

WELL CHIP GROUP BERHAD
Registration No. 202301014119 (1508041-A)
(Incorporated in Malaysia)

CODE OF CONDUCT

POLICY STATEMENTS

Well Chip Group and its subsidiaries (the “Group”) Code of Conduct outlines the Group’s Vision, Mission and Values in pursuit of high standards of ethical business and culture in preservation of its reputation and success of its operations. The Group is committed to sustain a work environment that fosters integrity, caring, respect and professionalism to all our stakeholders.

This Code of Conducts applies to all employees of the Group including directors (executive and non-executive), officer, senior manager, manager, secondment, fixed-term contract, trainee and intern.

The Board is responsible to define the Code and ensure the objective of the Code are met by appropriate internal control.

The Management is responsible to ensure this Code permeates throughout the Group and is complied by all levels of Employee. The Management is responsible to the Board for observing the principles of this Code in making operational and business decisions. The Management is expected to demonstrate lead by example and inspire good behavior. The Management must ensure that their action is consistent with the spirit of this Code.

All Employees in the Group are required to familiarise with this Code; adhere to its provisions; and report any suspected violations provided in this Code. All Employees should be aware that non-compliance of this Code may entail not only disciplinary sanctions, but also criminal charges.

POLICY

1.0 DUTIES OF INTEGRITY AND DILIGENCE

1.1 COMPLIANCE WITH LAWS, RULES AND REGULATIONS

All employees in the Group are required to understand the conduct and behaviour expected of them in compliance with applicable laws, rules and regulations with high ethical principles and standards to their work activities. The Group’s reputation for integrity, quality and honesty is based on this commitment and helps to ensure its long-term success.

1.2 CORPORATE RESPONSIBILITY

The Group is committed to enhance sustainability to balance the needs of its stakeholders in generating long term benefits and business continuity by embedding the core areas of economic, environment and social measures in the Group’s business activities.

1.3 ANTI-BRIBERY AND CORRUPTION

The Group adopts a zero-tolerance approach against all forms of bribery and corruption in obtaining business and contracts which is unethical and tarnishes the Group's reputation. The Group's employees and their family members shall not directly or indirectly solicit, offer, receive or accept any kind of benefit, gift or favours to or from business partners, government officers, customers and vendors which might compromise, or appear to influence the decision relation to obtaining business or awarding contracts. Please refer to Well Chip Group Anti-Bribery and Corruption Policy for more details.

1.4 MONEY-LAUNDERING

All directors and management commit to act diligently to prevent involvement in money laundering activities. Money laundering is a process by which persons or groups try to conceal the proceeds from illegal activities or try to make the sources of their illegal funds look legitimate by surreptitiously passing through legitimate business channels eg. transfer from one person to another. The Group prohibits all directors and management involvement in money laundering activities, either directly or indirectly. All directors and management personnel should always ensure that they are conducting business with reputable customers, for legitimate business purposes and with legitimate funds. Employees need to be mindful of the risk of the Group's business being used by criminals for money laundering activities.

1.5 INSIDER INFORMATION AND SECURITIES TRADING

All directors, employees, family members, friends or anyone are prohibited to trade in the company's securities while they are in possession of material price sensitive, non-public information or to provide such information to others to trade in the company's securities. All must refrain from trading or tipping in the company's securities until such information is publicly released. Violation of this Code can result in civil and criminal penalties.

1.6 POLITICAL ACTIVITIES

Employees may participate as individuals in legitimate political activities. The participation shall be carried out entirely on the employee's own accord, own volition, off duty time and own resources. The employee's political opinion must be clearly delivered as personal opinions and not representative of the Group's position. The Group prohibits the use of Well Chip resources, facilities and premises of the concerned employee's political activities.

Any employee who wishes to hold any key position as office bearer in any political party must disclose and obtain prior approval from the Human Resource Department.

1.7 CONFLICT OF INTEREST

Conflict of interest arises when a person has a direct or indirect interest in a transaction or is connected to the Group's interest. In conflicting situation, the employee shall put the best interest of the Group above personal interest in discharging his/her duties.

Supplying/Non-business activities

- All employee must avoid any relationship or activity that might impair or appear to impair the ability to make objective and fair decisions on behalf of the Group

- All employee shall not carry outside job or non-profit activities that perceived to conflict with their employment and commitment with the Group

Non-compete

- All employee shall NOT directly or indirectly, through or on behalf of any person (whether as director, partner consultant, employee, agent or otherwise) be employed or operate or be engaged, concerned or vested in, or assist, a business company or group which carries on a business which in competition (whether directly or indirectly) with the business of the Group
- All employee shall NOT assist with the technical advice in relation to any entities engaging in the which in competition with the business of the Group
- All employee shall NOT solicit in competition with the Group, the custom of any person, firm or company who is or who was a customer of the Group
- All employee shall NOT solicit staff of the Group to join competing business, company or group

Any conflict of interest or potential conflict of interest should be reported and disclosed to the employee's reporting manager or representative from the Human Resource department.

2. WORKPLACE CULTURE AND ENVIRONMENT

2.1 SEXUAL HARASSMENT

Sexual harassment is defined as unwanted and/or unwelcomed conduct of a sexual nature which makes a person feel offended, humiliated and/or intimidated. Sexual harassment may be physical, verbal or non-verbal. The Group prohibits conduct and behaviour that constitutes sexual harassment include, but not limited to :

- Sexual comments, jokes, sending explicit messages or degrading language or behaviour
- Display of sexually explicit or suggestive material such as books, magazines, photographs, cartoons, pictures, calendars, posters, electronic communications, website or other material
- Unwelcomed physical contacts , or any inappropriate touching
- Use of job-related threats or rewards to solicit sexual favours in exchange for favourable terms or conditions of employment

Sexual harassment is prohibited whether between members of the opposite sex or members of the same sex.

2.2 HEALTH AND SAFETY

It is the Group's priority to maintain a work environment that is safe with all possible measures undertaken to remove and/or minimise risk to the health and safety of each of its employees, customers, visitors and any other persons who can be affected by the activities of the organisation. All employees should contribute to minimizing the use of finite resources, including energy, water and raw materials.

2.3 DRUGS AND ALCOHOL

The Group strictly prohibits the consumption of alcohol and/or illegal drugs or substances that are not prescribed by a registered medical practitioner at the premises of the Group. All employees are expected to perform their job duties free from the influence of any substance

that could impair job performance or pose unacceptable safety risk to the Employee or others. In addition, the Group also strictly prohibits the possession and distribution of illegal drugs or other controlled substances regardless inside or outside the workplace. All employees should be aware that non-compliance of this Code may entail not only disciplinary sanctions, but also criminal charges.

3. PROTECTING THE GROUP INFORMATION, RECORDS AND ASSETS

3.1 PROTECTION AND PROPER USE OF ASSETS

Employee is entrusted with the care of the Group's property and asset. Each employee has an obligation to safeguard the Group's property from loss, damage, theft, embezzlement, improper use or destruction. Under any situations or incidents that could lead to such result should be reported by employees immediately to their superior. All assets shall return to the Group upon termination of employment.

3.2. COMPANY FUNDS

Employees responsible must comply with the Group finance policy on how to handle cash, credit cards and other funds. Employees shall not abuse their positions to use, divert or conduct any transaction with those funds except strictly for authorised purposes. Every employee, agent and contractor must take reasonable steps to ensure that the Group receives good value for the funds spent, and must maintain accurate and timely records of each and every expenditure. Expenses reports must be accurate and submitted in a timely manner.

3.3 INFORMATION TECHNOLOGY

The Group's Communication and Computing systems are primarily for the business purposes for which they are intended. The systems include access to the Internet, intranet, email services, video conferencing, facsimiles, telephone and all other computer hardware, software and peripherals. The Group does not permit the usage of Communication and Computing systems involving sensitive and illegal matters, defamatory, offensive, harassing messages or files, disclosing confidential information, infringement of Intellectual Property rights, unauthorised access that may jeopardise the integrity of the systems.

To the extent allowed by applicable laws in the countries in which it operates, the Group reserves the right to monitor or audit employee's usage of its IT and communication systems, and access, review and/or disclose data stored on systems. Employees should not consider their emails private or personally confidential. This information can be recovered and used as evidence in domestic proceedings and courts of law or disclosed to the authorities or regulatory bodies as the case may be.

3.4 CONFIDENTIAL INFORMATION AND DATA PRIVACY

Information is one of the Group's most valuable corporate assets. Effective dissemination of information is critical to the success and reputation of the Group. Employees are required at all times, to safeguard and under no obligation to use or disclose any Confidential Information or proprietary information unless disclosures are required by specific laws or regulations. Confidential information includes any information which is generally not known to the public and is intended to be protected by the Group from public disclosure. This includes information obtained from a third party under the terms of confidentiality or non-disclosure agreement. Confidential Information includes but not limited to:-

- (i) intellectual property, such as trade secrets, patents, trademarks, copyrights, manufacturing know-how, designs, inventions and database;
- (ii) business and marketing information;
- (iii) salaries information;
- (iv) Group financial Records;
- (v) any material non-public information.

The Group has incorporated Privacy Policy to protect all personal information on employees, customers, business partners or suppliers. It is to be used diligently and treated with utmost confidentiality. Employees who have access to non-public confidential information is not permitted to use, divulge or share that information for any other purpose except with a clear Group's business need.

3.5 SOCIAL MEDIA

Social media is a term for internet-based tools used in the sharing and discussion of information among people. Posting or discussing information concerning the Group's products or business on social media without prior written consent from the Human Resources Department is prohibited. Any other forms of electronic communication used by employees for information sharing currently or in the future is also to be encompassed under this policy. Employees are therefore encouraged to use sound judgment whenever using any feature of electronic communication. The Employees shall be aware of and understand the potential risks and damages to the Group that may occur, either directly or indirectly, in their personal use of social media and beyond. Well Chip IT Policy provides the complete set of procedures.

3.6 PUBLIC DISCLOSURE AND PUBLIC INFORMATION

As a public listed company, the Group is required to comply with various laws and regulations to make timely, full and fair public dissemination and disclosure of information that may materially affect the market for its stock. Employees are prohibited from making or causing materially misleading, incomplete or false statement to the Management and Group Internal Auditor in preparing the public disclosure. Employees are prohibited to issue any statement, written or verbal to the media and/or general public (including all forms of electronic media) on matters in relation to the Employee's duties or the Group's activities and performance. All enquiries from public or media shall refer to the Chief Executive Officer or Executive Directors. Employees are required to obtain approval from Management before making public appearance in their personal capacity such as guest speakers or panel members in any public forum or event, on topics related and/or relevant with their line of work. Employees who make public appearance must ensure that their thoughts and actions are not detrimental to, tarnish or implicate the Group's image and interests.

Employees shall report to Human Resource Department if they learn that information in any filing or public communication was untrue or misleading which may potentially cause negative impact to the Group's image.

4. PROFESSIONALISM

Employees are required to exercise care and diligence in performing their duties to align with the Group's ethical values of integrity, respect, honesty and professionalism. The Group encourages employee mentoring and continue learning in pursuit of innovations and new ideas from time to time.

5. ACCOUNTABILITY

All employees including directors and management are required to comply under this Code of Conduct. Violations of the Code of Conduct, depending on the seriousness of the offence may lead to reprimanding, dismissal, civil or criminal prosecution where applicable should there be no corrective measures. Any changes in, or waiver of this Code of Conduct will be disclosed to all employees.

6. WHISTLE-BLOWING CHANNEL

All employees are obligated and given the right to report of any suspected or known violation of the Code, relevant laws or regulations.

The employee may submit the concern or complaints to their reporting manager or Human Resource & Admin Department. The reporting manager or Human Resource & Admin Department is accountable to resolve issue or escalate to the management or the Board if the issue could not be resolved. The Group has incorporated a Whistle Blowing Policy if an employee suspects any irregularity involving other employees, customers, consultants, vendors, contractors and/or any other parties who have any business relationship with the Group may report such concern using the aforementioned reporting channel set out in Whistle-blower Policy.

7. WAIVER OF THE CODE

Waiver of the application of this Code may be granted by the Board or the appropriate Board Committee as it deems fit and appropriate.

8. REVIEW OF THE CODE

The provisions of the Code are subject to periodically review and may be modified by the Board from time to time to ensure it remains appropriate and consistent with the Group objectives and compliance with other regulatory requirements.

CODE OF CONDUCT HAS BEEN ADOPTED BY THE BOARD ON 19 JUNE 2023