

## **1. OUR COMMITMENT**

All our business relationships must reflect our personal integrity, respect for one another, honesty and a commitment to do that which is right, fair, reasonable and lawful.

### ***Our Vision***

To be a leading, integrated, professional construction company contributing positively to the development of modern environments in the region.

### ***Our Mission***

To deliver high quality marine engineering, civil engineering, construction and property development projects on time and on budget to our client's total satisfaction.

### ***Our Strategy***

To maintain a high performance organization with dedicated, competent staff who work together to provide dependable project delivery and superior business results.

### ***Our Principles and Values:***

- Act in the best interests of the shareholders
- Take pride in the way we work and consider it as important as the bottom line
- Exercise honesty, integrity and fairness in decision making
- Treat each other with respect and dignity
- Accept accountability for all our actions and decisions
- Abide by laws and regulations
- Avoid conflicts of interest, misuse of information or abuse of power

## **2. OBJECTIVES OF THE CODE**

This Code of Ethics and Conduct ("Code") sets forth the values, expectations and standards of business ethics and conduct to guide the Board, the management and employees of Hock Seng Lee Berhad and its subsidiaries ("HSL Group"). The Code is adopted to maintain the highest level of integrity and ethical conduct of employees.

The Code is not intended to be all encompassing nor exhaustive, and there may be other obligations or expectations of directors and employees when performing their duties. Although this Code can not address every issue, it defines the spirit in which we intend to do business and should guide us in our daily conduct.

## **3. COMPLIANCE WITH LAW**

Our commitment to integrity begins with complying with all relevant laws, rules and regulations as well as company policies in the performance of our specific roles and duties.

## **4. LEADING BY EXAMPLE**

Directors, managers and supervisors, have the added responsibility for demonstrating, through their actions, the importance of this Code. Ethical behavior is the product of clear and direct communication of behavioral expectations, modeled from the top and demonstrated by example. Directors, managers

and supervisors are responsible for promptly addressing ethical questions or concerns raised by employees and for taking the appropriate steps to deal with such issues.

## **5. OPEN AND HONEST COMMUNICATION**

Each of us is responsible for knowing and adhering to the values and standards set forth in this Code and for raising questions if we are uncertain about company policy. Everyone should feel comfortable to speak his or her mind with respect to ethics concerns. Managers have a responsibility to create an open and supportive environment where employees feel comfortable raising their concerns.

Employees are encouraged to address such issues with their managers or the HR manager, as most problems can be resolved swiftly. If for any reason that is not possible or if an employee is not comfortable raising the issue with his or her manager or the Human Resources Manager, HSL's Executive Directors operate an open-door policy.

We shall provide protection for any person who reports violations of the Code. We will not tolerate any form of victimisation or retribution against those who attempt to uphold this Code.

## **6. CONFIDENTIALITY OF COMPANY INFORMATION**

We must protect confidential company information, as well as non-public information entrusted to us by customers and other business partners. Confidential and proprietary information includes such things as pricing and financial data, internal financial forecasts, trade secrets, transactions about the Group, new business ventures, customer names/addresses or non-public information about other companies, including current or potential suppliers and vendors.

The directors and employees of the Group may come into possession of sensitive, confidential and proprietary information. All directors and employees of the Group are prohibited from disclosing any confidential information unless they are authorized to do so.

In the event that a director or an employee knows of material information affecting the Group which has not yet been publicly released, directors and employees of the Group must ensure that the confidentiality of the material information is maintained at all times until it is publicly released. Any director or employee privy to the confidential material information shall not divulge the information to anyone else except as is essential in the course of business.

It is important that we respect the property rights of others. We will not acquire, or seek to acquire by improper means, a competitor's trade secrets or other proprietary or confidential information. We will not engage in unauthorized use, copying, distribution or alteration of software or other intellectual property.

## **7. CONFLICT OF INTEREST**

We shall manage and mitigate all conflicts or perceived conflicts of interest. We will avoid any conflict of interest and share and declare any information that may cause a conflict of interest. Where it is not possible to avoid a conflict of interest, we shall manage the potential conflict of interest by making the appropriate disclosures.

**Recurrent related party transactions**

The Audit Committee has established a set of guidelines and review procedures to monitor, track, and identify recurrent related party transactions in a timely and orderly manner and to ensure that such related party transactions shall be carried out on normal commercial terms which are not more favourable to the related party than those generally available to the public.

**No solicitations**

We should not solicit or accept any economic benefit from any third party in the course of our work. We should not render any assistance to any third party in our dealings with the Group where this would result in undue preferential treatment to the third party.

**Insider Information and Securities Trading**

We shall not trade in securities of the Company or provide information to others to trade in securities of the Company where we have obtained insider/privileged information during the performance of our duties until the information is publicly released.

**Taking advantage**

We would not knowingly take advantage of, or benefit from, information that is obtained in the course of our official duties and that is not generally available. HSL's property or information shall only be used for the business purposes for which they are intended and never for personal gain. This includes ensuring the privacy of client and employee information and the safeguarding of intellectual property.

**Use of Company Resources**

Employees and those who represent HSL are to behave responsibly and use good judgment to conserve company resources. Managers are responsible for the resources assigned to their departments and are empowered to ensure proper usage. We will not solicit contributions nor distribute non-work related materials during working hours.

To protect the interests of HSL's IT network and our fellow employees, HSL reserves the right to monitor or review all data and information contained on an employee's company-issued computer or electronic device, the use of the Internet or Company's intranet. We will not tolerate the use of company resources to create, access, store, print, solicit or send any materials that are harassing, threatening, abusive, sexually explicit or otherwise offensive or inappropriate.

**Personal Gift**

We will not accept compensation or money of any amount from entities with whom HSL does or may do business. We may accept unsolicited gifts other than money that conform to the reasonable ethical practices of the marketplace, including meal or entertainment for normal business courtesies, token gifts which are occasional, gifts during festive or special events or social functions attended by us on behalf of the Group.

**Offering Business Courtesies**

We may provide non-monetary gifts (i.e. company logo souvenirs or similar promotional items) to our customers and others that conform to the reasonable ethical practices of the marketplace, including meal or entertainment for normal business courtesies, token gifts which are occasional, gifts during festive or special events or social functions.

## **8. PERSONAL OBLIGATIONS**

### **Performance of duties:**

We will perform all duties to the fullest extent of our capabilities in a professional, ethical and responsible manner, ensure that all confidential information that is made available to them by virtue of their position is not divulged, avail themselves of information and material that will improve their effectiveness in their job and protect the assets and funds of the Group.

### **Perceived conflict:**

We must use our best judgment to avoid situations of real or potential conflict. In doing so, we must not accept or solicit any gifts, hospitality or other benefits that may have a real or apparent or probable influence on our objectivity in carrying out our official duties and responsibilities or that may place us or the Group under obligation to the donor. Any actual or potential conflicts of interest are to be fully disclosed to the management and /or the Board of Directors.

## **9. FAIR COMPETITION**

HSL Group will compete fairly and in good faith within the industry it operates. We will carry out all our duties and dealings in an honest, ethical and responsible manner.

All commercial transactions will be recorded in an accurate and complete manner. Corrupt practices, are not acceptable.

## **10. WORKING ENVIRONMENT**

We are committed to fostering and maintaining a positive employer-employee relationship. We will treat each other with dignity, respect, fairness and courtesy without regard to race, religion, gender, nationality or age and shall not create any form of discrimination or prejudice in the workplace.

We are dedicated to maintain a safe and healthy working environment commensurate with the nature and type of business operations of the Group.

## **11. MONITORING AND ENFORCEMENT**

Any contravention of this Code will be regarded as a serious matter and appropriate disciplinary action will follow after due consideration in respect of any breach. We will investigate any reported instances of questionable or unethical any alleged breach of this Code. Any breach of this Code by anyone may lead to disciplinary action including termination of employment or contract, or any legal actions being brought against him or her as may be specified by the law.

## **12. REVIEW OF THE CODE**

This Code will be updated regularly to ensure that it continues to remain relevant and appropriate. Any changes must be approved by the Board of Directors.