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# CODE OF CONDUCT

Your decisions matter.

SKN Industrial Supplies Sdn Bhd

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# INTRODUCTION

At SKN Industrial Supplies Sdn Bhd, our behavior today defines our reputation tomorrow.

We affirm our unwavering commitment to the RBA Code of Conduct and all applicable Malaysian laws, covers operations and supply chain.

**Due Diligence:** We conduct ongoing due diligence to identify, prevent, and mitigate actual and potential social, ethical, and environmental, health and safety risks across our operations and supply chain.

**Continual Improvement:** We are dedicated to the ongoing refinement of our management systems to enhance our overall performance.

**Access to Remedy:** We provide effective, confidential grievance mechanisms and ensure stakeholders have access to remedy where our operations have caused adverse impacts.

**The "Stricter-Of" Principle:** We comply with the laws of Malaysia. Where RBA standards differ from local law, we commit to following the strictest requirement.



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# PURPOSE

The Code of Conduct establishes a framework for ethical, legal, and responsible business practices, including the protection of worker rights, the provision of a safe and healthy workplace, environmental responsibility, and continuous improvement across operations and the supply chain.

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# LABOR AND HUMAN RIGHTS



SKN respects the human rights of all workers, including direct, temporary, migrant, and contract employees.

**Forced Labor:** All work is voluntary. We prohibit the holding of original government-issued IDs and do not require workers to pay recruitment fees. If prohibited fees are discovered, they must be reimbursed within 90 days.

**Resignation Notice:** The notice period for in-scope workers shall not exceed one month, and any penalty for not serving notice is capped at 60% of one month's gross base wages.

**Young Workers:** We prohibit child labor (under age 15) and implement a mandatory two-form ID verification process. Workers under 18 shall not perform hazardous work, overtime, or night shifts.

**Working Hours:** A workweek shall not exceed 60 hours including overtime, except in unusual/emergency situations, and workers receive at least one day off every seven days.

**Wages and Benefits:** All workers are paid no less than the Malaysian RM 1,700 minimum wage. Overtime work is compensated in accordance with Malaysian law. Where internal or RBA requirements provide a higher rate, the stricter requirement shall apply.

**Non-Discrimination & Humane Treatment:** We maintain a workplace free of harassment and discrimination. Disciplinary wage deductions are strictly prohibited.

**Freedom of Association:** We respect the rights of workers to form/join trade unions and bargain collectively under the Trade Unions Act 1959 and Industrial Relations Act 1967.

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# LABOR AND HUMAN RIGHTS



## **Sick, Maternity and Paternity Leave policy:**

Workers are entitled to **paid sick leave** after a medical examination at the company's expense.

### **Non-Hospitalization Entitlement:**

14 days (< 2 years service).

18 days (2–5 years service).

22 days (> 5 years service)

**Hospitalization:** 60 days in aggregate per calendar year, provided it is certified by a registered medical practitioner or medical officer.

**Notification Rule:** Workers must inform the employer of sick leave within 48 hours of its commencement; failure to do so without reasonable excuse is deemed absence without permission.

SKN implements gender-responsive measures to support parents.

**Maternity Leave:** Every female employee is entitled to 98 consecutive days of paid maternity leave for up to five confinements, provided they have at least 90 days of continuous service.

Protection: It is an offence to terminate a female worker during maternity leave.

**Paternity Leave:** Married male employees are entitled to 7 consecutive days of paid leave for up to five confinements, provided they have at least 90 days of continuous service.

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# Ethics and Business Integrity

We uphold the highest standards of integrity in all interactions.

**Business Integrity:** We have a zero-tolerance approach to bribery and corruption in accordance with the MACC Act 2009.

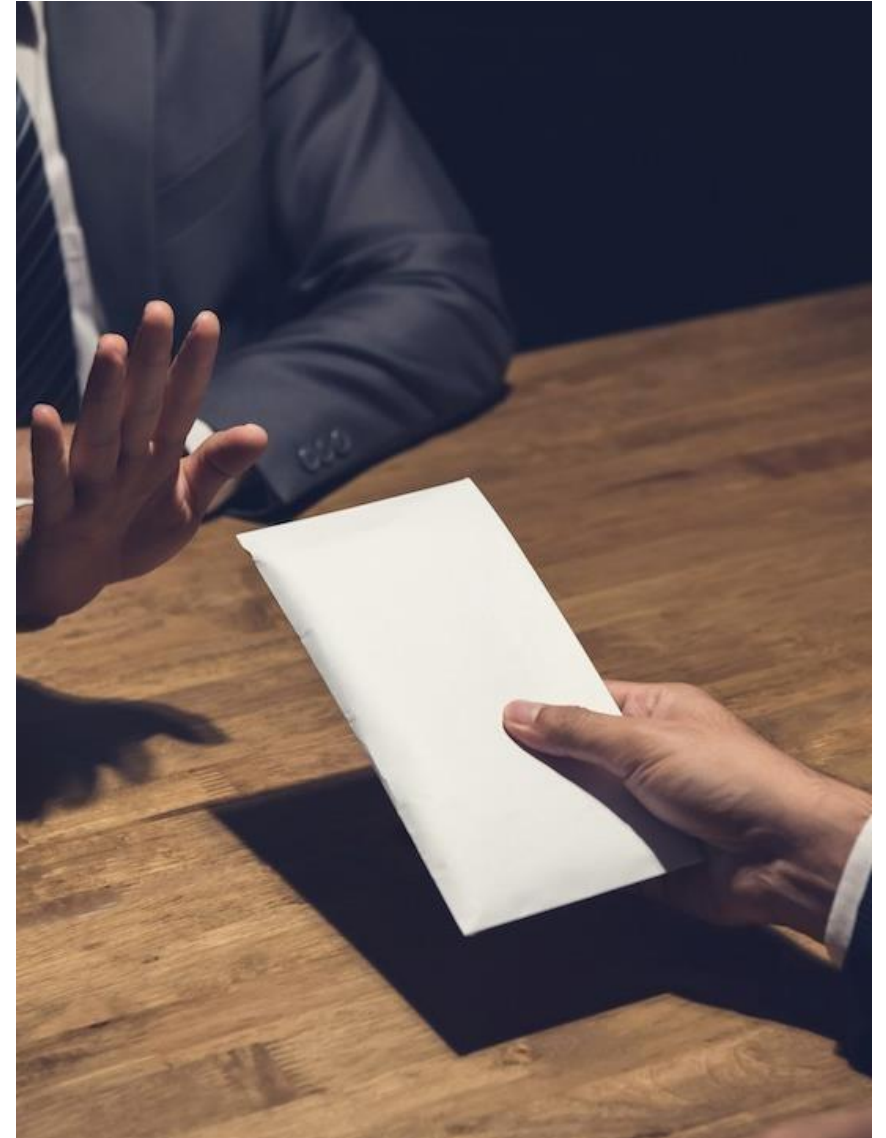
**Gift Giving:** We prohibit promising, offering, or accepting any "gratification" (as defined by the MACC Act) to obtain or retain business. "Gratification" includes money, donations, gifts, loans, or any service or favor.

**Conflict of Interest:** Both employees and suppliers are required to declare potential or actual conflicts of interest to ensure they remain free from such influences when dealing on behalf of the company.

**Fair Competition and Advertising:** We prohibit collusion with competitors on pricing or market allocation. All advertising materials and public statements must be truthful and verified for accuracy. Allegations of unfair competition will be investigated promptly and result in disciplinary action if substantiated.

**Intellectual Property & Privacy:** We safeguard customer and supplier information and protect the privacy of everyone we do business with.

**Whistleblower Protection:** We maintain confidential, anonymous channels for reporting misconduct without fear of retaliation.



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# Environment, Health, and Safety (EHS)



Environmental responsibility is integral to our business.

**Permits and Reporting:** We maintain all required permits for air emissions, wastewater, and waste generation.

**Hazardous Substances:** Chemicals are labeled and managed for safe handling. Disposal is performed only by **DOE-licensed vendors**.

We provide a safe workplace by identifying hazards and mitigating them using the **Hierarchy of Controls**.

**Occupational Safety:** We implement **gender-responsive measures**, ensuring pregnant and nursing mothers are moved from hazardous roles without loss of pay. Besides, we also encourages workers to report all work-related injuries and near-misses. Workers shall not be penalized, threatened, or terminated for reporting incidents.

**Emergency Preparedness:** We maintain written emergency response plans and conduct facility-wide **evacuation drills at least annually**. Fire equipment is purchased only from **registered Fire Safety Contractors**.

**Industrial Hygiene & Machine Safety:** We routinely monitor exposure to chemical, physical, and biological agents. All machinery is equipped with functional **safeguards and interlocks**.

**Sanitation:** Workers have ready access to clean toilets, potable water, and sanitary food facilities.

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# Management Systems & Supply Chain

**Legal Tracking:** We maintain a quarterly process to identify and monitor applicable laws and customer requirements.

**Material Restrictions:** All purchased materials must conform to RoHS/REACH and customer-specific substance prohibitions.

**Responsible Sourcing of Minerals:** We conduct due diligence on 3TG+C (Tantalum, Tin, Tungsten, Gold, and Cobalt) in accordance with the OECD Framework.

**Supplier Responsibility:** All "Major Next-Tier Suppliers" (including labor agents and risk based on-site contractors) must sign the Supplier Code of Conduct and undergo periodic compliance monitoring.

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# **TODAY'S BEHAVIOR IS TOMORROW'S REPUTATION**

Never underestimate the ability you have to make a difference.

Because every decision you make affects who we are and where we go from here.

**Endorsed by:**

A handwritten signature in grey ink, appearing to read 'Shawn Khor', written over a light grey background.

**Shawn Khor**