



PGF CAPITAL BERHAD

CODE OF CONDUCT

(Version 3: approved on 20 January 2025)

1. Introduction

- 1.1 **PGF CAPITAL BERHAD** (“the Company” or “PGF”) has adopted the following Code of Conduct (“Code”) for all Employees, including the Directors, to reflect the underlying values and commitment to lay standards of our core values, namely accountability, excellence, agility, integrity, quality and unity, contributing towards the social and environmental growth of the surroundings in which PGF operates.
- 1.2 This code applies to **PGF** and its subsidiary companies. Joint venture companies in PGF that are non-controlling co-venture and associated companies are encouraged to adopt these or similar principles and standards.

2. Objectives

- 2.1 This Code is formulated with the intention of achieving the following aims:
- 2.1.1 To encourage high standards of honesty, integrity, ethical and law-abiding behavior expected of all Employees;
 - 2.1.2 To foster standards to protect and promote the interests of shareholders and all stakeholders; and
 - 2.1.3 To provide guidance to the Board to maintain the confidence of shareholders and other stakeholders in the Company’s integrity.

3. Code of Conduct

All Employees of the Company should at all times observe the following Code in the performance of their duties:

- 3.1 Conflict of Interest
- 3.1.1 Business choices and actions must be made in the best interests of the company and must not be influenced by personal feelings or ties. Relationships with prospective or existing suppliers, contractors, customers, competitors, auditors, or regulators must not influence our independent and sound decision-making on behalf of the company. The following general recommendations may assist Company workers in better understanding several of the most prevalent examples of scenarios that may result in a conflict of interest. However, an Employee must promptly disclose to Management/HR any instances that may be, or appear to be, an actual or potential conflict of interest. When in doubt, disclose.
 - 3.1.2 Competing with the PGF Group of Companies.
 - a. Employees must not engage in activities that conflict with business interests, such as commercially selling items or services that compete with the Company’s existing or planned offerings.

- b. Employees are not permitted to provide any type of support to organizations that sell products or services in rivalry with the Company, regardless of whether they get any direct or indirect remuneration in exchange for the assistance.
- c. Employees are not permitted to participate in or influence the procurement of products and services from any company or individual in whom they have or will have a direct or indirect interest or advantage.
- d. Employees may not use personal influence to persuade the Company to conduct business with a company or supplier in which a family member, relative, or friend has an interest. If the Employee has a family member(s), relative(s), or friend(s) who are already providing services/supplies to the Company or intend to do so, the Employee must immediately notify the direct superior/HR so that no conflict of interest arises that jeopardizes the Employee's job function.
- e. Employees must not work in any other trade, business, employment or directorship other than their employment with the Company, whether within or outside of working hours, without the prior written approval from the HR Department. Such work, if permitted, must not take a significant amount of time, should not be in agreed working hours, should not impact the Employee's performance or in any way interfere with the Employee's duties and responsibility to the Company. Some situations are never permissible, for example if they involve:

a competitor of the Company; and a customer or supplier the Employee deal with in the course of work in the Company.

3.1.3 Non-Business Activity

Employees are not permitted to engage in personal activities, such as public service or politics, that contradict with the Company's business objectives.

3.1.4 Family member / Relative of Employees.

- a. Employees must notify the Company as soon as possible if any family member or relative offers goods or services directly to the Company, or if they are a competitor, vendor, business partner, contractor, or consultancy service provider. Employees must avoid or refrain from participating in or making decisions on any transaction involving an employee's family member or relative.
- b. If an employee's family member or relative is a competitor or supplier of the Company, or is employed by one, Employees must exercise extra caution in their communication and conduct to ensure the security and confidentiality of information critical to the Company, as well as to avoid and/or create a conflict-of-interest situation.

- c. In the case that an Employee has a relative who is an active Employee of the Company, the Employee shall declare the relationship to HR. HODs must ensure that the Employee and relative do not have any direct or indirect responsibility or supervisory/reporting relationship, unless prior consent from Management is obtained.
- d. In accordance with clause 3.1.4(c), HOD is defined as the authority or ability to make decisions regarding hiring, career advancement, retention, renewal or renegotiation of employment contracts, compensation, work assignment, work or job evaluation, compliance or audit, performance review, reward, discipline, and/or other employment conditions.
- e. If an Employee's relative has a reporting relationship, the Company may analyse any conflicts of interest and transfer or relocate both the Employee and the relative to another department if necessary.
- f. In the event of a marriage between Employees from the same department, one of the partners may be transferred to another department at the Company's sole discretion.
- g. When working with family, all workers are expected to perform professionally and guarantee that there are no conflicts of interest.
- h. Due to potential of perceived or actual conflict of interest, Employees who are currently employed in the Manager level at PGF or any Companies within the Group, should not have relatives in the same level or be related to any Employee in the same level. For the purpose of this clause, "relatives" here means related through blood ties or by marriage. Where such a situation arises, one shall cease to hold office in the Manager Level by leaving the Company or be redesignated to another job level as the case may be. The discretion to determine which Employee remains in the Manager Level shall be the Management's decision and such decision shall be made after due consideration with the relevant stakeholders. This applies to all current Employees and candidates for employment and no exception to this will be made without the written consent/ approval of the Executive Committee.

If it is later discovered that an Employee failed to declare or concealed information about a relationship with a relative in the Company, or that an Employee failed, neglected, or concealed a subsequent relationship, and there are instances of nepotism, favouritism, or conflict of interest, Management reserves the right to take stern disciplinary action, including dismissal.

3.1.5 Intimate/ romantic relationship

- a. Intimate/ romantic relationships between Employees in a direct or indirect reporting line can also lead to a conflict of interest, or the appearance of one. A direct reporting line is the Employee's manager and an indirect reporting line is all managers above the Employee's line manager up to the head of the Employee's function. If the Employee is in such a situation, the Employee should disclose the relationship.
- b. Where there is no reporting relationship, management should keep the situation under review to prevent any unfairness or undue influence from arising.
- c. If the Employee has direct or indirect business involvement with a family/ close relative or someone with whom the Employee has an intimate/ romantic relationship with a customer or supplier, management may need to make changes to the Employee's role or account responsibilities
- d. In the course of the Employee's work, the Employee must not have:
 - i. the ability to hire, supervise, affect terms and conditions of employment, or influence the management of family/ close relatives or someone with whom the Employee have an intimate/ romantic relationship with; and
 - ii. any business involvement with family/ close relatives or someone with whom the Employee has an intimate/ romantic relationship with (or with any business the Employee holds a material financial interest).
- e. Where there is a direct or indirect reporting line between two close relatives or two persons involved in an intimate/ romantic relationship in the same group of company or business unit, management must ensure neither has managerial influence over the other.
- f. In some cases, an Employee may be required to resign if the conflict of interest cannot be negated. Should the Employee be found to be concealing such relationships, the Employee may also face disciplinary actions.

3.2 Punctuality and Attendance

- 3.2.1 Employees must adhere to the Company's stated working hours and be prompt.
- 3.2.2 If an Employee is unable to begin work on time on a particular day, he must notify his immediate supervisor at the earliest possible moment, but no later than commence after of 4-hour workings.
- 3.2.3 An Employee who is unable to work due to illness should notify his immediate superior as soon as possible and submit his original medical certificate issued by a certified medical practitioner to his respective superior on the day he resumes work. Employees who are on medical leave must submit an application using the iHRMS system with attachment of medical certificate.

3.3 Publication using the social media

- 3.3.1 Whilst the Company respects the Employees' rights to freedom of speech, they must be mindful of what is acceptable and what is not to be posted on social media. If Employees are officially posting on behalf of the Company, they must have been authorized to do so, and they must comply with applicable procedures and policies. If it is a personal post, Employees must not give the impression that they are posting on behalf of the Company, and they must be aware that their comments may implicate the Company even if they had posted it as a personal post.
- 3.3.2 Employees must not publish, post, release any materials or confidential information or participate in any forums that may harm the reputation of the Company.
- 3.3.3 Any posting which may potentially create an unpleasant working environment within the Company is not acceptable.
- 3.3.4 These requirements apply to postings done during or after working hours, regardless of whether Employees are using their own or the Company's equipment / devices.

3.4 Confidentiality

Employees must at all times maintain and protect the confidentiality of all non-public information which may be obtained due to their positions from whatever sources. Such information shall not be used for any personal gain or in any manner that would be contrary to the law or detrimental to the objectives of the Company.

3.5 Insider Information and Securities Trading

- 3.5.1 No Employee shall use for personal benefit, any price sensitive non-public information, which can affect the price of the securities of the Company when it becomes publicly known.
- 3.5.2 All Employees are prohibited to trade in securities or to provide information to others to trade in securities of the Company until the price sensitive non-public information is publicly released.

3.6 Protection of Assets and Funds

- 3.6.1 All Employees are expected to be accountable to take reasonable care to manage and protect the Company's properties and assets, entrusted to them. These include tangible assets such as equipment and machinery, systems, facilities, materials, resources as well as intangible assets such as proprietary information, goodwill, harmonious relations with customers and suppliers.
- 3.6.2 Company's properties and assets are to be used for legitimate business purposes only or any other purposes approved by the Board.

3.6.3 Employees are expected to know that they do not have legal ownership of the Company's assets and properties but do have effective control of them. Hence, all Company's assets and properties are for use and employ for legitimate purposes, in the best interests of the Company.

3.7 Outside Interests

Employees shall not engage in outside interests which will undermine the performance of the directors or bring ill repute to the Group.

3.8 Money Laundering

3.8.1 Money laundering is a process in which individuals or groups attempt to conceal the proceeds of unlawful activity or make the sources of their illegal finances resemble legitimate.

3.8.2 Employees should constantly ensure that they are doing business with reliable parties, for genuine business reasons, and with legitimate funds. Employees must be aware of the possibility of the Company's business being exploited for money laundering operations, and if they suspect such activities, they should report it to their respective Head of Division or HR Department.

3.9 Compliance with Laws, Rules and Regulations

The Board requires all Employees of the Company to strictly observe and comply with all applicable laws, rules and regulations of the governments, commissions and exchanges in the jurisdictions within which the Group operates and to which they are bound to observe in the performance of their duties.

3.10 Gifts and Hospitality (meals and entertainment)

3.10.1 All Employees shall not receive nor offer any gift that is unsolicited and not affect, or be perceived as affecting, business judgment. Gifts should only be offered to and received in connection with a customary business or cultural occasion. Cash, loans, kickbacks or the equivalent advantages are absolutely prohibited.

3.10.2 Gifts must not exceed RM500 in any event, must not occur more than 3 times a year with the same organization/ person. Recipient should attempt to reject gift exceeding RM500 in a tactful manner. Should such attempt fail, the recipient should report the case to Human Resource Head of Department.

3.10.3 Hospitality must be unsolicited and not affect, or be perceived as affecting, business judgment. Meals and entertainment should only be offered to and received from the Company representative dealing with the customer or service provider in their role in the Company, is for purposes supported by PGF and may only be offered in conjunction with legitimate business meetings, conferences or events hosted, supported or sponsored by the Company. They may never be provided on a stand-alone basis.

3.10.4 Hospitality must not exceed RM500 and in any event. Recipient should attempt to reject hospitality exceeding RM500 in a tactful manner. Should such attempt fail, the recipient should report the case to Human Resource Head of Department.

3.11 Anti-Bribery and Corruption

3.11.1 Bribery is the offering, promising, giving, accepting or soliciting of an advantage as an inducement for action which is illegal, unethical or a breach of trust. A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage and can take the form of gifts, loans, fees, rewards or other advantages. Corruption is the abuse of entrusted power for private gain.

3.11.2 The Company has adopted a zero-tolerance policy against all forms of bribery and corruption.

3.11.3 Employees shall not offer, give, solicit or accept any bribes in order to achieve any business or personal advantage for themselves or others or engage in any transaction that contravene any applicable anti-bribery or anti-corruption laws.

3.12 Health, Safety and Environment

3.12.1 The Company is committed to provide a working environment which is safe, secure and free of danger, harassment, intimidation, threats and violence. The Company takes the policy to comply with all the applicable environmental safety and health laws and regulations.

3.12.2 All Employees shall at all times be committed to the following:

3.12.2.1 Inhibit wasteful use of natural resources.

3.12.2.2 Protecting the environment by minimizing and mitigating environmental impacts throughout the life cycle of operations and minimize harmful emissions to environment, including waste, air emissions and discharges to water.

3.13 Amendments to the Code

3.13.1 This Code shall be reviewed by the Board and amendments to be made from time to time to be in line with the changes in law, governance code couple with the change in Company's vision, mission and business plan.

3.13.2 Employees shall be fully informed of any amendments to the Code.

3.14 Enforcement of the Code

3.14.1 All Employees are to be accountable for full compliance to the Code.

3.14.2 The Board has adopted this Code on 13th January 2020.

3.15 Non-Compliance

- 3.15.1 In case of non-compliance with this Code, the Board and/or relevant personnel shall investigate the matter and initiate the appropriate action.

- 3.15.2 Any Employee who knows of, or suspects, a violation of the Policy, is encouraged to whistle blow or report the concerns through the mechanism set out under the Company's Whistle Blowing Policy. The provision, protection and procedure of the Whistle Blowing Policy for reporting of the violations of the Policy are available on the Company's website. No individual will be discriminated against or suffer any sort or manner of retaliation for raising genuine concerns or reporting in good faith on violations or suspected violations of the Policy. All reports will be treated confidentially.