



EP MANUFACTURING BHD

Registration No. 199601017765 (390116-T)

(Incorporated in Malaysia)

DIRECTORS' CODE OF CONDUCT AND ETHICS

1. INTRODUCTION

The Board of Directors of EP Manufacturing Bhd (“EPMB” or “the Company”) has adopted this Directors’ Code of Conduct and Ethics (“Code”) to provide the fundamental guiding principles in carry out their oversight responsibility in the best interest of the Company within the scope of their authority and fiduciary duties.

2. PURPOSE

This Code is formulated with the intention of achieving the following aims:

- 2.1. To encourage high standards of integrity, ethical and law-abiding behaviour expected of Directors;
- 2.2. To foster standards to protect and promote the interests of shareholders and all stakeholders; and

3. PRINCIPLES

The principles and obligations outlined in this Code apply to all Directors of the Company, its subsidiary and affiliated companies (“the Group”) (“Directors”). The Directors shall at all times:

- a) act ethically, integrity and transparently within the authority conferred upon them in the best interest of the Company and its shareholders;
- b) conduct professionally, courteously and respectfully in manner and not take improper advantage of their position;
- c) act in good faith, responsibly, with due care and diligence, and fulfill their fiduciary obligations without allowing their independent judgment to be subordinated;
- d) use their prudent judgment to prevent from all situations, decisions which give or may give rise to conflict of interest or potential conflict with their responsibilities within the Group;
- e) not to exploit for his/her own personal gain through the use of corporate property, information or position, unless otherwise proven that the Company is not interested to pursue such opportunity;
- f) act to maintain and improve Company’s reputation;
- g) always strive to contribute towards the growth and stability of the Company; and
- h) Devote time and effort to attend meetings and be well-informed of matters required in discharging their duties as Directors

4. CONFLICT OF INTEREST

A conflict of interest occurs when an individual's private interest interferes in any way with the interests of the Group which deter the individuals to act in the best interest of the Company.

Procedures for Managing Conflict of Interest:

- All Directors should avoid involving themselves in situations where there is real or apparent conflict of interest between them as individuals and the interest of the Group. Directors must not use their positions or knowledge gained directly or indirectly in the course of their duties or employment for private or personal advantage.
- In doubt, Directors should adopt the highest standard of conduct, adhere to the procedures provided by the relevant laws (including but not limited to the Companies Act 2016 and Bursa Securities Main Market Listing Requirement) and to consult the Board Chairman prior to making any decision.
- All Directors are required to disclose the nature and extend of any conflict of interest, whether direct or indirect, actual or potential with the Group to the Board Chairman. Directors concerned should abstain from the deliberation and decision making on the matters relating thereto.
- All disclosure on potential conflict of interest includes any transaction, procedure or course of conduct that raises questions of management's integrity should be tabled to the Audit and Risk Management Committee ("ARMC") for review.
- ARMC shall report all potential conflict of interest to the Board and a resolution by the Board as to the acceptability or lack thereof of any potential, real conflict situation, relationship or transaction by the Board shall be deemed final and taken in the best interest of the Company.
- Non-disclosure of conflict of interest will be subject to appropriate internal disciplinary action and applicable civil and criminal liability.

5. CONFIDENTIAL INFORMATION

All confidential, sensitive and non-public information obtained in the Company's business, customer and suppliers, which Directors have privy access or knowledge must be considered privileged and confidential and to be kept strictly confidential at all times.

Unless authorised by the Board or required by law or regulatory body, Directors must not disclose to a third party on any information or make any forward looking statements which are price sensitive in nature.

The obligation to preserve the confidential information of the Group is ongoing even after the individual ceases to be a Director of the Group.

6. INSIDER TRADING

Directors who are in the possession of price sensitive information are prohibited to trade in the securities of the Company or the shares of another listed company if that information has not been made public and classified as inside information such as financial results, potential acquisitions or divestments, marketing plans or new products.

Besides, Directors shall not disclose such price sensitive information to any third party, unless they are permitted to do so, or encourage any other person to deal in price-affected securities.

Directors who commit insider trading, may be subjected to the relevant criminal and civil actions under Malaysian Law which includes Capital Markets and Services Act 2007.

7. LAW COMPLIANCE OBLIGATIONS

All Directors must have or acquire appropriate knowledge and skills relating to their duties sufficient to enable them to identify potential non-compliance matters and to seek advice from the Management or advisors.

Every director in exercising and/or discharging his/her powers or duties shall comply with all applicable laws, rules and regulations including the constitutions of the Group and guidance and directives issued by the authorities.

8. GIFTS AND HOSPITALITY

As a general rule, Directors are discouraged from directly or indirectly, offering, giving, seeking or accepting gifts and hospitality, cash or cash equivalents to or from business partners. Notwithstanding this, the Company recognizes that the occasional acceptance or offer of modest gifts and entertainment may be a legitimate contribution to good business relationships.

Generally, all invitations to business luncheons or dinners may be given or accepted by the Directors. Directors receiving or giving the gifts or hospitality is responsible for assessing whether it is appropriate and within the boundaries set out in this Code. The following rules and guidelines shall be observed:

- 1) The purpose of the gifts or hospitality will not influence Directors' actions as a member of the Board, or where acceptance of the gift or hospitality could otherwise reasonably create the appearance of a conflict of interest or cause others to perceive an influence; and
- 2) The situation in which the gifts or hospitality is received or given shall not be in connection with contractual negotiations of similar situations.

9. ANTI-CORRUPTION / BRIBERY

Directors are prohibited to offer, give, ask for, accept or receive any form of bribe or benefits or facilitation payment which could reasonably be expected to influence the performance of the Director's duties in any aspect.

When dealing with gifts, donations, sponsorship, and any other form of benefits, a Director shall uphold the highest integrity and ensure compliance with the relevant laws in respect of anti-corruption and bribery as well as the Anti-Bribery and Anti-Corruption Policy adopted by the Board.

10. COMPETING WITH EPMB GROUP

Directors shall not engage in activities that have conflict with the Group's business interests, including commercially marketing products or services in competition with the current or potential offerings of the Group.

Directors are not allowed to provide any form of assistance to organizations that market products or services in competition with the Group regardless if they receive any direct or indirect remuneration of any kind for the assistance provided.

Directors shall not act for the competing organization in any capacity as a member of its board of directors unless prior Board's approval has been obtained from the Board of Directors of EPMB.

11. ANTI-MONEY LAUNDERING

Directors should not tolerate any form of money laundering activities in the Group. Appropriate measures shall be undertaken to prevent the Group's financial transactions from being used by others to launder money.

Directors need to be mindful of the money laundering risk and to promptly raise any suspicious transactions to the Company.

12. HEALTH, SAFETY AND ENVIRONMENT

The Company is committed to provide a working environment which is safe, secure and free of danger, harassment, intimidation, threats and violence. The Company takes the policy to comply with all the applicable environmental safety and health laws and regulations and strive to implement industry recognised best practices whenever possible.

13. COMPANY'S RECORDS

All Company's records are to be prepared precisely, reliably and honestly.

Especially the Directors whom are in-charge of financial statements preparation and contribute to the creation of business records, covering from submission of order records, expense records, and invoice records; to take obligation to maintain business and statutory records for corporate, operational, legal, financial, historical and other purposes seriously and to take appropriate steps to ensure that the content, context and structure of the records are true and reliable.

14. PROTECTION OF COMPANY ASSETS

Directors are expected to safeguard the Company's assets and properties, including its physical premises, equipment and facilities as well as the records and information/data.

Company's Assets shall be used in an ethical and lawful manner as well as in the best interests of the Company, it shall not be used for pursuing improper personal gain or opportunity.

15. NON-COMPLIANCE

Directors must immediately report any concern about possible/actual breaches of the Code or unlawful or unethical behaviour by any Director to the Board. The Board shall determine appropriate actions to be taken to ratify the non-compliance by Directors.

16. REVIEW OF THE CODE

This Code shall be kept under review, updated and be revised as and when required in accordance with the needs of the Company, development of corporate governance practices, and/or any other applicable laws enforced at the time being. Any changes to the terms of the Code shall be subject to the approval of the Board.

APPROVED BY THE BOARD ON 25 AUGUST 2023