



富佳木業有限公司

**FOCUS LUMBER BERHAD** (188710-V)

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## CODE OF CONDUCT AND ETHICS

### INTRODUCTION

The Malaysian Code on Corporate Governance 2012 recommends the Board of every listed Company to formalize a Code of Conduct that engenders ethical standards throughout the Company.

This Code of Conduct & Ethics (The Code) is applicable to all our employees and its connected person(s).

The “Connected Person(s)” means the following persons:-

- Spouse, parent, brother, sister, child or step-child.
- A body corporate with which the employee is associated.
- A person acting as the Trustee of any trust, the beneficiaries of which includes the employee or the body corporate above.
- A person acting as a partner or any person who by virtue is connected with the employee.

The Code describes the behavior expected of our employees and how they relate to our Business Principles and core values. The Code is a common reference point for anyone who is unclear about what is expected of them in a specific situation.

If you need advice and help on topics in The Code, you can speak to:-

- Your Manager / Superior, or
- Your HR focal point.

### GUIDELINES FOR CONDUCT

Every employee shall use due care in the performance of his/her duties, be loyal to the Company and act in good faith and in a manner he/she reasonably believes to be in and/or not opposed to the best interests of the Company.

### CONFLICTS OF INTEREST

Employees must avoid conflict of interest between their private interest and their duty to the Company.

An employee who has an actual or potential conflict of interest must disclose to the Managing Director / Financial Controller the existence and nature of the actual or potential conflict of interest and all facts known to him/her regarding the transaction that may be material to judgment whether to proceed with the transaction or not. The Managing Director may proceed with the transaction only after receiving approval from the Board.

### Abuse of Power

Abuse of power includes any abusive behaviour (physical, psychological, sexual or emotional) by a person in a position of authority and trust against someone in a position of vulnerability and/or dependency.

Employee who wish to lodge a complaint about an alleged abusive of power by a FLB’s staff should lodge their complaint to her/his line manager (or designated complaint focal point in accordance with FLB’s Whistle-Blowing Policy) as soon as possible after s/he becomes aware of the concern.

### Corruption

All our business partners, our suppliers, customers, joint venture partners, contractors and distributors, must be dealt with fairly.

FLB expects the same from its business partners. Our relations with all business partners shall be based solely on objective criteria, quality, reliability, competitive prices, as well as compliance with environmental, social and corporate governance standards.

FLB is strictly committed to fighting any kind of corruption. Therefore, FLB prohibits its employees,

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agents, and other third parties acting on FLB's behalf from engaging in any form of bribery. While dealing with business partners or government officials, they must never demand or accept anything of value (e.g. cash, gifts, entertainment or any other personal benefits) which could be construed as an attempt to influence or induce business decisions. Likewise, employees of other companies or government officials must never be promised or granted any personal benefits with the intent to obtain or retain business or to gain any improper advantage for FLB.

We require all employees to inform their manager if a business partner or governmental official offers or demands any personal benefits.

### **Insider Trading**

As an employee, you may have access to material, non-public information about FLB or the affairs of a third party which, if disclosed, could impact the value of publicly-traded securities, in particular the FLB share. Insider trading laws prohibit making personal use of such information and/or disclosing it to third parties, including friends or family. Examples include information relating to the intended sale of substantial parts of the company, the acquisition or merger of businesses, undisclosed data on profits or particularly promising research results.

### **Money Laundering**

No employee, either alone or in collaboration with third parties, may take measures that violate applicable regulations on money laundering.

Where questionable financial transactions involving transfers of cash or cash equivalents are requested, prior review by and approval from the treasurer is required.

### **GIFTS AND ENTERTAINMENT**

When acting on behalf of the Company, employees should never request gifts, entertainment or any other business courtesies from people doing business with the Company (including suppliers, customers, competitors, contractors and consultants).

Unsolicited gifts are permissible if they are customary and commonly accepted business courtesies; not excessive in value; and given and accepted without an express or implied understanding that the employee is in any way obligated by acceptance of the gift.

Only in exceptional circumstances does the Company allow the acceptance of certain Gifts and/or Hospitality to support business relationships. These require a strict process of approvals by the Board. Gifts and/or Hospitality must never influence business decisions or cause others to perceive an influence.

Meals in the ordinary course of business and infrequent meals and entertainment, such as cultural or sporting events, that are attended by both the employee and the giver are not considered gifts.

Gifts of cash or cash equivalents (including gift certificates, securities, below-market loans, etc.) of any amount are prohibited.

### **COMPANY PROPERTY**

Employees have responsibility to safeguard and properly use Company's assets and resources, as well as assets of other organization that have been entrusted to the Company. Except as specifically authorized, Company assets, including Company equipment, materials, resources and proprietary information, must be used for Company business purposes only.

Fraud, theft, abuse or misuses of the Company's assets is unacceptable.



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#### **CONFIDENTIAL INFORMATION**

Employees shall maintain confidentiality of information entrusted to them by Company. The Company's confidential and proprietary information shall not be inappropriately disclosed or used for personal gain or advantage of the employee or anyone other than the Company.

#### **FAIR DEALING**

Employees shall endeavor to deal fairly with the Company's Customers, Suppliers, Competitors, Contractors, Consultants and Service Provider and shall never take unfair advantage of others through manipulation, concealment, abuse of privileged information, misrepresentation of materials facts or any other unfair dealing practice.

#### **COMPLIANCE WITH LAWS AND REGULATIONS**

The Company is committed to comply with all laws, rules and regulations that govern the conduct of our business. All employees must ensure compliance with all laws, rules and regulations governing the business of the Company.

#### **SHOULD I REPORT A VIOLATION OF THE CODE?**

Yes, we encourage this and it will protect you against any retaliation. You can report a non-compliance allegation or concern to your Manager/Superior.

If you prefer to report confidentially, you can contact the Chairman of the Board or the Audit Committee Chairman.

The contact details of the Chairman of the Board and Audit Committee Chairman where concerns can be raised by the employee are as follows:

<b>Chairman of the Board</b>	<b>Audit Committee Chairman</b>
Email: am@lh-ag.com	Email: nyen@wyncorp.com.my

This Code of Conduct & Ethics may be amended as required, subject to the approval of the Board.

This Code of Conduct & Ethics is to be reviewed by the Board annually to provide assurance that it remains consistent with the Board's objectives and responsibilities.

Reviewed and adopted on 29 March 2018.