

# **ASTRO MALAYSIA HOLDINGS BERHAD**

(Incorporated in Malaysia - Company No. 201101004392 (932533-V))



## **CODE OF CONDUCT AND ETHICS FOR DIRECTORS OF ASTRO MALAYSIA HOLDINGS BERHAD AND SUBSIDIARIES**

As at 25 March 2021

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## ASTRO MALAYSIA HOLDINGS BERHAD

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### CODE OF CONDUCT AND ETHICS FOR DIRECTORS OF ASTRO MALAYSIA HOLDINGS BERHAD AND SUBSIDIARIES

#### 1. INTRODUCTION

- 1.1 This Code of Conduct and Ethics (“Code”) applies to all the directors of Astro Malaysia Holdings Berhad (“Company”) and its subsidiaries (“Group”), which include the Group Chief Executive Officer, Group Chief Financial Officer, Group Chief Operating Officer and any other person primarily responsible for the operations or financial management (“Directors”). Each Director must comply with the letter and spirit of this Code which serves as a set of guiding principles in the performance and exercise of their responsibilities as Directors of the relevant companies within the Group.
- 1.2 The Directors owe fiduciary duties to the respective companies, its shareholders and other stakeholders, which are enshrined in both common law and statutory duties as set out in the Companies Act 2016 (“Act”).

#### 2. PRINCIPLES

- 2.1 The Directors hold a relationship of trust with the company’s shareholders and are expected to act in the best interests of the company in which they are the Directors.
- 2.2 The Directors consider that the highest standards of business conduct and ethical behaviour are fundamental to the preservation of the reputation and success of the Group. The guiding principles on which this Code is based are derived from “The Principles of Public Life” as described by the Nolan Committee (1996):
- (i) **Selflessness** – Directors will take decisions solely in terms of the interests of the Group. They should not do so in order to gain financial or other material benefits for themselves, their family or friends
  - (ii) **Integrity** – Directors will not place themselves under any financial or other obligation to outside individual or organisation that might influence them in the performance of their official duties
  - (iii) **Objectivity** – Directors will make choices based on merits
  - (iv) **Accountability and Responsibility** – Directors will be accountable for their decisions and actions to the Group and must submit themselves to whatever scrutiny is appropriate to their office
  - (v) **Openness and Transparency** – Directors will be as open as possible about all the decisions and actions they take. They should give reasons for their decisions and restrict information only when the interest of the Group demands
  - (vi) **Honesty and Sincerity** – Directors will declare any private interests relating to their duties as Directors, and take steps to resolve any conflicts arising in a way to protect the Group’s interests
  - (vii) **Leadership** – Directors will promote and support these principles by leadership and example
  - (viii) **Corporate Social Responsibility** – Directors will promote and take necessary steps to ensure that the Group conducts itself as a responsible corporate citizen.

### **3. REQUIREMENTS OF THE CODE**

3.1 A Director of the Group shall at all times exercise his powers in accordance with the Act, the respective company's Constitution and the applicable rules and regulations, for a proper purpose and in good faith in the best interest of the company in which he or she sits as a board member.

3.2 In performing their duties, the Directors shall at all times abide by and conform to the following code of conduct:

#### 3.2.1 Compliance

- (i) Comply with the applicable laws, rules and regulations. The Directors must be sufficiently familiar with the relevant legislation or regulations that apply to the Group and also not engage in any illegal or improper conduct that is in violation of any laws or regulations.
- (ii) Comply with the internal policies and procedures of the Group. Directors shall be aware of the significant internal policies and procedures of the Group and ensure compliance.

#### 3.2.2 Conflicts of Interest

A Director shall avoid any conflict of interest between himself and the Group, including but not limited to the following prohibitions:

- (i) Do not accept any benefit, gift or entertainment that would be illegal or result in any violation of law;
- (ii) Do not solicit or accept any gift of cash or cash equivalent as a direct or indirect inducement to provide special treatment to such donor with respect to matters pertaining to the Group; and not to solicit or accept or request anything as a "quid pro quo" or as part of an agreement to do anything in return for the benefit, gift or entertainment;
- (iii) Do not participate in any activity that would cause the person giving the benefit, gift or entertainment to violate his own employer's standards;
- (iv) Do not compete with the Group for the purchase or sale of property, services or other interests or have an interest in a transaction involving the Group;
- (v) Do not receive a loan or guarantee of an obligation as a result of the Director's position with the Group;
- (vi) Do not engage in any conduct or activities that disrupt or impair the Group's relationship with any person or entity with which the Group has or proposes to enter into a business or contractual relationship; and
- (vii) Do not accept compensation in any form for services performed by the Group from any source other than the Group.

#### 3.2.3 Stewardship Responsibilities

- (i) In directing or managing the business and affairs of the Company, the Director must exercise reasonable care, skill and diligence by applying the knowledge, skill and experience which may reasonably be expected of a director having the same responsibilities; and applying any additional knowledge, skill and experience which the Director has;
- (ii) Have a clear understanding of the aims and purposes, capabilities and capacity of the Group;
- (iii) Maintain a sound understanding of the Group's business activities and keep abreast of relevant developments to ensure he or she is able to discharge his duties and responsibilities;
- (iv) Devote sufficient time and participation for meetings, contribute constructively to board discussions and decision-making, and conduct due inquiry before approving a matter;
- (v) Ensure key transactions or critical decisions are deliberated and decided on by the Board of Directors;
- (vi) Ensure his or her decisions and the basis for those decisions, including any dissenting views are made known and properly minuted;
- (vii) Limit directorships in other companies to a number in which the Director can best devote his time and effectiveness;

- (viii) Ensure that he or she has access to the advice and services of a company secretary, who is responsible to the Board to ensure proper procedures, rules and regulations are complied with; and
- (ix) Use his or her best efforts to regularly participate in professional development activities and will perform his or her assigned duties in a professional and timely manner pursuant to the Board's direction and oversight.

#### 3.2.4 Duty To Act In the Best Interest Of The Group

- (i) At all times exercise his/her powers for the purposes they were conferred, for the benefit and prosperity of the Group;
- (ii) At all times act with utmost good faith towards the Group in any transaction and act honestly and responsibly in the exercise of his or her powers in discharging his duties;
- (iii) Immediately disclose all contractual interests whether directly or indirectly with the Group;
- (iv) Exercise independent judgement, and if necessary, openly oppose if the vital interest of the Group is at stake;
- (v) Not misuse the Group's property or resources and will at all times keep such property secure, and do not allow any person not authorised by the Board to have or use such property;
- (vi) Conscious of the interest of shareholders, employees, creditors and customers;
- (vii) Promote professionalism and improve the competency of management and employees;
- (viii) Ensure adequate safety measures and provide proper protection to employees and workers at the workplace; and
- (ix) Not take advantage of his or her position as a Director to make any personal profit.

#### 3.2.5 Maintain Proper Records and Accounts

- (i) The Directors must cause to be kept the accounting records and other records:-
  - (a) to sufficiently explain the business, transactions and financial position of the Company;
  - (b) to enable the preparation of true and fair financial statements;
  - (c) to enable the accounting and other records of the Company to be conveniently and properly audited; and
  - (d) retain all records referred to above for not less than seven (7) years from the completion of the transactions or operations to which the entries or records relate.
- (ii) The Directors of the Company's subsidiaries must cause to be kept the accounting and other records of the relevant subsidiaries in the following manner:-
  - (a) to sufficiently explain the business, transactions and financial position;
  - (b) to enable the preparation of true and fair financial statements;
  - (c) to enable the accounting and other records of the subsidiaries to be conveniently and properly audited;
  - (d) retain all records referred to above for not less than seven (7) years from the completion of the transactions or operations to which the entries or records relate; and
  - (e) provide the Company with all information and records necessary to enable the preparation of the consolidated financial statements in accordance with the approved accounting standards.
- (iii) The Directors are responsible to ensure that a revenue assurance framework is in place to minimise revenue leakage, enable the appropriate revenue recognition and promote the optimisation of revenue streams.

### 3.2.6 Corporate Responsibility

- (i) Ensure the effective use of natural resources and improve quality of life by promoting corporate social responsibilities;
- (ii) Be more proactive to the needs of the community and assist in society related programmes; and
- (iii) Ensure that the activities and operations of the Group do not harm the interest and well-being of the society at large.

### 3.2.7 Confidentiality

- (i) Except as the Board may otherwise require or as otherwise required by law, do not share, copy, reproduce, transmit, divulge or otherwise disclose any confidential information related to the affairs of the Group. A Director will uphold the strict confidentiality of all meetings as well as deliberations and communications of the Board;
- (ii) Do not use any information provided by the Group or acquired as a consequence of the Directors' responsibilities in any manner other than in furtherance of his/her board duties; and
- (iii) Refrain from any public discussion in the media or otherwise, regarding the Group's business, affairs, policies and organisations unless he is the designated spokesperson.

3.2.8 All political contributions (defined as donations to politicians or political campaigns or candidates for political offices) and facilitation payments are prohibited.

## 4. **GROUP GOVERNANCE**

4.1 The Company must establish and ensure that there is an adequate group wide framework, including oversight of Group's financial and non-financial performance, business strategy and priorities, risk management including material sustainability risks, and corporate governance policies and practices. The policies include but are not limited to:-

- (i) Code of Conduct and Business Ethics for Employees
- (ii) Policies and Procedures on Anti-Bribery and Anti-Corruption
- (iii) Whistleblowing
- (iv) Managing conflict of interest
- (v) Managing material sustainability risks
- (vi) Board diversity, including gender diversity

4.2 The Directors of the Company's subsidiaries must provide the Company any information requested by it to enable the Board of the Company to oversee the performance of its subsidiaries effectively, including assessing non-financial performance of the Group.

## 5. **DISCLOSURE PROCEDURES**

5.1 Any queries or matters relating to any actual or potential wrongdoing or breach of this Code by a Director shall be reported to the Board Chairman of the Company. If the matter relates to the Board Chairman of the Company, it should be reported to the Senior Independent Director.

5.2 The Board Chairman or Senior Independent Director of the Company, as the case may be, will then raise the matter for discussion by the Board of the Company, which will decide on the appropriate course of action, if any. The Director who is the subject matter of the inquiry shall refrain and abstain from participating in such discussions and any decision relating therefrom.

- 5.3 For administrative purposes, any complaints may be channeled to the Board Chairman or Senior Independent Director of the Company through the Company Secretary via her email ([sharon\\_licw@astro.com.my](mailto:sharon_licw@astro.com.my)) or directly email to:

Tun Dato' Seri Zaki Tun Azmi ([zaki\\_azmi@astro.com.my](mailto:zaki_azmi@astro.com.my))  
Board Chairman

Datuk Yvonne Chia ([yvonne\\_chia@astro.com.my](mailto:yvonne_chia@astro.com.my))  
Senior Independent Director

## **6. REVIEW OF THE CODE**

- 6.1 The Board of the Company with the assistance of the Nomination, Remuneration and Corporate Governance Committee, shall review and assess the adequacy of this Code as and when the Board may deems appropriate.