



E.A. TECHNIQUE (M) BERHAD

CODE OF ETHICS

2022

Message from Chief Executive Officer

As our business grows in a dynamic and challenging environment, it has become imperatively necessary for the Group to adopt a formal policy on business ethics. The need is even more critical during times of fundamental change – times much like we now face. We have applied the code of ethics due to the changes. This code is meant to act as our moral compass, especially in managing highly complex businesses and difficult situations where the line between right and wrong often gets blurred.

This Code is intended to enable our employees to make decisions and act in a manner which supports our mission and values as well as protect the interest of our shareholders and the public at large. With the Code being part of how we do business, our employees can perform their job much more effectively. While we remain committed to enhance our growth and deliver the best value in everything we do, this Code helps us achieve the right things in the right manner at all time.

All employees within the Group are expected to comply and uphold the Code in the course of discharging their duties. Non-compliance is viewed seriously and will attract appropriate disciplinary action. When there is any form of violation of the Code occurred, it is the employees' responsibility to report it. Confidentiality of information will be strictly observed.

Moving forward, we are confident that the Code of Ethics will steer us towards sound decision-making and provides the integrity framework on how we conduct our business.

En Nasrul Asni Bin Muhammad Dain

Chief Executive Officer

E.A. Technique (M) Berhad

Note

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The Company reserves the right to review, amend or update this Code from time to time.

For any enquiries, please contact the Human Resource Department.

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1.0 Introduction

E.A. Technique (M) Berhad (“the Company”) has undergone a conversion process from a private limited company to a public listed company. We have identified and put into motion strategic initiatives designed to achieve our key objectives, which are:

- (a) Maximize shareholders’ value;
- (b) Practice good corporate governance and uphold ethics and values;
- (c) Exceed customers’ expectations and gain customers’ and partners’ respect and loyalty;
- (d) Strengthen the Company into an innovative and dynamic Group;
- (e) Be the preferred employer providing challenging career opportunities.

It is important for us to maintain the highest standard of integrity and professionalism in dealing in our business, as we move forward to succeed through the implementation of sound business principles and financial investments. That is why we have adopted this Code of Ethics (“the Code”) to be implemented throughout the E.A. Technique (M) Berhad group as a guide for our employees to understand and adopt the basic standards of conduct that is expected of them.

2.0 Employees' Responsibilities

Each employee of the Group is expected to be familiar with and understand the Code. Where the employee has doubts on the application of the Code, it shall be the employees' responsibilities to seek clarification from the Company's Human Resources Department.

The employee must also understand the underlying basic principles entrenched in the Code. These principles form the basis of the employees' conduct towards their co-workers, customers, suppliers and the general public. The basic principles are:

- (a) Honesty;
- (b) Integrity ; avoiding situations where the personal interest of the employee appears to be in conflict with the interest of the Company;
- (c) Leadership ; avoiding abuse or misuse of employees' position in the Company;
- (d) Professionalism; maintaining secrecy at all time of confidential information obtained in the course of the employees' employment in the Company and not disclosing or using such confidential information for personal advantage;
- (e) Loyalty ; avoiding placing the reputation of the Company in jeopardy;
- (f) Responsible ; disclosing and seeking clarification from relevant persons in the Company whenever in doubt or whenever ethical concerns arise;
- (g) Trustworthy ; avoiding misuse of the Company's resources or assets for personal gain;
- (h) Personal Conduct ; conduct and behave in good manners at any place and time that will not tarnish to the Company's good name.

3.0 Business Practices and Professionalism

Each employee of the Company should maintain his/her integrity, honesty and professionalism at the highest level at all time during his/her employment with the Company. As a matter of policy, every employee should observe and follow the Code in the course of performing their duties and obligations to the Company. Adherence should be given not only to the letter but also the spirit of the Code as well:

- (a) An employee should not make any explicit commitments regarding the Company's businesses without prior authorization in accordance with the Company's procedures, which are in force from time to time. All commitments with another party, which may create legal obligations on behalf of the Company should be expressed clearly, documented and confirmed in writing by a person having the mandate to confirm the same.
- (b) An employee shall not make any comments or make any negative statements about the Company, other companies or individuals, its business dealings or its policies or behave or engage in any activities, which may be construed in any ways as causing injury to the reputation or standing of the Company. An employee shall refrain from making any statements concerning the Company to the media or in any publication without prior written approval of the Company unless the employee is specifically employed to furnish such corporate information on behalf of the Company.
- (c) An employee shall be aware at all times that being an employee of E.A. Technique (M) Berhad, he/she represents a company with sound ethical standards and therefore should not cause the reputation or standing of the Company to be damaged in any way whatsoever or be held in ridicule by his/her actions/ omissions or take advantage of his/her employment in the Company to obtain any preferential treatment for his/her personal benefit.

4.0 Conflict of Interest

A conflict-of-interest situation arises when an employee's ability to perform his/her duties in the best interest of the Company is impaired or likely to be impaired by an external appointment, relationship, activity or personal interest. An employee should also avoid any situation where his/her personal interest appears to be in conflict with the interests of the Company or reflects unfavourably on the employees' integrity.

The following relationships, activities and employees' conduct are examples of situations where a conflict-of-interest situation would arise. In the event of such a situation, full and frank disclosure has to be made by the affected employee to the Company and/or prior written approval from the Company has to be obtained in respect of the same, failing which the affected employee may be subjected to disciplinary proceedings in accordance with the Company's procedures as the case may be:

- (a) An employee or his immediate family member having a substantial interest in any firm or organization, which has or is seeking to conduct business dealing with the Company where there is an opportunity for preferential treatment. Immediate family members shall include the employees' spouse, parents, brothers, sisters, children including adopted and stepchildren and their spouses and this definition shall apply throughout the Code.
- (b) An employee holding a substantial interest in any competitor of the Company.
- (c) An employee or his immediate family member competing directly or indirectly with the Company through outside business activities.
- (d) An employee serving as an employee or director of any other Company, or in a management capacity for or as a consultant to any firm or organization.
- (e) An employee's immediate family member is employed by a competitor or is self-employed in a common business with the Company where the said employee or his/her immediate family member could have access to highly sensitive information of competitive value in relation to the Company.

- (f) The acceptance by an employee of membership on the board of directors of any organization which is or is going into business with the Company or as a consultant or adviser to any such board of directors or to the management of a firm, person or organization which is or is going into the same business as the Company.
- (g) The acceptance by an employee's immediate family member of membership on the board of directors of any organization which is or is going into business with the Company or as a consultant or adviser to any such board of directors or to the management of a firm, person or organization which is or is going into the same business as the Company.
- (h) An employee approving or administratively controlling contracts or other business arrangements between the Company and his/her immediate family member or with an individual, firm or organization employing the employee's immediate family member in activities under the employee's administrative control.
- (i) Undertaking employment concurrently with any other firm or organization if such employment encroaches or interferes with the actual employment of the employee with the Company.
- (j) Lending money, guaranteeing debts, borrowing money (save for borrowings from licensed financial institutions or other licensed money lenders) or accepting extravagant gifts or benefits are any from whatsoever so as to place the employee under an obligation to a third party having business dealings with the Company.
- (k) The use by an employee of the Company's personnel equipment suppliers or other resources for his/her personnel benefit contrary to the Company's policies and procedures.

The above list is not exhaustive. The Company may from time-to-time revise, amend or add situations, which in the opinion of the Company's may lead to a conflict-of-interest situation between the Company and the employee. The employee must refrain from putting himself/herself in a conflict-of-interest situation.

5.0 External Directorship

- (a) It is the Company's policy to restrict an employee's directorship outside the E.A. Technique (Malaysia) Berhad and to prohibit the acceptance of such a position if it would involve, inter alia, a conflict-of-interest situation or interfere with the complete and proper discharge of the employees' duties to the Company.
- (b) An employee wishing to serve as a director outside the Company must apply in writing to the Company providing justifications for the holding of such directorship(s). All directorship posts held whilst in the employment of the Company must be declared and approved by the Company. The consent from the Company must be in writing and is subject to review from time to time. The Company in giving consent may further impose specific conditions as deemed appropriate on a case-by-case basis.
- (c) Directors' fees, meeting allowances and all other remuneration received by the employee relating to his/her position as a director outside the Company shall be declared to the Company.

6.0 Rewards and Gifts

- (a) The acceptance of a gift by an employee must always be subject to the provision allowable under the relevant anti-bribery legislations currently in force or any integrity obligations taken up by the Company. The following provision serves as a guideline on what constitute appropriate gifts or token that can be received by an employee.
- (b) Employees shall not accept or offer gifts, gratuities, or favours, except those associated with common business courtesies of a normal value of RM500 or less. Gifts exceeding this amount may be made to customers or other persons subject to the Chief Executive Officer's or Chairman's approval.
- (c) An employee shall not solicit or accept any benefits, reward or gift of any kind, intended to create an improper advantage or that which may create the appearance of impropriety, either directly or indirectly from third parties or from any other employee of the Company.



- (d) An employee shall not offer, give or promise any benefit, reward or gift of any kind (which is of substantial value), intended to create an improper advantage or that which may create the appearance of impropriety, either directly or indirectly to any employee or agent of any organization that has business dealings with the Company.
- (e) The provisions above shall extend to inter-Company business transactions and to any governmental body/officials. The onus to report/declare the receipt or giving of rewards or gifts above is placed on the employee concerned.
- (f) The above provisions do not prohibit lawful reimbursement for reasonable and bona fide expenditures incurred by an employee who is directly related to the promotion of the Company's products and/or services.
- (g) Any appointments or approvals for selecting persons or third parties to represent the Company in matters must be exercised with due care and diligence.

7.0 Entertainment of Customers

Where it is believed necessary in the interest of maintaining or improving customer relations, entertainment of clients and/or prospective clients may be offered and financed from the Company's funds. In all such cases, such entertainment expenditure will be recorded in the Company's accounts supported by receipts and made subject to normal audit. The of Department will decide such entertainment expenditure in accordance with their current Financial Authority Limit.

8.0 Political, Social, Professional Bodied or External Activities

- (a) Contributions to political or social parties or movements or professional bodies where permitted by local law and practice must be authorized by the Company in writing.
- (b) An employee engaging in politically, socially or professional body-related activities will do so in his/her personal capacity as a private citizen and not as a representative of the Company, and this should be made a matter of public record. He/she shall ensure that his/her activities do not interfere with the efficient and due discharge of his/her duties to the Company. The employee shall also ensure that the Company is not perceived as supporting the employee's activities. If such activities encroach into the actual work and working hours that should be devoted to the Company, prior written approval from the Company must be obtained.

9.0 Insider Trading

An employee is not allowed to indulge in the practice of Insider Trading in the manner prohibited under the Capital Market and Services Act 2007, Companies Act 1965, the Bursa Malaysia Securities Berhad Main Market Listing Requirement, Bursa Malaysia Securities Berhad Ace Market Listing Requirements and other relevant laws and guidelines as may be imposed by the relevant authorities from time to time.

(a) Insider

For the purpose of this section, an insider shall include:

- i. Beneficial trustees of such employee and/or his/her immediate family member;
and
- ii. Other persons acting on behalf of or in conjunction with such employee and/or his/her immediate family member who;
 - Possesses information by virtue of his/her being connected with the Company;

- Possesses information which if generally known might reasonably be expected to have a material effect on the price or the value of securities of the Company, its customers and/or suppliers; and
- Knows or ought to have reasonably known that the information is not generally available.

(b) Dealing in Securities of the Company

No insider shall deal in the securities of the Company;

- i. During the period commencing from one month prior to the targeted date of announcement to the relevant stock exchange of the quarterly results up to one full market day after the announcement of the Company's results for the financial quarter; or
- ii. Where the employee has knowledge of price-sensitive information not generally available to the public, during the period commencing from the time information is obtained, up to one full market day after the announcement to the relevant stock exchange of a matter that involves price-sensitive information in relation to the securities concerned has been made.

(c) Dealing in Customer or Suppliers' Securities

At any time when the employee has knowledge of price-sensitive information not generally available to the public, no dealings in the securities of customers or suppliers, on the basis of information gained as an employee should take place.

(d) Dealing in Merger / Acquisition Situations

An employee or his/ her immediate family member shall not in any way whatsoever deal in the securities of any target company from the time when there is reason to suppose that an approach or offer is contemplated unless an announcement of completion or termination has been made to the public.

For the avoidance of doubt, “dealings” shall mean any transaction relating to;

- i. shares in or debentures of the Company or any interest other than shares or debentures within the meaning of Section 84 of the Companies Act, 1965; or
- ii. rights or options in respect of the acquisition or disposal of such shares, debentures or interests.

10.0 Confidentiality

(a) Company Data

- i. Employees must always treat all information concerning the Company as private and confidential. Information on Company’s businesses including amongst others, but not limited to financial or business forecasts, competitive bids, accounts, administrative activities and investments whether electronically or manually kept should never be discussed internally or in public except when required in the normal course of business or by regulations or law.
- ii. Every employee is to seek prior approval from his/her respective Heads of Departments should a request for information or disclosure be made by third parties before disclosing the same.
- iii. An employee is strongly advised not to discuss Company matters among immediate family members, relatives, friends, acquaintances which can cause misinterpretation or create misunderstandings on the Company’s operations, business undertakings, image and reputation.
- iv. An employee is prohibited from using directly or indirectly, information that is not available to the public for his/her personal gains.

(b) Disclosure

The following areas are not to be disclosure by an employee without the prior written approval from the Company unless it is deemed to be within the public domain:

- i. Audit and any report on Company's businesses;
- ii. Information provided to authorities in relation to the Company;
- iii. Company's proprietary information regarding earnings, corporate financial matters, business plans, marketing strategy, investment strategy, technical data on projects processes and/or methods, technology and business opportunities;
- iv. The Company's computer-based data codes or passwords and source codes; and
- v. Any other confidential information or documents, which in the opinion of the Company should be treated as confidential.

(c) Price-sensitive Information

- i. All price-sensitive information is strictly confidential to the employee concerned and should not be used by any employee in connection with the sale and purchase of securities or products of the Company or discussed with any third party except in certain circumstances for instance disclosure to professional advisers appointed by the Company and relevant authorities as required to be disclosed under the law or regulations.
- ii. Price-sensitive information is any information on the Company, which if made known generally to the investing public would likely to have an effect on the price of the Company's securities.
- iii. Such price-sensitive information may include amongst others, any information on profit/losses, cash flow, merges and acquisition and major capital expenditure.



- iv. It is imperative for an employee to be aware of the Company's policy on confidentiality.
- v. Confidential information does not only relate to information regarding the Company but also information relating to the Company's customers/partners, which the employee has obtained during the course of his employment.
- vi. An employee should always secure all records of his dealings/transactions.

11.0 Working Environment

- (a) It is the Company's policy to provide a healthy working environment that foster mutual respect among employees and a harassment-free working relationship.
- (b) The Company strictly prohibits any form of harassment, which includes but not limited to unwelcome verbal or physical sexual advances, sexually, racially or otherwise derogatory or discriminatory materials, statements or remarks during the performance of official duties where the inappropriate conduct has the purpose or effect of:
 - i. Creating an intimidating, hostile or offensive working environment;
 - ii. unreasonably interfering with an employee's work performance; or
 - iii. affecting an employee's employment opportunity.
- (c) Any employee who believes that he/she has been subjected to harassment and any employee who observes or becomes aware of any harassment should immediately report the incident to his/her immediate superior or to the Human Resource Department. All such reports will be treated as confidential.

12.0 Sexual Harassment

- (a) In accordance with the Code of Practice “On the Prevention and Eradication of Sexual Harassment in The Workplace” issued by the Ministry of Human Resources, sexual harassment means :

Any unwanted conduct of a sexual nature, which is unwanted, unwelcome, unsolicited and imposed on, having the effect of verbal, non-verbal, visual, psychological or physical harassment:

- i. that might, on reasonable grounds, be perceived by the recipient as placing a condition of a sexual nature on his/her employment;
 - ii. that might, on reasonable grounds, be perceived by the recipient as an offence or humiliation, or a threat to his/ her well-being, but has no direct link to his/her employment.
- (b) Based on the above definition, sexual harassment can be categorized as:
- i. Sexual coercion that results in some direct consequence to the victim’s employment. Failure to accede to the coercion may result in withholding of pay increase, bonus, promotion and other benefits.
 - ii. Sexual annoyance is sexually-related conduct that is offensive, hostile or intimidating to the recipient, but has no direct link to any job benefit. A sexual harassment by an employee against a co-employment fall into this category.
- (c) Within this context, sexual harassment in the workplace includes any employment-related Sexual harassment occurring outside the workplace and outside official working hours as a results of employment responsibilities or employment relationships.

- (d) Sexual harassment encompasses various conducts of a sexual nature which can manifest themselves into five general forms, namely:
- i. Verbal harassment; offensive or suggestive remarks, comments, jokes, jesting, kidding sounds and questioning;
 - ii. Non-verbal/gestures; leering or ogling with suggestive overtones, licking lips or holding or eating food provocatively, hand signal or sign language denoting sexual activity, persistent flirting;
 - iii. Visual harassment; showing pornographic materials, drawing sex-based sketches or writing sex-based letters, sexual exposure;
 - iv. Psychological harassment; repeated unwanted social invitations, relentless proposals for dates or physical intimacy;
 - v. Physical harassment; inappropriate touching, patting, pinching, stroking, brushing up against the body, hugging, kissing, fondling, sexual assault.

13.0 Violation

- (a) Non-compliance with the Code is a misconduct, which will result in an investigation / inquiry to establish the facts and if substantiated may lead to disciplinary action being taken.
- (b) In the case of suspected corruption or other forms of criminal activity or breach of law or regulations, the Company has the right to report the case/breach to the appropriate authorities.
- (c) An employee who has any knowledge of any questionable or possible breach of the Code or possible illegal action affecting the Company is expected to promptly report such actions to His superior or to the Company immediately. Additionally, full disclosure and co-operation of the employee with the parties involved in the investigation is essential. Any concealment regardless of any reasons will be considered a violation of the Code.

14.0 Procedure Guideline

- (a) The Chief Executive Officer will propose any amendments to this Code of Ethics and the Boards will consider approving such proposal. Where necessary, the Boards may recommend the same to other companies within the Group.
- (b) The Head, Human Resource for the Group will be the custodian of this Code and its related processes.
- (c) Human Resource will circulate the Code to all employees, permanent and contractual. All new employees will be given a copy of the Code on the first day of work. All employees, upon receipt of a copy of the Code, are required to acknowledge understanding and acceptance of the Code and submit such acceptance directly to the Human Resource Department.
- (d) The Human Resource Department will also develop a mechanism of implementation and monitoring to ensure that employees are conversant with the Code at all times.
- (e) Employees who wish to report on any non-compliance regarding any part of this Code can lodge a complaint directly to the Head Human Resource by including relevant details of such violation. The identity of the complainant shall be kept confidential at all times.
- (f) It is required of the complainant not to disclose such information relating to the violation of the Code to anyone unless authorized by the Head Human Resource.
- (g) The Head, Human Resource will undertake an investigation by utilizing any resources at his/her disposal in order to establish the facts pertaining to the alleged violation.
- (h) The findings and conclusion of such investigation will be submitted to the Managing Director for further action.

- (i) Any findings of fraud activities must be reported to the Audit Committee.
- (j) In the event that there is a basis for disciplinary action, the Human Resource Department will undertake all action deemed necessary to institute the appropriate disciplinary measures.
- (k) If the allegations are found to be untrue, the findings will be communicated to the complainant. The findings of the investigation will be treated as confidential at all times and the complainant is not allowed to disclose such findings to anyone unless authorized by the Head, Human Resource.
- (l) Employee, who also has been solicited for gifts or rewards or have received the same as describe herein in Clause 6.0 of the Code, must report such matters in writing directly to the Head of the Department or to the Chief Executive Officer, whichever is applicable.
- (m) Employee must obtain prior approval for the Head of the Department on matters pertaining to the entertainment of customers, herein included in Clause 7.0 of the Code.
- (n) Employees must also declare their participation in any form in any other businesses, political or social bodies to the Head, Human Resource. Prior written approval must be obtained before the employee can be allowed to participate in such organizations. Approval shall be at the discretion of the Company.
- (o) The Company may require any employee who has such interests as stated above, to relinquish their positions in such businesses, political or social bodies, if the Company finds that such involvement is detrimental to the wellbeing of the Company and / or that it violates any part of this Code. Such decisions will be communicated to the employee in writing.