



SCIENTEX PACKAGING (AYER KEROH) BERHAD
(Formerly known as DAIBOCHI BERHAD)

CODE OF ETHICS

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BACKGROUND

It is essential to Scientex Packaging (Ayer Keroh) Berhad (formerly known as Daibochi Berhad) group of companies (“SPAK”) that all directors, officers, employees and any authorised personnel associated with SPAK (“SPAK Personnel”) play a strong ethical role in our business and operations by treating each other and all our stakeholders with fairness and respect to achieve sustainable growth and success.

SPAK has developed this Code of Ethics to ensure that our business choices and conduct are kept consistent with SPAK’s adherence to applicable laws and regulations and high ethical principles. Based on this Code and other related policies, it is critical to maintain and uphold our good reputation with SPAK’s stakeholders through equitable and ethical practices.

OBJECTIVES

The objective of this Code is to promote and maintain high quality of corporate governance and ethical behaviour at SPAK based on a sustainable framework in order to achieve the following goals:

- To maintain the concept of organisational transparency and duty in accordance with local and international laws, regulations and guidelines;
- To undertake business conduct and operations with due consideration in the areas of environmental, social and governance; and
- To create an ethical standard for SPAK Personnel based on trustworthiness, fairness and objective principles that are accepted, held and advocated by all common parties.

CODE OF ETHICS

A. Ethical Conduct & Professional Behaviour

SPAK is to ensure that SPAK Personnel commit and adhere to the following within its respective business segment, activities and locations:

- To perform all business conduct with integrity and with professionalism in order to protect the interest and reputation of SPAK;
- To develop, maintain and support positive relationships with all stakeholders of SPAK, which includes but not limited to, customers, suppliers and fellow colleagues;
- To adhere with applicable laws and regulations, SPAK’s policies and procedures;
- To use, manage and protect all SPAK’s assets (which may include tangible and intangible assets such as monetary assets, physical property, confidential and proprietary materials) responsibly and appropriately;

- To avoid any activities at all times that may lead and/ or involve in any practices that are against the legal requirements and/ or do any harm to SPAK and put SPAK's image or reputation at risk;
- To carry out work in a safe manner, without causing harm to themselves or others, and to report any potentially unsafe or unhealthy situations immediately; and
- To treat all parties with dignity and respect at all times and not be involved in any actions or circumstances that may be related to discrimination and harassment or that are abusive or offensive in a direct or indirect nature to others.

B. Anti-Bribery and Anti-Corruption

SPAK adopts a strict zero tolerance policy against all forms of bribery and corruption and takes a strong stance against such acts in any circumstances. For further guidance on SPAK's approach in managing the risk of bribery and corruption, everyone within SPAK must familiarise themselves and abide with the Anti-Bribery and Anti-Corruption Policy as published by SPAK for further guidance.

C. Labour Practices

SPAK will constantly promote and uphold protection of human rights and is determined to treat all personnel fairly and respectfully. To that extent, SPAK is strongly committed at adopting and conducting our operations and procedures in line with the following labour practices:

- No worker under the local legal minimum age for employment will be hired;
- Each individual is hired based on their own free will to work. No forced or unpaid labour, whether jail, bonded, indentured, or otherwise, will be used. Any form of human trafficking is prohibited;
- SPAK Personnel are prohibited from discriminating against current or prospective personnel on the basis of colour, ethnicity, nationality, faith, age, gender, sexual orientation, disability, or any other protected feature under existing statute, ordinance or rule;
- To treat employees with integrity and respect and will not use threat of aggression, punishment, coercion or abuse;
- To respect the right of SPAK Personnel to form and bargain collectively in a lawful and peaceful manner; and
- To comply with the laws and regulations regulating labour practices at areas where our operations are carried out.

D. Data Confidentiality and Security

During the conduct of any activities or operations in SPAK, SPAK Personnel may receive and/ or have access to confidential or proprietary information relating to SPAK and its operations. All information that is not known to the public and/ or which is highly sensitive in nature, which may be useful to competitors, is classified as confidential or proprietary information.

SPAK Personnel are responsible for making, using, maintaining, protecting, and, where necessary, disposing of SPAK's documents and information with adequate care and safeguards. SPAK Personnel are also required not to disclose or reveal or cause to be disclosed or revealed any information without the

prior clearance or written approval from SPAK. This condition shall continue to apply even after the SPAK Personnel is no longer under the employment of SPAK.

Guided by the abovementioned, the following measures on data security are to be adhered by SPAK Personnel at all times:

- SPAK Personnel are responsible for maintaining the integrity of SPAK's records, preventing unwanted publication or use and ensuring that classified information is not accessible to unauthorised individuals. When unattended, sensitive materials should be safely kept out from any public access;
- SPAK Personnel must make sure that classified information is either shared or exchanged by others who have been given permission to do so;
- Proprietary information should be labelled as such, kept confidential, and only those with a need-to-know due to the work requirement should have access;
- If SPAK Personnel have any queries regarding this matter, they shall contact their superior or Head of Department for further guidance and consultation before making any decision or action; and
- Any intentional disclosure of classified records or information to unauthorised parties is considered a significant act of wrongdoing, which can result in punitive proceedings, including termination.

E. Conflict of Interest

SPAK Personnel should avoid and/ or prevent any circumstances that would result in and/ or encourage conflict between their personal interests and SPAK's interests. This suggests that any personnel should eliminate such situations that might impair his/ her decision or objectivity as the duties and obligation of the said personnel may be liable to be affected or compromised. For the purpose of this Code, a conflict of interest arises when personnel have a competing professional or personal interest that would either restrict, compromise or impair the personnel's ability to discharge or fulfil his/ her duties properly, or would create a perception of improper conduct that could undermine customer or public confidence.

Situations that can lead to conflict of interest happening may include, but not limited to, when SPAK Personnel:

- Has sought personal financial interest through SPAK's business dealings;
- Collects and assess information (especially confidential or proprietary information) pertaining to the products, services and procedures within SPAK's business and operations which is then used for personal gain;
- Is part of the members of the board within a company, organisation or entity which is pursuing or having material business dealing(s) with SPAK;
- Receives benefits including but not limited to loans or promises of commitment from third parties (such as customers, suppliers, contractors and agents) associated with SPAK;
- Has personal relationships with individuals with whom SPAK does business with that goes beyond a professional working partnership; and
- Has a different employment, commercial, business, or other activities outside of the organisation which may affect the personnel's duties and obligations towards SPAK.

SPAK Personnel who has conflict of interest must declare any duty, engagement, partnership, or interest that could conflict or be considered to conflict with his/ her duties by contacting the superior or Head of Department.

F. Insider Trading

SPAK Personnel is strictly prohibited from using “inside information” - information which has not been made available to the public and which may materially affect a company’s stock price - as the basis for purchasing, or selling shares of the company, or any other company with which he/ she has dealings. Inside information may include unannounced earnings, dividends, potential acquisitions and other relevant information which may be perceived to have similar nature, context or influence. To this extent, every personnel also must not engage in, or procure another person to engage in, any share transactions with respect to the shares of SPAK, whether it is for themselves or anyone else, when in possession of such inside information.

G. Fair Dealing and Competition

SPAK Personnel is to observe all applicable laws and regulations relating to fair competition and fair trade of each country and region, including antimonopoly laws. In addition, every personnel shall perform all business conduct based on proper corporate ethics and in accordance with sound business practices and social norms. SPAK is committed not only to fair competition, but to competition that is ethical and transparent, which applies specifically to gathering of competitive intelligence and to statements about our products and services and those of our competitors. SPAK Personnel is also prohibited from taking improper advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair practices. For further guidance, please refer to SPAK’s Internal Control Guidelines under the section of Competition Law Compliance Manual.

REPORTING & DISCIPLINARY ACTIONS

SPAK Personnel who is aware of or suspect that there has been a breach of this Code is advised to report such breach(es) through SPAK’s whistleblowing procedures. SPAK’s website contains information about our Whistleblowing Policy, including its provisions, protections, and procedures for reporting any violations. No personnel will be treated unfairly or be subjected to any mistreatment or punishment for report made in good faith.

Any SPAK Personnel who is in breach of this Code is liable to face disciplinary actions, which may include dismissal and/ or transfer to the relevant authority for criminal investigation, as well as legal action in certain cases. As SPAK Personnel, it is the duty of each personnel to protect the reputation of SPAK by acting ethically and reporting any Code violations as soon as they become aware of such instances.

COMMUNICATION

SPAK will ensure that this Code is distributed and communicated to all internal and external parties on a timely basis by:

- Distributing to all SPAK Personnel; and/ or
- Posting on SPAK's website.

SPAK is committed to ensuring that all personnel perform their duties in compliance with this Code, which will serve as an overarching guideline on ethical business conduct throughout any positions and responsibilities.

GUIDANCE AND ASSISTANCE

If the personnel have any concerns or is uncertain on the application of this Code, please contact the superior or the relevant Head of Department for further guidance and consultation. Alternatively, the personnel may also contact the Human Resource Department for further consultation.

REVIEW OF CODE

This Code can be modified or amended by the Board of Directors of SPAK ("Board") from time to time as it deems necessary. Modifications and amendments may be initiated as necessary in order to ensure compliance with laws and regulations and/ or to accommodate organisational and business developments within SPAK. The Code shall be made effective upon the approval of the Board and after the same is made publicly available.

This Code of Ethics has been approved by the Board on 22 June 2021 and updated with the new name of the Company with effect from 30 December 2021.