

Directors' Code of Conduct and Ethics Policy

DIRECTORS' CODE OF CONDUCT AND ETHICS POLICY

1. Introduction

- 1.1. This Directors' Code of Conduct and Ethics Policy is adopted by the Board of Directors to attain best corporate governance practices and compliance with legislation governing Director's duties in discharging their duties to achieve corporate objectives for **Kinergy Advancement Berhad and its Group of companies ("Kinergy" or "the Group")**
- 1.2. This Code is intended to focus the Board and each director on areas of ethical risk, provide guidance to directors to help them recognise and deal with ethical issues, provide mechanisms to report unethical conduct, and help foster a culture of integrity, honesty and accountability.
- 1.3. This Code of Ethics is in addition to the Board Charter which had been adopted by the Board of Directors.

2. Principles

- 2.1 The principle of this code is based on principles in relation to duty of care, integrity, responsibility and corporate social responsibility.

3. Purpose

- 3.1 This Code of Conduct and Ethics is formulated to enhance the standard of corporate governance and corporate behaviour with the intention of achieving the following aims:
 - i. To establish a standard of ethical behaviour for Directors based on trustworthiness and values that can be accepted, are held or upheld by Directors.
 - ii. To uphold the spirit of responsibility in line with the legislation, regulations and guidelines for administering a common standard of ethics.

4. Definition

- 4.1 Director includes both Executive and Non-Executive Directors.

5. Code of conduct and ethics for directors

- 5.1. In the performance of his duties, a Director should at all times observe the highest level of integrity, professionalism and ethical values. This code could not possibly cover and anticipate all areas and every situation that may arise; however, MCCG 2021 have highlighted the following main areas to be observed:
 - i. Conflict of interest, actual or potential
 - ii. Corrupt practices which include the offering and acceptance of
 - iii. Gifts and other form of benefits;
 - iv. Reporting of unlawful or unethical behaviour;
 - v. Protect and ensure the proper use of the Group's assets; a
 - vi. Ensure compliance with MACC Act 2009, Anti-Bribery & Corruption Policy (AB&C Policy) and other related policies, rules and regulations.

6. Conflict of interest

- 6.1. Directors must avoid any conflicts of interest between the director and the Group. Any situation that involves, or may reasonably be expected to involve, a conflict of interest with the Group, should be disclosed promptly to the Chairman of the Audit Committee.
- 6.2. A "conflict of interest" can occur when a director's personal interest is adverse to – or may appear to be adverse to – the interests of the Group as a whole. Conflicts of interest also arise when a director, or a member of his or her immediate family¹, receives improper personal benefits as a result of his or her position as a director of the Group.
- 6.3. Whilst it is not possible to describe all possible conflicts of interest that could develop, some of the more common conflicts from which directors must refrain, however, are set out below:
 - i. *Relationship of Group with third-parties.* Directors may not engage in any conduct or activities that are inconsistent with the Group's best interests or that disrupt or impair the Group's relationship with any person or entity with which the Group has or proposes to enter into a business or contractual relationship.
 - ii. *Compensation from non-Group sources.* Directors may not accept compensation (in any form) for services performed for the Group from any source other than the Group.
- 6.4. Directors must disclose immediately all contractual interests, whether directly or indirectly, with the Group;
- 6.5. Directors must neither divert for own advantage any business opportunity that the Group is pursuing, nor use confidential information obtained by reason of their office for own benefits or that of others;

7. Encouraging the reporting of any illegal or unethical behaviour

- 7.1 Directors should promote ethical behaviour and take steps to ensure the Group encourages employees to:
 - i. Talk to supervisors, managers and other appropriate personnel when in doubt about the best course of action in a particular situation;
 - ii. Report violations of laws, rules, regulations or the Group's Code of Conduct to appropriate personnel; and
 - iii. Informs employees that the Group will not allow retaliation for reports made in good faith.

8. Protect and ensure the proper use of the group's assets

- 8.1. *Personal use of Group assets.* Directors may not use Group assets, labour or information for personal use unless approved by the Chairman of the Audit Committee or as part of a compensation or expense reimbursement program available to all directors.
- 8.2. Directors are prohibited from:
 - (a) Taking for themselves personally opportunities related to the Group's business;
 - (b) Using the Group's property, information, or position for personal gain; or
 - (c) Competing with the Group for business opportunities, provided, however, if the Group's disinterested directors determine that the Group will not pursue an opportunity that relates to the Group's business, a director may do so.

- 8.3. Confidential information obtained in the course of their office or duties remains the property of the Group and it is inappropriate to disclose, allow, or render it to be disclosed or leaked, unless that disclosure had been endorsed by the Board of Directors, or the person whom the information is provided, or is required by law.

9. Ensure compliance with laws, rules and regulations

- 9.1. Directors shall comply, and oversee compliance by employees, officers and other directors, with laws, rules and regulations applicable to the Group, including the Companies Act 2016, Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("MMLR"), Capital Markets and Services Act 2007, Malaysian Code of Corporate Governance ("MCCG 2021"), any other applicable rules or regulations and the Group's constitution.
- 9.2. Directors shall oversee fair dealing by employees and officers with the Group's customers, suppliers, competitors and employees
- 9.3. To facilitate effectiveness, Directors must keep abreast with the affairs of the Group and be kept informed of the Group's compliance with the relevant rules, legislation and contractual requirements; and
- 9.4. Directors must have a clear understanding of the aims, purposes, capabilities and capacity of the Group.

10. General

- 10.1. Notwithstanding the conduct and ethics to be practised and observed on the areas above, Directors, should at all times:
- i. Devote time and effort to attend meetings and to know what is required of the board and each of its Directors, and to discharge those functions;
 - ii. Exercise their authority of office for a proper purpose, in good faith, and in the best interest of the Group;
 - iii. Exercise duty of care and diligence in fulfilling their functions and power of office;
 - iv. Recognise their primary responsibility is to the Group as a whole but may, where appropriate, have regard for the interest of stakeholders of the Group;
 - v. Be willing to exercise independent judgment and actions, if necessary to openly object should the vital interest of the Group be at stake;
 - vi. Take all reasonable steps to satisfy the soundness of all decisions taken by the Board;
 - vii. Promote and cultivate social and environmental responsibilities and encourage effective use of natural resources; and
 - viii. Always comply with the spirit, as well as the principle of the Code.

11. Review

This Policy is subject to periodic review and refinement to ensure ongoing relevance, effectiveness and alignment with emerging regulatory requirements, industry best practices and stakeholder expectations. This Policy was approved by the Management of Kinergy on 24th November 2025.