

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

CODE OF ETHICS OF DIRECTORS

A. PREAMBLE

The Board of Directors (the “Board”) of Dancomech Holdings Berhad (the “Company”) has adopted the following Code of Ethics (this “Code”) for Directors of the Company and its subsidiaries (the “Group”). This Code is intended to focus the Board and each Director on areas of ethical risk, provide guidance to Directors to help them recognise and deal with ethical issues, provide mechanisms to report unethical conduct and help foster a culture of integrity, honesty and accountability.

B. PRINCIPLE

This Code is based on the core principles of integrity, transparency, accountability and corporate social responsibility.

C. PURPOSE

This Code is formulated to enhance the standard of corporate governance and corporate behaviour with the intention of achieving the following aims:

- i) To establish a standard of ethical behaviour for Directors based on acceptable belief and values.
- ii) To uphold the spirit of social responsibility and accountability in line with the legislation, regulations and guidelines governing a company.

No code or policy can anticipate every situation that may arise, or replace the thoughtful behaviour of an ethical Director. Directors are encouraged to bring questions about particular circumstances that may implicate one or more of the provisions of this Code to the attention of the Chairman of the Board, who may consult with internal or external legal counsel as appropriate.

D. DEFINITION

In the context of this Code, a Director means any person who holds the position of Director in the Group, irrespective of any designation used, including anyone who follows the directives and advice of a corporate Director and who usually takes action, as well as an in-turn or substitute Director. It includes executive and non-executive Directors as well as executive and non-executive chairpersons.

E. CODE OF ETHICS

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

1.0 Corporate Governance

- 1.01 Should have a clear understanding of the aims and purpose, capabilities and capacity of the Group;
- 1.02 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;
- 1.03 Should ensure at all times that the Group is properly managed and effectively controlled;
- 1.04 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;
- 1.05 Should insist on being kept informed on all matters of importance to the Group in order to be effective in corporate management;
- 1.06 Should limit his or her directorship of companies to a number in which he or she can best devote his or her time and effectiveness; each Director is his or her own judge of his or her abilities and how best to manage his or her time effectively in the Group in which he or she holds directorship;
- 1.07 Should have access to the advice and services of the Company Secretary, who is responsible to the Board to ensure proper procedures, rules and regulations are complied with;
- 1.08 Should at all times exercise his or her powers for the purposes they were conferred, for the benefit and prosperity of the Group;
- 1.09 Should disclose immediately all contractual interests whether directly or indirectly with the Group;
- 1.10 Should neither divert to his or her own advantage any business opportunity that the Group is pursuing, nor may he or she use confidential information obtained by reason of his or her office for his or her own advantage or that of others;
- 1.11 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 or her powers in discharging his or her duties;

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1.12 Should refrain from committing any act of bribery and corruption. In this regard, he or she must comply strictly with the Group's Anti-Bribery and Corruption Policy; and

1.13 Should be willing to exercise independent judgement and, if necessary, openly oppose if the vital interest of the Group is at stake.

2.0 Relationship with Shareholders, Employees, Creditors and Customers

2.01 Should be conscious of the interest of shareholders, employees, creditors and customers of the Group;

2.02 Should at all times promote professionalism and improve the competency of management and employees; and

2.03 Should ensure adequate safety measures and provide proper protection to workers and employees at the workplace.

3.0 Social Responsibilities and the Environment

3.01 Should adopt an objective and positive attitude and give the utmost cooperation for the common good when dealing with government authorities or regulatory bodies;

3.02 Should ensure the effective use of natural resources and improve quality of life by promoting corporate social responsibilities; and

3.03 Should ensure that the activities and the operations of the Group do not harm the interest and well-being of society at large.

4.0 Compliance Standards

4.01 Should communicate any suspected violations of this Code promptly to the Chairman of the Audit and Risk Management Committee; and

4.02 Violations will be investigated by the Board or by persons designated by the Board and appropriate action will be taken in the event of any violations of this Code.