GADANG GROUP OF COMPANIES

CODE OF ETHICS & CONDUCT

This Code of Ethics & Conduct was approved and adopted by Board on 4th September 2024

TABLE OF CONTENTS

1. INTRODUCTION 3
2. BUSINESS CONDUCT & PROFESSIONAL INTEGRITY 3
2.1 CONFLICT OF INTEREST 3
2.2 ANTI-BRIBERY AND CORRUPTION 4
2.3 INSIDER TRADING 4
2.4 ANTI - MONEY LAUNDERING AND FINANCING OF TERRORISM 5
2.5 FAIR COMPETITION 5
2.6 HEALTH, SAFETY AND ENVIRONMENT 6
3. WORKPLACE ENVIRONMENT 7
3.1 EQUAL OPPORTUNITY 7
3.2 HARASSMENT 7
3.3 MISUSE OF SUBSTANCE 9
4. PROTECTING GADANG'S ASSETS AND INFORMATION 10
4.1 CONFIDENTIAL AND PROPRIETARY INFORMATION 10
4.2 APPROPRIATE USE OF COMPANY ASSETS 10
4.3 PERSONAL DATA PROTECTION 11
5. COMPLIANCE TO LAW 11
6. RAISING A CONCERN OR REPORTING A VIOLATION 11
6.1 REPORTING 11
6.2 PROTECTION 12
7. INVESTIGATION AND DISCIPLINARY ACTION 12
8. COMMUNICATION OF THE CODE 12
9. TRAINING 12
10. REVIEW OF THE CODE 12
ACKNOWLEDGEMENT 13

1. INTRODUCTION

In line with good corporate governance practices, Gadang Holdings Berhad ("GHB") and its subsidiaries (collectively referred to as "Gadang", "Group", "we", "us" or "our") are committed to operate the Group's businesses in an ethical manner and to uphold the highest standards of professionalism and exemplary corporate conduct. This Code of Ethics & Conduct (hereinafter referred to as "Code") sets out the principles and standards of business ethics and conduct of the Group.

The Code is applicable to Executive Directors of the Group (hereinafter referred to as "EDs") and Employees (including probationary, contract, permanent, project, temporary employees) (hereinafter referred to as "**Employees**").

It is the responsibility of EDs and Employees to read and understand the Code. Any violation of the Code may result in disciplinary action, including the termination of employment and, if warranted, legal proceedings or criminal sanctions.

Gadang reserves the right to add, amend, annul, vary or modify the provisions set out in this Code as and when it deems necessary and in the best interest of Gadang. EDs and Employees shall be notified of any changes made to the Code via email or via a memorandum from time to time.

2. BUSINESS CONDUCT & PROFESSIONAL INTEGRITY

Integrity has always been the key value to Gadang. Gadang is committed to act professionally, fairly and with integrity in all its business dealings and relationships. EDs and Employees are expected to devote their full attention and best effort to the business interest of Gadang and to perform their duties diligently and faithfully at all times.

2.1 CONFLICT OF INTEREST

Aligned with Bursa Malaysia's Conflict of Interest Guidance (ICN 1/2023) issued on 26th May 2023 and foreign laws and regulations at the host countries where foreign subsidiaries operate, for purposes of this paragraph 2.1 on Conflict of Interest, the term EDs will cover GHB Executive Directors while Key Senior Management ("KSM") and Employees refers to all subsidiary executive directors and Head of Divisions, including those who may subsequently assume roles as consultants or advisors to the Group and Employees.

A conflict of interest ("COI") is a situation where EDs', KSM's or Employees' outside or private interests, businesses, relationships or activities interfere or appear to interfere with the fairness or integrity of the Group's business dealings. Conflict of interest is not limited to direct financial interest but also include an indirect financial interest, non-financial interest (e.g., arising from relationships whether family, business or professional interests) or competing loyalties or interests.

EDs, KSM and Employees must not engage, directly or indirectly, in any outside or private business interest, relationship or activities that might conflict detrimentally with the interests of the Group or that might impair or appear to impair their ability to make objective and fair decisions when performing their jobs.

On an annual basis, the Company Secretary ("COSEC") will issue and collect the COI forms from EDs whilst Group Human Capital ("GHC") will issue and collect the COI forms from the KSM and Employees. EDs, KSM and Employees are still required to declare even when there is no conflict.

Besides that, on ad-hoc basis, EDs, KSM and Employees have a duty to declare a COI as soon as practicable after the relevant facts have come to his / her knowledge.

Failing to disclose a COI situation, providing incomplete and inaccurate information on the COI or failing to comply with an approved action plan to resolve or mitigate the COI is a breach of this Policy and may result in disciplinary action being taken against the person with a conflict, including summary dismissal.

Given the seriousness and intricacies of Bursa Malaysia's enhanced COI requirements and to enable more focus and easier reference for EDs, KSM and Employees, this paragraph on Conflict of Interest is cross-referenced to a comprehensive standalone COI Policy & Procedure bearing reference number *(Ref No: GHC/SOPP/COI/V.02 dated 4th September 2024) and is available in the Group's Gadang Share Point portal.*

2.2 ANTI-BRIBERY AND CORRUPTION

Gadang is committed to acting professionally, fairly and with integrity in all business dealings and relationships. We are committed to: -

- Conduct business in an ethical and honest manner;
- Implement and enforce systems that ensure bribery and corruption is prevented; and
- Take all necessary measures to ensure that our businesses do not participate in corrupt activities and to implement adequate procedures effectively to comply with the provisions of MACC Act 2009 and Section 17A of the MACC (Amendment) Act 2018 and foreign laws and regulations of the host countries where foreign subsidiaries operate.

Bribery is a crime and penalties can be severe including prison sentences and large financial penalties. Depending on the circumstances, these penalties can be applied to a company and its Employees and third parties or a combination of any of them. All EDs and Employees are reminded that he/she will be subjected to stern disciplinary action, including dismissal as well as civil and criminal liability, if he/she is found in violation of Anti-Bribery & Corruption Policy.

Kindly refer Gadang's Anti-Bribery & Corruption Policy for further details.

2.3 INSIDER TRADING

Insider trading is defined as the purchase or sale of a Company's securities effected by or on behalf of a person with knowledge of relevant but non-public material information regarding that Company.

In the context of Malaysian law, insider trading is an offence under the Capital Market and Services Act (CMSA) 2007. Under this act, the offender shall be punished on conviction to imprisonment for a term not exceeding ten years and to a fine of not less than one million ringgit. Foreign laws on insider trading may apply where the information concerns companies listed outside of Malaysia.

EDs and Employees who are in the possession of market sensitive information are not allowed to trade in securities of the Company if that information has not been made public.

EDs or Employees are also prohibited from disclosing any non-public price sensitive information to any third-party, including family members and friends.

Further, EDs and Employees shall not encourage any other person to deal in price-affected securities for personal benefit or for the benefit of others. It is also illegal to spread false information with the intention to manipulate the price of public listed securities. EDs and Employees must ensure that all dealings in the securities of the

Company are complied with the procedures set out in the Bursa Malaysia Listing Requirements and the law on insider trading.

2.4 ANTI - MONEY LAUNDERING AND FINANCING OF TERRORISM

Gadang is committed to fully comply with the law under the Anti Money Laundering and Anti-Terrorism Financing (Amendment) Act 2014. Gadang does not condone, facilitate or support any activity that is even remotely associated with money laundering or financing of terrorism.

Money laundering could be the consequence of any profit generating crime and is defined as the process of converting money / property, which is derived from illegal activities to give it a legitimate appearance.

It is a very serious crime and the laws governing this type of crime can have extra territorial effect, i.e., the application of the law is extended beyond local borders.

Financing of terrorism is defined as a term that generally refers to carrying out transactions involving funds that may or may not be owned by terrorist, or that have been, or are intended to be, used to assist the commission of terrorism.

Responsibility

To avoid violating the related laws, EDs and Employees are expected to conduct counterparty due diligence to understand the business and background of third parties that Gadang is currently in relationship with or intends to do business with in the future, either on a regular or once-off basis. Third Parties refer to actual or potential clients, advisers, business associates, joint venture partners, agents, vendors, suppliers, distributors, contractors, consultants, customers, government and public bodies and any other third-party service providers or persons who perform services for or on behalf of the Group – this includes their advisors, representatives and officials, politicians and public parties.

EDs and Employees are frequently involved in decision making process concerning third parties, particularly in matters on financial transactions, therefore, they should be properly acquainted with the applicable laws and regulations related to money laundering.

EDs and Employees should be attentive to and report suspicious behaviour by customers, consultants and business partners to the relevant line manager or Head of Department (“HOD”). If notifying the line managers or EDs are not possible or inappropriate for any reason, or not in the best interest of the Group, EDs and Employees can raise the concerns via Gadang’s Whistleblowing Policy.

2.5 FAIR COMPETITION

Gadang is committed in conducting its business activities in accordance with applicable competition laws enforced under the Competition Act 2010 and to compete vigorously and independently at all times.

Gadang prohibits all types of anti-competitive agreements which have as their object or effect, the prevention, restriction or distortion of free and fair competition. Anti-competitive agreements are divided into two (2) categories: vertical and horizontal restraints.

a) Horizontal restraints are agreements between companies acting on the same level of trade, i.e., agreements between Gadang and its competitors. Horizontal restraints on key competitive parameters (e.g., prices, quantities, clients, sales territories) will be found unlawful regardless of whether they have actually been implemented and/or have any effect on the market.

b) Vertical restraints are agreements restricting competition between companies acting on different levels of trade, i.e., agreements between Gadang and its distributors, customers, licensees or suppliers (e.g., market shares of the parties to the agreement and economic justifications) will be found unlawful regardless of whether they have actually been implemented and/or have any effect on the market.

EDs and Employees should not engage with competitors for contractual bidding purposes.

When dealing with competitors and members of trade associations, EDs and Employees should refrain from;

- Entering into any discussion, exchange of information, agreement or understanding with competitors concerning prices, costs, production, clients, bids or marketing;
- Engaging in any discussion at formal meetings with competitors that do not adhere strictly to the topics of meeting agendas; and
- Engaging in any casual or social conversation with competitors that even superficially touch upon such business topics.

EDs and Employees should not make false or defamatory public remarks about a competitor or improperly, unethically or illegally obtain or use proprietary information, intellectual property or trade secrets of a competitor, collaborator or any other third party.

If an ED or Employee suspects that the competition law has been breached, he / she has a duty to consult with the Group Legal Department. Gadang is committed to cooperate with the enforcement authorities in carrying out their law enforcement responsibilities.

2.6 HEALTH, SAFETY AND ENVIRONMENT

Gadang is committed to provide a safe, healthy and conducive workplace while minimising the impact of operations on the environment without sacrificing long-term economic value creation. EDs and Employees must diligently observe and comply with all applicable Health, Safety and Environment (HSE) legislations, policies and procedures set out by the Group. At a minimum, Gadang expects similar commitment is shared and practised by our business partners, contractors and other external stakeholders.

EDs and Employees are responsible for each other's well-being and the safety of general public and are encouraged to promptly report any accidents, injuries, unsafe equipment, hazardous conditions, and breaches of HSE laws at the workplace to the Head – HSE.

Gadang also strives to protect the environment and conserve natural resources by utilising natural resources responsibly and reducing waste and emissions, where practicable. EDs and Employees are also responsible to report to the Head – HSE if hazardous materials come into contact with the environment or are incorrectly handled or disposed.

3. WORKPLACE ENVIRONMENT

Gadang is committed to provide a safe and healthy working environment that fosters mutual respect where EDs and Employees irrespective of status or position are free of discrimination, harassment, threats and acts of violence. Gadang expects all EDs and Employees to demonstrate a professional standard of behaviour when carrying out the work duties at all times.

3.1 EQUAL OPPORTUNITY

Gadang upholds the principle of diversity of workforce, equal opportunity, non-discrimination and fair treatment in all aspects of employment, including recruitment and hiring, compensation and benefits, working conditions, secondment, transfer, training, rewards and recognition, career development and retirement. The Group endeavours to provide equal opportunity to ensure that employment decisions are based on merit and performance without regard to race, religion, political opinion, gender, sexual orientation, age, nationality or disability, and shall not create any form of discrimination or prejudice in the workplace. EDs and Employees must strive to create a workplace where everyone is treated fairly and equally.

3.2 HARASSMENT

Gadang strives to maintain a working environment in which EDs and Employees treat each other with respect. We strictly prohibit any act or conduct that constitutes or that could lead or contribute to harassment and violence based on gender (whether or not of a sexual nature), race, colour, ethnicity, national origin, religion, age, sexual orientation, gender identity, disability, marital status and any other legally protected status.

Harassment is an act or conduct that creates an unwelcome and uncomfortable situation or environment regardless of the intention of that person who commit the act or conduct. Harassment may consist of verbal, visual or physical conduct that is unwelcome or that makes someone uncomfortable, such as:

- Explicit or degrading comments about appearance or dressing;
- Advances or request for inappropriate favours;
- Unwelcome demands for meals or dates;
- Unwelcome conversation, emails, messaging or telephone calls;
- Racial or ethnic slurs;
- Threatening or intimidating acts directed at an individual because of his or her gender or sexual orientation;
- Display, posting or distribution of hostile written or graphic materials aimed at a particular sex or religion; and/or
- The use of computers or any portable devices (e.g., phones, cameras, laptops, webcams) to view or distribute racially or sexually offensive communications.

<u>Sexual Harassment</u>

Gadang has always been committed to provide, promote and ensure a workplace that is safe and free from any form of harassment, humiliation and intimidation of a sexual nature.

The Employment Act 1955 under Section 2, defines sexual harassment as any unwanted conduct in sexual nature, whether verbal, non-verbal, visual, gestural or physical, directed at a person which is offensive or humiliating or is a threat to his or her well-being, arising out of and in the course of a person's employment.

The Malaysian Code of Practice (Prevention and Eradication of Sexual Harassment at Workplace, 2000) defines sexual harassment as any unwanted conduct of sexual nature having the effect of verbal, non-verbal, visual, psychological or physical harassment that might, on reasonable grounds, be perceived by the recipient as placing a condition of sexual nature on his or her employment or as an offence or humiliation or threat to his / her well-being, but has no direct link to his/her employment.

EDs and Employees are strictly prohibited from engaging in any form of sexual harassment with other employees or external parties under such employment-related setting that includes, but not limited to:

- In the office or workplace;
- At work related social functions;
- In the course of work assignment outside the workplace;
- At work-related conference or training sessions;
- During work-related travel;
- Over-the-phone; and/or
- Through electronic media.

Racial Harassment

Racial Harassment may include but is not limited to the following action: -

- Racially derogatory remarks or insults; for example, name calling which people of certain racial groups may find offensive or impolite should be avoided;
- Display of graffiti or slogans or other objects offensive to certain racial groups;
- Racist jokes, banter, ridicule or taunts;
- Using a disparaging or offensive tone when communicating with people on the ground that they belonging to certain racial groups;
- Ostracise people on the ground that they belong to certain racial groups;
- Imposing excessive workloads or unrealistic performance targets on people on the ground of their race, colour, descent, national or ethnic origins; and/or
- Unnecessarily picking on individuals from particular racial groups.

Disability Harassment

Disability harassment may include but is not limited to the following action: -

- Insulting comments;
- Offensive jokes;
- Unnecessary gestures mimicking someone's disability; and/or
- Intentionally disclosing or threatening to disclose information on disability or medical history in circumstances that would offend, humiliate, or intimidate the employee with a disability.

Family Status Harassment

Family status harassment may include but is not limited to the following action: -

- Assumption of persons with family status would not commit to their work;
- Directly or indirectly discriminate against persons who have the responsibility for the care of an immediate family member; and/or
- Refusing to offer a job, or stipulating restrictive terms in a job offered or restrictive conditions on existing employment.

No EDs or Employees should be subjected to any form of harassment. Gadang views harassment of EDs or Employees occurring in the workplace or in other setting related to their employment as a serious misconduct and will not be tolerated.

EDs and Employees shall be protected from intimidation, victimisation or discrimination for filing a complaint or assisting in an investigation. Retaliating against an ED or Employee for filing a complaint on harassment is a serious misconduct and will be subject to disciplinary action.

However, any false and fabricated accusations against innocent persons will not be condoned.

Reporting of harassment concerns is to follow the clause *"RAISING A CONCERN OR REPORTING A VIOLATION*" contained within this Code.

3.3 MISUSE OF SUBSTANCE

Gadang is committed to maintaining a substance-free workplace. The unlawful manufacture, distribution, dispensation, possession of substances is prohibited in any Gadang's facilities and premises or while conducting business for and on behalf of the Group.

Substance may include illegal drugs under the Dangerous Drugs Act 1952, alcohol and non-prescribed medication.

Gadang recognises that the misuse of substance by EDs or Employees will impair their ability to perform properly and will have serious adverse effects on the safety, efficiency and productivity of other employees and the Group as a whole.

The following activities, involving the misuse of substances, are expressly prohibited: -

- The misuse of substances on or off Gadang premises during work hours, or at other locations during Gadang sponsored functions. (Exception to this rule, moderate consumption / serving of alcoholic beverages to non-muslim EDs or Employees or guests is permitted with prior Management approval);
- Report to work or remain on duty under the influence of or impaired by any substances;
- Serving alcohol at a Group's function to any guest under the legal drinking age; or
- Operate a motor vehicle while under the influence of substances.

An ED or Employee, who is suspected to be under the influence of substances, shall be required to undertake a special test at a designated clinic or hospital. He / she may be immediately terminated for: -

- Use, being under the influence of, or possession of illegal drugs while performing duties;
- Testing positive for illegal drugs or non-prescribed medication;
- Any involvement with mood-altering chemicals;
- Refusing to comply with or undergo the required test requested by the Group; or
- Participating in the manufacture, sale, delivery of, or intent to deliver substances.

If an ED or Employee is aware of a colleague who is misusing substance at work and poses a risk or threat to the safety of any others, it is the ED or Employee's duty to report to GHC. All reports shall remain confidential.

4. PROTECTING GADANG'S ASSETS AND INFORMATION

4.1 CONFIDENTIAL AND PROPRIETARY INFORMATION

EDs and Employees are obliged to protect and safeguard the Group's confidential and proprietary information acquired or received during their employment. No EDs or Employees shall communicate, use or disclose the confidential information in any manner for any reason to external parties, including existing employees and family members, without appropriate authorisation.

Confidential information should be kept and managed properly and access to confidential information shall be limited to those who have a need to know in the course of their daily duties or while discharging their responsibilities. Confidential and proprietary information includes all information acquired or received during employment that is not generally known to the public and is valuable to the Group (whether in written or oral form and whether on paper or electronic form) relating to technical, product and services, financial data and projections, marketing strategies and business plans, organisational and personnel information including salary packages, decisions by the Group's board of directors and management, trade secrets, pricing guidelines, methodology or prices of products and services, profit sharing arrangements, customer information, databases, records and any non-published financial data.

Employees must consult their respective HOD if they are unsure of the status of the information held by them. Any breach of confidentiality is deemed to be a misconduct, which may lead to dismissal. Gadang may also seek compensation from ED or Employee for any losses incurred. EDs and Employees shall return all the Group's assets entrusted to them upon cessation of their employment, including documents and digital copies, which contain the Group's confidential and proprietary information. EDs and Employees shall continue to preserve the confidential and proprietary information unless disclosure is required by any order of any court of competent jurisdiction or any competent judicial, governmental or regulatory authority.

4.2 APPROPRIATE USE OF COMPANY ASSETS

Assets mean all resources owned or controlled by Gadang. These include tangible assets such as equipment or machineries, vehicles, computers, systems, facilities, materials, resources as well as intangible assets such as proprietary information, technologies, ideas, inventions, concepts, business practices and methods, strategies and plans, customers and employee lists, opportunities, and the time and talent of corporate employees.

Company assets should be used solely for business purpose only and not be misused for personal gain or for any other reason that is not in the best interest of Gadang. EDs and Employees may not take home, use or borrow Gadang's assets without first seeking approval from immediate superior, HOD, Group Managing Director or Board of Directors.

EDs and Employees are responsible to safeguard and make proper use of the Group's assets and resources that were entrusted to them in the scope of their duties and take all necessary steps to prevent loss, damage, misuse, theft, fraud or destruction of Gadang's assets and resources. EDs and Employees may be required to compensate the Group for loss of Company assets in their custody if found negligent.

EDs and Employees have an obligation to safeguard third-party assets entrusted or provided to Gadang for business purposes from loss, misuse, waste, damage, and theft. EDs and Employees shall use these third-party assets only for the business purpose intended.

Where not prohibited by law or regulation, Gadang reserves the right to monitor the use and content of its corporate resources and systems, including but not limited to, its computing and telecommunications systems, and access to and use of equipment and facilities. EDs and Employees are advised that they should not have expectation of privacy when using Gadang's resources, whether for business or personal use.

4.3 PERSONAL DATA PROTECTION

Gadang respects the privacy and confidentiality of its EDs, employees, potential employees, business partners, clients and customers' personal data. EDs and Employees are required to comply with the Group's Personal Data Protection Notice (Notice) that has been drafted in line with the Personal Data Protection Act 2010.

Personal data shall be collected, managed and protected in accordance with the Notice which also elaborates on the types of personal data collected, how the personal data is collected, the purpose of collection, how the data is utilised and to whom it is shared with.

Kindly refer to Personal Data Protection Notice for further details.

5. COMPLIANCE TO LAW

The Group will comply with all applicable laws, rules and regulations of the governments, commissions and exchanges in jurisdictions within which the Group operates and any relevant future amendments.

EDs and Employees are expected to understand and comply with the laws, rules and regulations that are applicable to their positions and/or work, including but not limited to the Anti-Money Laundering and Anti-Terrorism Financing (Amendment) Act 2014, Malaysian Anti-Corruption Commission Act 2009, Malaysian Anti-Corruption Commission (Amendment) Act 2018, Personal Data Protection Act 2010 and Competition Act 2010. The Group reserves the right to report any actions or activities suspected of being criminal in nature to the police or other relevant authorities.

6. RAISING A CONCERN OR REPORTING A VIOLATION

6.1 REPORTING

First Step

An ED or Employee who wishes to raise a concern or report a violation of the Code is encouraged to first discuss the matter with line managers or HOD. This is the fastest way to clear up misunderstandings and ensure good, open working environment in the Group. Most, if not all concerns, can usually be resolved through proper and timely communication.

Next Step

If notifying the line managers or HOD is not possible or inappropriate for any reason, or not in the best interest of the Group, then the ED or Employee may raise his / her concern with the Head – Group Internal Audit, Chief Financial Officer or the Chairman of Audit Committee. Their telephone numbers, addresses and emails are available in the Group's Whistleblowing Policy & Procedures which is posted in www.gadang.com.my.

The whistleblowing avenue is intended to be used as an ultimate remedy i.e., if no other means are available to address the concern. However, malicious and false allegations will be viewed seriously and treated as a gross misconduct and if proven, may lead to dismissal.

Making a false report may result in the reporting individual being held personally liable for damages by anyone who may have been affected by the false disclosure.

6.2 PROTECTION

If an ED or Employee encounters any form of bribery or corruption, he / she has a duty to disclose or report such acts to the Group. For concerns that are raised in good faith i.e., with no malicious intentions, the Group will protect the EDs or Employees against detrimental action i.e., against retaliation, punishment and/or unfair treatment (including intimidation, harassment, discrimination, demotion and termination of employment) from his/her superior, head of department/division and other employees as a result of the disclosure.

7. INVESTIGATION AND DISCIPLINARY ACTION

EDs and Employees have a duty to read and understand the Code. Violation of any of the Code's provisions may result in disciplinary action, including termination of employment, civil or criminal charges, or a combination thereof. All concerns raised or violations reported shall be promptly and thoroughly investigated.

8. COMMUNICATION OF THE CODE

GHC will ensure this Code is communicated to all EDs and Employees, who must acknowledge that they have read and understood the Code.

9. TRAINING

GHC will implement educational and training programmes enabling EDs and Employees to understand the requirements of this Code.

10. REVIEW OF THE CODE

The Board of Directors will monitor compliance with the Code and will review the Code regularly to ensure that it continues to remain relevant and effective to the Group.

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ACKNOWLEDGEMENT

I, _____, NRIC number: _____ acknowledge that I have read and fully understood the contents of Gadang's Code of Ethics and Conduct ("Code"). **By signing this acknowledgement, I hereby accept and agree to full compliance with this Code and its accompanying policies, rules and regulations.** I understand that a breach by me, of any provision of this Code, may result in disciplinary action being taken against me, including summary dismissal.

…… ……
Signature Date