

**DANCOMECH HOLDINGS BERHAD
REGISTRATION NO. 201301020455 (1050285-U)**

CODE OF CONDUCT

A. PREAMBLE

The Board of Directors (the “Board”) of Dancomech Holdings Berhad (“DHB” or the “Company”) has adopted the following Code of Conduct (this “Code”) for Directors, management and officers of the Company and its subsidiaries (the “Group”). This Code is intended to promote the corporate culture which engenders ethical conduct that permeates throughout the Group. All Directors, management and employees of the Group shall be referred to as “Officers” hereon.

B. PRINCIPLE

The principle of this Code is based on principles in relation to trust, integrity, responsibility, excellence, loyalty, commitment, dedication, discipline, diligence and professionalism.

C. PURPOSE

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

- i) To emphasise the Group’s commitment to ethics and compliance with the applicable laws and regulations;
- ii) To set forth basic standards of ethical and legal behaviour within the Group;
- iii) To include noble characteristics in performing duties so as to improve work quality and productivity;
- iv) To improve self-discipline in order to provide the Group with good and quality service; and
- v) To enhance skills in the implementation of duties and to be able to adapt to the work environment.

D. CODE OF CONDUCT

Every Officer is responsible to ensure compliance with this Code:

- Know and comply with this Code and the Group’s policies and procedures.
- Seek guidance when in doubt.
- Avoid illegal, unethical or otherwise improper acts.
- Report any suspected violation of policies, laws and regulations.
- Assist authorised teammates with investigations.
- Take responsibility and accountability for own actions.

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- Notify the Head of Department or the Board immediately if suspicious of any irregularities

The Group will take disciplinary action against any Officer who fails to act in accordance with applicable statutory laws, the Group's policies and procedures, and this Code.

In the performance of his or her duties, each Officer must comply with the letter and spirit of the following codes:

i) **Human Rights**

The Group supports and respects human rights. The Group treats Officers with dignity and respect in the workplace, provides equal employment opportunities, creates a safe and harmonious work environment, and will not engage in any form of discrimination. Every Officer should respect the personal dignity, privacy and rights of each individual whom he or she interacts with during the course of work and shall not in any way cause or contribute to the violation or circumvention of human rights.

ii) **Health and Safety**

The Group provides a work environment that is safe, secure and free of danger, harassment, intimidation, threats and violence. The Group takes appropriate precautions to prevent injuries or adverse working conditions for each and every Officer. It is the responsibility of each and every Officer to adhere to the prescribed safety rules and acts as well as to raise any concerns which may represent a potential threat to health and safety. Officers are responsible for reporting injuries and unsafe work practices or conditions as soon as they being discovered or become known.

iii) **Environment**

The Group conducts operations in a manner that safeguards health, protects the environment and conserves valuable materials. The Group is committed to protecting the environment by minimising and mitigating environmental impacts throughout the life cycle of operations. Officers should contribute to minimising the use of finite resources, including energy, water and raw materials. Officers should minimise harmful emissions to environment, including waste, air emissions and discharges to water.

iv) **Anti-Bribery and Corruption**

Officers must exercise caution in relation to offering or accepting gifts and business courtesies. In this regard, Officers must strictly comply with the Anti-Bribery and Corruption Policy adopted by the Group in relation to gifts and business courtesies.

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v) **Records and Internal Controls**

The Group's records must be prepared accurately and honestly, both by the preparers of financial statements and by Officers who contribute to the creation of business records, for example, by submitting expense records, time sheets, order and invoice records. The Group takes obligation to maintain business records for operational, legal, financial, historical and other purposes seriously and takes appropriate steps to ensure that the content, context and structure of the records are reliable and authentic.

Reliable internal controls are critical for proper, complete and accurate accounting and financial reporting. Officers must understand the internal controls relevant to their positions and comply with the policies and procedures related to those controls to ensuring that effective and reliable business processes are in place.

vi) **Properties and Assets**

The Group's properties and assets should be managed and safeguarded in a manner which protects their values. Officers are accountable both for safeguarding all assets entrusted to them, including the Group's information resources, records, materials, facilities and equipment under their care or control, from loss, theft, waste, misappropriation or infringement and for using the assets to advance the interests of the Group. All Officers have an affirmative duty to immediately report the theft, loss or misappropriation of any of the Group's assets, including financial assets, physical assets, information assets and electronic assets to the management as stipulated under Violations of Code of Conduct below.

vii) **Exclusive Service**

The Group expects each and every Officer to give their fullest attention, dedication and efforts to their duties and the Group. Officers must avoid any personal, financial or other interest which may be in conflict with their duties and responsibilities to the Group. In this respect, an Officer is not permitted to be gainfully employed by any other organisation, company or business concern other than the Group without prior written consent of the Managing Director. Such permission will not be unreasonably withheld unless it has an impact on the Officer's ability to perform his or her normal duties or his or her performance at work or for an organisation which is in direct competition with the Group.

viii) **Integrity and Professionalism**

Officers should remember that they are a reflection on the Group and are constantly being judged and otherwise appraised by everyone they come in contact with. All Officers should conduct themselves with the highest degree of integrity and professionalism in the workplace or any other location while on the Group's business.

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ix) Confidential Information

All information obtained in the course of engagement and/or employment with the Group shall be deemed to be strictly confidential and shall not be disclosed to any third party. This measure applies to all Officers both during and after the service with the Group.

Except with the permission of the Group, an Officer shall not make any unauthorised public statement, circulate, divulge or communicate with any customer, supplier, member of the public, media or government or statutory bodies on the policies or decision of the Group on any issue, or any other information or details in respect of the Group's business. This applies to disclosures by any medium, including the internet, especially via social media sites (e.g. Facebook, Twitter, YouTube), internet message boards and/or blogs. An Officer must take precautionary steps to prevent the unauthorised disclosure of proprietary or confidential information, including protecting and securing documents containing the information.

Personal records and remuneration including the Officer's own remuneration are classified as private and confidential information and shall not be divulged.

x) Compliance Obligations

Officers are responsible for knowing and complying with the requirements applicable to their work activities, including those described in Rules of Conduct and Disciplinary Procedure in the Employee Handbook and those described in the Group's guidance documents (the Group's standards, policies and procedures and manuals).

E. COMMUNICATION AND COMPLIANCE

DHB and the Board should ensure this Code is being communicated to all levels of Officers through staff handbook, notice board, intranet, or corporate website. The Group should include the briefing of this Code to new Officers in the induction programme.

The Board should ensure this Code permeates throughout the Group and is complied with by all levels of Officers.

F. VIOLATIONS OF CODE OF CONDUCT

An Officer should report to supervisors, managers, Heads of Department or Head of Human Resource about the known or suspected illegal or unethical behaviour. The Group's Executive Directors and management shall promptly report any known or suspected violations of this Code to the Board. All Officers shall refer to and adhere to the Whistle-Blower Policy adopted by the Group.

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G. NON-RETALIATION

The Group makes every effort to maintain the confidentiality of any individual who reports concerns and possible misconduct. Officers who retaliate or encourage others to do so will be subjected to disciplinary actions, up to and including termination of employment or engagement. The Group does not tolerate any form of retaliation against anyone who makes a report in good faith.

H. INVESTIGATIONS

The Group shall investigate reported concerns promptly and confidentially with the highest level of professionalism and transparency. All internal investigations and audits are conducted impartially and without predetermined conclusions. Each and every Officer shall be expected to cooperate fully with audits, investigations and any corrective action plans, which may include areas for continued monitoring and assessment.

Where external investigations are required, every Officer shall appropriately respond to, cooperate and shall not interfere with, any lawful government inquiry, audit or investigation.

I. PERIODIC REVIEW

The Board and management of the Group will periodically review this Code to ensure its relevance and communicate any new changes to all levels of Officers.
