

**1.0 INTRODUCTION**

Metronic Global Berhad (“the Company”) has adopted the following Code of Conduct and Ethics (“Code”) for Directors to instil the underlying values and commitment to lay standards of trust, ethics, integrity, responsibility, excellence, commitment, dedication, diligence and professionalism contributing towards enhancing social values and sustaining environmental growth of the surroundings in which the Company operates.

Directors are to adhere to, comply with and uphold the provisions of the code in carrying out their functions.

**2.0 PURPOSE**

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

- i. To encourage high standards of honesty, integrity, ethical and law-abiding behaviour expected of Directors;
- ii. To foster standards to protect and promote the interests of shareholders and all stakeholders; and
- iii. To provide guidance to the Board of Directors (“the Board”) to maintain the confidence of shareholders and other stakeholders in the Company’s integrity.

**3.0 CODE OF CONDUCTS**

The Directors shall at all times, act within the authority conferred upon them in the best interests of the Company and will:

- i. act in the best interest in fulfilling their fiduciary obligations to the Company and its shareholders;
- ii. act honestly, ethically, integrity and transparently;
- iii. conduct professionally, courteously and respectfully in manner and not to take improper advantage of their position;
- iv. act in good faith, responsibly with due care and diligence without allowing their independent judgment to be subordinated;
- v. use their prudent judgment to prevent from all situations, decisions which give or may give rise to conflict of interest or potential conflict with their responsibilities within the Company, and to inform the Board, at the earliest opportunity, of any existing or potential conflict of interest situation;

- vi. not to exploit for his/her own personal gain through the use of corporate property, information or position, unless otherwise proven that the Company is not interested to pursue such opportunity;
- vii. act to maintain and improve Company's reputation; and
- viii. always strive to contribute towards the growth and stability of the Company.

## **4.0 DIRECTORS**

### **4.1 DIRECTORSHIP**

Directors must at all times, comply with the restriction on the number of directorships as prescribed under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR").

In addition, a Director should disclose changes of his/her directorship to the Board by informing the Chairman of the Nomination Committee prior to accepting other directorships in any other public listed company and subsequently, of any change of his/her directorships. Unless prior notice has been given to the Board through the Chairman of the Nomination Committee.

Director shall not serve as director of any other listed company or as partner of a firm that is engaged in a competing business with the Company and shall not hold any position or accepting any appointment that are prejudicial to the interests of the Company.

### **4.2 ATTENDANCE OF DIRECTORS' MEETING**

Director shall 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;

The office of a director will become vacant if the director is absent from more than 50% of the total board of directors' meetings held during a financial year.

### **4.3 TRAINING**

Director must ensure that he/she attends training programmes as may be prescribed by the MMLR from time to time.

Directors are required to disclose to the Company Secretary on the training attended at the end of each financial year.

## **5.0 LAW COMPLIANCE OBLIGATIONS**

All Directors are expected to comply with all applicable laws, rules and regulations of the jurisdictions which the Group operates that are applicable to their positions

and work.

All Directors must have or acquire appropriate knowledge and skills relating to their duties sufficient to enable them to identify potential non-compliance matters and to seek advice from the Management or advisors.

#### **6.0 CONFLICT OF INTEREST**

The Directors should avoid involving themselves in situations where there is a real or apparent conflict of interest between them as individuals and the interest of the Company and its subsidiaries (“the Group”). Directors must not use their positions or knowledge gained directly or indirectly in the course of carrying out their duties or employment for private or personal advantage (directly or indirectly).

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 discharging of responsibilities. The Directors shall fully disclose any actual or potential conflicts of interest to the Board of Directors and / or the Management, at the earliest opportunity, of any existing or potential conflict of interest situation.

#### **7.0 CONFIDENTIAL INFORMATION**

All information obtained in the Company’s business, customer and suppliers, which Directors have privy access or knowledge must be considered privileged and confidential and to be kept strictly confidential at all times.

Unless authorised by the Board or required by law or regulatory body, Directors must not disclose to any third party any information or make any forward looking statements which are price sensitive in nature.

#### **8.0 INSIDER DEALING**

All non-public information about the Company and its subsidiaries (“the Group”) should be considered confidential information. Directors who have access to confidential information are not permitted to use or share that information for trading purposes in the Company’s securities, or for any other purpose except for carrying out of the Group’s business.

#### **9.0 INTEGRITY AND PROFESSIONALISM**

Directors are representatives of the Company and are constantly being judged and otherwise appraised by the public. All Directors should conduct with the highest degree of integrity and professionalism in the workplace or any other location while on Company’s business.

#### **10.0 REPRESENTATION**

The Company is represented by the Board and its Authorised Spokespersons (“AS”)

in all its public appearances in disclosing information related to the Company's activities to the public at large i.e. the media, the financial community, employees and shareholders.

All disclosure of information must strictly adhere to the policy set up by the Company and is the responsibility of the Board to ensure the adherence.

#### **11.0 GIFTS AND HOSPITALITY**

Directors shall not accept from any firms or individuals doing or seeking to do business with the Company any of the following:

- i. Raw materials, services, repairs at no cost or at unreasonably low prices;
- ii. Loans or advances (other than financial institutions);
- iii. Excessive or extravagant entertainment; and
- iv. Gifts as cash or in kind and gift certificates (except gifts in relation to cultural celebration)

#### **12.0 ANTI-BRIBERY**

Directors are prohibited to attempt to offer, give, ask for, accept or receive any form of bribe. A bribe occurs when someone attempts to influence a decision by offering some form of undue or improper advantage, incentive or favour.

#### **13.0 HEALTH, SAFETY AND ENVIRONMENT**

The Company is committed to provide a working environment which is safe, secure and free of danger, harassment, intimidation, threats and violence. The Company takes the policy to comply with all the applicable environmental safety and health laws and regulations and strive to implement industry recognised best practices whenever possible.

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

- i. Inhibit wasteful use of natural resources; and
- ii. 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.

#### **14.0 COMPANY'S RECORDS**

Company books and records should be maintained in confidential, safeguarded from loss and destruction. All information and data resident on the Group's computers (including personal computer, workstation, desktop and/or server) are

the sole and exclusive property of the Group. Care must be exercised with respect to computer data and information to protect them against intentional or unintentional corruption. All Company's records shall be retained by the Group for a minimum of seven (7) years.

The Group's books and records are to be prepared precisely, reliably, honestly and in a timely manner. Accurate and reliable records are necessary to meet the Group's legal and financial obligations. No director is allowed to participate in the creation of (or falsification or alteration of) any Company records that are intended to mislead anyone or conceal anything improper.

#### **15.0 COMPANY'S ASSETS AND PROTECTIONS**

Directors are expected to be accountable to take reasonable care to manage and protect the Company'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.

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

#### **16.0 AMENDMENTS TO THE CODE**

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 Company's policies.

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

#### **17.0 ENFORCEMENT OF THE CODE**

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

#### **18.0 NON-COMPLIANCE**

The Board will take any necessary action to ratify on the non-compliance if there is a breach of the Code by any Directors.

If it is determined that this Code has been violated, either directly, by failure to report a violation, or by withholding information related to a violation, the offending Director may be disciplined for non-compliance including removal from office or dismissal. Such penalties may include written notices to the individual involved that a violation has been determined, censure by the Company, demotion or re-assignment of the individual involved and suspension with or without pay or benefits. A violation of this Code may also constitute a violation of applicable laws

and may result in criminal penalties and civil liabilities on the offending Director and the Company. Directors are expected to cooperate in internal investigations of misconduct.

**This Code of Conduct was revised by the Board of Directors of Metronic Global Berhad on 22 October 2019. Any subsequent amendment to the Code can only be approved by the Board.**