



Mi TECHNOVATION BERHAD

(Company No. 201701021661 (1235827 – D))

(Incorporated in Malaysia)

CODE OF CONDUCT FOR COMPANY DIRECTORS

Doc. No.: MiTB-PP-002-06

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1. INTRODUCTION

- 1.1 Mi Technovation Berhad and its subsidiaries (“the Company and/or Group”) has adopted the following Code of Conduct (“Code”) for Directors to reflect the underlying values and commitment to lay standards of trust, integrity, responsibility, excellence, commitment, diligence and professionalism contributing towards the social and environmental growth of the surroundings in which the Company operates.

2. OBJECTIVES

- 2.1 This Code is formulated with the intention of achieving the following aims:
- 2.1.1 To encourage high standards of honesty, integrity, ethical and law-abiding behavior expected of Directors;
 - 2.1.2 To foster standards to protect and promote the interests of shareholders and all stakeholders; and
 - 2.1.3 To provide guidance to the Board to maintain the confidence of shareholders and other stakeholders in the Company’s integrity.

3 CODE OF CONDUCT

Directors of the Group should at all times observe the following Code in the performance of their duties:

3.1 Conflict of Interest

- 3.1.1 The 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 (directly or indirectly).
- 3.1.2 In addition, a Director shall avoid any situation in which the Director has an interest in any entity or matter that may influence the Director’s judgment in the discharge of responsibilities.
- 3.1.3 When in doubt, Directors should adopt the highest standard of conduct and to consult Chairman prior to making any decision.

3.1.4 It is mandatory for Directors to declare his conflict of interest via Conflict of Interest Declaration Form for all actual, potential or perceived conflict of interest between the Company and a Director, or an associate of a Director such as a spouse, other family member, or a related company, the Director involved shall make full disclosure twice a year and upon appointment of the new Director.

3.1.5 Directors must promptly declare any new and potential conflicts of interest that arise or may arise by completing Conflict of Interest Declaration Form.

3.2 Confidentiality

3.2.1 Directors must at all times maintain and protect the confidentiality of all non-public information which may be obtained due to their positions from whatever sources. Such information shall not be used for any personal gain or in any manner that would be contrary to the law or detrimental to the objectives of the Group.

3.3 Insider Information and Securities Trading

3.3.1 No director shall use for personal benefit, any price sensitive non-public information, which can affect the price of the securities of the Company when it becomes publicly known.

3.3.2 Directors are prohibited to trade in securities or to provide information to others to trade in securities of the Company until the price sensitive non-public information is publicly released.

3.4 Protection of Assets and Funds

3.4.1 Directors are expected to be accountable to take reasonable care to manage and protect the Group's properties and assets, entrusted to them. These include tangible assets such as equipment and machinery, systems, facilities, materials, resources as well as intangible assets such as proprietary information, goodwill, harmonious relations with customers and suppliers.

3.4.2 The Group's properties and assets are to be used for legitimate business purposes only or any other purposes approved by the Board.

3.4.3 The Directors are expected to know that they do not have legal ownership of the Group's assets and properties but do have effective control of them. Hence, all Group's assets and properties are for use and employ for legitimate purposes, in the best interests of the Group.

3.5 Outside Interests

3.5.1 Directors shall not engage in outside interests which will undermine the performance of the directors or bring ill repute to the Group.

3.6 Compliance with Laws, Rules and Regulations

3.6.1 The Board requires all directors of the Group to strictly observe and comply with all applicable laws, rules and regulations of the governments, commissions and exchanges in the jurisdictions within which the Group operates and to which they are bound to observe in the performance of their duties.

3.7 Bribery and Gratification

3.7.1 Directors may not, in any circumstances, directly or indirectly, accept or obtain, or agree to accept or attempt to obtain, from any party, for themselves or for any other party (including their family members), any form of bribery or gratification as an incentive or a reward for doing or forbearing to do, or for having done or forborne to do, any act in relation to the Company's affairs or business, or for showing or forbearing to show favor or disfavor to any party in relation to the Group's affairs or businesses.

3.7.2 A "bribe" or a "gratification" as defined in Malaysian Anti-Corruption Commission Act 2009 is:

- (a) money, donation, gift, loan, fee, reward, valuable security, property or interest in property being property of any description whether movable or immovable, financial benefit, or any other similar advantage;
- (b) any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;
- (c) any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;
- (d) any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;
- (e) any forbearance to demand any money or money's worth or valuable thing;

- (f) any other service or favour of any description, including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted, and including the exercise or the forbearance from the exercise of any right or any official power or duty; and
- (g) any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding paragraphs (a) to (f).

3.7.3 The Group recognizes that involvement in bribery or gratification by any Director and staff will adversely affect the image and reputation of the Company and hence there is a clear need to create a corporate culture of good corporate governance free of bribery and other forms of corruption.

3.8 Anti-Corruption

3.8.1 Directors shall maintain a straightforward and clear-cut relationship with suppliers and/or business partners and abide by all reasonable contractual agreements and obligations.

3.8.2 Directors shall demonstrate independence and avoid any relationship; financial or otherwise, that could be unfairly influencing their judgment.

3.9 Anti-Fraud

3.9.1 All Directors shall act honestly and use reasonable diligence in the discharge of their duties.

3.10 Gifts and Entertainment

3.10.1 The Group prohibits the use of gifts, entertainment and corporate hospitality to influence business decisions. Vendors shall not offer gifts (including in the form of cash or cash equivalents), personal services, frequent lavish meals, improper entertainment that is indecent or sexually oriented, travel which is not for a legitimate business purpose, or those otherwise that may put the Company in a position of conflict, with an intention to influence business decision or was otherwise intended or given with the expectation of gaining any advantage, or which may adversely affect the Group's reputation.

3.10.2 Directors shall not seek, receive, offer or give directly or indirectly gifts, entertainment, hospitality and/or benefits as such to/from third parties to solicit business, favors or decisions to his/her advantage unless they are nominal gifts or commemorative by nature or the presentation of these gifts are disclosed to the Board.

3.10.3 Only in very limited, rare and defined cases is it permissible for Directors to give or receive any gifts, entertainment and/or hospitality such as during festive seasons or during any promotional activities or where refusal of such gifts and/or entertainment might be taken as a gesture of disrespect. Such gifts, entertainment and/or hospitality may be given or accepted if the quantum is below the nominal value and the provision and acceptance is done in a bona fide manner.

3.11 Travel

3.11.1 Directors may accept lodging and other expenses (e.g. food, transportation) provided by Counterparties, Business Partners or other stakeholders within the host country if the trip is for business purposes and prior approval has been obtained from Chief Executive Officer. The cost of travelling to the host country must be borne by the Company.

3.11.2 Unless prohibited by law or the policy of the recipient organisation, the Group may bear the costs of transportation and lodging for Counterparties, Business Partners or other stakeholders in connection with a visit to the Group's facility. The visit must be for a legitimate business purpose e.g. on-site examination of equipment, contract negotiations or training. Prior approval from Chief Executive Officer must be obtained.

3.12 Donation and Sponsorship

3.12.1 The Group donations and sponsorships are part of the Company's commitment to society and a way of contributing to worthy causes. Unfortunately, even legitimate donations and sponsorships sometimes have the risk of creating the appearance of bribery and corruption.

3.12.2 Directors must ensure that all donations and sponsorships on behalf of the Group are given through legal and proper channels. Particular care must be taken in ensuring that the charities or sponsored organisations on the receiving end are valid bodies and are able to manage the funds properly.

3.12.3 Directors should also avoid situations where conflicts of interests could arise from making donations or sponsorships. Beware of making contributions to charities or sponsored organisations that may have links to government officials or their families, as this could be seen as an act to influence the official's decision in gaining benefit to the Group.

3.12.4 Directors must obtain prior approval from Chief Executive Officer before making or receiving donations or sponsorships on behalf of the Group. Approved donations and sponsorships should be made transparently and recorded accurately.

3.13 Facilitation Payment

3.13.1 Facilitation payments are unofficial, improper, small transfers of value offered or made to secure or expedite a routine or necessary action to which we are legally entitled.

3.13.2 Directors shall not offer or give facilitation payment or other improper payment in order to achieve business or personal advantages for themselves or others.

3.14 Health, Safety and Environment

3.14.1 The Group is committed to provide a working environment which is safe, secure and free of danger, harassment, intimidation, threats and violence. The Group takes the policy to comply with all the applicable environmental safety and health laws and regulations.

3.14.2 The Directors shall at all times be committed to the following:

- Inhibit wasteful use of natural resources.
- Protecting the environment by minimizing and mitigating environmental impacts throughout the life cycle of operations and minimize harmful emissions to environment, including waste, air emissions and discharges to water.

3.15 Amendments to the Code

3.15.1 This Code shall be reviewed by the Board and amendments to be made from time to time to be in line with the changes in law, governance code couple with the change in Group's vision, mission and business plan.

3.15.2 Directors shall be fully informed of any amendments to the Code.

3.16 Enforcement of the Code

3.16.1 All Directors are to be accountable for full compliance to the Code.

3.17 Non-Compliance

3.17.1 In case of non-compliance with this Code, the relevant personnel shall investigate the matter and initiate the appropriate action.