

PERAK TRANSIT BERHAD

Registration No.: 200801030547 (831878-V)

CODE OF CONDUCT

1. INTRODUCTION

In line with good corporate governance practices, the Board of Directors (“**Board**”) and Management of Perak Transit Berhad (“**Company**”) have made a commitment to create a corporate culture throughout the Company and its subsidiaries (collectively, the “**Group**”) to operate its businesses and affairs in an ethical and professional manner and to uphold the highest standards of integrity and behaviour in all activities conducted by the Group.

The Board and all employees of the Group play an important role in establishing, maintaining and enhancing the reputation, image and brand of the Group and ensuring the observance to and compliance with the standards of integrity and behaviour that the Group is committed to.

This Code of Conduct (“**Code**”) has been adopted by the Board, which collectively leads and is responsible for the success of the Group, to set out the principles and standards of business conduct of the Group.

2. OBJECTIVE

This Code is to assist and guide all Personnel (as defined herein) in defining the ethical standards and conduct at work. The Code is not intended to be exhaustive, and there are areas in which the Group has developed or will develop specific detailed policies from time to time. This Code is to be read and applied in conjunction with such policies.

For all intents and purposes, all Personnel shall always observe and ensure compliance with all applicable laws, rules and regulations to which they are bound to observe in the performance of their duties.

3. APPLICABILITY

This Code is applicable to all directors, officers and employees (including full time, probationary, contract and temporary staff) of the Group (“**Personnel**”).

The provisions set out in this Code extend beyond normal working hours, and apply to Personnel fulfilling their roles while on the business of the Group, including after hours functions, conferences and social activities.

Each Personnel has a duty to read and understand the Code and ensure compliance with this Code and all applicable laws, regulations and other policies of the Group. Violation of any of the Code’s provisions may result in counselling, disciplinary action or, in extreme circumstances, dismissal or termination of employment/appointment. If an employee requires further clarification or expresses concern on the Code, the employee may refer or highlight any concerns to the respective Head of Department, whereas for a Director, the Director should refer or highlight any concerns to the Chairman of the Board.

4. CORE AREAS OF CONDUCT

4.1 Compliance with Laws and Regulations

The Group is committed to comply with all applicable laws, rules and regulations of the governments, commissions and exchanges in jurisdictions within which it operates. All Personnel are expected to understand and comply with the laws, rules and regulations that are applicable to their positions and/or work. These laws relate to health, safety and environment, financial, corporate, continuous disclosure, fair trading, anti-bribery or anti-corruption, money laundering and other legal and statutory requirements.

The Group aims to provide a safe working environment for its employees and for its customers and other business partners. All Personnel must work safely and adhere to appropriate industry practices and laws to protect the health, safety and wellbeing of employees, customers and other business partners.

4.2 Conflicts of Interest

All Personnel are to act in the best interest of the Group and must not engage in activities that directly or indirectly involve, or could appear to involve, a conflict between their personal interests and the interests of the Group.

In addition, all Personnel shall avoid any situation in which they have an interest in any entity or matter that may influence their judgment in the discharge of responsibilities.

Any actual or potential conflicts of interest are to be fully disclosed to the respective Head of Department or the Board, as appropriate; and where such circumstances are permitted by the respective Head of Department and/or the Board to continue, shall not be deemed a breach of this Code.

4.3 Confidential Information

It is pertinent that all Personnel exercise caution and due care to safeguard any information of a confidential and sensitive nature relating to the Group which is acquired in the course of their employment, and are strictly prohibited to disclose to any person, unless the disclosure is duly authorised or legally mandated.

In the event that a Personnel knows of material information affecting the Group which has not yet been publicly released, the material information must be held in the strictest confidence by the Personnel involved until it is publicly released.

4.4 Inside Information and Securities Trading

No Personnel shall use price sensitive non-public information, which can affect the prices of the securities of the Company when it becomes publicly known ("**Inside Information**") for personal benefit. All Personnel are prohibited to trade in securities or to provide information to others to trade in securities of the Company until the Inside Information is publicly released.

All Personnel shall also not trade in securities in any other companies where they have Inside Information which they obtain in the performance of their duties.

4.5 Protection of Properties and Assets

The Group's properties and assets include cash, business plans, confidential and proprietary information, third party information, intellectual properties (computer programs, software, models and other items), office equipment and office supplies.

All Personnel have the responsibilities to protect the Group's properties and assets that are under their control and to safeguard them from loss, theft and unauthorised use. When they leave the Group, they must return all the properties and/or assets including confidential and proprietary information.

4.6 Business Records and Control

Accurate, timely and reliable records are necessary to meet the Group's legal and financial obligations and to manage the affairs of the Group. All books, records and accounts should conform to generally accepted and applicable accounting principles and to all applicable laws and regulations. The preparation and maintenance of accurate and adequate business records are the responsibility of each employee. No unauthorised, false, improper or misleading records or entries shall be made in the books and records of the Group, under any circumstances.

4.7 Business Courtesies and Gifts

In recognition of the reality of commercial and business practices, the Group acknowledges that modest gifts and reasonable meals and entertainment are acceptable as part of the normal course of business provided that such gifts, meals or entertainment are not offered, or received, in circumstances indicating an inducement or reward has been given, or accepted. All Personnel are encouraged to exercise careful judgement, both in giving and accepting gifts. At no time can the Personnel's business judgement appear to be compromised, nor can the Group be placed in a position that would be embarrassing if the gift was made public.

Business courtesies and gifts should not be excessive in value. A good indicator of whether a business courtesy or gift is appropriate or not is if it could never be construed to be a bribe or pay-off and a Personnel would feel comfortable in disclosing the gift or favour to the respective Head of Department or the Board.

4.8 Health and Safety

The Group shall use its best endeavours to ensure a safe workplace and maintain proper occupational health and safety practices to commensurate with the nature of the Group's businesses and activities. Such a commitment in return requires that all Personnel understand and abide by the Group's policies and procedures.

The Group is committed to provide effective support and training for the employees of the Group to assist them in their responsibilities of ensuring a safe workplace and reducing the environmental impacts of their activities.

4.9 Fair and Courteous Behaviour

All Personnel are to treat their fellow Personnel fairly and courteously without regard to race, creed, religion, gender, nationality, age or disability, and shall not create any form of discrimination or prejudice in the workplace.

4.10 Misconduct

No Personnel is to be involved in or abet any activity that is deemed by the Group to be an act of misconduct (includes sexual harassment and use and abuse of drugs).

4.11 Bribery and Corruption

The Group is committed to conduct its business in a legal and ethical manner with honesty, integrity, trustworthiness and accountability. All Personnel are responsible to uphold all laws to combat corruption and bribery and they shall not offer, give, solicit or accept any bribes in order to achieve any business or personal advantage for themselves or others or engage in any transaction that contravene any anti-bribery or anti-corruption laws.

4.12 Money Laundering

Money laundering is a process by which persons or groups try to conceal the proceeds of illegal activities or try to make the sources of their illegal funds look legitimate. All personnel should always ensure that they are conducting business with reputable customers, for legitimate business purposes and with legitimate funds. Employees need to be mindful of the risk of the Group's business being used for money laundering activities.

5. REPORTING OF VIOLATIONS OF THE CODE

Any Personnel, who knows of or suspects a violation of the Code, is encouraged to report his or her concerns through the Whistle Blowing Policy and Procedure. The provision, procedure and protection of the Whistle Blowing Policy for reporting of the violations of the Code are available at the Company's website at www.peraktransit.com.my.

No Personnel shall be discriminated against or suffer any act of retaliation for reporting in good faith on violations or suspected violations of the Code.

6. WAIVER OF THE CODE

On a case-by-case basis, the Code may be waived by the Board or the appropriate Committee of the Board and shall be granted only in extraordinary circumstances.

7. REVIEW OF THE CODE

The Board shall monitor compliance with the Code and periodically review the Code to ensure that it continues to remain relevant and appropriate.