

KUMPULAN H & L HIGH-TECH BERHAD

Code of Ethics and Conduct

Policy

It is the policy of the Kumpulan H & L High-Tech Berthed and its Group of companies (Company) to provide Code of Ethics and Conduct, which serves as a guide to proper business conduct for all employees. The company expects all employees to observe the highest standards of ethics and integrity in their conduct of business. This means following a basic code of ethical behavior that includes the following.

Respect for the Individual

We all deserve to work in an environment where all are treated with dignity and respect. The company is committed to create such an environment because this brings out the full potential in each of us. In turn dignity and respect will contribute directly to our success.

The Company is committed to provide a workplace that is free from all types abusive both verbal and non-verbal, offensive or harassing behavior and all forms of discrimination. Any employee who feels harassed or discriminated is encouraged to lodge a report on the incident to his or her superior or directly to the Human Resources Department. All complaint shall be investigated and appropriate action taken in accordance to Company's rules and regulations.

Create a Culture of Open and Honest Communication

In the Company, everyone should feel comfortable to speak his or her mind, particularly with respect to ethics concerns. Managers have a responsibility to create and supportive such initiatives especially when employees raise issues related to ethic. We will all benefit tremendously when employees exercise their rights to prevent wrongdoing by asking the right questions.

Set the Tone at the Top

In addressing the complaint lodged, manager is responsible to take prompt action on ethical questions or concerns raised by employees and take appropriate steps to deal with such issues. Managers should not consider employees' ethics concerns as threats or challenges to their authority, but as another form of feedback or communication. No employees will be penalized for lodging any reports even investigation reviewed otherwise.

Uphold the Law

Our commitment to integrity begins with complying with laws, rules and regulations where we conduct our business. We are guided by our understanding of the company policies, laws, rules and regulations. In the event of uncertainty whether such action is permitted by law or Company policy, we should seek the advice from the resource expert. We are responsible for preventing violations of law and for speaking up if we see possible violations.

Avoid Conflicts of Interest

We must avoid any relationship or activity that might impair, or even appear to impair, our ability to make objective and fair business decisions when discharge our responsibilities. We owe a duty to Company and must never

use Company property or information for personal gain or personally take any opportunity that is discovered through one's position in the Company.

To determine whether a conflict of interest exists may be challenge. Employees with a conflict of interest question should seek advice from management. Before engaging in any activity, transaction or relationship that might give rise to a conflict of interest, employees must seek review from their managers or the Human Resources department.

Accepting Business Courtesies

Most business courtesies offered in the course of our employment are offered because of one's positions in the Company. We must never ask for them. We may accept unsolicited business courtesies but if one feels uncomfortable accepting it then one should reject it. Employees who are delegated with authority to award contracts or who can influence the allocation of business, or who participate in negotiation of contracts must be careful to avoid actions express or imply that create the appearance of favoritism or that may adversely affect the company's reputation for impartiality and fair dealing. The prudent course is to refuse a courtesy from a supplier

Meals, Refreshments Entertainment and Gifts

We may accept occasional meals, refreshments, entertainment, gifts and similar business courtesies that are customary and conform to reasonable ethical practices of the marketplace, provided that:

- They are not inappropriately lavish or excessive.
- The courtesies are not frequent and do not reflect a pattern of frequent acceptance of courtesies from the same person or entity.

- The courtesy does not create the appearance of an attempt to influence business decisions, such as accepting courtesies or entertainment from a supplier whose contract is expiring soon.
- The employee accepting the business courtesy should not feel uncomfortable discussing the courtesy with his or her manager or co-worker or having the courtesies known by the public.

Customary business entertainment is proper however, impropriety results when the value or cost is such that it could be interpreted as affecting an otherwise objective business decision. Employees with questions about accepting business courtesies should talk to their manager or the Human Resources department.

Offering Business Courtesies

Any employee who offers a business courtesy must assure that it cannot reasonably be interpreted as an attempt to gain an unfair business advantage or otherwise reflect negatively upon the Company.

An employee may never use personal funds or resources to do something that cannot be done with Company resources. Accounting for business courtesies must be done in accordance with approved company procedures.

Management may approve other courtesies, including meals, refreshments or entertainment of reasonable value provided that:

- The practice does not violate any law or regulation or the standards of conduct of the recipient's organization.
- The business courtesy is consistent with industry practice, is infrequent in nature and is not lavish.
- The business courtesy is properly reflected on the books and records of

Corporate Recordkeeping

We create, retain and dispose of our company records as part of our normal course of business in compliance with all statutory rules and Regulations.

All corporate records should be true, accurate and complete, and company data must be promptly and accurately entered in our books in accordance with Company's rules and regulations and other applicable accounting standards.

We must not improperly influence, manipulate or mislead any audit, nor interfere with any auditor engaged to perform an independent audit of company's books, records, processes or internal controls.

Accountability

All employees must take initiative and full responsibility to understand this Code of Ethics and adhere the values and standards set forth in this Code. In the event of uncertainty about company policy one must seek clarification or guidance from the Human Resources department. We take seriously the standards set forth in the Code. Any violation will have disciplinary action taken against the offender including termination of employment.

Integral to our business success is the protection of confidential company information, as well as non-public information entrusted to us by employees, customers and other business partners. Confidential and proprietary information includes pricing, financial data, customer names, addresses or nonpublic information about other. We will not disclose confidential and nonpublic information without proper authorization.

Use of Company Resources

Company resources, including assets, time, material, and confidential information, used for to maximize company's profit. Nonetheless, occasional personal use is permissible as long as it does not affect job performance, cause disruption and give rise to conflict of interest. Managers are responsible for the resources assigned to their departments and are empowered to resolve issues concerning their proper use.

No employee is allowed to use company's resources such as computers, copiers and fax machines to conduct an outside business or in support of any religious, political or establishment. In order to protect the company's interests and our fellow employees, company reserves the right to monitor or review all data and information stored in all the electronic equipment & gadgets belongs to the company. We will not tolerate the use of company resources to create, access, store, print, solicit or send any materials that are harassing, threatening, abusive, sexually explicit or otherwise offensive or inappropriate.

Compliance

Compliance with Company's code of ethics is an essential element in our business success. Our Compliance Committee is responsible for ensuring these principles are communicated, understood and observed by all employees. Day to day responsibility is delegated to all management members who are responsible for implementing these principles.

From time to time, employees will likely have questions as to how this Code of Ethics and Conduct apply in particular situations. We expect all employees with such questions to discuss the exact circumstances with our Manager of Human Resources and Compliance. Should the Manager of Human Resources and Compliance be uncertain on what actions should be taken, he or she will obtain further guidance by consulting with the Company's legal counsel.