



SOUTH MALAYSIA INDUSTRIES BERHAD
[COMPANY NO. 196901000152 (8482-D)]

&

ITS GROUP OF COMPANIES

**CODE OF CONDUCT AND ETHICS
FOR EMPLOYEES
(COCE)**

Code of Conduct and Ethics for Employees		
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1. INTRODUCTION

SMIB Group means South Malaysia Industries Berhad and its subsidiaries (collectively referred to as the “Company” or “SMIB”) have adopted a **ZERO TOLERANCE policy against all forms of bribery and corruption**. The Company is committed to working with its business partners, regulators and law enforcement agencies to create a business environment that is free from bribery and corruption.

In line with the Company's commitment, all Employees (as defined below) are expected to conduct themselves to the highest standard of integrity and ethics.

2. SCOPE AND APPLICATION

This Code of Conduct and Ethics for Employees ("**COCE**") shall apply to every director and employee of the Company, including full-time or permanent employees, part-time employees, employees on probation, trainees and interns, employees on secondment and employees on fixed-term contracts (collectively, "**Employees**").

This COCE is not meant to cover all possible circumstances in which Employees may encounter in the course of work. The objective of this COCE is to assist Employees in defining ethical standards and conduct in their course of work.

If there is any doubt that is not covered by this COCE, Employees must refer to their immediate superior, the Head of Division / Department, or the HR Department for clarification or guidance.

3. OBLIGATIONS

The Company is committed to conducting its business professionally, ethically, and with the highest standards of integrity and honesty, in a manner consistent with this COCE, its policies, and all applicable laws, rules, and regulations.

Employees have a continuing obligation to familiarise themselves with applicable laws relating to their duties and responsibilities, and the Company's policies.

All Employees, both at the time of the COCE's implementation and upon subsequent hiring, must read and acknowledge this COCE and its subsequent amendments as and when required after the initial acknowledgement.

Employees who are managers and/or managing/engaging third parties, contractors, consultants and/or Employees positioned in the Company's premises have an additional responsibility of leading and setting a positive example of this COCE to their subordinates and ensuring all third parties, contractors, consultants, and/or Employees positioned in the Company's premises comply with the COCE. Managers must also be aware of and report any unethical or illegal business practices.

Employees must comply with and observe this COCE when working with the Company. In some instances (such as confidentiality obligations), Employees are also bound by it even after leaving the Company.

Employees must also observe all laws and regulations that govern the matters covered in this COCE. In the event of a conflict between the content of this COCE and any applicable law, the applicable law shall prevail, and Employees shall comply with the applicable law.

Non-compliance with this COCE will be treated seriously based on the severity of the non-compliance and may result in disciplinary action, including the possibility of suspension or dismissal, and if warranted, be subjected to legal proceedings. Violations, illegal drugs or other controlled substances in the workplace (other than for approved medicinal purposes) are strictly prohibited.

4. WORKPLACE CULTURE AND ENVIRONMENT

i) Equal Opportunity and Non-Discrimination

The Company strives to uphold the diversity principle of the workforce, equal opportunity, non-discrimination, and fair treatment in all aspects of employment, including recruitment and hiring, compensation and benefits, working conditions, training, rewards and recognition, career development, and retirement. Employees must strive to create a workplace where everyone is treated fairly and equally. Employees cannot discriminate based on race, religion, gender, politics, or disability. Employees must be fair to all and strive to be seen as fair to all.

ii) Health, Safety and Environment ("HSE")

The Company is committed to providing a safe and healthy working environment. Safety is everyone's responsibility. Employees must ensure a safe and healthy environment for everyone, including the public, and comply with the Company's policies, systems, processes, and other related rules and regulations that govern HSE. Employees must be appropriately trained and competent in the specified areas of the HSE and apply to the discharge of their duties and responsibilities.

Employees must report any occupational incident (e.g. accident, hazard, unsafe act or condition) to their Head of Department. Employees are required actively participate in related HSE programmes.

Employees who are managers and/or managing/engaging third parties, contractors, consultants and/or Employees working for the Company, shall have an additional responsibility to ensure that all parties comply with the HSE requirements.

iii) Harassment, Threats and Violence

It is the policy of the Company to promote a safe and healthy working environment that fosters mutual respect where all Employees, irrespective of status or position, are equally treated with respect, dignity and free from any form of harassment, threat, intimidation, violence, sexual harassment or any other inappropriate behaviour.

The Company practises zero-tolerance on all sorts of sexual harassment. The Employment Act 1955 defines sexual harassment as “any unwanted conduct of a sexual nature, whether verbal, non-verbal, visual, gestural or physical, directed at a person which is offensive or humiliating or is a threat to one’s well-being, arising out of and in the course of one’s employment”.

Any Employee who has been subjected to sexual harassment should immediately report the incident to their immediate superior and/or HR Department. All complaints or grievances will be investigated and appropriate action will be taken to stop such conduct and prevent future occurrences.

iv) Drugs, Alcohol and Prohibited Substances

Employees are expected to perform their duties and responsibilities free from the influence of any substance that could impair job performance or pose an unacceptable safety risk to themselves or others. The Company therefore prohibits, among others, working under the influence of alcohol, illegal drugs or controlled substances. In addition, the use, possession, distribution or sale of illegal drugs or other controlled substances in the workplace (other than for approved medicinal purposes) are strictly prohibited.

5. COMPANY INFORMATION, RECORDS AND ASSETS

i) Data Protection

The Company has put in place policies governing the use of data. Employees shall comply with such policies and record, manage, store and transfer all personal data and records in compliance with applicable legal, tax, regulatory and accounting requirements.

"Personal data" refers to any information that relates directly or indirectly to an individual, who is identified or identifiable from that information or from that or other information in the Employees' knowledge and/or possession. Such information may include address, identification card number, passport number, email address and contact details ("sensitive data"), as well as any expression of opinions about that individual and any intentions of the data user in respect of that individual.

ii) Protection and Use of Company Assets and Resources

The Company provides its Employees a variety of resources and assets, which may include any licensed software for Employees to deliver their work. Employees shall safeguard and make proper and efficient use of the assets and resources in compliance with all applicable laws, company policies and licensing agreements, and take all necessary steps to prevent loss, damage, misuse, theft, fraud or destruction of the Company's assets and resources.

If Employees use the Company's assets and resources for personal use, it must not be used for any illegal reason or purpose, must not go against any specific rules or policies, and must not harm the Company, such as cost, safety, reputation, or productivity, nor distract Employees from focusing on their duties and/or responsibilities.

Employees must not store, view, download, or send any materials that are pornographic, sexist, racist, or illegal in nature or which can create hatred or ill feelings.

Employees must not share usernames and passwords with anyone, nor allow access to systems using their usernames and passwords, even if it is for work purposes.

Employees must not duplicate copyrighted materials, copy the Company's proprietary software or install unauthorised software into the Company's assets.

iii) Records and Reporting

The Company and the respective business units will keep financial records and have appropriate internal controls in place which will evidence the business reasons for making payments to, and receiving payments from, any person.

iv) Proprietary and Confidential Information

All Employees are required to exercise caution and protect the Company's confidential information and safeguard such confidential information against any unauthorised disclosure or use.

Employees are also required to protect any confidential information that third parties may have access to in the course of work. Confidential information includes, but is not limited to, data and technical know-how, business plan and budget, product design, customer list and information, information on current and future projects and work processes, and any non-published financial or other data.

If any Employee knows of material information affecting the Company which has yet to be publicly released, the material information shall be treated as confidential information and must be held in the strictest confidence until it is publicly released.

Unless required by law or authorised by the Company, any employee shall not disclose confidential information or allow such disclosure or use confidential information for unauthorised purposes. This obligation continues beyond the termination of employment.

Employees must not share or discuss openly information that is not known in the public domain, such as information on employees, customers, suppliers, business partners, technical information, data, know-how and business information, marketing strategies, financial conditions and operations. This information should also not be used for any unauthorised reason and/or purpose.

Employees must not misrepresent, falsify, improperly amend or remove any information in the Company's records both in physical and digital formats.

Employees must not access, copy, distribute, share or send out any customers' information without proper authorisation or other than through approved process.

6. CONFLICTS OF INTEREST

- 6.1 Employees have an obligation to act in the best interest of the Company at all times. Employees are prohibited from using their position or knowledge gained directly or indirectly in the course of their duties and responsibilities or employment for private or personal advantage or for any unauthorised purpose. Conflict of interest is not only limited to direct financial interest but also includes indirect financial interest and non-financial interest.
- 6.2 This policy addresses the potential conflict of interest that is inherent in any family or other close personal relationships, but does not necessarily address all aspects of this topic. Business judgements must be free from bias, conflict of interest and undue influence of others. Employee must avoid conflict of interest in the Employee's business dealings and be transparent if the Employee has personal circumstances where a conflict might arise. Where there is a conflict or a potential for one to arise, the employee must make a prompt disclosure (as per Clause 6.5) and immediately recuse themselves to avoid involvement (refer to Clause 6.6).

Acting in the Company's Best Interests

- 6.3 An Employee must avoid situations where the Employee's personal interests may, or may appear to, conflict with the interests of the Company. Many situations or relationships have the potential to create a conflict of interest, or the appearance of one.
- 6.4 Generally, a conflict of interest is a situation where an Employee's position or responsibilities within the Company presents an opportunity for the Employee or someone close to the Employee to obtain personal gain; or benefit (apart from the normal rewards of employment); or where there is scope for the Employee to prefer own personal interests, or of those close to the Employee, above the Employee's duties and responsibilities to the Company that may make it difficult to perform his or her role objectively and effectively. A situation will appear to be a conflict of interest if it provides an opportunity for personal gain or benefit, whether or not that gain or benefit is obtained.

Disclosing Conflicts of Interest

- 6.5 As soon as an actual or potential conflict arises, an Employee must disclose it to the HR Department. Directors are obliged to disclose it to the Company Secretary. Following the disclosure, the Employee's superior should engage with the Employee to assess if there is any potential risk to the Company associated with the actual or potential conflict. Steps may need to be taken to manage or mitigate

any identified risk, which could include changes to the Employee's role or reporting line or changing the Employee's account responsibilities. If the superior is unsure whether the declared interest requires conditions to mitigate the risk, the superior should seek advice from the HR Department immediately.

- 6.6 The CEO & the BOD will be notified of all potential conflicts of interest declared. HR Department shall review and resolve the situation fairly and transparently. An Employee in such a situation cannot be part of the decision-making process or in any other form of influence relating to the conflict.

Directors and Key Senior Management

- 6.7 Directors and Employee who are considered as Key Senior Management must disclose actual or potential conflicts of interest as listed in clauses 6.10 to 6.16, including interest in any competing business that he/she has with the Company before his/her appointment; and/or as and when such conflicts happen.

Key Senior Management is defined as the CEO & Managing Director, Deputy CEO & Deputy Managing Director, Chief Financial Officer, and Heads of Division of the Company.

- 6.8 HR Department shall prepare and submit a Conflict of Interest report to the Audit Committee ("AC") for review, which should include the actual or potential conflict of interest and the measures taken to resolve, eliminate or mitigate such conflicts.
- 6.9 Following the review of the Conflict of Interest report by the AC, AC shall disclose a summary of any actual or potential conflict of interest situation within the listed issuer or group that it has reviewed and the measures taken to resolve, eliminate, or mitigate such conflicts, in its AC Report in the Company's annual report.

Family/ Close Relatives or Personal Relationships

- 6.10 An Employee must disclose a conflict of interest if the Employee has any family/ close relatives or someone with whom the Employee has an intimate/ romantic relationship:
- i. working in the SMIB Group; and
 - ii. to the best of your knowledge, working or performing services for, or having a material financial interest in, any competitor, supplier, customer, or other business with which the Company has significant dealings.

For purposes of this COCE, the term “family/ close relative” means:

- a) a spouse of the person;
- b) a brother or sister of the person;
- c) a brother or sister of the spouse of the person;
- d) a lineal ascendant or descendant of the person;
- e) lineal ascendant or descendant of a spouse of the person;
- f) a lineal descendant of a person referred to in paragraphs (b) and (c);
- g) the uncle, aunt or cousin of the person; or
- h) the son-in-law or daughter-in-law of the person

The above is not an exhaustive list of family/close relatives. If the Employee is unsure whether his/her relationship with a SMIB employee or an employee of a competitor, supplier or customer constitutes a conflict of interest, the Employee must consult with the HR Department.

- 6.11 **Intimate/ romantic relationships** between Employees in a direct or indirect reporting line can also lead to a conflict of interest, or the appearance of one. A direct reporting line is the Employee’s manager and an indirect reporting line is all managers above the Employee’s line manager up to the head of the Employee’s function. If the Employee is in such a situation, the Employee should disclose the relationship.
- 6.12 Where there is no reporting relationship, management should keep the situation under review to prevent any unfairness or undue influence from arising.
- 6.13 If the Employee has direct or indirect business involvement with a family/ close relative or someone with whom the Employee has an intimate/ romantic relationship with a customer or supplier, management may need to make changes to the Employee’s role or account responsibilities.
- 6.14 In the course of the Employee’s work, the Employee must not have:
 - i. the ability to hire, supervise, affect terms and conditions of employment, or influence the management of family/close relatives or someone with whom the Employee has an intimate/ romantic relationship with; and
 - ii. any business involvement with family/ close relatives or someone with whom the Employee has an intimate/ romantic relationship (or with any business the Employee holds a material financial interest).
- 6.15 Where there is a direct or indirect reporting line between two close relatives or two persons involved in an intimate/ romantic relationship in the same group of company or business unit, management must ensure neither has managerial influence over the other.

- 6.16 In some cases, an Employee may be required to resign if the conflict of interest cannot be negated. Should the Employee be found to be concealing such relationships, the Employee may also face disciplinary actions.

Political Affiliation

- 6.17 The Company is politically neutral. Employees may only be involved in political parties as passive, ordinary members. Holding any office or having any form of active participation in political parties' activities is not permitted.
- 6.18 If the Employee chooses to hold any office in political parties and/ or has any form of active participation in political parties' activities, the Employee must immediately resign from the Company.

Outside Employment and Dealings with Third Party

- 6.19 Employees must not work in any other trade, business, employment or directorship other than their employment with the Company, whether within or outside of working hours, without the prior written approval from the HR Department. Such work, if permitted, must not take a significant amount of time, should not be in agreed working hours, should not impact the Employee's performance, or in any way interfere with the Employee's duties and responsibilities to the Company. Some situations are never permissible, for example, if they involve:
- i. a competitor of the Company; and
 - ii. a customer or supplier the Employee deals with in the course of work in the Company.

Activities Outside Office Hours

- 6.20 At no time does the Company wish to interfere in what an Employee does outside office hours. But it will, by appropriate action, officially prohibit any Employee's activities outside office hours when there is any form of indication that the Company's interests are being jeopardised. Such action will be taken in the following (or similar) circumstances:
- i. when activities outside office hours interfere with the Employee's duties and responsibilities during normal working hours;
 - ii. when such activities take up a substantial amount of the Employee's time, thought, and effort, thereby rendering the Employee less capable of performing efficiently and productively;

- iii. when the Employee's conduct reflects unfavourably on own-self, fellow Employees and the Company in general; and
- iv. when activities outside office hours create a negative impact on the reputation of the Company.

6.21 In addition, an Employee shall not serve in any capacity, including but not limited to as trustee, officer, or consultant in any charitable, volunteer, civil organisation, or in any organisation which is similar in nature, without prior written approval from the HR Department. Once approved, an Employee must be able to balance the approved activities outside office hours with the Employee's full-time employment with the Company.

7. COMPLIANCE WITH THE LAW

The Company complies with all applicable laws, rules, statutory requirements and regulations of the governments, commissions, and exchanges in the jurisdictions in which the Company operates. Employees are expected to understand and comply with the laws, rules and regulations applicable to their positions and/or work, including but not limited to the Anti-Money Laundering and Anti-Terrorism Financing Act 2001, the Malaysian Anti-Corruption Commission Act 2009, the Personal Data Protection Act 2010, the Companies Act 2016, and the Competition Act 2010. The Company reserves the right to report any actions or activities suspected of being criminal in nature to the police or other relevant authorities.

8. ANTI-BRIBERY AND CORRUPTION

In line with the Company's policy and zero-tolerance against all forms of bribery and corruption, the Company has put in place the Anti-Bribery and Corruption Manual ("ABCM") to consolidate and manage elements, policies, objectives, and processes related to bribery and corruption risks in the Company. Employees are required to comply with the ABCM and its corresponding policies. The ABCM can be obtained from the HR Department.

In summary, Employees shall not, directly or through any third parties, offer, give, solicit, or accept any bribes to achieve any business or personal advantage for themselves or others, or engage in any transaction that contravenes any applicable anti-bribery or anti-corruption laws.

9. GIFTS, HOSPITALITY AND ENTERTAINMENT

The Company does not prohibit gifts, hospitality, and entertainment offered and/or received in the normal course of business. However, it is important to note that certain gifts, hospitality and entertainment may cause improper influence or appear or be perceived to cause improper influence. Such gifts, hospitality and entertainment may even be seen as bribes that could tarnish the Company's reputation or violate anti-bribery and corruption laws.

9.1 Gifts, hospitality and entertainment that are usually acceptable

As a guiding principle, all Employees may offer and receive gifts, hospitality and entertainment provided that such gifts, hospitality and entertainment are appropriate, reasonable (not excessive) and are usually acceptable in the normal course of business. When determining whether such gifts, hospitality or entertainment are permissible, all Employees should take into consideration the following:

(a) Intention and timing

What is the intention of offering or receiving such gifts, hospitality and entertainment? Is it being offered at a time that could affect business negotiations or decisions?

Gifts, hospitality, and entertainment must not be offered or accepted with the intention of influencing a party's objectivity in making business decisions. Any such benefits that carry a direct or indirect suggestion, expectation, or implication of a favourable outcome in return are strictly prohibited. In addition, gifts, hospitality, and entertainment must not be offered or received immediately before, during, or after the negotiation of any business decision.

(b) Transparency

Would you be embarrassed, anxious, fearful or guilty if your superior, colleague or anyone else became aware of the gifts, hospitality and entertainment offered or received?

All gifts, hospitality and entertainment offered and received should be made openly and in a transparent manner.

(c) **Frequency**

How frequent are the gifts, hospitality and entertainment being offered or received?

All gifts, hospitality and entertainment offered and received should be made as an occasional occurrence and should not create any expectations. All gifts, hospitality and entertainment should be reasonable, appropriate and justifiable in the normal course of business.

(d) **Compliance with the other party's policies and rules**

Are the gifts, hospitality and entertainment offered or received allowed by the other party's policies and rules?

All Employees should ensure that the gifts, hospitality and entertainment offered and received do not violate the other party's applicable policies and rules.

(e) **Legality**

Are the gifts, hospitality and entertainment offered or received illegal under any applicable laws?

All gifts, hospitality and entertainment offered and received must not be illegal under any applicable laws in the countries of both the offeror and recipient of such gifts.

9.2 **Gifts, hospitality and entertainment that are strictly prohibited**

Certain types of gifts, hospitality and entertainment are not permissible. As a guiding principle, the following gifts, hospitality and entertainment are **strictly prohibited**:

- (a) Gifts, hospitality and entertainment that are illegal or in breach of any laws, regulations or rules;
- (b) Gifts, hospitality and entertainment offered to a Public Official to facilitate or expedite a routine procedure;

- (c) Gifts, hospitality and entertainment involving parties currently engaged in a tender or competitive bidding process;
- (d) Gifts made in cash or cash equivalent i.e. anything that can be easily converted to cash;
- (e) Hospitality or entertainment that are sexually oriented;
- (f) Gifts, hospitality and entertainment provided or received that would be perceived as lavish or excessive or may tarnish the reputation of the Company;
- (g) Gifts, hospitality and entertainment that are a "quid pro quo", i.e., something offered in return for something else such as business advantage; and
- (h) Gifts, hospitality and entertainment that are paid for personally to avoid having to declare or seek approval for.

Detailed guidelines on gifts, entertainment and hospitality are further elaborated in the Company's Anti-Bribery and Corruption Manual.

9.3 Gifts, hospitality and entertainment that require prior approval

For gifts, hospitality and entertainment that are neither usually acceptable in the normal course of business nor strictly prohibited as stated above, such gifts, hospitality and entertainment may be acceptable with specific prior approval. Prior approval must be sought from the respective Head of Division/ Department.

In observing the above guiding principles and in the spirit of transparency, ALL gifts, hospitality and entertainment received and/or offered shall be recorded in the Gift Register.

If ever in doubt as to whether a gift, hospitality or entertainment is allowed, employees should consult the Human Resource Department or Legal Department.

10. INSIDER TRADING

“Insider Trading” is a criminal offence and is prohibited under the Securities Industry Act 1983, the Companies Act 2016 and the Listing Requirements of Bursa Malaysia Securities Berhad. Sections 183 to 198 and 201 of the Capital Markets and Services Act 2007 stated relevant provisions prohibiting insider trading.

Employee is an “insider” if they have material information not available to the public, which would have an effect on the price or value of the Company's securities ("**Inside Information**"), and know or are deemed to know that information is not generally available.

If any employee has Inside Information, they are not allowed to trade in securities of the Company or another listed company if that information has not been made public. Employees are also prohibited from disclosing any Inside Information to any third party.

Employees must exercise due care when dealing, either purchasing or selling, the shares of the Company in view of the implications under insider trading laws.

11. MONEY LAUNDERING

SMIB strongly objects to practices related to money laundering, including dealing in the proceeds of criminal activities.

To avoid violating anti-money laundering laws, Employees are expected to conduct reasonable customer and counterparty due diligence to understand the business and background of the Company’s prospective customers and counterparties and to determine the origin and destination of money, property, and services.

12. FRAUD

Employees have collective responsibilities to detect and report fraudulent activities, such as:

- (a) Forgery or alteration of documents;
- (b) Misappropriation, destruction, or disappearance of funds, inventories, supplies, or other Company’s tangible or intangible assets;
- (c) Improper handling or reporting of financial transactions;
- (d) False, fictitious, or misleading entries of reports; and
- (e) False or misleading statements to those investigating irregularities.

Suspected irregularities or corruptions must be reported immediately in accordance with the Whistleblowing Policy.

Employees are not to discuss their suspicions with anyone other than the appointed investigation team in line with the whistleblowing policy.

13. PUNCTUALITY AND ATTENDANCE

Employees must be on time for any event they are required to participate in, whether it is during working hours, meetings, or external events, which is part of their duties and responsibilities.

Employees must obtain approval from their Head of Division/Department or the designated person before leaving their workplace for personal matters.

If absent from work, Employees must inform their Head of Division/Department or the designated person at the first available opportunity of the reason for their absence. The Head of Division/Department or the designated person, however, has the right to reject the employee's request, and if so, they must report to work immediately. The Head of Division/Department is required to exercise good judgment and, in such instances, balance the needs of the Company and the individual.

14. PURCHASING AND SOURCING

All purchases must be made in the best interest of the Company. Employees must practise equal treatment to all vendors, with due care, confidentiality, transparency, and no conflicts of interest.

Any conflict of interest through relationships, business or others must be declared to the Employees' Head of Division/ Department, regardless of access to or not to tender or procurement-related sensitive information.

All monetary commitments on behalf of the Company must be within the Company's limits of authority.

If an Employee has tendered his resignation, such Employee shall no longer be allowed to make any commitment on behalf of the Company.

15. COMPETITORS

As much as the Company wants to gain a competitive advantage against its competitors, the Company will not use illegal or unethical methods to achieve the goal. The Company adopted a zero-tolerance policy for anyone who steals, procures, obtains, or possesses any of its competitors' proprietary information or trade secrets. If Employees have obtained such information by mistake, consult the Legal Department immediately.

16. MEDIA AND INTERACTIONS

i. Social Media

Social media is a very fast-changing area. Whilst the Company respects the Employees' rights to freedom of speech, they must be mindful of what is acceptable and what is not to be posted on social media. If Employees are officially posting on behalf of the Company, they must be authorised to do so and must comply with applicable procedures and policies. If it is a personal post, Employees must not give the impression that they are posting on behalf of the Company, and they must be aware that their comments may implicate the Company even if they had posted it as a personal post.

Employees must not publish, post, release any materials or confidential information or participate in any forums that may harm the reputation of the Company.

Any posting that may potentially create an unpleasant working environment within the Company is not acceptable.

These requirements apply to postings during or after working hours, regardless of whether Employees are using their own or the Company's equipment/devices.

ii. Media

If Employees receive any queries from the media, Employees shall refer them to the Corporate Department. Employees are not to respond unless prior express or written authorisation has been given.

Any requests from financial analysts shall be directed to the Corporate Department, and any requests from shareholders shall be directed to the Company Secretary.

iii. Employee's Conduct with Internal Parties

The Company does not tolerate anyone using their ranks, seniority, race, physical size or gender to intimidate others. All conduct with internal parties must reflect the Company's values, and employees are responsible for monitoring and ensuring effective controls are implemented in their respective areas of work.

Employees who are supervisors shall have an added responsibility of managing their subordinates. They must make objective decisions without any prejudice or discrimination.

iv. Employees' Conduct with External Parties

All Employees are representatives of the Company. As such, all Employees must at all times ensure business is done with the highest integrity and professionalism.

The Company does not condone anyone who offers, makes or demands unlawful gratification to secure sales/business. If any Employee receives any non-routine requests from the government or regulatory agencies, check with the relevant departments handling the matter immediately.

17. EMPLOYEES' RESPONSIBILITY FOR THEIR SECURITY

All Employees must report any security incidents and/or any potential security-related risks to their supervisor or Head of Department/Division.

Employees' ID tags and access to the Company's premises are for their own use only and not to be shared. Loss of the ID tag must be reported to the HR Department immediately.

Employees who are supervisors and/or managing/engaging third parties, contractors, consultants and/or Employees, they have an additional responsibility to ensure that all parties comply with the security requirements in this Code.

18. WHISTLEBLOWING POLICY

The Company encourages all its Employees to report any real and/or suspected bribery and corruption. All reports, complaints or disclosures made shall be kept strictly confidential. Anyone who makes a report, complaint or disclosure in good faith and without malicious intent shall be protected from any retaliation and discrimination, regardless of the investigation outcome.

The Company has established a whistleblowing channel, which is designed to facilitate Employees make a report on any real and/or suspected bribery or corruption. The details and procedures set out in the Whistleblowing Policy are made available via the Company's website www.smib.com.my

19. EFFECTIVE DATE

This revised COCE is approved by the BOD and made effective as of 25 May 2026.



SOUTH MALAYSIA INDUSTRIES BERHAD

[COMPANY NO. 196901000152 (8482-D)]

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ITS GROUP OF COMPANIES

Code of Conduct and Ethics for Employees

(“COCE”)

Director/Employee Declaration Form

I, the undersigned, hereby declare that I have read and fully understand the contents of the Code of Conduct of Ethics for Employees dated and shall adhere to the guidelines and procedures stipulated in the COCE.

In the event that I contravene or breach any of the provisions of the COCE, I understand that disciplinary and/or legal action can be taken against me.

Signature of Employee

Name (as per NRIC) :

Designation :

NRIC No. :

Date :