



## **Code of conduct for Directors and Senior Management**

### **1. Introduction**

This code of conduct applies to:

- (a) the directors of Duroply Industries Limited (**Company**);
- (b) personnel of the Company who are members of its core management team excluding the Board of Directors. It will also apply to all members of management one level below the executive directors including all functional heads hereinafter collectively referred to as **Senior Executives**; and
- (c) any other employee or officer of the Company who has the opportunity to materially influence the integrity, strategy and operation of the business and financial performance of the Company.

### **2. Purpose**

The purpose of this code of conduct is to:

- (a) articulate the high standards of honesty, integrity, ethical and law abiding behavior expected of directors and Senior Executives;
- (b) encourage the observance of those standards to protect and promote the interests of shareholders and other stakeholders (including employees, customers, suppliers and creditors);
- (c) guide directors and Senior Executives as to the practices necessary to maintain confidence in the Company's integrity & reputation; and
- (d) set out the responsibility and accountability of directors and Senior Executives to report and investigate any reported violations of this code or any other unethical or unlawful behaviour;
- (e) ensure that the business practices of the Company create a high level of confidence amongst its stakeholders.

### **3. Honesty and Integrity**

- 3.1 The Directors and senior executives shall act honestly and with integrity in all of their dealings for the company.
- 3.2 The Directors and senior executives will not discriminate on the grounds of a person's race, religion, gender, marital status or disability.
- 3.3 Directors and senior executives will not make promises or commitments that the Company does not intend, or would be unable to honour.
- 3.4 Directors and senior executives shall adhere to the truth and they should not mislead directly or indirectly nor make false statements, nor mislead by omission.

#### **4. Personal Transactions**

- 4.1 Directors' and senior executives' personal or other business dealings will be kept separate from their dealings as a director or employee of the Company.
- 4.2 Directors and senior executives shall not use the name of the Company to further any personal or other business transaction unrelated to the Company.
- 4.3 Directors and senior executives shall use goods, services and facilities provided to them by the Company, strictly in accordance with the terms on which they are provided.

#### **5. Confidentiality of Information**

- 5.1 Directors and senior executives will ensure that confidential information relating to customers, employees and Company's operations is not given either inadvertently or deliberately to third parties, except to the extent necessary for the Company's business, without the consent of the Company.
- 5.2 Directors and senior executives will not use company information obtained by them for personal gain financial or otherwise, nor will that information be used to obtain financial or other benefits for any other person or business.
- 5.3 Directors and senior executives shall respect the privacy of others.

#### **6. Disclosure of Interests**

- 6.1 Directors and senior executives shall fully disclose active private or other business interests promptly and any other matters which may lead to potential or actual conflicts of interest with the Company in accordance with such policies that the Directors may adopt from time to time.
- 6.2 Directors' and senior executives' dealings with the Company must always be at arms length to avoid the possibility of actual or potential conflict of interest.

#### **7. Protection and proper use of assets**

- 7.1 The Company expects each director and Senior Executive to use all reasonable endeavors to protect Company assets (incl. human assets) and to ensure its efficient use.
- 7.2 A director or Senior Executive may only use a Company asset (for example, a product, vehicle, computer or money) for legitimate business purposes.
- 7.3 Each director and Senior Executive must immediately report any suspected fraud or theft of a Company asset for investigation.

#### **8. Compliance with laws, regulations, policies and procedures**

Each director and Senior Executive must:

- (a) comply with the letter and spirit of any applicable law, rule or regulation;

- (b) comply with the protocols, policies and procedures of the Company, including its corporate code of conduct and code of conduct for insider trading ; and
- (c) encourage other officers and employees to do the same.

## **9. Reporting of any illegal or unethical behavior**

Directors and senior executives are encouraged to promptly contact the Chairman of the Board or the Managing Director or the Compliance Officer if any director believes that he or she has observed illegal or unethical behavior by any employee, officer, or director, or by anyone purporting to be acting on Company's behalf. Any such reports may be made anonymously. Confidentiality will be maintained, to the extent permitted by law. Directors and senior executives shall ensure that no adverse action is taken against any employee or other individual for reporting any illegal or unethical behavior in good faith.

## **10. Payments, Gifts, Entertainment and Travel**

- 10.1 Directors and senior executives shall not use their status to seek personal gain from those doing business or seeking to do business with the Company.
- 10.2 Directors and senior executives shall not accept any personal gain of any material significance, if offered.

## **11. Disciplinary Action**

Directors and senior executives are subject to disciplinary action for violations of this Code of Conduct. Subject to and in accordance with the Company's by-laws, the Board of Directors shall determine the appropriate disciplinary action for violations of this Code of Conduct.

## **12. Waivers and Modifications**

Waivers of this Code of Conduct will be given only when determined to be appropriate under the circumstances and in accordance with applicable law, and only upon approval by the Board of Directors or an authorized committee thereof. All such waivers will be disclosed to shareholders and the public as and when required by applicable law or regulation. Subject to the foregoing, this Code of Conduct is subject to modification by the Board of Directors at any time in order to ensure continued compliance with applicable laws, rules and regulations.

## **12. GENERAL**

Every Director shall perform his duties as a Director, including his duties as a member of any committee of the Board of Directors upon which he may serve, in good faith, in a manner he reasonably believes to be in Company's best interests, and with such care as an ordinarily prudent person in a like position would use under similar circumstances.