

PACIFIC & ORIENT BHD
CODE OF ETHICS FOR DIRECTORS

A. INTRODUCTION

This Code of Ethics (“Code”) for the Directors serve as a set of guiding principles for directors in the performance and exercise of their responsibilities as directors of Pacific & Orient Bhd (“Company”) and its wholly subsidiaries.

B. PRINCIPLES

The principles on which this Code rely are those that concern transparency, integrity, accountability and corporate social responsibilities.

C. OBJECTIVES

This Code of Ethics is formulated to enhance the standard of corporate governance and corporate behaviour with a view to achieving the following objectives:

1. To establish standards of ethical conduct for directors based on acceptable belief and values one upholds.
2. To uphold the spirit of social responsibility and accountability in line with the legislations, regulations and guidelines governing a company.

D. DEFINITION

In the context of this Code, a company director means any person occupying the position director of a corporation by whatever name called, and includes a person in accordance with whose directions and instructions the directors of a corporation are accustomed to act, and alternate or substitute director. A director also includes both executive and non-executive director as well as executive and non-executive chairman.

E. CODE OF ETHICS

In the performance of his duties, a director should at all times observe the following codes:

1. Corporate Governance

- 1.1 Should have a clear understanding of the aims and objectives, capabilities and capacity of the Company;
- 1.2 Should 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;
- 1.3 Should ensure at all times that the Company is properly managed and effectively controlled;
- 1.4 Should stay abreast of the affairs of the company and be kept informed of the Company's compliance with relevant legislations and contractual requirements;
- 1.5 Should insist on being kept informed on all matters of importance to the Company in order to be effective in corporate management;
- 1.6 Should limit his directorship of companies to a number in which he can best devote his time and effectiveness; each director is an own judge of his abilities and how best to manage his time effectively in the company in which he holds directorship;
- 1.7 Should 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;
- 1.8 Should at all times exercise his powers for the purposes they were conferred, for the benefit and prosperity of the company;
- 1.9 Should disclose immediately all contractual interests whether directly or indirectly with the company;
- 1.10 Should neither divert to his own advantage any business opportunity that the company is pursuing, nor may he use confidential information obtained by reason of his office for his own advantage or that of others;

- 1.11 Should at all times act with utmost good faith towards the company in any transaction and to act honestly and responsibly in the exercise of his powers in discharging his duties; and
- 1.12 Should be willing to exercise independent judgment and, if necessary, openly oppose if the vital interest of the company is at stake.

2. Relationship with Shareholders, Employees, Creditors and Customers

- 2.1 Should be conscious of the interest of shareholders, employees, creditors and customers of the Company;
- 2.2 Should at all times promote professionalism and raise competency of management and employees; and
- 2.3 Should ensure adequate safety measures and provide proper protection to works and employees at work place.

3. Social Responsibilities and the Environment

- 3.1 Should adopt an objective and positive attitude and give the utmost cooperation for the common good when dealing with governmental authorities or regulatory bodies;
- 3.2 Should constantly conceptualises and implements corporate social responsibility programmes and initiatives to minimise environment impact; and
- 3.3 Should ensure that the activities and the operations of the company do not harm the interest and well-being of society as a whole.

