



**DIRECTOR CODE OF
CONDUCT AND ETHICS
POLICY**

SL INNOVATION CAPITAL BERHAD

[Registration No. 201101044035 (972155-K)]

(Incorporated in Malaysia)

CODE OF CONDUCT AND ETHICS

1.0 INTRODUCTION

SL Innovation Capital Berhad (“the Company”) and its subsidiaries (“the Group”) adopted the following Code of Conduct and Ethics (“Code”) for the directors of the the Company (“Directors”) to instil the underlying values and commitment to lay standards of trust, ethics, integrity, responsibility, excellence, commitment, dedication, diligence and professionalism contributing towards enhancing social values and sustaining environmental growth of the surroundings in which the Company operates.

The Directors are to adhere to, comply with and uphold the provisions of the code in carrying out their functions.

2.0 PURPOSE

This Code is formulated to enhance the standard of corporate governance and behaviour through:

- a) Establishing standards of ethical conduct of the Directors based on acceptable beliefs and values;
- b) Upholding the spirit of social responsibility and accountability in line with the legislations, regulations and guidelines governing the Group; and
- c) Documenting and emphasising to the Directors, the integral obligation of each and every Director in performing his/her duty, to act in a manner that is lawful, honest, ethical and free from any conflict of interest or perceived conflict of interest.

3.0 CODE OF CONDUCTS

The Directors shall at all times, act within the authority conferred upon them in the best interests of the Company and will:

- i. act in the best interest in fulfilling their fiduciary obligations to the Company and its shareholders;
- ii. act honestly, ethically, integrity and transparently;
- iii. conduct professionally, courteously and respectfully in manner and not to take improper advantage of their position;

- iv. act in good faith, responsibly with due care and diligence without allowing their independent judgment to be subordinated;
- v. use their prudent judgment to prevent from all situations, decisions which give or may give rise to conflict of interest or potential conflict with their responsibilities within the Company, and to inform the board of directors of the Company ("Board"), at the earliest opportunity, of any existing or potential conflict of interest situation;
- vi. not to exploit for his/her own personal gain through the use of corporate property, information or position, unless otherwise proven that the Company is not interested to pursue such opportunity;
- vii. act to maintain and improve the Company's reputation; and
- viii. always strive to contribute towards the growth and stability of the Company.

4.0 DIRECTORS

4.1 DIRECTORSHIP

The Directors must at all times, comply with the restriction on the number of directorships as prescribed under the ACE Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities").

In addition, each Director should disclose changes of his/her directorship to the Board by informing the Chairman of the Nomination Committee prior to accepting other directorships in any other public listed company and subsequently, of any change of his/her directorships.

A Director shall not serve as a director of any other listed company or as partner of a firm that is engaged in a competing business with the Company and shall not hold any position or accepting any appointment that are prejudicial to the interests of the Company.

4.2 ATTENDANCE OF DIRECTORS' MEETING

A Director shall 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;

The office of a Director will become vacant if the Director is absent from more than 50% of the total Board meetings held during a financial year.

4.3 TRAINING

A Director must ensure that he/she attends training programmes as may be prescribed by the Listing Requirements from time to time.

Directors are required to disclose to the Company Secretary on the training attended at the end of each financial year.

5.0 LAW COMPLIANCE OBLIGATIONS

All Directors are expected to comply with all applicable laws, rules and regulations of the jurisdictions which the Group operates that are applicable to their positions and work.

All Directors must have or acquire appropriate knowledge and skills relating to their duties sufficient to enable them to identify potential non-compliance matters and to seek advice from the senior management of the Company or advisors.

6.0 CONFLICT OF INTEREST

The Directors should avoid involving themselves in situations where there is a real or apparent conflict of interest between them as individuals and the interest of the Group. The Directors must not use their positions or knowledge gained directly or indirectly in the course of carrying out their duties or employment for private or personal advantage (directly or indirectly).

In addition, a Director shall avoid any situation in which the Director has an interest in any entity or matter that may influence the Director's judgment in discharging of responsibilities. The Director shall fully disclose any actual or potential conflicts of interest to the Board, at the earliest opportunity, of any existing or potential conflict of interest situation.

7.0 CONFIDENTIAL INFORMATION

All information obtained in the Group's business, customers and suppliers, which the Directors have privy access or knowledge must be considered privileged and confidential and to be kept strictly confidential at all times.

Unless authorised by the Board or required by law or regulatory body, the Directors must not disclose to any third party any information or make any forward looking statements which are price sensitive in nature.

8.0 INSIDER DEALING AND CLOSED PERIOD REGULATIONS

All non-public information about the Group should be considered confidential information. Any Directors who have access to confidential information are not permitted to use or share that information for trading purposes in the Company's securities, or for any other purpose except for carrying out of the Group's business.

All the Directors are required to adhere to the closed period rules as stated under the Listing Requirements. A "closed period" means a period commencing *30 calendar days prior* to the targeted date of announcement to Bursa Securities of the quarterly results, up to the date of announcement of the quarterly results.

A Director who wishes to trade during the closed period is required to :-

- i. before the proposed dealing, give notice of intention to deal in writing to the Company;
- ii. the proposed dealing can only be effected after 1 full market from the date the Company made announcement in item (i) above;
- iii. after the dealing has occurred, the Director is required to give notice of the dealing in writing to the company secretary within 1 full market after the dealing has occurred for the announcement to Bursa Securities.

Notwithstanding the above, the Director who trade outside the closed period, must still, within 3 market days after the dealing has occurred, give notice of the dealing in writing to the company secretary for the announcement to Bursa Securities.

9.0 INTEGRITY AND PROFESSIONALISM

All Directors are representatives of the Company and are constantly being judged and otherwise appraised by the public. All Directors should conduct with the highest degree of integrity and professionalism in the workplace or any other location while on Company's business.

10.0 REPRESENTATION

The Company is represented by the Board and its authorised spokespersons ("AS") (i.e. Chairman, Managing Director, Executive Director or Chief Executive Officer) in all its public appearances in disclosing information related to the Company's activities to the public at large i.e. the media, the financial community, employees and shareholders.

All disclosure of information must strictly adhere to the policy set up by the Company and is the responsibility of the Board to ensure the adherence.

11.0 GIFTS AND HOSPITALITY

The Directors shall not accept from any firms or individuals doing or seeking to do business with the Company any of the following:

- i. Raw materials, services, repairs at no cost or at unreasonably low prices;
- ii. Loans or advances (other than financial institutions);
- iii. Excessive or extravagant entertainment; and
- iv. Gifts as cash or in kind and gift certificates (except gifts in relation to cultural celebration which does not exceed RM200.00)

12.0 ANTI-BRIBERY

All Directors are prohibited to attempt to offer, give, ask for, accept or receive any form of bribe. A bribe occurs when someone attempts to influence a decision by offering some form of undue or improper advantage, incentive or favour.

13.0 HEALTH, SAFETY AND ENVIRONMENT

The Company is committed to provide a working environment which is safe, secure and free of danger, harassment, intimidation, threats and violence. The Company takes the policy to comply with all the applicable environmental safety and health laws and regulations and strive to implement industry recognised best practices whenever possible.

The Directors shall at all times be committed to implement any mandated environmental requirements to ensure that the business operations are in line with industry best practices.

14.0 COMPANY'S RECORDS

Company books and records should be maintained in confidential, safeguarded from loss and destruction. All information and data resident on the Group's computers (including personal computer, workstation, desktop and/or server) are the sole and exclusive property of the Group. Care must be exercised with respect to computer data and information to protect them against intentional or unintentional corruption. All Company's records shall be retained by the Group for a minimum of seven (7) years.

The Group's books and records are to be prepared precisely, reliably, honestly and in a timely manner. Accurate and reliable records are necessary to meet the Group's legal and financial obligations. No Director is allowed to participate in the creation of (or falsification or alteration of) any Company records that are intended to mislead anyone or conceal anything improper.

15.0 COMPANY'S ASSETS AND PROTECTIONS

All Directors are expected to be accountable and take reasonable care to manage and protect the Company's properties and assets, entrusted to them. These include tangible assets such as equipment and machinery, systems, facilities, materials, resources as well as intangible assets such as proprietary information, goodwill, harmonious relations with customers and suppliers (where applicable).

The Directors are expected to know that they do not have legal ownership of the Company's assets and properties but do have effective control of them. Hence, all Company's assets and properties (where applicable) are for use and employ for legitimate purposes, in the best interests of the Company or any other purposes approved by the Board.

16.0 AMENDMENTS TO THE CODE

This Code shall be reviewed by the Board and amendments to be made from time to time to be in line with the changes in law, governance code couple with the change in Company's policies.

Each Directors shall be fully informed of any amendments to the Code.

17.0 ENFORCEMENT OF THE CODE

All Directors are to be accountable for full compliance to this Code.

18.0 NON-COMPLIANCE

The Board will take any necessary action to ratify on the non-compliance if there is a breach of this Code by any Directors.

If it is determined that this Code has been violated, either directly, by failure to report a violation, or by withholding information related to a violation, the offending Director may be disciplined for non-compliance including removal from office or dismissal. Such penalties may include written notices to the individual involved that a violation has been determined for minor offences or 1st offence, censure by the Company, demotion or re-assignment of the individual involved and suspension with or without pay or benefits for major offences which caused losses to the Company or 2nd offence. A violation of this Code may also constitute a violation of applicable laws and may result in criminal penalties and civil liabilities on the offending Director and the Company. All Directors are expected to cooperate in internal investigations of misconduct.

END.

-Adopted on 31 July 2024-