



KJTS GROUP BERHAD

(202201020004) (1465701-T)

(Incorporated in Malaysia)

CODE OF CONDUCT AND ETHICS

1. INTRODUCTION

- 1.1 KJTS Group Berhad (“the Company”) is committed in doing business legally, ethically and in a transparent manner. This Code of Conduct and Ethics is essential to maintaining and furthering our reputation for fair and ethical practices among our directors, customers, shareholders, employees, communities and other stakeholders of the Company and its subsidiaries (“the Group”).
- 1.2 The success of our business is based on the trust we earn from our employees, customers and shareholders. We gain credibility by adhering to our commitment to fairness and reaching our goals solely through ethical conduct. All directors and employees are expected to adhere to this Code in their professional, as well as personal conduct, treat everyone with respect, honesty and fairness.

2. FREE CHOICE OF EMPLOYMENT

- 2.1 KJTS Group Berhad shall not engage in or support the use of forced labour. The Company rejects any form of forced or obligatory labour. All work is voluntary and employees have the freedom to leave or terminate their employment after giving reasonable notice. We do not require our employees to surrender any government issued identification, passports or work passes as a condition for employment.
- 2.2 Forced, bonded (including debt bondage) or indentured labour, involuntary prison labour, slavery or trafficking of persons shall not be used. This includes transporting, harbouring, recruiting, transferring or receiving persons by means of threat, force, coercion, abduction or fraud for labour or services. There shall be no unreasonable restrictions on workers’ freedom of movement in the facility in addition to unreasonable restrictions on entering or exiting company-provided facilities.

3. CONFLICTS OF INTEREST

- 3.1 All directors, key senior management and employees have an obligation to conduct business in a manner, which avoids actual or potential conflicts of interest. These guidelines provide general direction concerning conflicts of interest.
- 3.2 An actual or potential conflict of interest occurs when a director, key senior management or employee can influence a decision that may result in a personal gain for that director,



KJTS GROUP BERHAD

(202201020004) (1465701-T)

(Incorporated in Malaysia)

key senior management or employee or for a relative because of the Company's business dealings. For the purpose of this Code, a relative is any person who is related to you by blood or marriage. However, if employees have any influence on transactions involving purchases, contracts, or leases, it is imperative that they disclose to the Department Head or in the case of directors, the Chairman of the Audit and Risk Management Committee, as soon as possible the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties. Where there is any question of a conflict, disclose the possible conflict and let your supervisor or Head of Department conduct the transaction.

- 3.3 Business dealings with outside firms should not result in unusual gains for those firms. Unusual gain refers to bribes, product bonuses, special fringe benefits, unusual price breaks, and other windfalls designed to ultimately benefit the employer, the employee, or both. Promotional plans that could be interpreted to involve unusual gain require specific management level approval.
- 3.4 Requests for sponsorship from customers should be submitted in an official letter or email to the attention of the HR Department. Limited funds are available for such sponsorships and not all requests can be approved. Approvals of such sponsorships should be obtained from the Head of Department in writing.
- 3.5 Employees are required to declare all gifts received from companies who have business relationship and dealings with the Group. No employees can receive items such as personal gifts either from their subordinates or business associates. However inexpensive gift such as cakes, pastries and chocolates given by well-wishers with the intention for such goodies to be shared amongst colleagues are allowed.
- 3.6 Where a potential or actual conflict arises, every director, key senior management and employees shall adhere to the procedures provided by the relevant laws including but not limited to the Companies Act 2016 and the ACE Market Listing Requirements of Bursa Securities Malaysia Berhad.

4. NON-DISCLOSURE

- 4.1 The protection of confidential business information and trade secrets is vital to the interests and the success of the Group. We have an obligation to protect the intellectual property rights of our customers and other information given to us. No employee shall disclose any information concerning a customer unless we are specifically authorised to do so by that customer. We also have our own business information to protect. Such confidential information includes, but is not limited to, the following examples:



KJTS GROUP BERHAD

(202201020004) (1465701-T)

(Incorporated in Malaysia)

- Employee personal or employment data
- Compensation data
- Customer lists
- Customer preferences
- Financial information
- Marketing strategies
- Pending projects and proposals

4.2 All employees are required to sign a Non-Disclosure Agreement as a condition of employment. Employees who violate the Non-Disclosure Agreement will be subjected to disciplinary action, up to and including termination of employment, even if they do not actually benefit from the disclosed information. Employees who have left the Group are expected to abide by the conditions stipulated in the Non-Disclosure Agreement, failing which, will subject the Group to enforce legal rights of the Agreement.

4.3 Directors are to exercise caution and due care to safeguard any information of a confidential and sensitive nature relating to the Group. The material information must be held in the strictest confidence by the Director involved until it is publicly released.

4.4 Respect our customers' privacy. Protect each other's privacy. Protect our business information.

5. KJTS CODE OF CONDUCT

5.1 The Group's Code of Conduct and Ethics conforms to Malaysia Law and standards and the Group's own internal guidelines which is built on the foundation of essentials which helps us in our interaction not just with directors, employees, customers, business partners and government agencies, but with society and environment as well.

6. DISCRIMINATION

6.1 The Group shall not discriminate against any worker based on race, colour, age, gender, sexual orientation, gender identify and expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information or marital status in hiring and employment practices such as wages, promotions, rewards and access to training. In addition, workers or potential workers should not be subjected to medical tests or physical exams that could be used in discriminatory way.



KJTS GROUP BERHAD

(202201020004) (1465701-T)

(Incorporated in Malaysia)

7. CODE OF CONDUCT

- 7.1 Discipline is the observation of rules for the maintenance of control and order, so that organisational standards and objectives may be met and disciplinary action is the action taken against an employee for any infraction of the employment rules or other relevant rules or regulation currently enforced by the Company.
- 7.2 In enforcing discipline, the following guidelines shall apply:
- a) Ample warnings (verbal counselling/written) given to the errant employee prior to any disciplinary action
 - b) No undue delay in action
 - c) Focus on the misconduct
 - d) Disciplinary action consistent with existing rules and practices
- 7.3 If an employee commits any misconduct listed below, the Head of Department or Supervisor shall notify the Human Resource Department immediately on the nature, date and time of the misconduct as per Form in Appendix 4.
- 7.4 The Human Resource Department shall then issue a Show Cause Letter to the employee and ask for explanation. If the explanation is acceptable, the case shall be withdrawn. Where there is a major misconduct, the Human Resource Department shall issue a Warning Letter to the employee on the consequences of repeating the misconduct.
- 7.5 Where the misconduct needs to be further investigated into, the Company may suspend the employee for a period not exceeding two (2) weeks with full pay in order for the employee not to influence/disturb the investigation.
- 7.6 The Human Resource Manager or a competent person authorised by the Management shall conduct a thorough investigation on the alleged misconduct. If the investigation leads to confirmation on misconduct, then a Domestic Inquiry shall be held.
- 7.7 In carrying out the Inquiry, the general rules governing natural justice shall apply :
- a) The Inquiry shall be instituted as early as possible
 - b) The employee shall be given particulars of his misconduct and a reasonable time to prepare himself for the case
 - c) To ensure impartiality, the Inquiry shall be conducted by the Officers who are not connected with the investigation of the misconduct.
 - d) The employee shall be allowed to bring his witnesses, to examine and cross examine the Company witnesses.



KJTS GROUP BERHAD

(202201020004) (1465701-T)

(Incorporated in Malaysia)

- e) Notes of the Inquiry, in the form of questions and answers as well as the findings shall be recorded to help ensure that the inquiry proceedings and decision are carried out legitimately.
- f) Arbitrary decisions shall be avoided.

7.8 The Inquiry Board or panel shall advise the Human Resource Manager of the outcome of findings and may recommend the following action to be taken: -

S/N	FINDINGS	RECOMMENDATIONS
1	Not Guilty	Discharge the case
3	Guilty	Dismiss the employee without notice
		Down grade the employee
		Suspend the employee from work without pay for a period not exceeding one (1) week or impose any other lesser punishment as the Company deems just and fit
		Issue the employee a Warning Letter

7.9 In case of dismissal, demotion, suspension as a penalty, imposition of fines or written warning, the Human Resource Manager shall notify the employee accordingly. Refer to Appendix 5 for the disciplinary procedures.

7.10 Below are some misconducts which may subject an employee to disciplinary action, including but not limited to dismissal, depending on the circumstances and seriousness of each case.

8. CATEGORY OF MISCONDUCT

8.1 Minor Misconduct

Minor misconduct is confined to minor disciplinary problems or situations requiring improvement in work performance.

The following acts shall be treated as minor misconduct:



KJTS GROUP BERHAD

(202201020004) (1465701-T)

(Incorporated in Malaysia)

1. Failing to record attendance upon entering and leaving the Company or worksite. The employee is required to clock-in and clock-out if going out for lunch or other purposes.
2. Late attendance or habitual late attendance.
3. Leaving workplace during working hours without prior permission of the Company.
4. Not observing hours to work including loitering during working hours, i.e smoking, inconsequential conversation etc.
5. Over-staying sanctioned leave without reasonable excuse or without informing or attempt to inform the Company of the excuse for such absence.
6. Habitual over-staying sanctioned break hours, i.e. tea, lunch or dinner breaks.
7. Carelessness or negligence at work.
8. Quarrelling and/or using vulgar/abusive language which may have a negative effect on the discipline and/or image of the Company.
9. Committing a nuisance on the Company's premises.
10. Participating or witnessing or involved in any form of gambling or card games during working hours or at the Company's premises or worksite.
11. Not taking proper care of Company's prop resulting in damage or losses.
12. Not keeping the work place clean and tidy.
13. Sporting long hair thus endangering him/her while at work or bringing any disrepute to the Company.
14. Failure to wear uniforms provided for by the Company at all times during work.
15. Engaging in excessive conversation whilst on duty.
16. Using the Company's property for personal use.

8.2 Major Misconduct

Where the employee fails to conform to the standards required or repeats the offences more than twice, it shall be treated as a Gross Misconduct (serious offence) and his services with the Company may be terminated after due inquiry.

The following acts or omissions whether alone or in combination with other, shall be treated as gross misconduct, for which an employee is liable to dismissal.

1. In possession and/or consuming of illicit drugs or intoxicating liquid within the Company's premises.
2. Under the influence of illicit drugs not prescribed by doctors while at work or intoxicating liquors to such an extent as to be unable to perform usual duties satisfactory or being in danger to himself and to other persons.
3. Attending work and/or carrying our duties under the influence of alcohol.



KJTS GROUP BERHAD

(202201020004) (1465701-T)

(Incorporated in Malaysia)

4. Unauthorized removal of the Company's property from the Company's premises, possession of the Company's property without authorization, theft, or other forms of dishonesty or criminal damage in connection with the Company's property, the property of another employee or the property of any other person. The Company shall exercise its discretion whether or not to report the matters to the police.
5. Disorderly behaviour or threatening to assault or to do injury, violence, abuse and/or assaulting other employees or superiors within the Company's premises at all times or to the customer/clients.
6. Striking at work or inciting others to strike in contravention of any law or rule, instigating any form of industrial action among employees against the Company or spreading false or unpleasant information of the Company among the employees and outsiders.
7. Engaged in private work or trade within or out of the Company's premises, which is directly or indirectly in conflict with the Company's interest.
8. Disclosing, divulging, explaining or giving information to any person or firm or company not associated with the confidential information concerning the interest and affairs of the Company.
9. Wilful insubordination or disobedience of any reasonable order of a superior.
10. Habitual absence without permission or valid reason.
11. Sleeping during working hours.
12. Refusal to work or wilful slowing down in performance of work.
13. Wilful or irresponsible action including vandalism resulting in damage to any goods or property of the Company.
14. Demanding, offering, accepting bribes or any illegal gratification.
15. Conviction by any Court of law for any criminal offence.
16. Possession of any lethal weapon on the Company's premises.
17. Dishonest behaviour such as presenting fake invoices for personal benefits, deliberately falsifying documents or obtaining or attempting to obtain leave of absence by false pretence.
18. Providing false information in order to be employed.
19. Failure to observe safety instructions including failure or refusal to use personal protective equipment etc.
20. Transmitting or relaying any classified information of the Company or Group to an unauthorised person or any attempt thereof.
21. Failure to meet established standard of performance or standard of output.
22. Participating in any unauthorised financial transactions within the Company premises or worksite.
23. Committing any immoral act or any act of sexual harassment within the Company premises or at the work site.
24. Carry out overtime work without any reasonable excuses.



KJTS GROUP BERHAD

(202201020004) (1465701-T)

(Incorporated in Malaysia)

25. Ceasing work before the due time without the prior permission of the immediate Superior.
26. Posting, altering or removing any document posted on the Notice Board without prior permission of the Company.
27. Failure or refusal to submit to medical examination or treatment provided by the Company for any form of illness or injury.
28. Refusal to accept any communication served in the interest of discipline.
29. Any act or omission, which creates any loss or disrepute or subversive of discipline.
30. Any other act or omission, which contravenes any other rules currently enforced by the Company or any Professional body to which an employee is a member.

9. PREVENTION OF HARASSMENT AT WORK

9.1 Purpose

9.1.1 KJTS Group Berhad is committed to encouraging and maintaining good employee relations within a working environment which fosters team working and encourages employees to give of their best. Everyone in the Company and those who have dealings with the Company has a responsibility to maintain good working relationships and not use words or deeds that may harm the wellbeing of others. Everyone has the right to be treated with consideration, fairness, dignity and respect. This contributes to a workplace environment in which individuals feel safe and can work effectively competently and confidently.

9.1.2 The Company's Code applies to all staff working within the organisation and to all employees working off the premises. It extends to include non-permanent workers such as contractors, agency, temporary staff, consultants and any other workers. The Code, in addition, covers the behaviour of staff outside working hours which may impact upon work or working relationships.

9.1.3 All employees have the right to work in an environment free from all forms of discrimination and conduct which can be considered harassing, coercive or disruptive including sexual harassment. Anyone engaging in harassing conduct will be subject to discipline, ranging from a warning to termination.

9.2 Key Principles

9.2.1 The Company will provide and sustain a safe working environment in which everyone is treated fairly and with respect. Those working or dealing with the Company must not encounter harassment, intimidation or victimisation on the basis of gender, race, colour,



KJTS GROUP BERHAD

(202201020004) (1465701-T)

(Incorporated in Malaysia)

ethnic or national origin, sexual orientation, marital status, religion or belief, age, trade union membership, disability, offending background or any other personal characteristic.

9.2.2 Everyone carries a personal responsibility for their own behaviour and for ensuring that their conduct is in accordance with the principles set out in this Code. In addition, each person has a responsibility to report any instance of bullying or harassment which they witness or which comes to their attention. Employees have a responsibility to act as role models, pro-actively addressing instances of bullying and harassment. Managers should also make themselves aware of their responsibility.

9.2.3 Harassment may be defined as any conduct which is:

- Unwanted by the recipient
- Is considered objectionable
- Causes humiliation, offence, distress or other detrimental effect

9.2.4 Harassment may be an isolated occurrence or repetitive: it may occur against one or more individuals. Harassment may be, but is not limited to:

- Physical contact - ranging from touching to serious assault, gestures, intimidation, aggressive behaviour.
- Verbal - unwelcome remarks, suggestions and propositions, malicious gossip, jokes and banter, offensive language.
- Non-verbal – offensive literature or pictures, graffiti and computer imagery, isolation or non-co-operation and exclusion or isolation from social activities.

9.2.5 Any employee who wishes to make a complaint of harassment is encouraged to first discuss matters informally with their Line Manager or with Human Resource, provided that they feel able to do so. Should the issues not be resolved at this stage or the employee feels unable to raise the issue informally, then a formal resolution should be sought.

9.2.6 When a complaint of Harassment is brought to the attention of a Manager at any level, whether informally or formally, prompt action must be taken to investigate the matter. Corrective action must be taken where appropriate and this may require an investigation under the Company's Disciplinary Policy and Procedure.

9.2.7 If it is considered that one of the parties concerned in a case should be moved from their current workplace, then as a matter of principle, the Company will normally remove the alleged perpetrator rather than the complainant. However, the final decision on who should be moved should reflect the circumstances of the case and advice from Human Resources to the relevant Manager.



KJTS GROUP BERHAD

(202201020004) (1465701-T)

(Incorporated in Malaysia)

- 9.2.8 All matters relating to the investigation of complaints of harassment or bullying will be treated in strict confidence. Any breach of confidentiality in this regard may render those responsible liable to disciplinary actions.
- 9.2.9 No employee will be victimised or suffer detriment for making a complaint of harassment or bullying and no Manager shall threaten either explicitly or implicitly that an employee's complaint will be used as the basis for decisions affecting that employee.
- 9.3 Sexual Harassment Policy
- 9.3.1 Sexual harassment is defined as unwanted sexual advances or visual, verbal or nonverbal or physical conduct of a sexual nature. This definition includes many forms of offensive behaviour and includes gender-based harassment of a person of the same sex as the harasser. The following is a partial list of sexual harassment examples: -
- Unwanted sexual advances
 - Offering employment benefits in exchange for sexual favours
 - Making or threatening reprisals after a negative response to sexual advances
 - Visual conduct that includes leering, making sexual gestures or displaying of sexually suggestive objects or pictures, cartoons or posters.
 - Verbal conduct that includes making or using derogatory comments, epithets, slurs or jokes.
 - Verbal sexual advances or propositions
 - Verbal abuse of a sexual nature, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual or suggestive or obscene letters, notes or invitations.
- 9.3.2 If you experience or witness sexual or other unlawful harassment in the workplace, report it immediately to your Supervisor. If the Supervisor is unavailable or you believe it would be inappropriate to contact that person, you should immediately contact the Human Resources Department or any other member of Management. You can raise concerns and make reports without fear of reprisal or retaliation.
- 9.3.3 All allegations of sexual harassment will be quickly and discreetly investigated. To the extent possible, your confidentiality and that of any witnesses and the alleged harasser will be protected against unnecessary disclosure. When the investigation is completed, you will be informed of the outcome of the investigation.
- 9.3.4 Any Supervisor or Manager who becomes aware of possible sexual or other unlawful harassment must immediately advise the Human Resources Department or the Managing



KJTS GROUP BERHAD

(202201020004) (1465701-T)

(Incorporated in Malaysia)

Director of the Company so it can be investigated in a timely and confidential manner. Anyone engaging in sexual or other unlawful behaviour will be subject to disciplinary action, up to and including termination of employment.

9.4 Grievance Policy

9.4.1 The grievance procedure is intended as the tool by which a member of employee may formally have a grievance, regarding any condition of their employment, heard by the Management of the Company. It is our policy to provide an acceptable and effective means for employees to bring problems and complaints related to their work, to the attention of Management.

9.4.2 In the event of a member of employee wishing to raise a grievance, it is preferable for the grievance to be satisfactorily resolved as close to the individual and their line Manager as possible. It is understood however that this is not always possible and that a formal procedure is required to ensure the swift and fair resolution of matters which aggrieve the Company's employees.

9.4.3 The Company would like their complaints to be resolved in an informal way, but where this is not done and then the procedure outlined below must be adhered to, for all employees.

9.4.4 Steps may be skipped where applicable only. At every step, due care and consideration will be exercised, in resolving the matter so raised. A copy of the grievance format shall be submitted to HR Department for file keeping.

9.5 Procedures

The procedures involve a series of three steps.

- **Step One**
The Employee concerned shall inform his immediate superior within three (3) working days of the problem arising.
- **Step Two**
If the employee fails to obtain satisfaction answer/response from his immediate supervisor within one week, he may approach the Departmental Manager. Such representation shall be in writing. If the matter is not resolved within seven (7) working days after reference to the Departmental Manager, he may take the matter to the Human Resource Manager, in writing.



KJTS GROUP BERHAD

(202201020004) (1465701-T)

(Incorporated in Malaysia)

- Step Three
The Human Resource Manager shall then take steps to amicably solve the grievance within one (1) week.

All the stages of the procedure where a time limit is specified, such the limit may be extended by the agreement between the employee and the Management.

10. WHISTLE BLOWING

- 10.1 All employees have a duty to maintain appropriate confidentiality in relation to the Company's affairs (this is explicit term in all contracts of employment). However, where an individual discovers activities or information that they believe shows malpractice/wrongdoing, this information should be disclosed in accordance with the Company's Whistleblowing Policy and Procedures.
- 10.2 Whistleblowing is the reporting of suspected wrongdoing or dangers in relation to Company activities. This includes bribery, fraud or other criminal activity, miscarriages of justice, health and safety risk, damage to the environment and any breach of legal or professional obligations.
- 10.3 The Whistleblowing Policy and Procedures covers all individuals working at all level and grades, including senior managers, officers, directors, employees, workers, consultants, contractors, trainees, home workers, part-time and fixed-term employees, casual and agency staff and volunteers. This policy does not form part of any employee's contract of employment and it may be amended at any time.

Employees can raise whistleblowing allegation either:

By post:

IN CONFIDENCE

HR Department

KJTS Group Berhad

Suite 3.03, Level 3, Wisma E&C, No. 2,

Lorong Dungun Kiri, Damansara Heights,

50490 Kuala Lumpur.

Email: hr@kjts.com.my

Telephone: 03-27166866 ext. 209

- 10.4 Protection and support for whistle-blowers



KJTS GROUP BERHAD

(202201020004) (1465701-T)

(Incorporated in Malaysia)

- 10.4.1 It is understandable that whistle-blowers are sometimes worried about possible repercussions following their disclosure. The Company aims to encourage openness and will support employee who raise genuine concerns under this policy, even if they turn out to be mistaken.
- 10.4.2 Individuals must not suffer any detrimental treatment as a result of raising a concern. Detrimental treatment includes dismissal, disciplinary action, threats or other favourable treatment connected with raising concern. If an individual believes they have suffered any such treatment, they should inform their Manager immediately.
- 10.4.3 If the matter is not remedied the individual should raise it formally using the Company's Grievance Policy and procedure. However, if it is their manager who is subjecting them to detrimental treatment, the individual should contact the investigating officer.
- 10.4.4 Individuals must not threaten or retaliate against whistle-blowers in any way. Such conduct may be subject to disciplinary action. In some cases, the whistle-blower could have a right to sue the individual personally for compensation in any employment tribunal.
- 10.4.5 In most cases you should not find it necessary to alert anyone externally. However, the law recognises that in some circumstances it may be appropriate for you to report your concerns to an external body such as local authority or police.
- 10.5 Bribery and Kickbacks
 - 10.5.1 All forms of bribery and kickbacks are illegal and expressly prohibited. "means any money, fee, commission, credit and gratuity, items of value or compensation of any kind which is provided, directly or indirectly, for the purpose of improperly obtaining/rewarding favourable treatment from the recipient/to the giver.
 - 10.5.2 Money, in any form, should never be given, offered, solicited, or accepted in exchange for favour.
- 10.6 Social / Dinner Invitation & Customer / Entertainment by Suppliers / Sub-Contractors
 - 10.6.1 All invitations made by clients/customers/suppliers/sub-contractors shall be on a professional basis and shall not jeopardize the image of the Company.
 - 10.6.2 Employees invited to social/dinner invitation/entertainment shall inform and discuss with their respective Head of Department or immediate supervisor prior accepting such invitation. The invitation shall not embody any activity regarded as immoral or would violate mutually accepted principles of respect, religion/cultures or law.



KJTS GROUP BERHAD

(202201020004) (1465701-T)

(Incorporated in Malaysia)

10.6.3 No gift(s) or entertainment may be given or received if it is, or could reasonably be construed to be, intended to influence an employee's behaviour. Whilst getting new businesses and contracts are of high importance to the Company, employees are requested to exercise prudent judgement before accepting or offering gifts or entertainment.

11. REVIEW OF THE CODE

- 11.1 This Code shall be reviewed periodically and updated in accordance with the needs of the Company as and when deemed necessary.
- 11.2 The Code of Conduct and Ethics should be made public in the Company's website.