



# CODE OF CONDUCT AND ETHICS

## PERISAI PETROLEUM CODE OF CONDUCT AND ETHICS

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### General Statement of Ethics and Business Principles

Perisai Petroleum Teknologi Bhd and entities controlled by the Company (the "Company" or "Perisai") are committed to honest ethical business conduct of the highest standards by all Employees (*as defined below*) which is fundamental towards building trust with its customers, suppliers, employees, shareholders and the communities in which it operate.

In furtherance to this commitment, the Company has developed a Code of Conduct and Ethics (the "Code"). This Code sets out the core values and principles which the Company considers to be of utmost importance.

The Code applies to all entities controlled by the Company and all directors, officers and employees (collectively, "Employees"). The Company also seeks to ensure that the Code applies to contractors, representatives and agents of the Company with respect to their activities that are related to the Company's business. All Employees are required to read and understand the Code.

Employees individually are ultimately responsible for their compliance with the Code. Every manager will also be responsible for administering the Code as it applies to Employees and operations, within each manager's area of supervision.

The Code establishes rules and standards regarding behaviour and performance and any violation of the rules and standards embodied in the Code is not tolerated and will subject those Employees responsible to disciplinary action.

Employees who observe or become aware of a situation that they believe to be in violation of the Code have an obligation to notify the Company.

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### **Declaration of Interests**

All conflict of interests should be avoided, and directors must report any actual, potential or apparent conflicts to the Board. Subject to the requirements of any acts, rules or regulations that are in force from time to time and in addition to such mandatory requirements, members of the Board are required to notify the Company Secretary changes in the following:

1. Shareholding in the Company and its related corporations, whether direct or indirect; and
2. Directorships or interests in any other corporations.

In addition to the above, member of the Board who has a material interest, either directly or through a partner, spouse or close relative, in matters being considered by, or likely to be considered by the Board, should declare that interest. Such declarations should describe the interest clearly and state whether it carries director's indirect financial benefits. This requirement also applies to members of Senior Management.

### **1. Compliance with Laws, Rules and Regulations**

It is the Company's policy to comply with all applicable laws, rules and regulations that are applicable in the countries that affect the Company's business.

It is the personal responsibility of each Employee to adhere to the standards and restrictions imposed by those laws, rules and regulations. If an Employee requires clarification and advice, an Employee has full recourse to the relevant advisers within the Company or may direct such clarification to the Employee's immediate superior.

### **2. Ethical Conduct**

Employees must deal honestly, ethically and fairly with all the Company's stakeholders. No Employee should take unfair advantage of anyone through manipulation, concealment, misrepresentation of material facts or any other unfair-dealing practice.

Honest conduct is considered to be conduct that is free from fraud or deception. Ethical conduct is not just about complying with applicable laws and regulations, it is about meeting the standards for honesty and integrity in this Code even where these standards may go beyond the legal requirements.

### **3. Conflict of Interest**

Employees must avoid any interest that conflicts or appears to conflict with the interests of the Company or that could reasonably be determined to harm the Company's reputation. A conflict of interest exists if actions by any Employee are, or could reasonably appear to be, influenced directly or indirectly by personal considerations, duties owed to persons or entities other than the Company, or by actual or potential personal benefit or gain.

### **4. Disclosure Policy & Financial Reporting**

It is the Company's policy that key material information, in particular financial information, relating to the Company be disclosed in a full, fair, timely, accurate, understandable and responsible manner, complying with all applicable laws and regulations relating to it.

Given the importance of this policy, the Managing Director, the Executive Director, the Chief Financial Officer together with the principal accounting officers involved in the preparation of the Company's financial statements have a special and additional role to strictly adhere to the principles enumerated in this policy and in this Code and also promote a culture throughout the Company of the importance of full, fair, timely, accurate, understandable and responsible reporting of the Company's key material information and financial results and condition.

In ensuring the effective dissemination of information it is the Company's policy to leverage on information technology.

### **5. Dealing In Company's Securities**

As Perisai is a publicly traded company, it is subject to a number of laws and regulations concerning the dealing in the Company's securities and other publicly traded securities.

Company policy prohibits Employees and their family members and such other persons prohibited by applicable laws and regulations from trading securities while in possession of material, non-public information relating to the Company or any other company, including a customer or supplier that has a significant relationship with the Company.

Members of the Board, principal officers and senior managers ("Primary Insiders") are subject to various reporting and insider trading requirements. During certain periods, Primary Insiders are required to disclose an intention to deal with the securities of the Company before actually dealing in them and in all instances there lie an obligation to disclose after the dealing is completed.

## **6. Entertainment and Gifts**

Decisions by the Company relating to the procurement and provision of goods and services should always be free from even a perception that favourable treatment was sought, received or given as a result of the furnishing or receiving of gifts, favours, hospitality, entertainment or other similar gratuity.

The giving or receiving of anything of value to induce or influence such decisions is strictly prohibited. Employees should never solicit a gift or favour for personal benefit from those with whom the Company do business. Providing or receiving gifts or entertainment of nominal value within commonly accepted business practices is permissible, but if there is even a slight doubt of whether this is an acceptable practice, a conclusion that it is not is strongly encouraged or a reference and request for approval should be sought from the Employee's immediate superior.

## **7. Anti-Bribery and Anti-Corruption**

Officers shall not offer, give, solicit or accept or receive any form of bribe or any other improper payment in order to achieve business or personal advantages for his/her or others or engage in any transaction that can be construed as having contravened the anti-corruption laws.

No bribes, kick-back arrangements or other similar payments and benefits, directly or indirectly, shall be paid to employees of suppliers or customers. These requirements extend to any payments on behalf of the Company to government officials of any government at any level, employees or other representatives of government owned businesses.

The Company will seek to identify and eliminate all facilitation payments. This also applies to any payments made by representatives or agents of the Company in connection with the Company's business.

All payments must comply with the Company's financial procedures for the approval and recording of payments, and must be submitted to the appropriate level of management for review in accordance with the Company's financial control procedures.

## **8. Company Policy against Discrimination and Harassment**

The Company values a workplace where every Employee has the opportunity to develop skills and talents consistent with the Company's core values and principles.

The Company prohibits discrimination against any Employee or prospective Employee on the basis of age, gender, race, nationality, religion or ethnic background, or any other basis prohibited by the laws that govern its operations.

Harassment in any form by or towards Employees, customers, suppliers or partners is not tolerated in Perisai. Under this policy, harassment is regarded as any form of inappropriate conduct that has an effect of creating an intimidating, hostile or offensive work environment or that may be reasonably perceived to affect an individual's employment opportunity or opportunities for training or promotion.

All Employees in Perisai shall be entitled to respect and dignity.

## **9. Health, Safety and Environmental protection**

The Company will conduct its business in a manner designed to protect the health and safety of its Employees, its customers, the public, and the environment.

The Company's policy is to operate its business in accordance with all applicable health, safety and environmental laws and regulations so as to ensure the protection of the environment and the Company's personnel and property.

## **10. Company Policy for Prevention of Alcohol and Drug Abuse**

Company policy prohibits the use, possession or consumption of drugs, other than medically prescribed or available over-the-counter drugs.

Company policy also prohibits the use, sale, purchase, distribution or possession of any alcoholic beverages by Employees while on Company business. The consumption of alcoholic beverages is however allowed at Company functions in such manner and extent as befitting the occasion and shall be guided by moderation.

The Company, in its discretion, reserves the right to randomly test Employees for the use of alcohol or other controlled substances unless prohibited by prevailing local law.

## **11. Sustainability Policy**

Sustainability to Perisai means carrying out our business in a socially responsible and holistic manner with a view to enhancing investor perception and public trust. Underpinning sustainability in our business includes focus and attention on:-

- a) Social awareness and betterments;
- b) Environmental preservation; and
- c) Sound and effective corporate governance,

all of which are undertaken in a balanced manner between the interests of various stakeholders.

In order to achieve this goal, Perisai undertake initiatives from time to time in keeping with the policy with the Board of Directors providing leadership on the implementation of such sustainability initiatives.

## **12. Confidentiality and Privacy**

It is important that each Employee protect the confidentiality of Company information as Employees may have access to proprietary and confidential information concerning the Company's business, clients and suppliers.

Confidential information includes such items as non-public information concerning the Company's business, financial results and prospects and potential corporate transactions. Employees may also become aware of confidential information of our customers.

Employees are required to keep such information confidential during employment as well as thereafter, and not to use, disclose, or communicate that confidential information other than as may be appropriate in the course of employment

To ensure the confidentiality and privacy of any personal information collected and to comply with applicable laws, any Employee in possession of non-public, personal information about Employees or any other individual, must maintain the highest degree of confidentiality and must not disclose any personal information unless authorisation is obtained. All Employees shall adhere to all applicable laws on the use of personal information. Personal information shall only be collected for lawful purposes.

**13. Proper Use of Company Assets**

The Company's assets are only to be used for legitimate business purposes and only by authorised Employees. Company assets include both tangible assets and intangible assets (such as trade secrets and intellectual property e.g. patents, trademarks and designs).

Employees have a responsibility to protect the Company's assets from theft, loss and inappropriate use and to ensure their efficient use.

**14. Information Technology**

Electronic communications include all aspects of voice, video, and data communications, such as voicemail, e-mail, fax, and Internet. Employees should use electronic communications equipment, software, systems or other facilities ("Systems") for Company business purposes only and may not use the Company's Systems for any other purpose except for reasonable incidental personal use. Among other things, the Employee should not participate in any public online forum where the business of the Company or its customers or suppliers is discussed as this may give rise to a violation of the Company's confidentiality policy or subject the Company to legal action for defamation. All records produced involving the use of the Company's Systems is Company property. The Company reserves the right to inspect all electronic communications and records involving the use of the Company Systems within the confines of applicable local law and Employees should not have an expectation of privacy when using Company Systems.

**15. Insider Trading**

No officers who are in the possession of non-public price sensitive information of the Company or other listed company gained in the course of employment with the Company may deal or advise any other person to deal in any securities of the Company or any securities of another listed company.

No officers shall disclose non-public price sensitive information to any person (including family members) where such information may be used by such person to his or her profit by trading or in recommending or advising others to trade in any securities of company.

Officers must ensure that all dealings in the Company's securities comply with the procedures set out in the Bursa Malaysia Securities Berhad Main Market Listing Requirements and the law on trading.

In the context of Malaysian law, insider trading is an offence defined under the Capital Market and Services Act 2007. The laws of other country on insider trading may be applicable in the context of insider information concerning company listed outside of Malaysia.

**16. Anti-Money Laundering**

“Money Laundering” is the process of concealing, converting and transferring proceeds from unlawful activities to a legitimate source of income or asset. Money laundering is an offence under the Anti-Money Laundering and Anti-Terrorism Financing Act 2001 in Malaysia.

Officers are expected to be mindful of the risk of the Company’s business being use for money laundering activities and to raise any suspicious transactions to their immediate superior and the Board to undertake further investigation.

**17. Abuse of Power**

The abuse of authority/power is the improper use of a position of influence, power or authority by an individual towards others. Abuse of authority can include a one-time incident or a series of incidents.

Everyone in the Company should be treated with dignity and abuse of power and any form of discrimination are strictly not tolerated. Officer shall report incidents of abusing of power, or has reason to believe abusing of power is occurring, to their immediate superior or adhere to the Whistle-Blower Policy.

**18. Communication and Compliance**

The Company and the Board should ensure this Code is being communicated to all levels of officers through staff handbook, notice board, intranet, or corporate website. The Company should include the briefing of this Code to new Officers in the induction programme.

**19. Violations of Code of Conduct**

The Company’s Officer should report to supervisors, managers, HODs or Head of Human Resource about the known or suspected illegal or unethical behaviour. The Company’s Executive Directors and Senior Management shall promptly report any known or suspected violations of this Code to the Board. All Officers shall refer to and adhere to the Whistle Blower Policies and Procedures.



**20. Periodic Review**

The Board and Senior Management of the Company will periodically review the Code on an annual basis and communicate the new changes to all levels of officers.

This policy is reviewed by the Board of Directors on 29<sup>th</sup> August 2019.