



NEWPARADIGM SECURITIES
Code of Business Ethics (CoBE)

Introduction

This Code of Conduct and Business Ethics (“Code” or “CoBE”) provides guidelines on ethical issues one may face during the course of business and the standards of behaviour expected of all employees of the New Paradigm Securities Sdn Bhd (“NPS”).

Scope

This Code shall by no means be exhaustive nor is it inclusive of all the policies of NPS. It provides a general guideline in resolving various legal and ethical issues that may arise in one’s course of business. If the Code contradicts local law, one must comply with the local law.

This Code applies to:-

1. Board of Directors;
2. Management;
3. Employees;
4. Contractors of NPS; and
5. Business Partners.

All Associates (as defined below) and Business Partners are expected to understand and comply with the Code. They are to ensure that good ethical values are constantly observed during the course of business.

This Code may be reviewed and updated from time to time to comply with local law(s) and directives.



Definitions

Associates: Directors, Management & Employees of NPS.

Board of Directors: All directors of NPS, be it independent or non-independent, executive directors and non-executive directors and, includes alternate directors.

Business Partners: Contractors, subcontractors, agents, consultants, representatives or other people who are engaged to act for or on behalf of NPS or in relation to NPS' affairs and/or businesses.

Bribe: Any gift, payment, benefit or other advantage pecuniary or otherwise, offered, given, or received in order to secure an undue or improper result, award, decision benefit or advantage of any kind.


Confidential Information: All data or information, whether in tangible or intangible form that is proprietary to NPS relating to or in connection with NPS' businesses.

Facilitation Payments: Payments made to secure or expedite the performance by a person performing a routine or administrative duty or function.

Government Officials: Includes, without limitation, candidates for public office, officials of any political party and officials of state-owned enterprises other than NPS.

Gratification: Any gift, payment, benefit or other advantage pecuniary or otherwise, offered, given, or received in order to secure an undue or improper result, award, decision benefit or advantage of any kind.

Insider: A person who possesses Price Sensitive Information and knows or ought reasonably to know that the information is not generally available publicly.



Money Laundering: Occurring when the criminal origin or nature of money or assets is hidden in legitimate business dealings or when legitimate funds are used to support criminal activities, including the financing of terrorism.

Personal Data: Relates directly or indirectly to a data subject, who is identified or identifiable from that information or from that and other information in the possession of the data user, including any sensitive personal data and expression of opinion about the data subject. For example: name, identity card number, date of birth, mobile number, employment information etc.


Price Sensitive Information: Information, if made generally available, would or would tend to have a material effect on the price or value of the securities.

For the avoidance of doubt, any references to 'you' or 'your' in this Code, refers to any person to whom this Code applies to.

SECTION A : GOOD FAITH, DILIGENCE & INTEGRITY

1. Fighting Solicitation, Bribery & Corruption

- 1.1 The act of corruption has the effect of compromising the performance of one's duties and the exercise of one's authority thereby undermining the integrity in one's decision-making process. It also affects the decisions of NPS concerning its business and affairs.
- 1.2 Associates and Business Partners are prohibited from directly or indirectly soliciting, accepting, obtaining or agreeing to accept or attempting to obtain from any party or for any other parties any bribe or gratification as a reward for doing or forbearing to do, or for having done or forborne to do, any act in relation to NPS' affairs or businesses.
- 1.3 Associates must satisfy themselves, where necessary, concerning the status of and probity of any contractor, subcontractor, agent, consultant, representative or other person whom they engage to act for or on behalf of NPS or in relation to NPS' affairs and/or businesses and confirm that the relevant party understands and accepts NPS's policies prohibiting improper solicitation, bribery and corruption.
- 1.4 Contractors, sub-contractors, consultants, agents, representatives and others must comply with NPS' policies when performing work or services for or on behalf of company.
- 1.5 Associates are prohibited from directly or indirectly offering, promising, or giving any bribe as a reward for doing or forbearing to do, or having done or forborne to do, any act in relation to NPS' affairs and/or businesses.
- 1.6 Associates who receive a request for a bribe or if offered a bribe, must report it to the Compliance Officer(s).
- 1.7 Associates are prohibited from directly or indirectly accepting or obtaining or attempting to accept or obtain facilitation payments from any person for yourself or for any other person subject to this Code.



1.8 Associates subject to this Code who directly or indirectly obtain any discount, rebate, commission, consideration of value or other benefit or payments of any kind (whether in cash or in kind) by virtue of his/her position or authority with or on behalf of PNS, will immediately disclose such receipt and he/she will be liable to render an explanation of the same and surrender any benefits and/or payments received to the company.

2. No Gift Policy

2.1 Associates are required to comply with the policies and procedures of the Human Resources Department relating to the receipt of gifts and entertainment.

2.2 Associates are not allowed to accept gifts or entertainment in exchange for an exercise or non-exercise of your authority or position in the company.

2.3 Associates are not allowed to extend gifts or entertainment that are illegal or unduly dangerous or indecent or sexually oriented or inconsistent with NPS' commitment of mutual respect, using NPS' resources.

2.4 Associates are not allowed to offer gifts or entertainment, including travel related expenses, to government officials or their family/household members without prior approval from the Group Chief Executive Officer, Group Deputy Chief Executive Officer and Group Executive Director.

2.5 Associates are not allowed to accept any gift(s) of cash from Business Partners or government officials when in performance of your duties.

2.6 Associates are not allowed to pay for entertainment or a gift personally to avoid having to seek pre-approval or otherwise to circumvent NPS' policies.

2.7 Associates are not allowed to take active action to circumvent the prohibitions in the section. Associates, must in all circumstances, comply with the rules concerning solicitation, bribery and corruption set out in this Code as well as with applicable laws concerning bribery and corruption.

3. Money Laundering and Due Diligence

- 3.1 Associates are required to, at all times, conduct sufficient counterparty due diligence to understand the business and background of NPS' prospective business counterpart(s).
- 3.2 Associates are required to, at all times or where necessary, determine the origin and destination of money, property and services of NPS' counterpart(s) and/or Business Partners when in engagement with the company.
- 3.3 Associates must report to their respective Heads of Department, (or, if that is not practicable, the Compliance Officer) suspicious transactions or suspected incidents of money laundering or bribery. Associates are not allowed to investigate a case of alleged money laundering or bribery yourself without consultation with the Compliance Officer.
- 3.4 Associates are obligated to account for the amount, nature, purpose and provider or recipient of any payment or transfer to or from NPS and it must be accurately reflected in the books and records of the group.

4. Whistleblowing Policy and Reporting

- 4.1 NPS and its Board of Directors are committed to our internal whistleblowing policy by introducing a safe and acceptable platform for Associates and Business Partners to channel their concern about improper conduct not limited to illegal, unethical, improper business conduct affecting the company.
- 4.2 The internal whistleblowing policy allows Associates and Business Partners to take appropriate preventative measures inside NPS without the negative effects that come with public disclosure such as loss of NPS' image and reputation, financial loss and loss of investor confidence.

- 4.3 Associates and Business Partners may make a disclosure of improper conduct based on his/her reasonable belief that any person is engaged, is engaging or is preparing to engage in improper conduct. Associates and Business Partners are required to provide sufficient information for management to take appropriate steps.
- 4.4 All concerns received will be duly investigated and deliberated by an independent committee, in accordance with our internal whistleblowing policy, for further steps to be taken, if any, based on the findings of the investigation.

SECTION B : CONFIDENTIALITY AND DATA PROTECTION

1. Confidentiality

- 1.1 The business affairs and records of NPS comprising business, technical, financial, legal, personnel and contractual records and documents comprising telegrams, e-mails, WhatsApp, WeChat, letter, reports, drawings, calculations, specifications, formula, licenses, agreements, computer software or any other documents are all confidential information belonging to NPS.
- 1.2 All Confidential Information of NPS is strictly private and confidential and may not be utilised, discussed with, divulged to, or disclosed to persons outside of NPS except by persons authorised to do so.
- 1.3 Associates are responsible to take all necessary precaution in respect of the confidentiality of NPS' private and confidential information.
- 1.4 Associates are prohibited to, at any time after the cessation of your tenure with NPS, use NPS' confidential information in breach of your post-tenure obligations to maintain the confidence of such confidential information.
- 1.5 Associates must comply with all laws, regulations and contractual obligations regarding the valid intellectual property rights of other parties, including patents, copyrights, trade secrets and other proprietary information.
- 1.6 Associates must not knowingly infringe on the protected intellectual property rights of other parties.
- 1.7 Associates are prohibited from publishing or writing any books or other works which are based on NPS' confidential information, unless with the written permission of NPS.

- 1.8 Should permission be granted for such publication, Associates are obligated to observe the following at all times: -
- 1.8.1 The publication will not be published in such a way as to state or imply that it has received official support or backing of any kind from NPS; and
 - 1.8.2 The publication will not, under any circumstances, mean that NPS has approved such publication or any words to that effect.
- 1.9 Associates are prohibited from uploading, downloading, sending or otherwise access or store pornography or other indecent or offensive material using NPS premises, equipment or systems.
- 1.10 Associates are prohibited from sending or forwarding obscene, libelous, defamatory, offensive or racist remarks.
- 1.11 Associates must promptly notify NPS management should you receive material set out in Section B 1.10.
- 1.12 Associates are prohibited from forging or attempting to forge e-mail messages.
- 1.13 Associates are prohibited from using NPS's information for personal gain and/or for advancement in authority.
- 1.14 Where Confidential Information is entrusted to persons outside of NPS, Associates must make an effort to ensure the continuing protection and confidentiality of that information.
- 1.15 Where applicable, Associates are prohibited from trading in securities based on price sensitive information that is in your possession or has come to your knowledge in the course of your employment with NPS.
- 1.16 For illustrative purposes, an Associate, who possesses the Price Sensitive Information, shares or communicates the said information to his or her spouse, who then informs the neighbour and later the said information flows to the neighbour's relatives. All these persons in the chain of transmission are deemed as Insiders and are subject to the law.

- 1.17 It is against the laws of many countries to trade or to tip others who might make an investment decision based on Insider information. According to Malaysian law, insider trading is prohibited by virtue of Part V. Subdivision 2 of the Capital Market and Services Act 2007 ("CMSA") and punishable under Section 188(4) of the CMSA.

2. Data Protection

- 2.1 Associates must at all times comply with NPS policies and applicable laws concerning punishable under Section 188(4) of the CMSA.
- 2.2 Personal Data must only be used for the purpose it was given or for compliance with legal obligations. Consent must be obtained if the personal data is used for a different purpose or if sensitive personal data is being processed.
- 2.3 A data user must notify the individual of the nature of the Personal Data being processed, the purposes for which it is collected and further processed and the data subject's right to request access to and correction of the personal data etc. Notification can be in electronic form so as to ensure the individual's capacity to record and keep a copy.



SECTION C: CULTURE AND ENVIRONMENT

1. Unlawful Discrimination and Sexual Harassment

- 1.1 NPS will not tolerate unlawful discrimination in the workplace or on the job.
- 1.2 Associates are required to comply with laws in the local jurisdiction that prohibit workplace discrimination.
- 1.3 NPS takes physical, emotional and psychological well-being of its employees seriously and as such, NPS is committed in providing a conducive working environment where your right to protection from all forms of sexual harassment and unsolicited or unwarranted sexual advances is accorded due recognition.
- 1.4 The act of any sexual harassment, unsolicited or unwarranted sexual advances will be treated as misconducts.

2. Safety, Health and Environment

- 2.1 Associates are responsible for maintaining a safe workplace by following the safety, health and environment rules and practices.
- 2.2 Associates are responsible for immediately reporting accidents, injuries, and unsafe equipment, practices or conditions to your Head of Department. NPS is committed to keeping its workplace free from hazards.
- 2.3 Associates must, at all times, declare immediately to your respective Head of Department of any contagious/dangerous disease that you are afflicted with.

3. Drugs, Alcohol and Prohibited Substances

3.1 Associates are strictly prohibited from the use, possession, distribution or sale of illegal drugs, alcohol or prohibited substances while in the course of NPS' business.

4. Criminal Activities and Wrongdoings

4.1 Associates shall, at all times, uphold the good name and reputation of NPS during and after office work.

4.2 Associates shall not engage or be involved in any behaviours or activities that maybe categorised as tarnishing the image of NPS or subversive or commit any criminal offence punishable under the law of Malaysia.

4.3 Should Associates be found to be involved in any behaviours or activities that may be categorized as subversive or commit any wrongdoing, criminal or otherwise that may be detrimental to the image and reputation of NPS, Associates shall be dealt with in accordance with NPS' disciplinary policies and procedures and/or liable in the court of law.

5. Business Dress and Attire

5.1 When dealing with Business Partners, Associates must ensure that you are not dressed in such a manner or wear clothing that may offend the Business Partners or compromise health and safety standards.

5.2 Where applicable, when NPS provides uniform or special attire, Associates must abide by the requirement.

SECTION D: DISCIPLINARY PROCESS AND SANCTIONS

1. Good Conduct, Discipline and Sanctions

- 1.1 NPS promotes the maintenance of discipline, good conduct and decorum as it is vital to the smooth running of its business and is for the common good of NPS and its Associates.
- 1.2 Acts that may be treated as misconduct for which an employee may be liable for disciplinary action is described in the Employee Handbook.
- 1.3 The above is not to be considered exhaustive and subject to the requirements of applicable law, disciplinary action may be taken against any person covered by this Code for misconduct or for non-compliance with such laws, regulations, rules and procedures.