



SCIENTEX PACKAGING (AYER KEROH) BERHAD

(Formerly known as DAIBOCHI BERHAD)
Company No.: 197201001354 (12994-W)
(Incorporated in Malaysia under the Companies Act)

BOARD OF DIRECTORS' CODE OF ETHICS

1. INTRODUCTION

- 1.1 The Board of Directors (the Board) of Scientex Packaging (Ayer Keroh) Berhad (formerly known as Daibochi Berhad) (the "Company"/"SPAK") has adopted the Code of Ethics (the Code) for the Directors of the Company.
- 1.2 This Code is based on principles in relation to sincerity, accountability, integrity, responsibility and corporate social responsibility.

2. PURPOSE

This Code is formulated to enhance the standards of corporate governance and corporate behaviour with the intention of establishing a standard of ethical behaviour based on trustworthiness and responsibility in line with the legislation, regulations and guidelines for administrating the Company.

3. DEFINITION

In the context of this Code, a company director means any person who holds the position of Director in the Company, irrespective of any designation used, including Executive and Non-Executive Directors.

4. CODE OF ETHICS

A Director should at all times observe the following in the performance of his/her duties:

4.1 Corporate Governance

- (a) Should have a clear understanding of the aims and purpose, capabilities and capacity of the Company and its subsidiaries ("the Group");

- (b) Should devote time and effort to attend meetings and to know what is required of the Board and each of its Directors, and to discharge those functions;
- (c) Should ensure at all times that the Group is properly managed and effectively controlled;
- (d) Should stay abreast of the affairs of the Group and be kept informed of the Group's compliance with the relevant legislation and contractual requirements;
- (e) Should keep himself/herself informed on all matters of importance to the Group in order to be effective in corporate management;
- (f) Should limit his/her directorship of companies to a number in which he/she can effectively devote his/her time;
- (g) Should have access to the advice and services of the Company Secretary, who is responsible to the Board to ensure that proper procedures, rules and regulations are complied with;
- (h) Should at all times exercise his/her powers for the purposes of which they were conferred, for the benefit and prosperity of the Group;
- (i) Should disclose immediately all contractual interests whether directly or indirectly with the Group;
- (j) Should neither divert to his/her own advantage any business opportunity that the Group is pursuing, nor may he/she use confidential information obtained by reason of his/her office for his/her own advantage;
- (k) Should at all times act with utmost good faith towards the Group in any transaction and to act honestly and responsibly in the exercise of his/her powers in discharging his/her duties; and
- (l) Should be willing to exercise independent judgment and, if necessary, openly oppose if the vital interest of the Group is at stake.

4.2 Relationship with Shareholders, Employees, Creditors and Customers

- (a) Should be conscious of the interest of shareholders, employees, creditors and customers of the Company and its subsidiaries;
- (b) Should at all times promote professionalism and improve the competency of the management and employees; and
- (c) Should ensure adequate safety measures and provide proper protection to workers and employees at the workplace.

4.3 Social Responsibilities and the Environment

- (a) Should ensure that necessary steps are taken in accordance with the law to properly wind-up or strike off the company register if the Company has ceased to carry on business;
- (b) Should adopt an objective and positive attitude and give the utmost cooperation for the common good when dealing with government authorities or regulatory bodies;
- (c) Should ensure the effective use of natural resources, and improve quality of life by promoting corporate social responsibilities;
- (d) Should be more proactive to the needs of the community and to assist in society related programmes; and
- (e) Should ensure that the activities and the operations of the Group do not harm the interest and well-being of society at large.

Note: The contents of this Code have been adopted from the provisions of the Company Directors' Code of Ethics established by the Companies Commission of Malaysia.