

YOONG ONN CORPORATION BERHAD
(Company No. 814138-K)

CODE OF CONDUCTS & ETHICS

1. INTRODUCTION

The Board of Directors (“Board”) of Yoong Onn Corportaion Berhad (“YOCB or the Company”) has established a Code of Conducts and Ethics (“Code”) that engender integrity, ethical conduct, transparency and fairness in promoting good business conduct and maintaining a healthy corporate culture for YOCB and its group of companies (‘the Group”).

The Code of Ethics outlines a set of principles that affect decision-making and the Code of Conducts outlines the following specific behaviour that are required or prohibited as a condition of ongoing employment and is applicable to all Directors, Management and Employees of the Group, duty-bound to observe and maintain at all times when they are acting for the Company.

This Code will provide healthier work climate, direction to employees, protect shareholder’ interest, safeguard company’s assets in achieving the Group’s corporate goals and objectives.

2. CODE OF ETHICS

Code of Ethics provide a set of values to influence decision-making and covers three main areas :

2.1 Corporate Governance

The Board ensure that the Company conducts all aspects of its business honestly and in compliance with The Malaysian Code on Corporate Governance 2012, Bursa Malaysia Securities Berhad Main Market Listing Requirements, Companies Act, 2016 and all existing and applicable laws, rules, regulations and statutory obligations.

The Board is supported by qualified and competent Company Secretaries who provide sound corporate governance advice and formulated Board Charter governing directors’ criteria and merits, Board Committees, risk management and internal control framework, balance of authority and responsibility, effective corporate management, ethical values and corporate governance best practice, independent judgement and decision making.

The Company ensures the directors are committed, devoted and play an active role at all times with good faith and honesty towards the company in discharging their fiduciary duties.

2.2 Relationships with Stakeholders

The Board has moral obligations to the shareholders, employees, creditors, customers and other stakeholders and as such ensure their interests are promoted and protected. The Board acknowledges the need for stakeholders to be informed of all financial and material business matters and adopts an open and transparent policy including timely release of financial results, announcements and engage with shareholders during the Annual General Meeting to facilitate mutual understanding of each other’s objectives and expectations.

The Company strives to provide adequate safety measures, proper protection and a safe and healthy work environment to workers. Each employee has responsibility for maintaining a safe and healthy workplace for all employees by the Company's health and safety rules and practices.

2.3 Environment and Social Responsibilities

The Board acknowledges the need to safeguard and minimise the impact to the environment in the course of achieving the Groups' goals and objectives and committed to protect the environment and contribute towards sustainable development.

The Board should also nurture a sense of corporate social responsibility and should whenever within its means do more to promote corporate social responsibility activities including contributing towards the welfare of the community and charitable organisations, reducing waste and pollution, use resources more effectively, and benefit the community.

3. CODE OF CONDUCTS

The Code of Conduct asserts specific actions that are appropriate or inappropriate and comprises but not limited to the followings :-

3.1 Abuse of Authority and Position

Must not use the position or knowledge gained in the course of duties or employment for personal gains, advantage or benefits.

3.2 Build Trust and Credibility

Employee must adhere to commitments, displaying honesty, credibility, trust, integrity and reaching company goals solely through honourable conduct.

3.3 Business Records and Control/Unauthorised alteration of documents or records

Ensure books, documents, records and accounts should conform to generally accepted and applicable accounting principles and to all applicable laws and regulations, timely and reliable financial results to meet the Group's legal and financial obligations.

3.4 Compliance with the Law

The Group will comply with all applicable laws, rules and regulations of the governments and relevant authorities and Directors and Employees are expected to understand and comply with the laws, rules and regulations that are applicable to their positions and/or work.

3.5 Conflicts of Interest

Must avoid any relationship or activity that might impair the ability to make fair and objective decisions for the Company

3.6 Communication

The Company must create a Culture of Open and Honest Communication, the employee should feel comfortable to speak his or her mind, particularly with respect to ethics concerns

3.7 Confidential Information

Employee must not disclose any trade secrets, material non-public confidential, material and sensitive information relating to the Group.

3.8 Company Assets and Resources

Must protect the Company's assets, funds and resources and ensure availability for legitimate business purposes and not to be used for personal gain and benefits.

3.9 Insider Information and Securities Trading

Unannounced financial results, proposed merger and acquisition, disposal of assets, corporate exercises or any event that could affect the share price of the Company is not disclosed until it has been officially released to the authorities and published.

3.10 Illegal Activities or Criminal Acts

Illegal activities are strictly prohibited including drug-related offences, secret societies, contraband, Intellectual property infringement, infringement of copy rights, money-laundering, fraud etc and the Company will not report to the Police and relevant authorities.

3.11 General Misconduct

No Employee is to be involved in any activity that is deemed by the Group to be an act of misconduct such as insubordination, disobedient, corruption, use vulgar or abusive languages, bully, criminal breach of trust, dishonesty, cheating, immoral and indecent behaviour, misappropriation of funds, pilferages, theft, solicitation of gifts and personal favours etc and the Company will take the appropriate disciplinary actions including instant dismissal.

3.12 Mutual Respect

The Company is committed to providing a workplace that is free of discrimination of all types from abusive, offensive or harassing behaviour and all employee must treat each other with mutual respect without regard to position, race, religion, gender, nationality, age or physical disability, and shall not create discrimination or prejudice in the workplace.

3.13 Outside Interest

Employee shall not engage in an outside interest or activities that will undermine the performance of the employee concerned unless it will not impair the employee's performance and approved by the Company.

3.14 Soliciting

Employee must not solicit away of employees and other interested third parties from the Group

3.15 Sexual Harassment

Sexual harassment is unacceptable and prohibited, staff must report any suspected and/or known sexual harassment issues to the superior/manager or the Human Resource Department.

4. WHISTLEBLOWING POLICY AND PROCEDURES

The Company has formulated Whistle Blowing Policy and Procedures to complement the internal audit functions to assist in detecting improper or illegal activities, fraud, theft, corruption, irregularities, bad practices, abuse, criminal breach of trusts and all wrongdoings that will have significant impact on the Group's operations or resources ("Misconduct").

Employees, stakeholders and public members may report of suspected and/or known misconduct to the Company so that the Company can conduct immediate investigations and take appropriate corrective and remedial actions.

Whistle Blowing Policy and Procedures and the Report format are available at the Company's website www.yoonbgonn.com.

5. REVISION AND UPDATES

This Code will be reviewed and updated periodically by to incorporate additional obligations and developments.