

POWER ROOT BERHAD
Registration No.: 200601013517 (733268-U)
("the Company")

Code of Conduct

INTRODUCTION

Power Root Berhad, is committed to adhere to ethical standards and to comply with all laws applicable to its business activities and in the locality where it has operations. In this respect, all employees of the Company and all of its subsidiaries and associates (collectively, the "Company") are expected to observe and adhere to the highest standards of professional and personal conduct.

The aim of this Code of Conduct is to provide guidelines on the expected behaviour and conduct of all the employees and also to serve as a tool to guide the employees' action when dealing with both internal and external parties.

This Code of Conduct is not intended to be exhaustive and cannot anticipate every situation which may morally or ethically compromise the employee or the Company. In this regard, the Company expects its employees to use their professional and sound judgment. In case of any ambiguity, the employee should consult and seek guidance from his or her immediate superior or Human Resource Department.

The Company reserves the right to add, amend, annul, vary or modify the provisions set out in this Code of Conduct as and when it deems necessary and in the best interest of the Company. Employees will be notified of any changes made to the Code of Conduct via the internal memo or email.

Scope

This Code of Conduct applies to all employees of the Company and to the Directors of the Company. It is a condition of employment that all employees and Directors of the Company read, understand, agree to uphold and comply with this Code of Conduct at all times.

In addition to leading by example, all managers are expected to take the appropriate and necessary steps to comply with this Code of Conduct and to ensure that their team member(s) have the information, guidance and support to comply with this Code of Conduct as well as all relevant policies and procedures.

When an employee encounters a potential/ likely conflict in the laws and regulations applicable to a situation, he or she should consult his or her Head of Department and/or the Human Resource Department on the next course of action.

The Company's suppliers, consultants, distributors, independent contractors and other stakeholders are also expected to agree to follow all applicable policies under this Code of Conduct.

Enforcement

An employee who disregards or violates any provision(s) of this Code of Conduct, condones or knowingly fails to report a possible violation, deliberately makes a false report or fails to cooperate fully in any investigation of any violation, will be subject to disciplinary action, up to and including dismissal. In addition, disciplinary action may also be taken against any employee who, through lack of reasonable diligence or care, fails to prevent or report violations.

REPORTING OF VIOLATIONS OF THE CODE OF CONDUCT

Each employee has the obligation to expeditiously report any violation or suspected violation of this Code of Conduct, any other Company policy or applicable law, rules or regulation, in order to protect the Company, its stakeholders, its employees and its customers, clients and suppliers.

Should any employee have any information with respect to any such violation or suspected violation, the employee should report such information to their superior or bring the matter to the attention of the following where appropriate:

- Head of Operating Company/Group Department
- Senior Human Resource Manager

Employees may also refer to the Company's Whistle Blowing policy for additional guidance on reporting contentious matters and/ or breaches of policy.

All such reports will be treated confidentially, to the extent reasonably practicable. To assist and encourage the prompt reporting of suspected violations, the Company will accept reports made on an anonymous basis.

OUR BUSINESS AND VALUES

i. Ethical Business Practices

- The Company's business practices is governed by the principles of good conduct, professionalism, integrity and compliance with all applicable laws, rules, regulations, policies and guidelines and are crucial to the Company's continuing success.
- The respectability of the conduct of all employees is of utmost importance in wherever the Company conduct its business. All employees are expected to conduct any business on behalf of the Company in a manner consistent with the highest ethical standards. Ignorance of appropriate standards and/or improper behaviour is not acceptable under any circumstances. Managers at all levels are responsible for communicating legitimate and proper ethical conduct/behaviour to employees. Employees are to report any unlawful or any unethical behaviour to their superiors.

- The Company shall neither seek nor accept any business advantage that involves unethical conduct.
- All employees must comply with all laws, rules, regulations and guidelines applicable to the business of the Company. Accordingly, employees must ensure that their actions are not interpreted as being, in any way, in contravention of the existing laws, rules, regulations and guidelines governing the Company and its operations.
- The Company will not condone the activities of employees who achieve results through violation of the law or unethical business dealings. This includes any receiving or making payments, in any manner directly or indirectly, for illegal acts, indirect contributions, rebates and bribery in their personal capacity.
- Employees uncertain about the application or interpretation of any legal requirements should refer the matter to their superior, who, if necessary, should consult the Human Resources Department for further clarification and advice.

ii. Fair Dealing

- Each employee of the Company shall endeavour to act in a professional manner, fairly and in good faith with the Company's customers, suppliers, industry competitors and their employees and all other relevant parties. Employees must not take unfair advantage of any party whether through manipulation, concealment or abuse of privileged information, misrepresentation of material facts, fraudulent act or behaviour or any other unfair dealing practices.
- Additionally, the Company expects the same level of fair dealing and ethical conduct from businesses and individuals who supply products or services to the Company.
- The Company requires all such suppliers to operate in compliance with all applicable laws, rules and regulations including, but not limited to all its amendments. Subject to the terms of contract with the supplier(s), the Company reserves the right to suspend, discontinue or terminate its relationship with any supplier for its failure to comply with this Code of Conduct and applicable legislations and requirements or standards.

iii. Conflicts of Interest

- All employees must avoid and/or declare any situations, activities or relationships which might conflict with the legitimate business interests of the Company. Such a conflict will exist where an employee compromises his or her ability to act with total objectivity with regard to the Company's business interests.
- For example, an employee shall be considered to have a conflict of interest when his/her personal interests or activities:-
 - a) unduly influence his/her judgment when acting on behalf of the Company;
 - b) hinders or interferes the performance of the employee;

- c) result in the employee obtaining personal gain by using his/her position in Company or the Company's information or assets;
 - d) result in the employee obtaining personal gain by conducting the Company's business with family/ related members;
 - e) jeopardise the Company's reputation; or
 - f) result in the employee competing with the Company's business or diverting business from the Company.
- Employee should avoid conflicts of interest whenever possible. If any employee has any doubt about whether an activity may create a conflict of interest situation, the employee is required to report that activity to his or her direct supervisor for further action and resolution.

iv. Confidential Information and Other Company Property

➤ Confidentiality

- The employee undertakes to exercise due care and diligence in the discharge of his or her duties without causing any detriment to the interest of the Company. The employee shall not, except as authorised or required by his or her duties, reveal to any person or persons or any third party (including other employees who are not permitted to receive such information), or companies, any of the trade secrets, secret or confidential operation, processes or finances, transactions, affairs or proprietary information of the Company or any of its customers of which he or she shall have possession during his or her employment. The employee shall keep with complete secrecy all confidential information entrusted to him or her and shall not use or attempt to use any such information in any manner which may injure or cause losses either directly or indirectly to the Company or its business or may be likely to do so.
- This restriction shall continue to apply after the termination of employment without limit to any point of time but shall cease to apply to information or knowledge which has subsequently come into the public domain.

➤ Protecting Company's Intellectual Property (IP) and Assets

- Employees are to take necessary measures to protect the Company's Intellectual Property (IP) which includes trademarks, copyrights, trade secrets and patents of the Company. The Company's IP also include employees' work product created during the course of employment with the Company, such as reports, inventions, ideas, discoveries, improvements, artwork, processes, designs, software, web pages, etc. Such IP is regarded as the confidential information and trade secret of the Company. Employees are subject to the Company's Confidentiality Agreement, and/ or similar agreement to disclose and waive all rights in respect of those works in favour of the Company.

- It is the duty of all employees to ensure proper use and to safeguard the Company's assets to avoid any loss, damage, misuse or theft. Company assets include not only confidential information, funds, equipment and products, but also the Company's resources, time and facilities.

v. Anti-Bribery and Corruption

- Employees shall not offer, give, solicit or accept bribes in order to achieve business or personal advantages for themselves or others or engage in any transaction that can be construed as having contravened the anti-bribery and corruption laws.
- Employees shall, at all times, act with integrity and honesty and in the best interests of the Group and use reasonable diligence in the discharge of the duties of his or her office.
- Additional guidance is available in the Company's Anti Bribery Policy.

vi. Respecting Others

- The Company do not tolerate unlawful discrimination in any form in the workplace or on the job.
- The Company complies with relevant rules and regulations in relation to human resources.
- The Company offers pay and benefits that is fair and competitive within each local business and industrial markets we are participating.
- The Company undertakes to ensure the working environment at our operating entities are being maintained safely and in accordance with its Sustainability policy.
- The Company strives to identify the needs of employees to continuously develop their knowledge, skills and competency for personal development and corporate excellence.

vii. Serving Our Customers

- We strive to deliver our products and services with high competitive value and high quality in equilibrium.

viii. Corporate Citizenship

- The Company act in a manner that is socially responsible to the society and within the laws, customs and traditions of the countries we operate and contribute in a responsible manner to the development of communities.

- The Company acts in a manner that minimises any detrimental environmental impacts of our business operations.
- The Company's Sustainability Policy is published on the Company's website for additional reference.

Review and Approval

This Code of Conduct has been reviewed by the Audit Committee and recommended to the Board of Directors for approval on 26 November 2020.

The Board of Directors has approved this Code of Conduct on 26 November 2020.