

JOHAN HOLDINGS BERHAD
(Company No. 314-K)

CODE OF CONDUCT AND ETHICS

INTRODUCTION

The Board of Directors (the “Board”) of Johan Holdings Berhad (the “Company”) has adopted this Code of Conduct and Ethics. This Code provides guidance to the Directors, management and employees (collective the “Employees”) of the Company and its subsidiaries (the “Group”) on acceptable practices and guide behaviour to assist them in their obligation to comply with the applicable laws and regulations and to act in high ethical standards of business integrity.

All Employees in the Group shall comply with all the standards as set out in this Code. These standards are neither exclusive nor complete. For additional guidance, or any question regarding the application of any laws and regulations arise, the Employees shall contact his/her immediate superior, Head of Department / subsidiary, or Head of Human Resources.

STANDARDS OF THE CODE OF CONDUCT AND ETHICS

Compliance with Laws

The Group will comply with all applicable laws, rules and regulations of the governments, commissions and exchanges in jurisdictions within which the Group operates. Directors and Employees are expected to understand and comply with the laws, rules and regulations that are applicable to their positions and/or work, including the Anti-Money Laundering and Anti-Terrorism Financing Act 2001, Malaysian Anti-Corruption Commission Act 2009, Personal Data Protection Act 2010 and Competition Act 2010. The Group reserves the right to report any actions or activities suspected of being criminal in nature to the police or other relevant authorities.

Conflicts of Interest

Each Employee 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.

Employees must not use their positions or knowledge gained directly or indirectly in the course of their duties or employment for private or personal advantage. In addition, an Employee shall avoid any situation in which the Employee has an interest in any entity or matter that may influence the Employee’s judgment in the discharge of responsibilities.

Related Party Transactions

Any Employee who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company or the Group shall declare the nature of his/her interest to the Company. Contract shall include any commercial or business contract, employment contract or any commercial transaction or business arrangement with the Company or Group. The Employee shall abstain from decision making on or approving the specific contract which he/she has an interest, whether directly or indirectly.

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Related Party referred to in this Code include: (i) the Employee and family members of the Employees, i.e. the spouse, parent, child (including adopted child and step-child), brother, sister and the spouse of his child, brother or sister; (ii) body corporate which is accustomed or is under an obligation, whether formal or informal, or its directors are accustomed, to act in accordance with the directions, instructions or wishes of the Employee; or (iii) a body corporation which the Employee has a controlling interest.

Employees who are also directors of the Group should be aware of the statutory requirement in the Companies Act, 2016 to disclose his/her interest, direct or indirect in a contract or proposed contract with the Group.

In addition, a transaction which involves the interests, direct or indirect of a director, major shareholder or person connected with such director or major shareholder, must be announced or obtain shareholders' approval under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements") as the case maybe.

Confidential Information

All information of a confidential and sensitive nature relating to the Group obtained in the course of engagement and/or employment with the Company shall be deemed to be strictly confidential and shall not be disclosed to any third party unless the disclosure is duly authorized or legally mandated. This measure applies to all employees both during and after the service with the Company.

No employee shall use confidential and sensitive information obtained in the course of engagement and/or employment with the Company for his/her own pecuniary advantage.

Insider Trading

Every employee who has access or privy to non-public price sensitive information must not deal in the Company's securities and must not communicate or cause such information to be communicated to another person. Price sensitive information means information which on becoming generally available a reasonable person would expect it to have a material effect on the price or the value of securities. Any Employee, who commits insider trading maybe subjected to criminal and civil actions.

All Employees must ensure that all transactions in the Company shares do not contravene the laws on insider trading. An Affected Person as defined in the Listing Requirements must also comply with Chapter 14 of the Listing Requirements for dealings in the Company's Securities during and outside closed period.

Bribery and Corruption

Every employee must maintain high ethical and professional standards in dealing with government officials and members of the private sector.

Employees shall not offer, give, solicit or accept bribes in order to achieve business advantage for the Company or personal advantages for themselves or others or engage in any transaction

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that can be construed as having contravened the anti-corruption laws. All Employee's must comply with all applicable anti -corruption laws.

Facilitation Payments i.e. unofficial payments in cash or in-kind made to government officials intended to "facilitate" or expedite the performance of a routine government action (e.g. clearing customs, processing visas, scheduling inspections, etc.) are strictly prohibited.

Business Courtesies

Employees are not permitted to give or accept personal gifts, favours, entertainment or services, in cash or kind, that will or will appear to influence objective and fair business decisions. In case of doubt, the Employee check with his superior before giving or accepting any such courtesies.

The gifts, favours, entertainment or services that are deemed as not given to influence the Employees' performance of duties include normal business courtesies (meals or entertainment), token gifts which are occasional, gifts during festive or special occasions and gifts from social functions attended by the Employees on behalf of the Group, are permissible.

Employees shall not use the company's funds and resources to make contributions to any political campaign, political party, political candidate or any of employee's affiliated organizations unless otherwise authorised by the Company's board of directors.

Money Laundering

Money laundering is the process of concealing the identity of proceeds from unlawful activities to convert "dirty" money to a legitimate source of income or asset. Money laundering is an offence under the Anti-Money Laundering and Anti-Terrorism Financing Act 2001 in Malaysia.

Employees shall be aware of the applicable anti-money laundering laws and shall seek to ensure they are appropriately and adequately informed of developments in the laws relating to this area.

Employees shall not engage in any transaction which they know or suspect involves the proceeds of criminal activity; and not otherwise be knowingly involved directly or indirectly in any money laundering activity. Employees are expected to be mindful of the risk of the Group's business being use for money laundering activities and Employees will pursue practices directed towards ensuring that their activities do not inadvertently contravene any relevant money laundering legislation.

Work Environment

The Group will use its best endeavours to ensure a safe workplace and maintain proper occupational health and safety practices to commensurate with the nature of the Group's businesses and activities.

Each Employee has responsibility for maintaining a safe and healthy workplace for all Employees by and shall understand and abide by the Group's policies and procedures.

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All operational facilities and properties of the Group are required to adhere to the internationally accepted health and safety standards and to comply fully with local fire safety regulations.

No Employee shall at any point of time during work and/or office hours consume alcohol of any form, except under approved and reasonable circumstances such as during corporate function or events. The usage of illicit drug is an offence and any Employee found to have committed such an illegal act shall be immediately referred to the relevant authorities.

Violence, abusive and threatening behaviour are not permitted. Employees shall report any of such incident to his/her immediate superior, Head of Department / subsidiary, or Head of Human Resources immediately.

Harassment in the Workplace

The Group will not tolerate any form of harassment in the workplace. Any Employee facing harassment in any manner by any person within the Group shall report the matter immediately to his/her immediate superior, Head of Department / subsidiary, or Head of Human Resources. All such reports and/or complaints shall be treated with strictest confidence. Any person suspected to have committed criminal harassment will be handed over to the relevant authorities.

Equal Opportunity

The Group upholds the practice of equal opportunity to its Employees, customers, suppliers and other stakeholders. No persons shall be discriminated in any sense or manner by reason of race, religion, gender, ethnic, age or political leanings. All Employees shall be treated fairly and equally and any decision on recruitment and career advancement shall be based solely upon experience, merit, and performance.

Company's Assets

The Company's properties and assets should be managed and safeguarded in a manner which protects their values. Employees are accountable both for safeguarding all assets entrusted to them, including the Company's information resources, records, materials, facilities and equipment under the Employees' care or control, from loss, theft, waste, misappropriation or infringement and for using the assets to advance the interests of the Company. All Employees have an affirmative duty to immediately report the theft, loss or misappropriation of any Company's assets, including financial assets, physical assets, information assets and electronic assets to the Management.

IMPLEMENTATION AND COMPLIANCE

The Head of Human Resources shall oversee the communication, implementation and compliance of this Code in their respective organisations. All Employees are to have free and unrestricted access to this Code and must be conscious that non-compliance of this Code will result in appropriate disciplinary action.

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REPORTING OF VIOLATION OF THIS CODE

Employees have a duty to report incidences of non-compliance of this Code. They may report only to the Group Chairman. Reports received will be treated as confidential, ensuring and safeguarding the position and interest of the person making the complaint.

Investigation will be carried out promptly by the person receiving the report, with the assistance from the Group Human Resources Department and/or Group Internal Audit Department, if necessary. Appropriate disciplinary action will be taken for breach of this Code. No individual will be discriminated against or suffer any act of retaliation for reporting in good faith on violations or suspected violations of the Code. Employees can also use the Whistle Blowing Policy and Procedures to report any violations.

PERIODIC REVIEW

The Board will review this Code periodically and communicate the new changes to all levels of Employees.

This Code of Conduct and Ethics is dated 3 May 2018.