

PRIVASIA TECHNOLOGY BERHAD

CODE OF ETHICS AND CONDUCT FOR DIRECTORS



**PRIVASIA
TECHNOLOGY BERHAD**
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CODE OF ETHICS AND CONDUCT FOR DIRECTORS

1. INTRODUCTION

This Code of Ethics and Conduct (“**Code**”) is adopted by the Directors of **PRIVASIA TECHNOLOGY BHD** (“**the Company**”) to attain best corporate governance practices and compliance with legislation governing Director’s duties in discharging their duties to achieve corporate objectives.

In addition, this Code is to reflect the underlying values and commitment to strengthen standards of trust, accountability, integrity, honesty, ethics and professionalism contributing towards the social and environmental growth of the work environment in which the Company operates.

Where required, reference is also made to the Privasia Group (“*Group*”) of Companies comprising of the following companies:-

- i. PRIVASIA Sdn Bhd
- ii. PRIVASAT Sdn Bhd
- iii. PRIVANET Sdn Bhd
- iv. PRIVATEL Sdn Bhd
- v. PRIVATEL (SG) Pte Ltd
- vi. PRIVAPORTS Sdn Bhd
- vii. FINANSHERE Sdn Bhd
- viii. PRIVARAIL Sdn Bhd
- ix. SPRING REACH DISTRIBUTION Sdn Bhd
- x. DIGITAL MEDTECH SOLUTIONS Sdn Bhd
- xi. PRIVACOM Sdn Bhd
- xii. PRIVASIA IOT Sdn Bhd
- xiii. INFOCRATS Sdn Bhd
- xiv. MAPRI Sdn Bhd

2. PURPOSE

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

- (a) To establish a standard of ethical *behaviour*, high standards of honesty, integrity, and law-abiding behaviour expected of Directors;
- (b) To maintain a standard to protect and promote the *interests* of shareholders and all stakeholders; and
- (c) To provide guidance in respect of the *responsibility* and *accountability* of Directors under applicable legislations, regulations, and guidelines.



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3. DEFINITION

Director includes all Executive and Non-Executive Directors.

4. CODE OF CONDUCT AND ETHICS FOR DIRECTORS

In performing and discharging his or her duties, a Director shall at all times, maintain a high level of integrity and act within the authority conferred upon them in the best interests of the Company. This includes the following:-

- (a) acting in the best interest in fulfilling their fiduciary obligations to the Company and its shareholders;
- (b) acting honestly, ethically, with integrity and transparently and not take improper advantage of their position;
- (c) acting in good faith, responsibly, with due care and diligence, without compromising their independent judgment, or allowing it to be subordinated to pressure(s);
- (d) using prudent judgment to avoid or prevent (from all situations that may arise) 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 of the same at the earliest opportunity;
- (e) not to exploit any business or commercial opportunities for their own personal gain, through the use of any means, unless the Company is not interested to pursue such opportunities and consent of the Board (after full disclosure) has been obtained; and
- (f) maintain Company's good reputation and strive for the growth and stability of the Company.

5. INSIDER TRADING

An "insider" includes all directors, whether executives or non-executive, all employees, family members of directors and employees; those in fiduciary or beneficial trusts relationships to the above mentioned; persons acting on behalf of or in conjunction with the abovementioned.

Directors who are in the possession of insider information are prohibited from: -

- (a) trading in the securities of the Company or the shares of another listed company if that information has not been made public and classified as insider information such as financial results, potential acquisitions or divestments, marketing plans or new products;
- (b) communicating such insider information to any unauthorized persons, for the benefit of himself or any other persons; and
- (c) Directors who commit insider trading, may be subjected to the relevant criminal and civil actions under Malaysian Law which includes Capital Markets and Services Act 2007.

6. CONFLICT OF INTEREST

A conflict of interest occurs when a Director's personal interest conflicts with (or may appear to be adverse to) his/her duties owed to the Company as a whole. This includes when a director, or a member of his or her immediate family, receives improper personal benefits as a result of his or her position as a director of the Company. Any situation that involves or may reasonable be expected to involve such conflict of interest, either directly or indirectly, shall be disclosed immediately to the Board prior to engaging in any business or related activity that may lead to a conflict of interest.



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Procedures for managing Conflict of Interest:

- (a) All Directors should avoid getting involved in situations where there is a real or apparent conflict of interest between them as individuals and the interest of the Company and/or Group;
- (b) All Directors should adopt the highest standards of conduct, adhere to the procedures provided by the relevant laws (including but not limited to the Companies Act 2016, Bursa Securities Main LR) and to consult the Board Chairman prior to making any related decision;
- (c) All Directors are required to disclose the nature and extent of any conflict of interest, whether direct or indirect, actual or potential with the Group to the Board Chairman;
- (d) Such disclosures on potential conflict of interest includes (but is not limited to) any transaction, procedure or course of conduct that raises questions of the Company or the Group's integrity, and must be tabled to the Board for review;
- (e) All Directors shall report all potential conflict of interest to the Board and a resolution by the Board as to the acceptability or lack thereof of any potential, real conflict situation, relationship or transaction by the Board shall be deemed final and taken in the best interest of the Company;
- (f) A Director shall not vote on any Board resolution approving any contract or arrangement or any other proposal in which he/she or any of his/her close associates has a material interest nor shall he/she be counted in the quorum present at the meeting;
- (g) If a substantial shareholder or a director has a conflict of interest in a matter to be considered by the board which the board has determined to be material, the matter should be dealt with by a physical board meeting rather than a written resolution. Independent non-executive directors who, and whose close associates, have no material interest in the transaction should be present at that board meeting; and
- (h) Non-disclosure of conflict of interest will be subject to appropriate internal disciplinary action and applicable civil and criminal liability.

7. CONFIDENTIAL INFORMATION

- (a) Directors must treat all such information in strictest confidence, not disclose such information to any unauthorised persons, take all necessary precautions to maintain such confidentiality and not use it, directly or indirectly, for any purpose other than what it has been intended, except when disclosure is authorised or legally required;
- (b) All confidential, sensitive, and non-public information obtained in the Company's business, customer and suppliers, to which Directors have privy, access or knowledge must be considered privileged and confidential, and must be kept strictly confidential at all times;
- (c) Unless expressly authorised by the Board or required by law or regulatory body, Directors must not disclose to a third party any such information or make any forward looking statements which are price sensitive in nature;
- (d) The obligation to preserve the confidential information of the Company or Group is a continuing one and continues even after the individual ceases to be a Director of the Company or Group.



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8. LAW COMPLIANCE OBLIGATIONS

- (a) Directors shall comply and oversee due compliance by employees, officers and other directors and are expected to 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 Company's management or advisors;
- (b) Directors must keep up-to-date with the affairs of the Company and be kept informed of the Company's compliance with applicable rules and legislation and contractual requirements.

9. INTEGRITY, RESPONSIBILITIES AND PROFESSIONALISM

- (a) Directors should remember that they represent the Company and are constantly being judged, viewed and otherwise appraised by the public. All Directors should conduct himself or herself with the highest degree of integrity and professionalism in the workplace or any other location while on Company's business;
- (b) In the performance of a Director's duties, he or she must strive to set, implement, and maintain, exemplary principles of conduct which include (but is not limited to) the following:
 - Overseeing the business of the Company and/or the Group, including periodical assessment on whether the business is being properly managed;
 - Exercising all reasonable care, skill, diligence and applying good judgement when discharging his or her duty to act in the best interest of the Company;
 - Identifying and anticipating principal risks, and taking all necessary measures and safeguards, and implementing appropriate risk-avoidance or minimisation strategies to manage such risks;
 - Reviewing the adequacy and integrity of the Company's internal control and management information systems;
 - Ensuring due compliance with all rules, principles and guidelines of Bursa Malaysia Securities Berhad ACE Market Listing Requirements, Malaysian Code on Corporate Governance, Code of Ethics for Company Directors and all other applicable laws, regulations, rules, directives and guidelines, where applicable;
 - Establishing an independent and reliable internal audit function in order to achieve regular review and/or appraisal of the effectiveness of the system of internal controls within the Company; and
 - Managing interest and expectation of shareholders, employees, creditors and customers of the Company.

10. GIFTS AND HOSPITALITY

Directors, as a general rule, shall not accept from any firms, entities or individuals doing or seeking to do business with the Company, any gifts, donations, sponsorship, or other forms of benefits, including but not limited to, the following:

- (a) Raw materials, services, repairs at no cost or at unreasonably low prices;
- (b) Loans or advances (other than from financial institutions);
- (c) Excessive or extravagant entertainment; and
- (d) Gifts as cash or in kind and gift certificates (except gifts in relation to cultural celebration)



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In other circumstances, where gifts are accepted, Directors shall ensure that all gifts received from external parties shall be declared to the Managing Director, details of which is to be kept and recorded in a proper manner.

When dealing with gifts, donations, sponsorship, and any other form of benefits, a Director shall uphold the highest integrity and ensure compliance with the relevant laws in respect of anti-corruption and bribery.

11. ANTI-CORRUPTION AND WHISTLE-BLOWING

Any forms of bribery and corruption is strictly prohibited. Directors must comply with all applicable anti-corruption laws and regulations, including but not limited to, the Malaysian Anti-Corruption Commission Act 2009. Directors are prohibited from (or even attempting to) offering, giving, asking for, accepting or receiving any form of bribe or benefits which could reasonably be expected to influence the performance of the Director's duties in any aspect.

A bribe occurs when someone does anything (or attempts) to influence a decision by offering some form of undue or improper advantage, incentive or favour.

Whistle-blowing addresses the concerns where the interests of the Company are at risk, with the objective to provide an avenue for employees to disclose any wrongdoing. All Directors are therefore to ensure that such whistle-blowing employees will be protected from discrimination or victimization and reprisals for whistleblowing in good faith.

Directors are responsible for reporting their concerns, or knowledge, on any breaches of this Code (whether by directors, or employees) to the Board (or the Board Chairman where considered more appropriate) where they have reasonable and probable grounds for their concerns, and where such report(s) are made in good faith, in the best interests of the Company or Group.

12. ANTI-MONEY LAUNDERING

Directors should not tolerate any form of money laundering activities in the Company or Group. Appropriate measures shall be undertaken to prevent the Company's financial transactions from being used by others to launder money. Directors need to be mindful of the money laundering risk and to promptly raise any suspicious transactions to the Company.

13. HEALTH, SAFETY AND ENVIRONMENT

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



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- (b) Sexual harassment in the workplace includes any employment-related sexual harassment occurring inside (or outside) the workplace as a result of employment or employment-related responsibilities at places including (but not limited) to the following:-
- i. at work-related social functions;
 - ii. in the course of work assignment outside the workplace;
 - iii. at work-related conferences or training sessions;
 - iv. during work-related travel;
 - v. over the phone; and
 - vi. through electronic media
- (c) All Directors and employees (including supervisors and managers) will be subject to disciplinary action (including but not limited to dismissal) for engaging in any form of sexual harassment. Anyone who make false or malicious complaints of sexual harassment (as opposed to complaints that are made in good faith) will also be subject to disciplinary action.
- (d) An independent and thorough investigation in a manner that is as confidential as possible under the circumstances will be carried out on all complaints received alleging sexual harassment.

14. 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 laws and regulations, applicable listing requirements and governance codes, coupled with the change in Company's vision, mission and business plan. Directors shall be fully informed of any amendments to the Code.

15. ENFORCEMENT OF THE CODE & NON-COMPLIANCE

All Directors are to be responsible for full compliance with the Code. In the event of any violation of this Code by any Director, the Board of Directors shall determine appropriate actions to be taken after considering all relevant information and circumstances.