

**PASB Group
CODE OF ETHICS FOR DIRECTORS
(the "COE(D)")**



Approved by PASB Board on 28th June 2024

ABBREVIATIONS

ABC	-	PASB Group Anti-Bribery and Anti-Corruption Policy
CA 2016	-	Companies Act 2016
CS	-	Company Secretary
IO	-	Integrity Officer
M&A	-	Memorandum and Articles of Association
PASB Group	-	Permodalan ASSAR Sdn. Bhd. and its group of companies, which are wholly owned, majority owned and indirect subsidiaries
TOR	-	Terms of Reference

DEFINITION

<i>Word</i>	<i>Meaning</i>
<i>“ABC”</i>	<i>Anti-Bribery & Anti-Corruption Policy.</i>
<i>“Associated Person(s)”</i>	<i>Any person who performs services for or on behalf of PASB Group.</i>
<i>“BOD”</i>	<i>The respective members of the board under PASB Group.</i>
<i>“Chairman”</i>	<i>Chairman of the respective company and/or Board of Directors of PASB.</i>
<i>“Conflict of interest”</i>	<i>A conflict of interest occurs where a person or entity with a duty to the organisation has a conflicting interest, duty, or commitment. Having a conflict of interest is not in itself corrupt, but corruption can arise where a director, CS, employee, associated person(s) and/or business third party(s) breaches the duty due to the organisation by acting in regard to another interest.</i>
<i>“Directors”</i>	<i>Includes the executive and non-executive directors of the relevant entity under PASB Group.</i>
<i>“Employees”</i>	<i>All individuals directly contracted to the group on an employment basis including permanent and temporary employees.</i>
<i>“Family members of the director, CS and employee”</i>	<i>Shall include parent, spouse, child (including adopted child and stepchild), brother, sister and the spouse of the child (including brother and sister).</i>
<i>“Family members of PO, PEP,</i>	<i>Individuals who are related to a PO/PEP/Associated person(s)/Third Party(s) either directly (consanguinity)</i>

<p><i>Associated Person(s), and Third Party(s)</i>”.</p>	<p><i>or through marriage. A family member of the PO/PEP/Associated Person(s)/Third Party(s) includes his/ her parents, siblings, spouse, children and spouse’s parents (biologically and non-biologically).</i></p>
<p>“<i>PASB Group</i>”</p>	<p><i>Permodalan ASSAR Sdn. Bhd. and its group of companies, which are wholly owned, majority owned and indirect subsidiaries</i></p>
<p>“<i>PEP</i>”</p>	<p><i>An individual, whether local or foreign, individual who is or who has been entrusted with prominent public functions by a country, for example, Head of State, senior politician, senior government, judicial or military official, senior executive of state owned corporation, important political party official of the relevant country.</i></p>
<p>“<i>PO</i>”</p>	<p><i>PO functions or acting in a PO capacity, and includes any of the following:</i></p> <ul style="list-style-type: none"> <i>i. Yang Di-Pertuan Agong, Sultan, Yang Dipertua Negeri, Raja Muda and Tengku Mahkota;</i> <i>ii. Prime Minister, Deputy Prime Minister, Chief Minister, Deputy Chief Minister;</i> <i>iii. Minister, Deputy Minister/Assistant Minister, Official or employee of any government, or any agency, statutory body, ministry or department of the government (of any level);</i> <i>iv. Police, military and judicial official (of any level);</i> <i>v. Member of Dewan Rakyat, Dewan Negara and Dewan Undangan Negeri;</i> <i>vi. Any individual acting in an official capacity for a government (of any level);</i>

	<p>vii. <i>Official or employee of a company/ an enterprise wholly or partially state-owned (of any level);</i></p> <p>viii. <i>A political party or official of a political party of the ruling party (of any level); and</i></p> <p>ix. <i>A candidate for political office.</i></p>
<i>“Stakeholder”</i>	<i>Includes local community, employees, regulators and policy makers.</i>
<i>“Third party(s)/Business Associate(s)”</i>	<i>Any person who has business or potential business in the process of business dealing with PASB Group and is not covered under the definition of associated person including but not limited to bidder and tenderer.</i>

PREAMBLE

PASB Group Code of Ethics for Director (“COE(D)”) is issued pursuant to the ABC policy. In the event of conflicting provision between the ABC and the COE(D), the latter shall prevail.

Section 17A of the MACCA 2009 which criminalizes an organization for corruption-related actions by associated persons done for the benefit of the organisation and had complied with the Adequate Procedures under Section 17(5) of the MACC Act Section 17A(1) state that a commercial organisation commits an offence if a person associated with it corruptly gives, offers or promises any gratification to any person with an intent to obtain or retain business or a business advantage for the said commercial organisation.

As such, there is a need for PASB Group to have in place adequate procedures to prevent associated person from committing such offence. The principles under the adequate procedures against corruption consist of following:

T – Top-Level Commitment

R – Risk Assessment

U – Undertake Control Measures

S – Systematic Review, Monitoring & Enforcement

T – Training & Communication

The principle of the top-level commitment of the commercial organization applies to all directors of PASB Group. The underlying principles of top-level commitment are as follows:

- a. To ensure that the highest level of integrity and ethics is practised in the commercial organization. There should be full compliance with the applicable laws and regulatory requirements on anti-corruption and key corruption risks of the organization must be effectively managed.
- b. To provide assurance to its internal and external stakeholders that the organization is operating in compliance with its policies and applicable regulatory requirements.

- c. To establish, maintain and periodically review anti-corruption compliance programmes and communication of the organization's anti-corruption policies and commitment internally and externally.
- d. To encourage the use of the Group's whistleblowing channel to report any instances of any breach of the Group's policies. The results of any audit, reviews of risk assessment, control measures and performance are reported to all top-level management including the full Board of Directors and acted upon.

PART I: OVERVIEW

1.0 INTRODUCTION

- 1.1 This COE(D) 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 are to acknowledge that they are required to apply the principles embodied in this COE(D) in exercising their judgment to any particular situation.
- 1.2 PASB Group is committed to the highest standard of conduct in all its business dealings and its relationships with its employees, shareholders, stakeholder includes but not limited to associated person(s) and/or business associates¹.
- 1.3 This COE(D) is to be read in conjunction with the existing framework such as articles of the M&A/Constitution, TOR/Board Charter of PASB Group, the ABC, the PASB Group Whistleblowing Policy and Procedures and any existing policy under PASB Group (existing framework).
- 1.4 Whenever a director is in doubt of the scope of the applicable laws or application of this COE(D), director should immediately consult the IO.

¹ For purpose of clarity, a business associate(s) is also known as a third party(s) under the ABC.

- 1.5 By acknowledging receipt of this COE(D), the Director is deemed to have read and understood this COE(D).

PART II: CODE OF CONDUCT

2.0 PRINCIPLES

- 2.1 The principles that govern this COE(D) are, including but not limited to as follows:

Duty to act for best interest of PASB Group.

- 2.2 Directors have a statutory duty to act in good faith having regards to the best interests of PASB Group and its shareholders and stakeholder including but not limited to associated person(s) and/or business associate(s). The BOD is entrusted with the fiduciary responsibility of oversight of the affairs of PASB Group for which the BOD is committed to ensuring that PASB Group conducts its business dealings in the manner as stated above.
- 2.3 As Directors of PASB Group, 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 any prevailing guidelines, practice, direction and legislation under the Malaysian laws governing or affecting the business of the entity.

Integrity

- 2.4 Directors discharge and perform their duties to all PASB Group stakeholders includes but not limited to its shareholder, associated person(s) and/or business associate(s) by honestly observing high standards of ethical behaviour and abiding by all laws, rules and regulations.

Accountability

- 2.5 Directors exercise independent oversight and make decisions solely on merits.

Sustainability

- 2.6 Directors take into account sustainability considerations in setting the strategy direction of PASB Group.

3.0 COMPLIANCE WITH LAWS, RULES AND REGULATIONS

- 3.1 Every Director in exercising and/or discharging his/her powers or duties shall comply with all applicable laws, rules and regulations (including guidance and directives issued by the relevant authorities) and the existing framework under PASB Group.

4.0 CORPORATE GOVERNANCE

- 4.1 In the performance of his/her duties, the Director should observe (including but not limited to) the following:
- a. Staying abreast of the affairs of PASB Group and be kept informed of its compliance with the relevant legislation and contractual requirements;
 - b. Should at all times exercise his/her powers for the purposes they were conferred, for the benefit and best interest of PASB Group;
 - c. Should be willing to exercise independent judgment and, if necessary, openly oppose if the vital interest of PASB Group is at stake;
 - d. Should be conscious of the interest of shareholders, employees, stakeholders including but not limited to the associated person(s) and/or business associate(s);
 - e. Should at all times promote a culture of professionalism, integrity and anti-corruption and anti-bribery; and

- f. Should exercise reasonable due diligence, particularly when the arrangements or dealings involve:
 - i. Associated person(s) and/or business associate(s) which includes the family members; and/or
 - ii. PO/PEP which includes the family members.

5.0 ANTI-CORRUPTION/ BRIBES

- 5.1 PASB Group hereby adopts a zero tolerance policy against all forms of bribery and corruption. Even the perception of bribery is to be avoided.
- 5.2 Director is to use good judgment with regards to CSR, donation and sponsorship. All CSR, donation and sponsorship requests must be carefully examined for legitimacy and not be made to improperly influence a business outcome.
- 5.3 Directors shall NOT donate or offer monetary or monetary in-kind to any political contributions to political parties, political party officials or candidates for political office. Under no circumstances will the director be compensated or reimbursed in any way by PASB Group for a personal political contribution.

6.0 CONFLICTS OF INTEREST

- 6.1 A conflict of interest arises when an individual is in a position to take advantage of his/her role in PASB Group for his/her personal benefit including but not limited to the benefit of his/her family members and/or their associated persons².
- 6.2 Where a potential or actual conflict arises, every Director shall adhere to the procedures provided by the relevant laws³ and/or under the existing

² "their associated persons" should be read to its literal meaning and not be construed as an associated person(s) as defined under this COE(D).

³ Including but not limited to Companies Act 2016.

framework.

6.3 All directors are required to⁴:

- a. Declare any interests that may give rise to multiple directorships, business relationships or other circumstances, whether real or apparent, that could interfere with their exercise of objective judgment;
- b. Declare as soon as they become aware that a subject to be discussed at a BOD or Committee meeting may give rise to a conflict of interest at the outset of the applicable meeting. The conflicted Director shall not participate further in the discussion of that subject, nor vote on it;
- c. The BOD shall evaluate all potential or perceived conflict of interest as declared and shall approve such transactions with PASB Group as may be appropriate; and
- d. A register of declared conflicts of interest shall be maintained by the CS.

7.0 POLICY ON GIFT, ENTERTAINMENT & CORPORATE HOSPITALITY

7.1 To observe high standards of business, professional and ethical conduct, directors are committed to refrain themselves from offering, soliciting, giving or receiving any gifts, entertainment and corporate hospitality to/from associated person(s) and/or business associate(s) of PASB Group where the gifts, entertainment, and corporate hospitality would reasonably be expected to influence the performance of the Director's duties in any aspect.⁵

7.2 Director shall be guided by the general principles of the ABC in deciding when receiving and providing gift, entertainment and corporate hospitality. Some of the relevant principles applicable to the Director, inter-alia, are as follows:

⁴ Refer to TOR no. 14 of ASSAR Group Board Charter.

⁵ A director shall also not accept gifts, corporate entertainment, and corporate hospitality through a family member.

Receiving Gift

- 7.3 All directors are to abide and adhere to the “No-gift” policy at all times, subject to certain exceptions in their dealing with associated person(s) and/or business associate(s) of on-going or potential business dealing of PASB Group.
- 7.4 There are certain exceptions whereby directors are permitted to receive gifts:
- a. Gift during festive season such as hamper from business associate(s) to the director.
 - b. Occasional token or promotional gifts in the estimated amount of less than RM500.00 per annum of nominal value (e.g. t-shirts, pens, diaries, calendars and other small promotional items).
- 7.5 Directors are expected to record the gifts received in the ***Gifts, Entertainment and Corporate Hospitality Declaration Form*** (**Appendix I**) (the “**Declaration Form**”) provided by HRA.
- 7.6 Save for clause 7.4 above, if a Director receives any gift, he/she is expected to immediately report to the IO or CS and to seek advice/instruction from the Chairman or Chairman of AC as to the determination of the gift in which the Chairman or Chairman of AC shall advise/instruct as follows:
- a. Donate the gift to charity; or
 - b. Hold it for departmental display; or
 - c. Share with other employees in the department; or
 - d. To surrender it to Kelab Rekreasi Dan Sukan ASSAR (KRSA) for the purpose of its activities; or
 - e. Permit it to be retained by the Director.

7.7 The schedule of gift reporting and determination of gift are as follows:

Recipient of the gift:	Submit Declaration Form to:	Advice/Instruction from:
Any members of the board	<ul style="list-style-type: none"> • IO; or • CS 	<ul style="list-style-type: none"> • * Chairman of AC; or • * Chairman
<p><i>* Where/which applicable [this is ensure independency is observed]</i></p>		

Providing Gift

7.8 Generally, Directors are not allowed to provide gifts to associated person(s) and/or business associate(s) of PASB Group with the exceptions of the Management, provided on the premises that:

- a. Such gift is only limited for the purpose of business courtesy;
- b. Such gift must bear the logo of “PASB Group of Companies”; and
- c. Such gift is limited to a value of RM500.00 per person per annum.

7.9 In the event that the amount of gift is more than RM500.00, the Chairman and/or Director shall seek approval from the respective board of directors.

7.10 In conjunction with clause 7.8(c) and clause 7.9 of above, in the event the director do provide gift to an associated person(s) or a third party(s), the Director is expected to record such gift in the said Declaration Form.

Receiving Entertainment

7.11 Directors are allowed on occasional acceptance of a reasonable and modest level of entertainment provided by associated person(s) and/or business associate(s) in the normal course of business as a legitimate way to network and build good business relationships provided always that such entertainment is not to influence or be perceived to influence the outcome of a business decision.

- 7.12 If a Director accepts entertainment provided by an associated person(s) and/or business associate(s), the Director is expected to record such entertainment in the said Declaration Form.

Providing Entertainment

- 7.13 Directors are allowed to entertain associated person(s) and/or business associate(s) through a reasonable act of hospitality as part of business networking as well as a measure of goodwill towards the recipients, provided that such entertainment is not to influence or be perceived to influence the outcome of a business decision.

Receiving Corporate Hospitality

- 7.14 Directors are allowed to accept reasonable and modest level of corporate hospitality provided by associated person(s) and/or business associate(s) in the normal course of business for establishing network and building good business relationships provided that such corporate hospitality does not influence or be perceived to influence the improper outcome of a business decision.
- 7.15 If a Director accepts corporate hospitality provided by an associated person(s) and/or business associate(s), the Director is expected to record such hospitality in the **said Declaration Form**.

Providing Corporate Hospitality

- 7.16 Directors are permitted to provide corporate hospitality to all stakeholders be it through corporate events, sporting events or other public events, to build network and goodwill in business relationships provided that such corporate hospitality does not influence or be perceived to influence the improper outcome of a business decision.

8.0 ANTI-MONEY LAUNDERING

- 8.1 Directors shall not tolerate any form of money laundering activities. Appropriate measures shall be implemented to know who the associated person(s) and/or business associate(s) to prevent PASB Group financial transactions from being used by others to launder money. Money laundering is the process by which individuals or entities try to conceal funds raised from criminal activity, or otherwise make these funds look legitimate, or when legitimate funds are used to support criminal activities, including terrorism. Money laundering is an offence under the applicable laws and regulations in Malaysia.
- 8.2 Directors shall be made aware of the applicable anti-money laundering laws and shall seek to ensure they are appropriately and adequately informed of developments in the laws relating to this area.
- 8.3 Directors are expected to be mindful of the risk of PASB Group's business being used for money laundering activities and to promptly raise any suspicious transactions.

9.0 COMPANY ASSETS

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

10.0 CONFIDENTIALITY

- 10.1 Directors may come into possession or access to confidential, sensitive and non-public information (“**Privy Information**”) in the course of their directorship with PASB Group. Directors must treat all such information with strictest 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.
- 10.2 The obligation to preserve PASB Group’s Privy Information is ongoing even after an individual ceases to be a Director of PASB Group.

11.0 INSIDER TRADING

- 11.1 Directors who possess Privy Information shall not :-
- a. deal in securities that may give rise to a situation of insider trading; or
 - b. communicate such information to any unauthorised persons, for the benefit of himself/herself, or his/her family members or any other persons.

12.0 FAIR DEALING AND ANTI-COMPETITION

- 12.1 In the interests of preserving the reputation and integrity of PASB Group, a Director shall act impartially, honestly and responsibly in dealing with all stakeholders including but not limited to the employees, associated person(s) and/or business associate(s), and PO/PEP where he/ she shall not:-
- a) compete or aid/ assist other competitors to compete with PASB Group;
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.

13.0 WAIVER

- 13.1 Any additional, substitution, variation and severance of this COE(D) may only be made by the BOD, as deemed fit and appropriate.

14.0 REPORTING BREACH OF THIS COE(D)

- 14.1 Directors must immediately report any concern about real, apparent or suspected breaches of this COE(D), the ABC or rules and regulations under the Malaysian law by any director, CS, employee and/ or associated person(s) to PASB Group via the secured reporting channels as guided by PASB Group Whistleblowing Policy and Procedures.

15.0 ENFORCEMENT OF THIS COE(D)

- 15.1 Where a complaint/report against a Director was made via the Group's whistleblowing channel, the investigation process of such complaint will be conducted in accordance with the PASB Group Whistleblowing Policy and Procedures.

16.0 REVIEW

- 16.1 This COE(D) shall be reviewed every three (3) years or as required when in the event of change of law or circumstance of the business warrant a more frequent review to be undertaken.

Appendix I - Director's Gifts, Entertainment and Corporate Hospitality Declaration Form

(In accordance with PASB Group ABC policy & procedures)

Name	:	
Position	:	
Company	:	

Declaration on gifts, entertainment and corporate hospitality

Date	Description on gifts, entertainment, corporate hospitality	Estimated/ Actual Value (RM)	Given to/Paid by (receiver/giver name and organization)	Remarks

Please add rows as necessary

<p>I confirm that to the best of my knowledge, my declaration above is true, complete and is according to the prevailing "No-Gift" Policy/Entertainment/Corporate Hospitality under the ABC.</p>	:	<p><u>Declared By</u></p> <p>Signature:</p> <p>Date:</p>
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Administrative				
Integrity Officer/Company Secretary Remarks:	:		:	Name : Signature : Date:
Chairman or Chairman of GNRC/AC Remarks	:		:	Name : Signature : Date: