



**KKB ENGINEERING BERHAD  
&  
GROUP OF COMPANIES**

**CODE OF BUSINESS  
CONDUCT AND ETHICS**

## INTRODUCTION

KKB Engineering Berhad (“the Company”) and its Group of Companies (“KKB Group”)’s employees shall comply with the Code of Business Conduct & Ethics as set out below (“Code”).

This Code sets out the rules and policies that all employees in the KKB Group must follow.

Employees include directors, officers, and permanent employees of the KKB Group and also temporary staff, including contractors, secondees, trainees and those on work experience.

KKB Group is committed to maintain honesty and integrity. Employees who do not comply with the Code may be subject to disciplinary action including termination of employment and/or criminal prosecution. This Code is not comprehensive and employees should seek guidance from their Superior or Head of Human Resource Department.

## WHISTLEBLOWING

KKB Group has put in place a Whistleblowing Policy to uphold the highest standards of professionalism, integrity and ethical behaviour in the conduct of its business and operations. The policy sets out procedures which enables employees and members of the public to raise genuine concerns regarding actual or suspected unethical, unlawful, illegal, wrongful or other improper conduct and also sets out the process for managing any action, intimidation or harassment against a whistle-blower.

## CONFLICT OF INTEREST

The KKB Group expects all employees to perform their duties conscientiously, honestly and in the best interest of the Company at all times. Employees shall not use their position or knowledge gained directly or indirectly in the course of their duties and responsibilities or employment for personal advantage.

Example of conflict of interests are:

- i) Outside employment involving competitor, supplier or customer.
- ii) Family or personal relationship where there’s a direct or indirect reporting line.

If employees feel that there may be a conflict of interest, they must disclose the conflict promptly to the Company’s Head of Human Resources Department.

## BRIBERY AND CORRUPTION

It is unacceptable for KKB Group of companies, employees, or their business partners to be involved in corrupt practices. Employers must not offer, give solicit or accept any bribes in order to achieve a business advantage or personal advantage for themselves or others. They shall not engage in any transactions that contravenes any anti-bribery and corruption laws.

## ENTERTAINMENT AND GIFTS

As a general rule, employees are discouraged from accepting or giving gifts, entertainment or other benefits to or from business partners. Notwithstanding, it is acceptable when what is given is modest, reasonable, appropriate and lawful.

When offering or accepting, employees must consider:

- i) **Intent:** Is the intent only to build or maintain a business relationship or offer normal courtesy, or is it to influence the recipient’s objectivity in making a specific business decision?
- ii) **Materiality:** Is it sufficiently modest and infrequent? Consistent with reasonable business practice?

- iii) **Legality:** Is it legal both in the country and the country of the other party?
- iv) **Transparency:** Would he/she be embarrassed if him/her manager or colleagues or anyone outside the KKB Group became aware of the entertainment or gift?

Occasional drinks and meals, attendance at sports, theatre or cultural events, and modest gifts are usually acceptable.

Keeping a formal record. KKB Group of Companies are expected to maintain a register of all notified entertainment and gifts.

## **WORKPLACE, CULTURE AND ENVIRONMENT**

Employees must treat all their colleagues and business partners with dignity, and with respect.

Promoting equality and diversity. Equal opportunity and non-discrimination in KKB Group upholds the principle of workforce diversity, equal opportunity, non-discrimination and fair treatment and must not allow race, colour, gender, age, disability, sexual orientation, class, religion, politics, smoking habits, or any other characteristic protected by law to influence its judgement when it comes to recruitment, development, advancement or retirement of any employee.

Preventing harassment and violence. All aspects of harassment and violence are completely unacceptable. KKB Group is committed to removing such actions or attitudes from the workplace. All complaints or grievances will be investigated and appropriate action will be taken.

Workplace Health and Safety. Group safety is everyone's responsibility. KKB places a high value on the well-being of its employees and is committed to providing a safe working environment to prevent accidents and injury, and to minimise workplace health risks. Safety support and training is provided so everyone is aware of the health, safety and security issues and requirements relevant to their work.

Drugs, Alcohol and Prohibited Substance. Employees must not be under the influence of drugs or alcohol or any prohibited substance and Company's prohibits working under the influence of drugs, alcohol or prohibited substance.

## **POLITICAL CONTRIBUTIONS**

Where political contributions are expressly permitted by Malaysian law and generally accepted as part of business practice in Malaysia, they must only be made in strict accordance with the law.

KKB Group shall not make a political contribution in circumstances where the contribution itself is intended to achieve any improper business or other advantage.

All political contributions must be authorised by the Board of Directors and recorded in the Company's books.

## **CHARITABLE CONTRIBUTIONS**

As a good corporate citizen KKB Group is encouraged to support local community and charitable projects provided that the charitable contributions are not made to secure any improper business or other advantage.

Any charitable contribution or other corporate social investment provided by a Group must be fully documented in the company's book.

## **ACCURATE ACCOUNTING AND RECORD-KEEPING**

Honest, accurate and objective recording and reporting of information, both financial and non-financial, is essential to KKB Group's credibility and reputation. All employees play an important role in this whether relating to payments, claims, bills, invoices etc. There is never any justification for falsifying records or misrepresenting facts. Such conduct may amount to fraud and result in civil or criminal liability.

## **PROTECTION OF CORPORATE ASSETS**

All employees are responsible for protecting the Group's assets and should immediately report any suspected theft, damage, misuse, fraud or improper usage.

KKB Group's assets include physical and intellectual property, funds, proprietary information, equipment and facilities.

Fraud or theft by employees could result in their dismissal and prosecution.

Improper use of Company's equipment includes:

- i) communication which is sexist, racist, obscene or offensive;
- ii) disseminating confidential materials or other proprietary materials; or
- iii) visiting inappropriate internet sites.

Employees must always maintain the security of any information used to access company property and networks, including IDs, passwords and pass codes.

## **CONFIDENTIALITY AND INFORMATION SECURITY**

All employees must maintain the confidentiality of all sensitive information and other confidential information relating to KKB Group and its business and must not disclose without authorisation from higher Management.

Employees must not use confidential information relating to KKB Group or its business for their own financial advantage or for that of a friend or relative.

## **INSIDER DEALING**

KKB Group is committed to supporting fair and open securities markets. Employees must not improperly disclose inside information, deal in securities on the basis of inside information, misuse inside information or engage in market manipulation. Insider dealing constitutes a criminal offence under the Capital Markets and Services Act 2007 ("CMSA"). If employees are uncertain whether they possess inside information or other information of a price-sensitive nature, they should contact the Corporate & Legal Affairs Department.

## **FAIR COMPETITION AND ANTI-TRUST**

KKB Group is committed to vigorous competition and to complying with applicable competition laws in order to protect the interest of all its customer. The Company shall not gain illegal benefits by unfair means or violate anti-trust law.

*This Code of Business Conduct and Ethics is reviewed and approved by the Board through Directors' Circular Resolution on **22 May 2020**.*

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