

CHAPTER 2: CODE OF BUSINESS ETHICS

BUSINESS CONDUCT/POLICY

- 2.1.1 The following list of directives represents the standards of conduct for employees of Galaxy Aerospace (M) Sdn. Bhd.
- 2.1.2 It is the Company policy that businesses will be conducted with integrity and to serve the overall interests of governmental agencies, customers, suppliers and Employees. The basis for these regulations is as provided below: -
 - 2.1.2.1 Every Employee is expected to operate in a highly self-disciplined and respectful manner and is responsible to regulate his/her own conduct in a positive, productive and mature way. Failure to do so will result in disciplinary action ranging from counselling to termination.
 - 2.1.2.2 Customers and co-workers should be treated with respect and integrity. Employees are on duty or are in a situation where they can be readily identified as a representative of the Company (this includes travelling to and from the job site), they are expected to maintain a high standard of professional conduct: -
 - 2.1.2.2.1 Duties to clients and employers
 - 2.1.2.2.2 Conflicts of interest and your responsibilities
 - 2.1.2.3 The Company strives to provide all its Employees with a work environment that gives recognition to each individual's qualification, contributions, needs and suggestions.
 - 2.1.2.3.1 Issues arising in the workplace should be discussed with the appropriate supervisor in order to seek resolution at an early stage.
- 2.1.3 Muslim Employees should carry out their duties to pray in due time and resume work thereafter.

BORROWING MONEY

- 2.2.1 No employee shall borrow from, or in any other way place himself under a pecuniary obligation to a person who is in any way subject to his official authority, or with any person with whom he has official dealings provided that this shall not include to applying loan from banks, insurance companies, co-operative societies, building societies, or the making of a hire- purchase agreement.
- 2.2.2 The Company shall not in any way whatsoever be responsible for any debts which the Employees may have now or in the future.

OTHER FULL TIME EMPLOYMENT

- 2.3.1 No Employee shall, without the written consent of the Company, undertake private employment with outside enterprise or business concerns; nor shall they retain any emoluments received from such employment but shall refund the amount of any such receipt to the Company.
- 2.3.2 No Employee is therefore allowed to serve as a working director or a paid employee of any company without any approval from the Company.
- 2.3.3 This rule applies at all times, even when an employee is on annual leave.
- 2.3.4 Permission from the management is also required before an Employee shall take on voluntary unpaid work which will involve the individual in any duties during office hours.

DO'S AND DON'T:-

DO's:-

- 2.4.1 Follow policies and written directives.
- 2.4.2 Use the training and capabilities within organization to protect and serve the clients efficiently.
- 2.4.3 Work competently in the assigned positions to enable all programs to operate effectively.
- 2.4.4 Always conduct yourselves to reflect credits on the Company.
- 2.4.5 Supervisors will manage in an effective, considerate manner; subordinates will follow instruction in a positive, cooperative manner.

- 2.4.6 Always conduct yourselves in a manner that creates good order inside the department.
- 2.4.7 Keep yourselves informed to do your job effectively and safely.
- 2.4.8 Be concerned and protective of other's welfare.
- 2.4.9 Operate safely and use good judgement.
- 2.4.10 Keep yourselves physically fit.
- 2.4.11 Obey the law.
- 2.4.12 Taking care of the Company's equipment and properties.

DON'T'S

- 2.4.13 Engage in any activity that is detrimental to the department or to the Company.
- 2.4.14 Engage in a conflict of interest to the Company or use the position in the Company for personal gain or influence.
- 2.4.15 Abuse Company's properties.
- 2.4.16 Stealing of the company assets and information or keep in the possession of the employee of unauthorized assets and information belong to the company.
- 2.4.17 Any breach of trust affecting the Company, its customers or Employee's insubordination towards management.
- 2.4.18 Failure to comply with safe working practices.
- 2.4.19 Fight, threaten, bully or gangsters.
- 2.4.20 Abuse sick leave.
- 2.4.21 Interfering with another Employee's performance.
- 2.4.22 Disclosing confidential information to unauthorized person.
- 2.4.23 Use alcoholic beverages, debilitating drugs, or any controlled substance, which could impair their physical or mental capacities while on duty.

- 2.4.24 Engage in any sexually, verbally, physically or mentally harassing.
- 2.4.25 Involve with any gambling activity while on duty.
- 2.4.26 Accepting substantial gifts, monies or other valuables from vendors, customers, or any other non-Company representative, in relation to any company business.

2.5 CORPORATE ATTIRE AND PERSONAL APPEARANCE

- 2.5.1 Employees are expected to maintain an appropriate appearance that as business professionals, neat and clean as determined by the requirements of the area in which the Employee works.
- 2.5.2 Employees shall dress in a presentable manner so as not to impair Company’s image or the effective working of other Employees.
- 2.5.3 The supervisor/head of department is responsible for evaluating the attire and appearance of the Employees under his/her supervision. If the Employee is not dressed appropriately, the supervisor/head of department should counsel the Employee as to proper attire.
- 2.5.4 OFFICIAL OFFICE WEAR
 - 2.5.4.1 During office hours, attending business meeting, business special invitation, official dinner with client, company annual dinner, Hari Raya Celebration or any event related to perform as company personnel.



Preferred dress for Muslimah ladies

- 2.5.4.2 Wearing staff card all the time during in the office area.
- 2.5.4.3 Wearing slack, long skirt, and jeans (not patched or torn and not tight);

- 2.5.4.4 Official T-Shirt for Engineering - working with Aircraft only;
- 2.5.4.5 Office crew in HQ must wear proper office attire;
- 2.5.4.6 Outfit (blouse) must dressed politely and neatly - not encourage too tight in when wearing long pants;
- 2.5.4.7 Blouse must slip below base line when wearing long pants;
- 2.5.4.8 Must wear proper shoes. No slippers are allowed;
- 2.5.4.9 The Employees are encourage to wear Baju Batik on Thursday and Baju Kurung on Fridays.



Preferred outfit for Muslim gentlemen

- 2.5.4.10 Wearing staff card all the time during in the office area;
- 2.5.4.11 Wearing proper jeans or slack , not patched or torn and not tight;
- 2.5.4.12 Tuck in is compulsory;
- 2.5.4.13 Only Company Shirts are allowed to use;
- 2.5.4.14 Official T-Shirt for Engineering - working with Aircraft only;
- 2.5.4.15 Office staffs in HQ must wear proper office attire;
- 2.5.4.16 Must wear proper shoes. No slippers are allowed;
- 2.5.4.17 Encourage to wear Baju Melayu on Friday.

2.5.5 OFFICE WEAR BEYOND WORKING HOURS ON OFFICIAL DUTIES

2.5.5.1 The unofficial dress code shall be practiced by the Employee after office hours, eg: staffs gathering, holidays as follows;

| Gender | Official | Unofficial |
|--------|--|--|
| Male | T-Shirt/Business Suits | Long / Short Sleeve Shirt / Collar, T-Shirt / National Dress |
| Female | T-Shirt /Ladies Business Suits / National Dress / Blouse which covers aurat for Muslimah. No short skirts are allowed. (preferably wear hijab) | Collar T-Shirt / Blouse / National Dress. |

Table 21: Dress Code

2.5.5.2 **Administrative Employees:** Are expected to maintain a professional business casual standard of dress. No T-shirt material is allowed at all times.

2.5.5.3 **Hair:** Hair should be cleaned combed and neatly trimmed or arranged. This also pertains to sideburns, moustaches and beards.

2.5.5.4 **Personal Hygiene:** Good personal hygiene habits must be maintained.

2.5.5.5 Failure to comply with this policy may be issued with warning letter and may result in disciplinary action.

2.6 DUTY OF LOYALTY

2.6.1 Employees owe to the Company and its affiliate and subsidiary entities a duty of loyalty. This duty is a legal duty and takes many specific forms; each Employee is responsible for understanding how it applies to their work.

2.6.2 In general, the duty of loyalty requires that Employees act to further the interests of the Company and that they refrain from engaging in activity that might reveal confidential information, that undermines Company's competitiveness, or that tarnishes the Company's reputation, including by making disparaging remarks, orally or through any medium, about the Company., its Executives, Management, Employees, services, products, customers, suppliers, affiliates, partners or competitors.

2.6.3 This duty also prohibits Employees from engaging in conduct which places their interests or those of others at odds with the Company. Breach of duty as with breach of any element of this Code, may result in disciplinary action being taken, up to and including termination of employment.

2.7 COMPUTERS, E-MAILS & INTERNET POLICIES

2.7.1 Every Employee is responsible for using the Company's information system and computer system, including e-mail and the internet, properly and in accordance with Company policies. Any question about the policies should be addressed to the IT Manager/Department of the Company.

2.7.2 Professional Use of Computer System

2.7.2.1 Employees are reminded to be courteous to other users of the system and always to conduct themselves in a professional manner. The Company's policies against discrimination and harassment (sexual or otherwise) apply fully to the Company's computer system, and any violation of those policies is grounds for discipline up to and including termination of employment.

2.7.2.2 Company policies prohibit using the Company's computer system to send or receive messages or files that are illegal, sexually explicit, abusive, offensive, profane unwelcome or that may adversely affect the Company's image.

2.7.2.2.1 Computer System

(a) The computers that Employees access for work purposes and the Company e-mail system are the property of the Company and to be used in for business purposes.

(b) All communications and information transmitted by, received from, created or stored in its computer system (whether through word processing programs, e-mail, the Internet or etc) are the property of the Company.

(c) Access to the internet is provided for business purposes. However, accommodating Employee's development and awareness needs through personal use of Company-provided Internet may be appropriate under certain circumstances.

- (d) It must be reasonable, i.e. it must not impede or reduce an Employee's ability to perform his duties, diminish productivity or effectiveness at work or negatively impact the Company in any way. Employees are responsible for any action taken while using the internet or e-mail and will be held accountable.

2.7.2.2.2 Software

- (a) Employees are prohibited from making copies of software purchased and owned by the Company in violation of copyright or trademark laws, or from using software that does not belong to the Company. The use of personal software for private purposes is only acceptable under certain conditions as specified in the Corporate Information Security Policy.

2.7.2.2.3 Viruses

- (a) Employees are prohibited from installing applications and/or utilities on the Company's computer system (including those downloaded from the internet) and for which the use has not been expressly authorized by the Company.

- (b) Employees are expressly prohibited from loading or running any executable e-mail attachments, regardless of their source or content, without having the files reviewed and approved by the Company. Employees may not attach, for any reason, personal computers or laptops to the systems.

Refer also Information Technology Department's policy.

2.7.3 Social Networking Websites, Blogs, Chat Rooms and Other Forms

- 2.7.3.1 While participating in internet chat rooms, blogs, bulletin boards, newsgroups, social networking websites, etc. ("Online Postings"), (as well as in any other forums) unless specifically authorized by the Company, Employees must aware that the opinions that they are expressing are strictly does not at any time reflects the opinions of the Company.

- 2.7.3.2 Employees are prohibited from giving the impression that they are speaking on behalf of the Company or expressing the Company's perspective in any forum.
- 2.7.3.3 Employees' obligation of confidentiality extends to after work hours and outside of the workplace. In this regard, an Employee's right to express himself or herself on an Online Posting or other forum is subject to his or her obligation of confidentiality and legal duty of loyalty towards the Company.
- 2.7.3.4 Consequently, Employees are strictly prohibited from discussing on any Online Postings or other forum of any confidential, non-public, proprietary or personal information, trade secrets or other information about the Company, its business, executives, management, employees, customers, suppliers, partners, affiliates or competitors, including but not limited to comments about its services, products, operational performance, financial results or stock performance. Employees are also prohibited from using the Company's trademarks or copyrighted material on any Online Postings or in any other forum.
- 2.7.3.5 Employees are prohibited from publishing or posting material on any Online Postings or in any other forum that damages or negatively impacts or disparages the reputation or image of the Company, its policies, operations, executives, management, services, products, customers, suppliers, partners, affiliates, competitors or any of its employees.
- 2.7.3.6 Employees are also prohibited from posting or publishing images^[HRM1] of themselves or other employees in uniform or visible nametags, or otherwise identifying themselves or others as employees in Online Postings or any other forum without first obtaining the Company's permission.
- 2.7.3.7 Participation in any Online Posting or other forum must be in conformity with this Code and any other applicable guidelines (including the Social Media Guidelines), rules or policies, and violations of any such guidelines, rules, policies or this Code of Conduct may lead to disciplinary action and including discharge.
- 2.7.3.8 Reach Communication Services (RCS) such as Telegram, WhatsApp or other similar platform when use in official manner shall be treated as a valid communication or instruction by the Company.

2.8 E-MAIL ETIQUETTE

- 2.8.1 Employees are expected to only put the person required to respond to an e-mail into the “To” address field. Read-only recipients should be included in the “CC” list to avoid confusion.
- 2.8.2 Employee shall cc or bcc all emails to the Managing Director, immediate superior especially for Head of Department.
- 2.8.3 Avoid the use of ALL CAPS. It comes across as shouting and appears rude to many readers.
- 2.8.4 Be careful in forwarding e-mails that you have not completely read. The “history” may contain confidential information not intended for the recipient.
- 2.8.5 Be aware that different recipients will view the same e-mail differently. Use plain text and avoid complex formatting in your message.
- 2.8.6 Minimize the size and frequency of attachments to bases. Many of them have slow dial-up connections and do not appreciate unnecessary attachments congesting their in box.

2.9 NO EXPECTATION OF PRIVACY

- 2.9.1 The Company has the right, and without the consent of any Employee, to monitor any and all of the aspects of its computer system, including, without limitation, reviewing documents created and stored on its computer system, deleting any matter stored in its system, monitoring sites visited by Employees on the internet, monitoring chat and news groups, reviewing material downloaded or uploaded by users from the Internet, and reviewing e-mail sent and received by users.
- 2.9.2 Employees should not have an expectation of privacy in anything they create, store, send or receive on the Company's computer system.

2.10 DOCUMENT RETENTION

- 2.10.1 The space available for the storage of Company documents, both on paper and electronic (such as DROPBOX and ONE DRIVE, GOOGLE and etc.), is limited and expensive.

- 2.10.2 Pursuant to applicable laws, certain documents must be destroyed, erased, or made anonymous when they are no longer required to fulfil their identified purpose. Therefore, periodic discarding of documents is necessary unless there are legal requirements that certain records be retained for specific periods of time.
- 2.10.3 Employees who are unsure about the need to keep or destroy particular documents should consult with their supervisor, so that a judgment can be made as to the likelihood that the documents will be needed and a determination made as to whether there is a legal obligation to retain them.
- 2.10.4 Any question relating to whether there are legal obligations to retain certain documents should be directed to the Quality Assurance Manager/Corporate Secretary. If an Employee is uncertain whether documents under his or her control should be preserved because they might relate to a lawsuit or investigation, he or she should contact the Corporate Secretary or seek legal advice. There are also other legal obligations that could require that documents be retained and not destroyed.
- 2.10.5 Whenever it becomes apparent that documents of any type will be required in connection with a lawsuit or government investigation, all possibly relevant documents should be preserved, and ordinary disposal or alteration of documents pertaining to the subjects of the litigation or investigation should be immediately suspended.

2.11 CONFLICT OF INTEREST

- 2.11.1 The Company expects that no employee will knowingly place himself or herself in a position that would have the appearance of being in conflict with the interests of the Company.

A conflict of interest may arise in any situation in which an Employee's other business or personal interests impair his or her judgment to act honestly and with integrity or otherwise conflict with the interests of the Company. All such conflicts should be avoided. It is not always easy to determine if a situation may lead to a conflict of interest. If an Employee finds himself/herself in this position, the following questions may help:

- a. Is the Employee following proper Company procedures?
- b. Does the Employee stand to gain personally from his/her actions?
- c. Will his/her actions result in any monetary or other advantage for himself/herself or to a relative or a friend?
- d. Would the Employee be uncomfortable discussing the issue with his/her supervisor?
- e. Would the Employee act differently if a friend or relative weren't involved?

- 2.11.2 While it is not feasible to list every circumstance that may create possible conflicts of interest, the following is a guide to types of activities that might give rise to conflicts.
- 2.11.3 Should an employee directly or indirectly (whether this be in the form of immediate family, directorship, shareholdings or through agencies) become the owner of Equity in such entities which have the foresaid relationship with the Company, then the employee has an immediate obligation to inform the Company in writing the same. The Company will then consult with the employee concerned as to the most appropriate way to prevent conflict of interest.
- 2.11.4 If the Company reasonably believes an Employee's business, commercial, or financial interests or activities could hamper the Employee's ability to perform duties or act in the Company's best interest, the Employee may be required to end the interests or activities.
- 2.11.5. Conflict of Interest (Employee's private life)
- 2.11.5.1 Employee's private life is very much their own. A conflict of interest may arise if the Employee engage in any activities or advance any personal interest at the expense of the Company's interest. It is up to the Employee to avoid situations in which his loyalty may become divided.
- 2.11.5.2 The most common types of conflict are:
- A. Use of the Company's Working Hours and Assets
 - i) Employees shall not perform any work or solicit such any business other than his scope of work in the Company's premises or during working hours of the Company.
 - ii) Employees are not permitted to use the Company's equipment, telephones, materials, resources or proprietary information for personal and/or any other than scope of work purposes.
 - B. Financial Interest
 - i) The employees are prohibited from having any financial interest in any organisation that the Company does business with if that interest might give rise or cause the Employees to have a conflict of interest with the Company. The organisations include supplies, competitors, customer and distributors. Employee who are found guilty of having personal financial interest may be charged under Penal Code. (Criminal breach of Trust)

- C. Someone close to you working in the industry (spouses, relatives, siblings, friend)
 - i) There are situations where the employees may find themselves in a situation where their spouse, another member of immediate family or someone else that is close to them is the competitor or supplier of the Company or is employed by one.
 - ii) Such situations may call for extra sensitivity to security, confidentiality, and conflict of interest. The closeness of relationship might lead to inadvertently compromise the Company's interest.
 - iii) To remove any such doubt or suspicion, the Employee should review the specific situation with their Supervisor and to assess the nature and extent of any concern and how it can be resolved.

2.12 GIFT AND ENTERTAINMENT

Giving or accepting any gift or entertainment such as meals and tickets to events in the course of business that exceeds a reasonable value having regard to the circumstances and that may appear to be an attempt to influence the recipient into favouring a particular customer, vendor, consultant, etc. is prohibited.

While there are no clear-cut rules as to what is appropriate in every situation some factors which an Employee and his/her supervisor should consider in assessing the proper course of action include:

- a. Would the gift or entertainment be viewed as appropriate or usual, considering its value and the function the Employee performs for the Company?
- b. Would it be viewed as insulting or inappropriate to return the gift or decline the entertainment?
- c. Can the gift or entertainment benefit all team members rather than particular individuals?
- d. Would the Company, under similar circumstances, offer a similar gift or entertainment?

2.12.1 ACCEPTING GIFTS

Gifts such as merchandise or products, as well as personal services or favours may not be accepted unless they are of a reasonable value having regard to the circumstances. Employees must consult the Human Resource Manager or his Superior before accepting gifts that may appear, or be considered, to be in excess of a reasonable value. Gifts of any amount may never be solicited. *A gift in the form of cash or securities (including a loan) shall never be accepted.*

2.12.2 ENTERTAINMENT RECEIVED

- (a) As a general rule, business entertainment in the form of meals is appropriate, as long as it is reasonable in the circumstances, infrequent, and to the extent possible on a reciprocal basis. If you know that the Company would not extend the same courtesy, then you should decline the offer.
- (b) Company has the rights to counter check the entertainment given.

2.12.3 INTERNATIONAL CUSTOM (ACCEPTANCE OF GIFTS)

In some international business transactions, it is customary and lawful for business leaders in a host country to give gifts to Employees. These gifts may be in excess of a reasonable value having regard to the circumstances and given in a context where returning the gifts or offering to pay for them may be an affront to the giver and have an adverse effect on continuing business relations. In such situations, the gift must be reported to the Employee's supervisor and notified accordingly to avoid any future problems and understanding. In some cases, gifts may be retained by the Company, at its sole discretion, and not by the Employee.

2.12.4 GIVING GIFTS

Employees shall not, on behalf of the Company, give to any person, customer or supplier expensive gifts, or provide excessive entertainment or benefits. However, when proper accounting is made, reasonable expenses for entertaining customers, prospective employees or business are allowed on the part of employees whose duties include providing such entertainment. Gifts shall be of reasonable value having regard to the circumstances and shall never be in the form of cash, bonds or negotiable securities.

2.12.5 GIFTS AND ENTERTAINMENT WITH GOVERNMENT OFFICIALS

2.12.7.1 There are guidelines of giving and accepting gifts in the government body. Order 8(1)(a) & (b) Peraturan-Peraturan Pegawai Awam (Kelakuan dan Tatatertib) 1993 prohibits their government servants from receiving or giving gifts if it is related to their official service and/or the amount when the value of the gifts are more than the meaning for consideration of the gifts.

2.12.7.2 Generally, gifts, meals, entertainment or other benefits are not appropriate for government officials and Galaxy Aerospace (M) Sdn Bhd policy is to avoid even the appearance of impropriety. Before extending any invitations, considering gifts or other steps that could be viewed as providing economic benefits to government officials, Employees must consult Human Resource Manager for necessary advice.

2.13 GIFT & ENTERTAINMENT AMOUNT TO BRIBES

2.13.1 Gift offered to or Exchanged by employee of different Companies vary widely. They range from distributed advertising novelties of nominal value, which you may give or accept, to bribes, which you unquestionably may not give or accept.

2.13.2 Neither you nor member of your family may solicit or accept from a Supplier or customer money or a gift that is, or could be reasonably construed to be, connected with Galaxy Aerospace business relationship with that supplier or customer. However, you may accept a gift of nominal value, such an advertising novelty, when it is customarily offered to others having a similar relationship with the customer or supplier.

2.13.3 If you are offered money or a gift, or if either arrives at your home or office, you need to inform your Manager/Superior immediately. Appropriate arrangement will be made to return or to dispose of what has been received and the supplier or customer will be reminded of Galaxy Aerospace's gift policy.

2.14 FAIR DEALING WITH OTHER PEOPLE AND ORGANIZATION

2.14.1 All business dealings undertaken on behalf of the Company should be conducted in a candid and straight forward manner that preserves the Company's integrity and reputation. It is the Company's policy to avoid misrepresentations, manipulation, concealment, misuse or abuse of confidential information or any other unfair-dealing practices in all dealings with the Company's, customers, suppliers, competitors and Employees.

2.14.2 Competitors

2.14.2.1 The Company encourages competition and is committed to dealing with competitors in a respectful manner. The Company has a responsibility to present its competitors accurately and without bias. Acting otherwise may result in allegations of anti-competitive behaviour, and possibly in legal proceedings.

2.14.3 OBTAINING INFORMATION ABOUT OUR COMPETITORS

2.14.3.1 Employees have the right to obtain information about the industry in which the Company operates. This includes information about our competitors, their product offerings, services, technology, prices, marketing campaigns, and so on.

2.14.3.2 However, this must be done only through the channels approved by the Company or company's Legal Advisor. Acting otherwise may expose the Company to liability and could result in legal proceedings.

2.14.3.3 Employees are prohibited from posting any indefinite information on their Social Media accounts which may result in legal action against the Company.

2.15 SELLING COMPANY'S PRODUCTS AND SERVICES

2.15.1 The Employees are expected to maintain the trust by the Company's customers trust us in providing quality products and services and be accurate when discussing the Company's advantages and benefits by following the guidelines listed below:

- a. Offer customers only those services which we are allowed to provide, either alone or through contract with an alliance partner or agent.
- b. Sell only those products and services our customers desire.

- c. Promote our products and services truthfully.
- d. Allow partners to ask the right questions about their competitive choices.
- e. Always act in a courteous, friendly and constructive manner.

2.16 POLITICAL ACTIVITIES

The Company discourages employees from being actively involved in party politics while working with the Company. Their involvement should not jeopardize or effect their work in the Company. Employees will be required to resign from the Company if they wish to stand for election at the State or Federal level. No employee shall use any Company's funds, property or working time in support of political organizations, activities or candidates.