

HSS ENGINEERS BERHAD
(Company No. 1128564-U)

CODE OF ETHICS OF DIRECTORS

A. PREAMBLE

The Board of Directors (the “Board”) of HSS Engineers Berhad (the “Company”) has adopted the following Code of Ethics (the “Code”) for Directors of the Company and its subsidiaries (the “Group”). This Code is intended to focus the Board and each Director on areas of ethical risk, provide guidance to Directors to help them recognise and deal with ethical issues, provide mechanisms to report unethical conduct and help foster a culture of honesty and accountability.

B. PRINCIPLE

This Code is based on the core principles of integrity, transparency, accountability and corporate social responsibility.

C. PURPOSE

This Code is formulated to enhance the standard of corporate governance and corporate behaviour with the intention of achieving the following aims:

- i) To establish a standard of ethical behaviour for Directors based on acceptable belief and values.
- ii) To uphold the spirit of social responsibility and accountability in line with the legislation, regulations and guidelines governing a company.

No code or policy can anticipate every situation that may arise, or replace the thoughtful behaviour of an ethical Director. Directors are encouraged to bring questions about particular circumstances that may implicate one or more of the provisions of this Code to the attention of the Chairman of the Board, who may consult with internal or external legal counsel as appropriate.

D. DEFINITION

In the context of this Code, a Director means any person who holds the position of Director in the Group, irrespective of any designation used, including anyone who follows the directives and advice of a corporate Director and who usually takes action, as well as an in-turn or substitute Director. It includes executive and non-executive Directors as well as executive and non-executive chairpersons.

E. CODE OF ETHICS

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

1.0 Corporate Governance

- 1.01 Should have a clear understanding of the aims and purpose, capabilities and capacity of the Company;
- 1.02 Should devote sufficient time and their best effort to attend meetings and to know what is required of the Board and each of its Directors, and to discharge those functions;

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- 1.03 Should ensure at all times that the Company is properly managed and effectively controlled;
- 1.04 Should stay abreast of the affairs of the Company and be kept informed of the Company's compliance with the relevant legislation and contractual requirements;
- 1.05 Should insist on being kept informed on all matters of importance to the Company in order to be effective in corporate management;
- 1.06 Should limit his directorship of companies to a number in which he can best devote his time and effectiveness; each Director is his own judge of his abilities and how best to manage his time effectively in the Company in which he holds directorship;
- 1.07 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;
- 1.08 Should at all times exercise his powers for the purposes they were conferred, for the benefit and prosperity of the Company;
- 1.09 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 judgement and, if necessary, openly oppose if the vital interest of the Company is at stake.

2.0 Conflict of Interests

- 2.01 Conflict of interests may arise in any situation in which a director engages in an activity that detracts from or interferes with his or her full, loyal and timely performance of services to the Group, or has a financial interest that might influence the director's judgment on behalf of the Company; and
- 2.02 All such conflicts should be avoided, and directors must report any actual, potential or apparent conflicts to the Board of Directors.
- 2.03 Where the conflict of interest has been appropriately disclosed, the interested director shall not participate in any discussion while the contract or proposed contract is being considered during the meeting and shall not vote on the contract or proposed contract.

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3.0 Relationship with Shareholders, Employees, Creditors and Customers

- 3.01 Should be conscious of the interest of shareholders, employees, creditors and customers of the Company;
- 3.02 Should at all times promote professionalism and improve the competency of management and employees; and
- 3.03 Should ensure adequate safety measures and provide proper protection to workers and employees at the workplace.

4.0 Social Responsibilities and the Environment

- 4.01 All such conflicts should be avoided, and directors must report any actual, potential or apparent conflicts to the Board of Directors;
- 4.02 Should adopt an objective and positive attitude and give the utmost cooperation for the common good when dealing with government authorities or regulatory bodies;
- 4.03 Should ensure the effective use of natural resources and improve quality of life by promoting corporate social responsibilities; and
- 4.04 Should ensure that the activities and the operations of the Company do not harm the interest and well-being of society at large.

5.0 Compliance Standards

- 5.01 Should communicate any suspected violations of this Code promptly to the Chairman of the Audit Committee and complying with the Whistle Blower Policy; and
- 5.02 Violations will be investigated by the Board or by persons designated by the Board and appropriate action will be taken in the event of any violations of this Code.

(Approved by the Board of Directors on 26 March 2018)