of benefits (in-kind, cash, advantages, travels, entertainments and/or favour and etc) from persons or

entities who deal with the **JTGB** where the gift would reasonably be expected to influence the performance of the Director's duties in any aspect.

- b) When dealing with gifts, donations, sponsorship, and any other form of benefits, a Director shall uphold the highest integrity and ensure compliance with the relevant laws in respect of anti-corruption and bribery.

## 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).
- 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.

## 7. CONFIDENTIALITY

- a) Directors may come into possession or access confidential, sensitive and non-public information ("**Insider Information**") in the course of their directorship with **JTGB**. 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 **JTGB**'s Insider Information is ongoing even after an individual ceases to be a Director of **JTGB**.

## 8. INSIDER TRADING

Directors who possess Insider Information shall not :-

- a) deal in securities;
- b) communicate such information to any unauthorised persons, for the benefit of himself or any other persons.
- c) When dealing in the securities, a Director shall comply with the relevant laws on trading in securities and observe to the procedures provided by the relevant laws imposed by the Malaysian Government, when applicable..

## 9. FAIR DEALING AND ANTI-COMPETITION

In the interests of preserving the reputation and integrity of **JTGB**, a Director shall act impartially, honestly and responsibly in dealing with all employees, stakeholders, regulators and public where he/she shall not:-

- a) compete or aid/assist other competitors to compete with the **JTGB**; and

- b) take unfair advantage of anyone through manipulation, concealment, abuse of privileged or confidential information, misrepresentation of material facts, or any unfair dealing practice.

#### 10. WAIVER

Any waiver of the application of principles/standards set forth in this Code may only be made by the Board of **JTGB** or an authorised Committee/Panel of the Board of **JTGB**, as it deems fit and appropriate.

#### 11. REPORTING VIOLATIONS OF THE CODE

- a) Directors must immediately report any concern about possible/actual breaches of the Code by any director to the Chairman (or the Senior Independent Director, where applicable) and strictly observe the relevant shall adhere to the whistle blowing policy as well as the procedures provided by the relevant laws imposed by the Malaysian Government, when applicable.. A Director making such a report must have reasonable and probable grounds and merits and must undertake such reporting in good faith, in the best interests of the Company.
- b) Any improper conduct by a director may also be reported to any Enforcement Agency as prescribed in the Whistleblower Protection Act 2010.

#### 12. ENFORCEMENT OF THE CODE

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

#### 13. REVIEW

This Code shall be reviewed by the Board of **JTGB** as required when internal or external events warrant a more frequent review to be undertaken.

*This Code Of Conduct And Ethics For Directors was approved and adopted by the Board on 10 October 2022.*