



**DAMANSARA**  
REALTY BERHAD (4030-D)

# CODE OF CONDUCTS & ETHICS

Updated as at 12 March 2018

## **CODE OF CONDUCT AND ETHICS ("COCE")**

### **1. INTRODUCTION**

In line with good corporate governance practices, the Board of Directors, the Management and Employees of Damansara Realty Berhad ("DBHD" or the "Company") and its subsidiaries (collectively referred to as the "Group") have made a commitment to create a corporate culture within the Group to operate the businesses of the Group in an ethical manner and to uphold the highest standards of professionalism and exemplary corporate conduct. This Code of Conduct and Ethics ("COCE") sets out the principles and standards of business ethics and conduct of the Group.

### **2. THE OBJECTIVE**

The objective of the COCE is to assist the Directors and Employees (as defined under Clause 3 of the COCE) in defining ethical standards and conduct at work. The COCE is not intended to be exhaustive, and there may be additional obligations that Directors and Employees are expected to behave or conduct when performing their duties. For all intents and purposes, all Directors and Employees shall always observe and ensure compliance with all applicable laws, rules and regulations to which they are bound to observe in the performance of their duties.

### **3. APPLICABILITY**

The COCE is applicable to all employees (including full time, probationary, contract and temporary staff) ("Employees") and Directors of the Group.

Each Employee has a duty to read and understand the COCE. Violation of any of the COCE's provisions can result in disciplinary action, including termination of employment.

If a Director requires further clarification on the COCE, the Director may refer or highlight any concerns to the Chairman of the Board or the Group Chief Executive Officer, whereas for an Employee, the Employee may refer or highlight any concerns to the immediate superior and Head of Department.

### **4. CORE AREAS OF CONDUCT**

#### **4.1 Personal Appearance**

All Employees are expected to be suitably and neatly dressed so as to maintain an appropriate appearance that is business-like, neat and clean, as determined by the requirements of the work area.

#### 4.2 Conflicts of Interest

The Directors and Employees should avoid involving themselves in situations where there is real or apparent conflict of interest between them as individuals and the interest of the Group. Directors and Employees must not use their positions or knowledge gained directly or indirectly in the course of their duties or employment for private or personal advantage (directly or indirectly).

In addition, a Director or an Employee shall avoid any situation in which the Director or Employee has an interest in any entity or matter that may influence the Director or Employee's judgment in the discharge of responsibilities.

#### 4.3 Confidential Information

It is pertinent that all Directors and Employees exercise caution and due care to safeguard any information of a confidential and sensitive nature relating to the Group which is acquired in the course of their employment, and are strictly prohibited to disclose to any person, unless the disclosure is duly authorized or legally mandated.

In the event that a Director or an Employee knows of material information affecting the Group which has not yet been publicly released, the material information must be held in the strictest confidence by the Director or Employee involved until it is publicly released.

#### 4.4 Insider Trading

No Director or Employee shall use price sensitive non-public information, which can affect the prices of the securities of the Company and/or related listed companies when it becomes publicly known ("Inside Information"), for personal benefit. Directors and Employees are prohibited to trade in securities or to provide information to others to trade in securities of the Company and/or related listed companies until the Inside Information is publicly released. Directors or Employees shall also not trade in securities in any other companies where they have Inside Information which they obtain in the performance of their duties.

#### 4.5 Protection of Assets and Funds

Directors and Employees must protect the assets and funds of the Group to ensure availability for legitimate business purposes and that no property, information or position belonging to the Group or opportunity arising from these be used for personal gain.

#### 4.6 Business Records and Control

Accurate, timely and reliable records are necessary to meet the Group's legal and financial obligations and to manage the affairs of the

Group. All books, records and accounts should conform to generally accepted and applicable accounting principles and to all applicable laws and regulations. The preparation and maintenance of accurate and adequate business records are the responsibility of each Employee. No unauthorized, false, improper or misleading records or entries shall be made in the books and records of the Group, under any circumstances.

#### 4.7 Compliance to the Law

The Group will comply with all applicable laws, rules and regulations of the governments, commissions and exchanges in jurisdictions within which the Group operates. Directors and Employees are expected to understand and comply with the laws, rules and regulations that are applicable to their positions and/or work, including the following:

- i. Anti-Money Laundering and Anti-Terrorism Financing Act 2001;
- ii. Malaysian Anti-Corruption Commission Act 2009;
- iii. Personal Data Protection Act 2010; and
- iv. Competition Act 2010

The Group reserves the right to report any actions or activities suspected of being criminal in nature to the police or other relevant authorities.

#### 4.8 Personal Gifting

The Group recognises the importance of honesty, sincerity and transparency. In order to preserve the same to be in accordance with the Group's corporate governance, the Group implements its gifts policy as follows:

- i. The acceptance of any form of gift, gift and hamper which is estimated to be not more than RM200.00, is acceptable to any individual or the Company but the same should be declared to the Group Chief Executive Officer. In furtherance, such acceptance by the Group CEO will then be declared to the Executive Vice Chairman.
- ii. The acceptance of any form of gifts, gifts and hampers which is estimated to be more than RM200.00 shall be declared to the Group Chief Executive Officer and shared (eg Aidilfitri or any other festivities) with the employees of the Company.
- iii. The employees are not encouraged to receive any form of gifts and hampers unless they are accepted at certain events (eg Aidilfitri or any other festivities) in order to maintain good business relationships.

#### 4.9 Vendor and Procurement Governance

The Group will ensure that every transaction and procurement with the vendors uphold the Group's procurement policies and procedures with the governance outlined by the Group.

A conflict of interest shall arise if the Vendor has a personal interest that could potentially interfere with the Group's objectivity in performing duties or exercising judgement. It is also vital that any of the Vendors engaged with the Group does not involve and will not involve with any offence of bribery, corruption or fraud. In short, the Vendors also agree to comply to all applicable laws or regulations.

As such, if the Vendor is in a situation of conflict whether actual or potential; the Vendor is required to disclose in writing as soon as practicable to the Group by stating the facts, nature and extent of the conflict.

#### 4.10 Health and Safety

The Group will use its best endeavours to ensure a safe workplace and maintain proper occupational health and safety practices to commensurate with the nature of the Group's businesses and activities. Such a commitment in return requires that all Directors and Employees understand and abide by the Group's policies and procedures.

#### 4.11 Sexual Harassment

Sexual harassment by any Director or Employee is unacceptable. It is the Group's policy to provide all Employees with a working environment free from any form of sexual harassment. Any questions concerning issues of such should be directed either to the Employees' superior or the Human Resource Department. All such reports and/or complaints shall be treated with strictest confidence.

#### 4.12 Outside Interest

Directors and Employees shall not engage in an outside interest that will undermine the performance of the Directors and Employees or bring disrepute to the Group.

#### 4.13 Fair and Courteous Behavior

All Employees are to treat their fellow employees fairly and courteously without regard to race, creed, religion, gender, nationality, age or disability, and shall not create any form of discrimination or prejudice in the workplace.

4.14 Misconduct

No Director or Employee is to be involved in or abet any activity that is deemed by the Group to be an act of misconduct (includes use and abuse of drugs).

**5. REPORTING OF VIOLATIONS OF THE COCE**

Any Employee who knows of, or suspects, a violation of the COCE, is encouraged to whistle blow or report the concerns through the Whistle Blowing Policy. The provision, protection and procedure of the Whistle Blowing Policy for reporting of the violations of the COCE are available in the Corporate website ([www.dbhd.com.my](http://www.dbhd.com.my)). No individual will be discriminated against or suffer any act of retaliation for reporting in good faith on violations or suspected violations of the COCE.

**6. INVESTIGATIONS**

The Group shall investigate reported concerns promptly and confidentially with the highest level of professionalism and transparency.

**7. REVIEW OF THE COCE**

This COCE shall be reviewed annually by the Board and, as and when the need arises, and the changes shall be communicated to all levels of officers.

**8. WAIVER OF THE COCE**

Waiver of the COCE may be made by the Board or the appropriate Committee of the Board.

Waiver of the COCE may be granted on a case-by-case basis and only in extraordinary circumstances.