

# **JOHAN HOLDINGS BERHAD**

(Company No. 314-K)

## **CODE OF ETHICS OF DIRECTORS**

### **A. PREAMBLE**

The Board of Directors (the “Board”) of Johan Holdings Berhad (the “Company”) has adopted the following Code of Ethics (the “Code”) for Directors of the Company and its subsidiaries (the “Group”). This Code is intended to focus the Board and each Director on areas of ethical risk, provide guidance to Directors to help them recognise and deal with ethical issues, provide mechanisms to report unethical conduct and help foster a culture of honesty and accountability.

### **B. PRINCIPLE**

This Code is based on the core principles of sincerity, integrity, transparency, accountability and corporate social responsibility.

### **C. PURPOSE**

This Code is formulated to enhance the standard of corporate governance and corporate behaviour with the intention of achieving the following objectives:

- To establish a standard of ethical behaviour for Directors based on acceptable beliefs and values.
- To uphold the spirit of professionalism, objectivity, transparency, and accountability in line with the legislation, regulations and environmental and social responsibility guidelines governing a company.

No code or policy can anticipate every situation that may arise, or replace the thoughtful behaviour of an ethical Director. Directors are encouraged to bring questions about particular circumstances that may involve one or more of the provisions of this Code to the attention of the Chairman of the Board, who may consult with legal counsel as appropriate.

### **D. DEFINITION**

In the context of this Code, a Company Director means any person who holds the position of Director in the Group, irrespective of any designation used, including anyone who follows the directives and advice of a corporate Director and who usually takes action, as well as an in-turn or substitute Director. It includes executive and non-executive Directors as well as executive and non-executive chairpersons.

### **E. CODE OF ETHICS**

In the performance of his or her duties, each Director must comply with the letter and spirit of the following codes:

#### **1.0 Corporate Governance**

- Should have a clear understanding of the aims and purpose, capabilities and capacity of the Company;

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- Should 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;
- Should ensure at all times that the Company is properly managed and effectively controlled;
- Should stay abreast of the affairs of the Company and be kept informed of the Company's compliance with the relevant legislation and contractual requirements;
- Should insist on being kept informed on all matters of importance to the Company in order to be effective in corporate management;
- Should limit his directorship of companies to a number in which he can best devote his time and effectiveness; each Director is his own judge of his abilities and how best to manage his time effectively in the Company in which he holds directorship;
- Should have access to the advice and services of the Company Secretary, who is responsible to the board to ensure proper procedures, rules and regulations are complied with;
- Should at all times exercise his powers for the purposes they were conferred, for the benefit and prosperity of the Company;
- Should disclose immediately all contractual interests whether directly or indirectly with the Company;
- Should neither divert to his own advantage any business opportunity that the Company is pursuing, nor may he use confidential information obtained by reason of his office for his own advantage or that of others;
- Should at all times act with utmost good faith towards the Company in any transaction and to act honestly and responsibly in the exercise of his powers in discharging his duties; and
- Should be willing to exercise independent judgement and, if necessary, openly oppose if the vital interest of the Company is at stake.
- Relationship with Shareholders, Employees, Creditors and Customers and other Stakeholders
  - Should be conscious of the interest of shareholders, employees, creditors and customers of the Company;
  - Should at all times promote professionalism and improve the competency of management and employees; and
  - Should ensure adequate safety measures and provide proper protection to workers and employees at the workplace.

## **2.0 Conflict of Interests**

The Company's Constitution stipulate that a Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare his interest in accordance with the provisions of the Companies Act, 2016. The Director concerned shall not participate in deliberations and shall abstain himself from casting his votes in any matter arising thereof unless otherwise as provided for in the Constitution of the Company.

Shall there be an actual, potential or perceived conflict of interest between the Company or a related corporation and a Director, or an associate of a Director such as a spouse or other family members, or a related company, the Director involved shall make full disclosure and act honestly in the best interest of the Company.

An actual, potential or perceived conflict of interest shall not necessarily disqualify an individual Director from the Board provided that full disclosure of the interest has been made in good faith and with due honesty.

The Directors are obliged to adhere to all Conflict of Interests requirements as stipulated in the Company's Conflict of Interest Policy, the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and other relevant regulatory guidelines.

## **3.0 Social Responsibilities and the Environment**

- Should strive to be socially responsible persons or Company by supporting life-changing causes and efforts, in the arena of politics, community, education and health, in addition to preserving the environment.
- Should ensure the effective use of natural resources and improve quality of life by promoting corporate social responsibilities;
- Should ensure the effective use of natural resources, and improve quality of life by promoting corporate social responsibilities;
- Should be more proactive to the needs of the community and to assist in society-related programmes in line with the aspirations of the concept of the Company campaign or vision; and
- Should ensure that the activities and the operations of the company do not harm the interest and well-being of society at large and assist in the fight against inflation.

## **4.0 Review of the Code**

The Board will monitor compliance with the Code and review it periodically to ensure that it continues to remain relevant and appropriate.

Date: 12 December 2023