

SUPPLIER CODE OF CONDUCT

1. Supplier Code of Conduct

This Supplier Code of Conduct (“**Code**”) applies to all Suppliers listed in the Approved Supplier List (ASL) of Mun Siong Engineering Limited, its subsidiaries and associate (hereinafter referred to as the “**Group**”) and all other Suppliers to be appointed and engaged by the Group. The Code conveys the expectation for Suppliers to adhere to the highest ethical standards when conducting business with the Group.

The Code defines the basic requirement of the Group’s Suppliers of goods and services on the activities that are strictly prohibited as well as respective responsibilities towards their stakeholders and the environment. It is the obligation of the Suppliers to review the Code, understand and comply with the Code.

A Supplier refers to any individual or business that supplies goods or services to any part of the Group’s business, and includes all persons employed by the Suppliers, as well as sub-contractors and service providers engaged by the Supplier.

It is the responsibility of the Supplier to ensure its employees and representatives understand and comply with this Code. Failure to adhere to this Code may be sufficient grounds for the Group to terminate the supplier’s relationship, depending on the circumstances and the seriousness of the violation.

2. Business Integrity

Suppliers shall comply with all applicable laws and regulations. Suppliers shall not tolerate, permit or engage in bribery, corruption or unethical practices. Suppliers shall practice fair competition. Conflicts of interest are to be avoided at all times.

3. Compliance with Laws and Regulations

In addition to the legal standards mentioned in this Code, Suppliers must undertake that they shall comply with all laws and regulations that apply to them in their countries of operations, while providing goods and services to the Group including but not limited to the laws and regulations in respect of anti-bribery, fraud and corruption.

The Group expects Suppliers to implement systems and controls to promote compliance with applicable laws and the principles set forth in this Code. Suppliers should also apply these or similar principles to the subcontractors and suppliers in providing goods and services to the Group.

4. Ethical Dealings

Suppliers shall commit that all their business dealings are handled with integrity, transparency and honesty. No form of fraud, corruption, bribery, extortion or other behaviour involving improper benefits shall be tolerated. Any situation that has actual, perceived or potential conflicts of interest must be disclosed to the Group.

Suppliers will comply with all the anti-corruption principles:

- (a) committing to promote values of integrity, transparency, accountability and good corporate governance;
- (b) strengthening internal systems that support corruption prevention;
- (c) fighting any form of corrupt practice; and
- (d) supporting corruption prevention initiatives by the Government and the local authorities;
- (e) A ‘zero tolerance’ policy towards any form of bribery, corruption, extortion and embezzlement.

Suppliers shall not offer to any employee of the Group any gift, inducement or reward that may influence business decision or create the appearance of influencing any business decision other than that specifically documented in a signed contract agreement or terms and conditions of the business arrangement.

In particular, Suppliers shall not pay bribes or make any other inducement, including kickbacks, facilitation payments, excessive gifts and hospitality, grants or donations in relation to their business dealing with customers and public officials. Suppliers are expected to perform all business dealings transparently and these dealings shall be recorded accurately. Suppliers shall ensure the subsidiaries, affiliates and all other parties appointed by the Suppliers to conduct work for the Group to also comply with the above.

Suppliers and those acting on their behalf shall remain free from conflicts of interest that may adversely influence their business relationship with the Group. Suppliers and those acting on their behalf shall remain free from conflicts of interest that may adversely influence their business relationship with the Group. Suppliers have not been convicted nor are the subject of any investigation, inquiry or enforcement proceedings by the relevant authorities of any actual or suspected breach to the above and will report any actual or suspected breach to the above as soon as reasonably practicable and to the extent permitted by law to the Group.

5. Anti-Money Laundering

The term money laundering is the process of hiding the true nature or source of illegally obtained funds and passing it through any legitimate business channels from one place or person to another. Anti-money laundering provisions are designed to help prevent legitimate businesses from being used by criminals and to assist law enforcement agencies to trace and recover criminal assets and terrorist funding. The Group prohibits any involvement in money laundering activities either directly or indirectly.

Suppliers are required to report any suspicious transactions or any money laundering concerns to the Group.

6. Confidentiality

Suppliers must respect the Group's intellectual property, trade secrets and all other confidential, proprietary or sensitive information, and may not use or disclose any such information except in accordance with the terms of their contract with the Group, and for the benefit of the Group.

Suppliers shall disclose information regarding its business activities, structure, financial situation and performance in accordance with applicable regulations and prevailing industry practices. Falsification of records or misrepresentations of conditions or practices in the supply chain are unacceptable.

7. Competition / Anti-trust

Group is committed to conducting its business in full compliance with anti-trust and fair competition laws.

Suppliers shall comply with all applicable anti-trust and competition laws of the country in which the Group operates. Suppliers shall not use illegal or unethical methods to compete in the market which includes but are not limited to:

- (a) exchanging, agreeing or arrangement to exchange commercially sensitive or competitive information with competitors;
- (b) fixing prices or terms related to pricing;
- (c) dividing up markets, territories or customer; and
- (d) adopting strategies to illegally exclude competitors from the market.

8. Equality

Suppliers shall not engage in any form of discrimination based on race, national origin, ethnicity, religion, gender, age, marital status, sexual orientation, disability, or other prohibited grounds for discrimination in hiring and any other employment practices.

9. Compliance with Labour Laws and Prohibition of Forced Labour

Suppliers shall not use forced labour, which consists of any work or service, not voluntarily performed, that is exacted from an individual under threat of force or penalty and includes any kind of involuntary or compulsory labour. Suppliers shall not use coerced, bonded or indentured labour, prison labour, or other forms of forced labour.

Suppliers shall comply with rules and conditions of employment that respect employees and, at a minimum, safeguard their rights under applicable national and international labour and social security laws and regulations. Suppliers shall ensure that their employees are provided with a valid employment contract outlining clearly the terms and conditions including on wages and other benefits.

In addition, where migrant employees are employed, Suppliers shall ensure that the employees

- (a) are documented and recruited legally and ethically in line with applicable laws and regulations in the country in which the Group operates;
- (b) are provided with adequate information regarding their terms of employment in their national languages; and
- (c) enjoy their right to keep all personal documents.

10. Prohibition of Child Labour

Suppliers shall not use child labour, which refers to work that:

- (a) is mentally, physically, socially or morally dangerous and harmful to children; and/ or
- (b) interferes with their schooling.

The term "child" refers to a person who has not completed his 15th year of age or in accordance with the applicable laws in the country in which the Group operates.

11. Wages and Benefits

Suppliers shall ensure that the Supplier to comply with the relevant laws and regulations imposed by the relevant authorities and all legal requirements on wages and provide any fringe benefits required by law or contract.

12. Humane Treatment

Suppliers shall treat employees with respect and dignity. No employee shall be subjected to any form of harassment which includes but not limited to physical, sexual, psychological or verbal harassment or threat of any such treatment.

13. Health and Safety

Suppliers are required to provide a safe and healthy working environment for all its employees and are encouraged to have Policies in place, that are designed to promote the general health of employees and prevent work-related injuries and illness.

Suppliers, its employees, its representatives and/or its agents must be free from the influence of alcohol or any other substance in order to perform the jobs safely and effectively.

Suppliers shall comply with all applicable workplace health and safety laws including appropriate controls, training, work procedures and personal protective equipment as may be required from time to time.

14. Environment

Suppliers shall strictly comply with sustainability and all applicable environmental laws and practices, such as those pertaining to waste disposal, air emissions and pollution, efficient use of resources and respect for the environment. Suppliers must endeavour to facilitate the development and implementation of mitigation actions through emission, reduction or removal enhancements to support sustainable development of a low carbon economy.

15. Reporting Obligation

Any non-compliance with and/ or breach of the Code could prevent the Group from achieving its overall corporate objectives. It could also cause damage to the Group's reputation and. It is your obligation to report any instance of actual or suspected violation of the Code in good faith, promptly to the Group Whistleblowing Channel.

All reports are taken seriously and will be handled in a confidential manner with disclosure limited to conduct a full investigation of the alleged violation.

16. Industry Practices

The Group will only do business with Suppliers that produce, package, store and deliver products in accordance with good manufacturing practices prevailing in their respective industries. Suppliers are expected to provide goods and services that consistently meet required specifications.

This Code does not create any binding obligations on the Group. It may be amended from time to time. The latest version is available at <https://www.mun-siong.com/supplier-code-of-conduct>

17. Review and Revision

This Code shall be reviewed every three (3) years unless earlier revision is required or on a need-to basis to ensure it remains current and relevant.



(Signature & Date)

QUEK KIAN HUI
Deputy Chairman

Footnotes:

- (1) This Policy provides a framework for efficient procurement process;
- (2) It shall be communicated and understood within our organisation;
- (3) We shall review it for continuing suitability.