

**SPB DEVELOPMENT BERHAD**

**DIRECTORS' CODE OF ETHICS**

**1. INTRODUCTION**

- 1.1 The Board of Directors (“**Board**”) of SPB Development Berhad (“**Company**”) is entrusted with the fiduciary responsibility to oversight the affairs of the Company and its subsidiaries (“**Group**”). The Directors of the Group are obliged to carry out their duties in an honest, fair, diligent and ethical manner within the scope of the authority conferred upon them and in accordance with the applicable laws, rules, regulations, guidelines and internal policies and relevant procedures.
- 1.2 Embracing ethical culture in an organisation is fundamental in preservation of the Group’s reputation and thereby increases the confidence of stakeholders. Directors are to adhere to, comply with and uphold the provisions of this Directors’ Code of Ethics (“**Code**”) in carrying out their day-to-day functions.
- 1.3 In the context of this Code, a Director means any person occupying the position of director of a corporation in the Group irrespective of any designation used, and includes a person in accordance with whose directions and instructions the Directors of a corporation are accustomed to acting, and an alternate or substitute Director. A Director also includes both Executive and Non-Executive Directors as well as Executive and Non-Executive Chairpersons.
- 1.4 This Code should be read together with the Group’s Board Charter, Malaysian Code on Corporate Governance (“**MCCG**”) issued by the Securities Commission Malaysia and Corporate Governance Guide (4<sup>th</sup> edition) issued in 2021 by Bursa Malaysia Securities Berhad, in order to provide a comprehensive overview of what is expected from the Board.

**2. OBJECTIVES**

- 2.1 This Code is to provide the fundamental guiding principles and standards applicable to the Directors where such principles and standards are founded on high standards of professional and ethical practices.
- 2.2 This Code of Ethics is formulated to enhance the standard of corporate governance and corporate behaviour and aims at the following:
- (a) to ensure a standard of ethical behaviour for Directors based on trustworthiness and values that can be accepted, are held or upheld by any one person;
  - (b) to encourage high standards of honesty, integrity, ethical and law-abiding behaviour expected of Directors;
  - (c) to foster standards to protect and promote the interests of shareholders and all stakeholders;
  - (d) to provide guidance to the Board to maintain the confidence of shareholders and other stakeholders in the Group’s integrity; and
  - (e) to uphold the spirit of responsibility and social responsibility in line with the legislation, regulations and guidelines for administrating the Group.

**3. PRINCIPLES OF THE DIRECTORS' CODE OF ETHICS**

In the performance of his or her duties, a Director should at all times observe the following principles:

### **3.1 Corporate Governance**

- (a) to have a clear understanding of the aims and objectives, capabilities and capacity of the Group;
- (b) to ensure at all times that the Company is properly managed and effectively controlled;
- (c) to stay abreast of the affairs of the Group and be kept informed of the Group's compliance with relevant legislations and contractual requirements;
- (d) to have access to the advice and services of the Company Secretary, who is responsible to the Board to ensure proper procedures, rules and regulations are complied with; and
- (e) to disclose immediately all contractual interests whether directly or indirectly with the Group.

### **3.2 Relationship with Stakeholders, Employees, Creditors and Customers**

- (a) to be conscious of the interests of the shareholders, employees, creditors and customers of the Group;
- (b) to at all times promote professionalism and raise competency of management ("**Management**") and employees ("**Employees**"); and
- (c) to ensure adequate safety measures and provide proper protection to Employees at work places.

### **3.3 Social Responsibilities and the Environment**

- (a) to adopt an objective and positive attitude and give the utmost cooperation for the common good when dealing with governmental authorities or regulatory bodies;
- (b) to ensure effective use of natural resources, and to improve quality of life by promoting corporate social responsibilities;
- (c) to be more proactive to the needs of the community and to assist in society related programme; and
- (d) to ensure that the activities and the operations of the Group does not harm the interests and wellbeing of the society at large.

### **3.4 Duty to Act in the Public Interest and Best Interest of the Group**

- (a) to act in the public interest;
- (b) to ensure the maintenance of fair, orderly and transparent market;
- (c) to at all times exercise his/her powers for the purposes they were conferred, for the benefit and prosperity of the Group; and
- (d) to exercise independent judgement and, if necessary, openly oppose if the vital interests of the Group is at stake.

### **3.5 Competence**

- (a) to devote time and effort to attend meetings and to know what is required of the Board and each of its Directors, and to discharge those functions;
- (b) to develop and maintain relevant knowledge, skills and behaviours to ensure that his/her activities are conducted professionally and proficiently;

- (c) to insist on being kept informed on all matters of importance to the Group in order to be effective in corporate management;
- (d) to limit his/her directorship of companies to a number in which he/she can best devote his/her time and effectiveness; each Director is an own judge of his/her abilities and how best to manage his/her time effectively in the companies in which he/she holds directorship; and
- (e) to act with diligence, as well as to obtain, and regularly update the appropriate qualifications, training, expertise and practical experience.

### **3.6 Integrity**

- (a) to discharge and perform his/her duties to the Group, its shareholders and other stakeholders by honestly observing high standards of ethical behaviour and abiding by all laws, rules and regulations;
- (b) to behave in a trustworthy manner and avoid any acts that may damage the reputation of, or bring discredit to the Group at any time; and
- (c) to at all times act with utmost good faith towards the Group in any transaction and to act honestly and responsibly in the exercise of his/her powers in discharging his/her duties.

### **3.7 Accountability**

- (a) to exercise independent oversight and make decisions solely on merits.

### **3.8 Fairness**

- (a) to act responsibly and embrace a culture of fairness and transparency;
- (b) to treat those with whom he/she has professional relationships with respect; and
- (c) ensure that he/she considers the impact of his/her decisions and actions on all stakeholders.

### **3.9 Confidentiality**

- (a) to neither divert to his/her own advantage any business opportunity that the Company is pursuing;
- (b) to protect the confidentiality and sensitivity of information provided to him/her; and
- (c) to use the confidentiality and sensitivity of information for its intended purposes only and not divulging information to any unauthorised persons, including third parties, without the consent of those involved unless disclosure is required by law or regulation.

## **4. COMPLIANCE WITH LAWS, RULES AND REGULATIONS**

- 4.1 Every Director in exercising and/or discharging his/her powers or duties shall comply with all applicable laws, rules and regulations including the constitutions of the Group. guidance and directives issued by the authorities from time to time.
- 4.2 Directors should constantly keep updated with and comply with the applicable laws, rules and regulations and consult with the Management or advisors of the Group.

## **5. CONFLICT OF INTEREST**

- 5.1 Directors should (1) declare immediately, all contractual interests (whether directly or indirectly) with any person or entity with which the Group has or proposes to enter into business or contractual relationship and (2) if so required by the Board or the relevant Board Committees, to recuse themselves from any deliberation and decision relating thereto.
- 5.2 Directors must act in the interests of the Group and not engage directly or indirectly in any business or professional activities that compete or are in conflict with the interests of the Group.

## **6. COMPANY ASSETS**

- 6.1 Directors have a duty to protect and ensure the proper use of the Company's assets, including its physical premises, equipment and facilities as well as the records and information/data (both physical and electronic means).
- 6.2 The Company's assets shall only be used in a safe, ethical and lawful manner and shall not be used for pursuing improper personal gain or opportunity.

## **7. ANTI-CORRUPTION OR BRIBERY**

- 7.1 Directors should prevent corrupt practices and refrain themselves from offering, giving or receiving any gifts and other form of benefits from person or entities who deal with the Group where the gift would reasonably be expected to influence the performance of the Directors' duties in any aspect.

## **8. CONFIDENTIALITY**

- 8.1 Directors having access and/or in possession of material non-public and price sensitive information of the Group ("**Inside Information**") in the course of discharging their duties should treat all such information in strictest of confidence; not disclose such information to any unauthorised persons and take all necessary precautions to maintain such confidentiality and not use it, directly or indirectly, for any purpose other than what it has been intended, except when disclosure is authorised or legally required.
- 8.2 The obligation to preserve the Group's Inside Information is ongoing even after an individual ceases to be a Director of the Group.

## **9. INSIDER TRADING**

- 9.1 Directors who are in the possession of the Inside Information are prohibited to trade in the securities of the Company or the shares of another listed company if that information has not been made public and classified as inside information such as financial results, potential acquisitions or divestments, marketing plans or new products.
- 9.2 Directors shall not disclose such Inside Information to any third party, unless they are permitted to do so, or encourage any other person to deal in price-affected securities.
- 9.3 Directors shall comply with all applicable laws relating to dealings with the securities of the Company and are prohibited to trade in the Company's securities affected by or on behalf of a person with knowledge of relevant but non-public material information regarding the Group.
- 9.4 Directors who commit insider trading, may be subjected to the relevant criminal and civil actions under Malaysian Law which includes the Capital Markets and Services Act 2007.

**10. REPORTING OF UNLAWFUL OR UNETHICAL BEHAVIOR OR VIOLATIONS OF THE CODE**

- 10.1 Directors must immediately report any concern about possible or actual breaches of the Code or unlawful or unethical behaviour by any Director to the Chairman of the Board (or Senior Independent Director, where applicable).

**11. ENFORCEMENT OF THE CODE**

- 11.1 In the event of any violation of this Code by any Director, the Board shall determine the appropriate actions to be taken after considering all relevant information and circumstances.

**12. CODE SUBJECT TO REVIEW**

- 12.1 This Code shall be reviewed by the Board every three (3) years or as required when internal or external events warrant a more frequent review to be undertaken.
- 12.2 The Board should disclose the application of this Code in the annual report and on the corporate website of the Company.

This Code is approved and adopted by the Board on 18 July 2024.