

Directors Code Of Best Practice

DUOPHARMA BIOTECH BERHAD

DIRECTORS CODE OF BEST PRACTICE

Board members are required to observe the Directors' Code of Best Practice as follows"

1. Compliance at all times with this Code of Best Practice and the Board Charter.
2. Observe high standards of corporate governance at all times.
3. Adhere to the principles of selflessness, integrity, objectivity, accountability, openness, honesty and leadership.
4. Act in good faith and in the best interest of the Company and Group.
5. Not to misuse information gained in the course of duties for personal gain or for political purposes, nor seek to use the opportunity of the service as directors to promote their private interest of those of connected persons, firms, business or other organizations.
6. Uphold accountability at all time. This included ensuring that the Company / Group's resources are properly safeguarded and the Company / Group conducts its operations as economically, efficiently and effectively as possible at all time.
7. Board Members should not accept positions on Board committees or working groups where a conflict of interest is likely to arise, without first declaring that interest.
8. Declaration of any personal, professional or business interest that any conflict with directors' responsibilities. Guidance on declaration and registration of interests is given in the section entitled "Declaration of Interest" below.
9. Follow the guidelines on acceptance of gifts and hospitality as stated in the section entitled "Guidelines on Acceptance of Gifts" below.

Declaration of Interests

Subject to the requirements of any acts, rules or regulations that are in force from time to time and in addition to such mandatory requirements; members of the Board are required to notify the Company Secretary changes in the following:

1. Shareholding in the Company and its related corporations, whether direct or indirect; and
2. Directorships or interest in any other corporations.

In addition to the above, member of the Board who has a material interest, either directly or through a partner, spouse or close relative, in matter being considered by, or likely to be considered by the Board should declare that interest. Such declarations should describe the interest clearly and state whether it carries indirect financial benefits. This requirement also applies to members of senior management.

Relevant interests in this context are as follows:

1. Executive and non-executive directorship of, significant shareholdings in, or employment by, public or private companies likely or possibly seeking to do business with the Company.
2. Ownership or part-ownership of, or employment by, business or consultancies likely or possibly seeking to do business with the Company.

Register of Interests

To Code requires that a formal register of interests be established. The register should include details of all directorships and other relevant interests declared by Board Members and members of senior management.

The register should kept up-to-date through an annual survey of members' interests, carried out by the Company Secretary.

Conduct in Meetings

Any Board Member who has a clear and substantial interest in a matter under consideration by the Board should declare that the interest at any meeting where the matter is to be discussed, whether or not that interest is already recorded in the register. The Board Member concerned shall abstain himself from deliberation and voting.

Membership of Committees

Board Members should not accept positions on Board Committees or working groups where a conflict of interest is likely to arise, without first declaring that interest.

Guidelines of Acceptance of Gifts

The following set out guidelines on acceptance of gifts:

1. The conduct of individuals must not create suspicion of any conflict between their position as a member of the Board and any private interest;
2. Board Members acting as such must not give the impression that they have been influenced by a benefit to show favour and disfavor to any person or organization having dealings with the Company;
3. Board Members must not accept any benefit as an inducement or reward for taking any action (or specifically not taking any action) in their official capacity as a Board Member; and
4. Gift other than of token value should generally be refused