

KKB ENGINEERING BERHAD

CODE OF CONDUCT/ETHICS

A. **Company's Code of Conduct/Ethics:**

- The Company is committed to integrity and will operate transparently and fairly in its business dealings.
- The Company and its employees must, at all times, comply with all applicable laws and regulations. The Company will not condone the activities of employees who achieve results through violation of the law or unethical business dealings. This includes any payments for illegal acts, indirect contributions, rebate, and bribery.
- Employees must ensure that their actions cannot be interpreted as being, in any way, in contravention of the laws and regulations.
- Employees uncertain about the application or interpretation of any legal requirements should refer the matter to their Supervisor, who, if necessary, should seek appropriate legal advice from HoC.

General Employee Conduct/Ethics:

- Employees must act at all times honestly and without deception.
- The Company expects its employees to conduct themselves in a businesslike manner. Drinking, gambling, fighting, swearing, and similar unprofessional activities are strictly prohibited while on the job.
- Employees must not engage in sexual harassment, or conduct themselves in a way that could be construed as such, for example, by using inappropriate language, keeping or posting inappropriate materials in their work area, or accessing inappropriate materials on their computer.

Conflicts of Interest:

- The Company expects that employees will perform their duties conscientiously, honestly, and in accordance with the best interests of the Company. Employees must not use their positions or the knowledge gained as a result of their positions for private or personal advantage.

Outside Activities, Employment, and Directorships:

- All employees share a serious responsibility for the Company's good public relations, especially at the community level. Their readiness to help with religious, charitable, educational, and civic activities brings credit to the Company is encouraged. Employees must, however, avoid acquiring any business interest or participating in any other activity outside the Company that would, or would appear to create a conflict of interests.

Relationship with Clients and Suppliers:

- Employees should avoid investing in or acquiring or giving a financial interest for their own accounts in any business organization that has a contractual relationship with the Company, or that provides goods or services, or both, to the Company if such investment or interest could influence or create the impression of influencing their decisions in the performance of their duties on behalf of the Company. For dealings with any related parties, employees must declare their interests in the transactions.

Gift, Entertainment, and Favors:

- Employees must not accept or give entertainment, gifts, or personal favors that could, in any way, influence, or appear to influence, business decisions in favor of any person or company with whom or with which the Company has, or is likely to have, business dealings.

Kickbacks and Secret Commissions:

- Regarding the Company's business activities, employees may not receive or give payment or compensation of any kind from customers or suppliers and prohibits the acceptance and giving of kickbacks and secret commissions from and to suppliers or others.

Company Funds and Other Assets:

- When an employee's position requires spending Company funds or incurring any reimbursable personal expenses, that individual must use good judgment on the Company's behalf to ensure that good value is received for every expenditure.
- Company funds and all other assets of the Company are purposed for the Company only and not for personal benefit. This includes the personal use of Company assets, such as computer, laptop, phone and etc.

Company Records and Communications:

- Accurate and reliable records of many kinds are necessary to meet the Company's legal and financial obligations and to manage the affairs of the Company. The Company's books and records must reflect in an accurate and timely manner all business transactions. The employees responsible for accounting and recordkeeping must fully disclose and record all assets, liabilities, or both, and must exercise diligence in enforcing these requirements.
- Employees must not make or engage in any false record or communication of any kind, whether internal or external.

Dealing with Outside People and Companies:

- Employees must take care to separate their personal roles from their Company positions when communicating on matters not involving Company business.
- Employees must not use company identification, stationery, supplies, and equipment for personal or political matters.

Privacy and Confidentiality:

When handling financial and personal information about customers or others, the Company must:-

- Collect, use and retain only the personal information necessary for the Company's business. Whenever possible, obtain any relevant information directly from the person concerned. Use only reputable and reliable sources to supplement this information; and
- Limit internal access to personal information to those with legitimate business reason for seeking that information. Use only personal information for the purposes for which it was originally obtained.

Anti-Bribery and Corruption:

- Act at all times honestly and without deception.
- Do not knowingly, with willful blindness or recklessly do any of the following, or participate in any activity which involves any of the following:
 - Offer, give, demand or accept any bribe or other improper advantage.
 - Participate in any dishonest or deceptive activity in relation to any pre-qualification, tender or nomination process.
 - Provide, conceal, or approve work, materials, equipment or services which are not of the quality and quantity required under contract.
 - Provide false, inaccurate or misleading information.
 - Dishonestly withhold information.
 - Make or submit false, inaccurate, misleading or exaggerated records, invoices, claims, applications for variations or extensions of time, or requests for payment.
 - Dishonestly refuse or fail to pay, or delay in paying, sums due.

B. Board of Directors' Code of Conduct/Ethics:

The members of the Board of Directors of KKB Engineering Berhad acknowledge and accept the scope and extent of their duties as Directors. They have a responsibility to carry out their duties in an honest and businesslike manner and within the scope of their authority, as set forth in the laws of Malaysia as well as in the Constitution of the Company. They are entrusted with and are responsible for the oversight of the assets and business affairs of KKB Engineering Berhad in an honest, fair, diligent and ethical manner. As Directors, they must act within the bounds of the authority conferred upon them and with the duty to make informed decisions and policies in the best interests of the Company. The Board of Directors has adopted the following Code of Conduct and the Directors are expected to adhere to the standards of care, loyalty, good faith and the avoidance of conflicts of interest that follow.

Board Members will:

- Act honestly, fairly, ethically and with integrity;
- Deal fairly with all stakeholders;
- Act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated;
- Not accept from or give to stakeholders gifts or other benefits not normally customary;
- Act in a manner to enhance and maintain the reputation of the Company;
- Abstain from discussion, voting or otherwise influencing a decision on any matters that may come before the board in which they may have a conflict or potential conflict of interest;
- Not use confidential information acquired in the course of their service as Directors for their personal advantage or for the advantage of any other entity;
- Act in the best interests of, and fulfill their fiduciary obligations to the Company;
- Demonstrate professional duty of care;
- Comply with all applicable laws, rules and regulations;
- Not use the company's property or position for personal gain;
- Not use any information or opportunity received by them in their capacity as Directors in a manner that would be detrimental to the Company's interest and/or for own advantage;
- Disclose any personal interest that they may have regarding any matters that may come before the Board and abstain from discussion, voting or otherwise influencing a decision on any matter in which the concerned Director has or may have such an interest;
- Respect the confidentiality of information relating to the affairs of the Company acquired in the course of their service as Directors except when authorized or legally required to disclose such information;
- Help create and maintain a culture of high ethical standards and commitment to compliance;
- If you are a director or officer of, or have any management responsibility for, a company, you must act as follows:
 - You must make proper enquiries regarding any suspicion of corruption of which you become aware.
 - You must take reasonable preventive measure to stop corruption for which the company may be liable.
 - You must not instruct, authorize or condone, expressly or impliedly, any corrupt activity.

A director who has concerns regarding compliance with this Code should raise those concerns with the Chairman of the Board or the Chairman of the Audit Committee or Head of Compliance, who will determine what action shall be taken to deal with the concern.

*This Code of Conduct is reviewed and approved by the Board on **18 February 2020***

Rev. 1 (18.2.2020)