

## **CODE OF CONDUCT**

### **1. Introduction**

Rex Industry Berhad ("**Rex**" or the "**Company**") has adopted the following Code of Conduct (the "**Code**") for Directors, Management and officers of the Company and its subsidiaries ("**Rex Group**" or "**the Group**").

The Code is established to promote the corporate culture which engenders ethical conduct that permeates throughout the Company. All Directors, Management and employees of the Group shall be referred to as "**Officers**".

### **2. Purpose**

The Code is formulated with the intention of achieving the following aims:-

- 2.1.** To emphasise the Company's commitment to ethics and compliance with the applicable laws and regulations;
- 2.2.** To improve self-discipline in order to provide the Company with good and quality service; and
- 2.3.** To enhance skills in the implementation of duties and to be able to adapt to the work environment.

### **3. Code of Conduct**

In the performance of his or her duties, each Officer must comply with the letter and spirit of the following codes:-

#### **3.1. Human Rights**

The Company supports and respects human rights. The Company treats Officers with dignity and respect in the workplace, provides equal employment opportunities, creates a safe and harmonious work environment, and will not engage in any form of discrimination.

#### **3.2. Health and Safety**

The Company provides a work environment that is safe, secure and free of danger, harassment, intimidation, threats and violence. The Company takes appropriate precautions to prevent injuries or adverse working conditions for each and every Officer.

#### **3.3. Environment**

The Company conducts operations in a manner that safeguards health, protects the environment and conserves valuable materials. The Company is committed to protecting the environment by minimising and mitigating environmental impacts throughout the life cycle of operations.

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**3.4. Gifts and Business Courtesies**

Officers must exercise caution in relation to offering or accepting gifts and business courtesies. All gifts to Officers attributable to his position in the Company in relation to the business of the Group must be declared to the Group Managing Director/Chief Executive Officer. Officers should only accept non-cash gifts in relation to cultural, marital and/or birthday celebrations only. Any other gifts received by Officers shall be declared to Group Managing Director/Chief Executive Officer.

**3.5. Company Records and Internal Controls**

The Company's records must be prepared accurately and honestly, both by accountants who prepare financial statements and by officers who contribute to the creation of business records. The Company takes obligation to maintain business records for operational, legal, financial, historical and other purposes seriously and takes appropriate steps to ensure that the content, context and structure of the records are reliable and authentic.

Reliable internal controls are critical for proper, complete and accurate accounting and financial reporting. Officers must understand the internal controls relevant to their positions and comply with the policies and procedures related to those controls to ensuring that effective and reliable business processes are in place.

**3.6. Company Assets**

The Company's properties and assets should be managed and safeguarded in a manner which protects their values. Officers are accountable both for safeguarding all assets entrusted to them, including the Company's information resources, records, materials, facilities and equipment under the Officers' care or control, from loss, theft, waste, misappropriation or infringement and for using the assets to advance the interests of the Company.

All Officers have an affirmative duty to immediately report the theft, loss or misappropriation of any Company assets, including financial assets, physical assets, information assets and electronic assets to the Management as stipulated under Violations of Code of Conduct stated below.

**3.7. Exclusive Service**

The Company expects each and every Officer to give their fullest attention, dedication and efforts to their duties and the Company. Officers must try to avoid any personal, financial or other interest which may be in conflict with their duties and responsibilities to the Company.

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### **3.8. Integrity and Professionalism**

All officers should conduct themselves with the highest degree of integrity and professionalism in the workplace or any other location while on Company's business.

### **3.9. Personal Appearance**

An officer is 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. Dress and appearance should not be offensive to customers or other Officers.

### **3.10. Confidential Information**

All information obtained in the course of engagement and/or employment with the Company shall be deemed to be strictly confidential and shall not be disclosed to any third party. This measure applies to all Officers both during and after the service with the Company.

### **3.11. Compliance Obligations**

Officers are responsible for knowing and complying with the requirements applicable to their work activities, including those described in Rules of Conduct and Disciplinary Procedure in the Employee Handbook and those described in the Company's guidance documents (Company's standards, policies and procedures and manuals).

## **4. Communication and Compliance**

The Company and the Board should ensure the Code is being communicated to all levels of Officers through staff handbook, notice board, intranet, or corporate website. The Company should include the briefing of the Code to new officers in the induction programme.

The Board should ensure the Code permeates throughout the Company and is compiled by all levels of Officers.

## **5. Violations of the Code**

The Officer should report to supervisors, managers, Head of Divisions or Head of Human Resource about the known or suspected illegal or unethical behaviour. The Company's Executive Directors and senior management shall promptly report any known or suspected violations of the Code to the Independent Director or Audit Committee Chairman.

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**6. Investigations**

The Company shall investigate reported concerns promptly and confidentially with the highest level of professionalism and transparency. All internal investigations and audits are conducted impartially and without predetermined conclusions. Each and every Officer shall be expected to fully cooperate with audits, investigations and any corrective action plans, which may include areas for continued monitoring and assessment.

**7. Periodic Review**

The Board and senior management of the Company will review the Code from time to time when deemed necessary and communicate the new changes to all levels of Officers.

**8. Effective Date**

The Code is effective 22 February 2016.