



## CODE OF CONDUCT AND BUSINESS ETHICS FOR EMPLOYEES

### 1. Objective

A Company's reputation is one of its most precious assets and protecting that standing in the marketplace is of fundamental importance. Therefore, it is the policy of the Company to ensure that its business is conducted to rigorous ethical, professional and legal standards. This is not only considered good business practice but essential to the Company in the achievement of its objectives. The Company wishes to achieve the best operating and financial results that it can; but, the way in which they are achieved is also important in order to sustain the success and standing of AYER Holdings Berhad (hereinafter referred to as "AYER").

The Code of Conduct and Business Ethics (the "Code") is to provide guidance on the standards of expected Employees behavior derived from Company Core Values and Business Principles. All Employees are expected to adhere to the general principles as well as to comply with all the specific provisions of the Code that are applicable to them and other policies adopted by AYER.

All Employees shall always observe and ensure compliance with all applicable laws and regulations as well as the standards of professional conducts and ethics, whilst carrying out their duties to ensure that AYER's reputation and integrity are protected.

### 2. Compliance with Laws and Agreements

The Company will transact its business in any country according to all applicable laws, rules and regulations. Any expenditure of Company funds, any provision of services or any other matter of value to the Company for any purpose that might possibly be construed as of questionable propriety and/or legality, must be discussed in advance with, and if acceptable, be approved in writing by the Company.

The Company will be a party to numerous agreements with third parties relating to a wide range of issues. Employees must fully respect and comply with these contractual terms, e.g. non-disclosure of information, terms of license to use products such as the prohibition of unlicensed copying of computer software, etc.

### 3. Community & Society

AYER is committed to making a positive difference in the society and mindful of the consequences that affects people around. Employees shall make full effort to carry out their duties by focusing on safeguarding people's health, protecting the environment, enhancing social security and cultivating serene community.



## CODE OF CONDUCT AND BUSINESS ETHICS FOR EMPLOYEES

### 4. Safety, Health and Security

The health of the Employees and the safety of the workplace shall always be a priority concern. The Company takes a strong commitment to continually improve on the standards set and expects constant safety vigilance by every Employee. Employees must be equipped with the relevant and adequate safety tools while carrying out their duties.

### 5. Assets, Properties & Facility

Employees are entrusted to use and maintain the Company's asset with care. Employees should not only follow policy of use but also help to safeguard the Company's assets and immediately report any suspected theft, damage, misuse, fraud, embezzlement or improper usage.

Computing assets are intended to be used for business purposes. It is the Employee's responsibility to be familiarized with the policies to avoid violation of use. Employees should not allow any party to use their access rights to the Company's system. Unauthorized download or installation of non-standard software or system is not allowed.

The Company reserves the right to monitor or audit employee's use of its IT and communication systems, and access, review and disclose data stored to ensure appropriate use and compliance.

Manuals, training materials and other documents pertaining to the Company's business must be kept confidential and are to be returned when employees ceased employment with AYER.

### 6. Proprietary & Confidential Information

Employees are obliged to protect the confidentiality of the Company's information and guard against unauthorized disclosure or use. Confidential or proprietary information includes all information that is not generally known to the public and is valuable to the Company or would be helpful/valuable to our competitors. Proprietary information should be marked accordingly, kept secure and access should be limited to those who have a need to know in order to do their jobs.

Employees shall not discuss internally or externally confidential information of the Company in particular information pertaining to its business, R&D activities, partners, customers, prospects and employees, except when required by Law or in the normal course of conducting the Company's business.

All inventions, discoveries, ideas, and improvements that result from any work performed by the employee or jointly with the Company are the sole and exclusive property of AYER.



## CODE OF CONDUCT AND BUSINESS ETHICS FOR EMPLOYEES

Employees shall not, even after their termination of employment, divulge confidential information either directly or indirectly to any person(s) or companies, without consent from the Company.

The easy access of electronic communication in today's world means Company information is easily available on the Web. Employees have to ensure that work-related communication complies with the Code prior to publication. Publishing of information that may in anyway jeopardize the Company's reputation is strictly prohibited, and it may bring upon legal consequences. This applies to disclosure by any medium, including publication of articles or books, Short Message Services (SMS) and the internet, especially via social media sites (e.g. Facebook, Twitter, YouTube, etc.), internet message boards and/ or blogs.

Employees shall not participate in any capacity in other business organizations, political activities, without obtaining prior consent from the Company.

### **7. Conflict of Interest**

Employees should avoid any situation that involves, or appears to involve, a conflict between their personal interest and the interest of the Company. This means Employees should avoid circumstances that might affect their judgement or impartiality when performing their jobs. Examples would be any business or financial arrangements with an associate, friend or close acquaintance who conducts business with the Company.

As it is impossible to describe every potential conflict of interest, Employees are expected to exercise good judgement, to seek advice when appropriate and to adhere to ethical standards in the conduct of their professional and personal affairs.

If an employee discovers that, as a result of changed circumstances or otherwise, he/ she has become involved in a conflict of interest or is in competition with the Company, the employee must declare to the Company as soon as the matter comes to his/ her knowledge.

An employee shall declare and seek approval from the Company if he/ she sits as a member of a Board or holds directorship in other companies, including the interests of any subsidiaries or business associated with or related to the Company except with special permission from the Management. Please consult with the Head of Risk and Compliance or the Management Committee ("MANCO") for advice.

### **8. Gift, Benefits or Entertainment**

Employees shall not be influenced by receiving favors nor shall they try to improperly influence others by providing favors. Employees should refrain from receiving gifts from third parties such as vendors, business partners,



## CODE OF CONDUCT AND BUSINESS ETHICS FOR EMPLOYEES

potential vendors, although at times he/she may accept gifts of nominal value such as inexpensive novelty or promotional items. These could include

pens, coffee mugs, calendars or inexpensive business meals. Accepting gifts with a value of RM200 and above may be construed as willingness to compromise the Company's name and reputation. Where Employees have accepted or have intention to accept such gifts, they must immediately declare and seek approval from the MANCO and Head of Risk and Compliance via email declaration on the type of gift, the name of the third party providing the gift and estimated price of the gift. Employees and members of their families are prohibited from accepting any gifts of more than nominal value, including price discounts on articles purchased for personal use, unless the same discounts are available to all other Employees. If in doubt, before accepting any gifts or courtesy, please consult with the Head of Risk and Compliance or MANCO for advice and approval relating to acceptance of gifts and entertainment.

### 9. Bribery & Corruption

AYER takes a zero-tolerance approach towards bribery and corruption, and is committed to behaving professionally, fairly and with integrity in all our business dealings and relationships wherever AYER operates, and implementing and enforcing effective systems to counter bribery and corruption.

The consequences of bribery and corruption are severe, and may include imprisonment for individuals, unlimited fines and damage to AYER's reputation. We therefore take our legal responsibilities very seriously.

Employees must not directly or indirectly promise, offer, grant or authorize the giving of money or anything else of value, to government officials, officers of private enterprises and their connected persons to obtain or retain a business or an advantage in the conduct of business. Employees must comply strictly to all applicable anti-corruption laws and regulations and treaties in all countries in which AYER operates. Do consult with MANCO or Head of Risk and Compliance for advice.

### 10. Anti-Money Laundering

Money laundering is the process by which person(s) or groups try to conceal the proceeds of illegal activities or try to make the sources of their illegal funds look legitimate. AYER will to the best of its ability and knowledge, conduct businesses with reputable customers, suppliers, vendors and partners with legitimate funds, for legitimate business purposes. Please consult with MANCO or Head of Risk and Compliance for advice.

### 11. Insider Trading

Insider trading is illegal by law. It can take many forms. This includes the use of or

## CODE OF CONDUCT AND BUSINESS ETHICS FOR EMPLOYEES

disclosure of price sensitive information for personal benefit or for the benefit of others. Employees holding positions which provide/allow access to price sensitive information should observe the Company law, Securities Commission

regulations, Bursa Malaysia Securities Berhad and other applicable laws in respect of trading in the securities of the Company. The Employees are prohibited from using inside information to:

- Acquire, dispose or enter into an agreement, directly or indirectly to acquire or dispose the securities using any confidential information obtained.

### 12. Administration

Employees can escalate to MANCO or Head of Risk and Compliance regarding any matters stated in this Code. Issues must be expressed in writing if approval is required e.g. ownership in other business ventures.

Employees found not complying with this Code will be subjected to disciplinary action not limiting to termination of employment as well as civil or criminal liability. AYER's Employee Handbook provides the Company's approach on how offences will be dealt.

This Code shall be reviewed by the Company from time to time, during which amendments can be made in line with the changes in law, governance code or the change in Company's vision, mission and business plans.