

VENDOR CODE OF CONDUCT

1.0 INTRODUCTION

Kinergy Advancement Berhad and its Group of Companies ("Kinergy" or "the Group") promote a culture of sustainability across all business segments, underpinned by transparency, responsibility and ethical sourcing practices.

The Group expects its suppliers, vendors, contractors, and service providers (collectively, "vendors") to uphold high standards of integrity, ethical conduct, and environmental and social responsibility. This Vendor Code of Conduct ("the Code") sets out the minimum standards required of all vendors when conducting business with the Group. Vendors are expected to communicate and ensure compliance with these requirements among their employees and subcontractors throughout the supply chain.

The Code will be reviewed periodically and updated, where necessary, to ensure its continued relevance and effectiveness.

2.0 OBJECTIVES

The objectives of this Code are: -

- a) Promote ethical, transparent, and lawful business practices throughout the supply chain.
- b) Respect and uphold labour rights and human dignity in all operations.
- c) Encourage environmental stewardship and the adoption of sustainable practices.
- d) Foster accountability, transparency, and a culture of continuous improvement among vendors.

3.0 APPLICABILITY:

This document is subject to updates to align with evolving sustainability and regulatory requirements. The Group expects all suppliers to stay informed and comply with the latest version of this Code.

The Group reserves the right to take corrective or disciplinary actions, including termination of contracts, against vendors that fail to comply with this Code.

4.0 CORE AREAS OF CONDUCT

Each vendor shall comply with the following of the Code in supplying products and/or services: -

1. Business Integrity and Ethics

Conduct business with honesty, integrity, and transparency, and comply with all applicable anti-bribery and anti-corruption laws.

1.1.1. Compliance with relevant laws and regulations

- i. Vendors are expected to comply with all applicable laws, regulations, and industry standards in the jurisdictions where they operate and where their goods and/or services are provided. This includes adherence to relevant national, local, and, where applicable, international legal and regulatory requirements.

1.1.2. Anti-Bribery and Anti-Corruption

- i. Kinergy has zero-tolerance for bribery, corruption and unethical business conducts.
- ii. Vendors are required to comply with all applicable anti-bribery and anti-corruption laws and regulations, including the Malaysian Anti-Corruption Commission Act 2009, the Malaysian Anti-Corruption Commission (Amendment) Act 2018, and to adhere to the Group's [Anti-Bribery and Corruption Policy](#) and procedures.

1.1.3. Anti-Money Laundering

- i. Vendors are expected to conduct business only with reputable parties for legitimate purposes and to use funds derived from lawful sources. They should remain vigilant to any unusual or suspicious transactions and payment arrangements.
- ii. Vendors are required to comply with all applicable anti-money laundering and counter-terrorism financing laws and regulations, including the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001.

1.1.4. Conflict of Interest

- i. Vendors shall promptly disclose to the Group as soon as they become aware of any conflict of interest and manage any actual, potential or perceived conflicts of interest arising from the contractual obligations to supply goods and/or services to the Group.

2. Labour Standards and Human Rights

Conduct business with honesty, integrity, and transparency, and comply with all applicable anti-bribery and anti-corruption laws.

2.1.1 Non-Discrimination, Equity and Fair Treatment

- i. Vendors shall ensure that all employees, contractors, and stakeholders are treated with dignity and respect, free from discrimination, harassment, bullying, or abusive behaviour and to adhere to the Group's [Discrimination and Harassment in the Workplace Policy](#).

2.1.2 Fair Wages and Working Hours

- i. Vendors are expected to comply to the latest minimum wages regulation set by the authorities, in accordance with the Group's [Human Rights and Labour Standards Policy](#), the Employment 1955, and all applicable labour laws, to protect employees against unduly low pay.
- ii. Vendors shall ensure that working hours, overtime, rest days, and public holidays are in accordance with legal requirements, and that overtime work is voluntary and compensated.

2.1.3 Health and Safety

- i. Vendors are expected to provide a safe and healthy working environment in accordance with applicable occupational safety and health laws, regulations, and the Group's [Workplace Environment, Occupational Safety and Health Policy](#).
- ii. Vendors shall identify, assess, and control workplace hazards to prevent injuries, illnesses, and incidents.
- iii. Vendors are expected to support a strong safety culture through proper training, communication, and accountability of all personnel.
- iv. Vendors shall promptly report, investigate, and address all incidents, and implement corrective actions to prevent recurrence.
- v. Vendors are expected to align with the Group's commitment to monitoring, reviewing, and improving safety performance and practices on an ongoing basis.

3. Environmental Responsibility

Conduct business in a manner that minimises environmental impact, complies with all applicable environmental laws and regulations, and promotes sustainable use of resources, waste reduction, and pollution prevention.

3.1.1 Compliance with Environmental Laws and Kinergy's Environmental Policy

- i. Vendors are expected to comply with applicable environmental regulations and guidelines enforced in the countries where they operate.
- ii. Vendors are expected to align and comply with the Group's [Environmental Policy](#), which commits to a holistic approach to environmental management and climate action.

3.1.2 Energy and Emissions Management

- i. Vendors shall support energy efficiency and greenhouse gas (GHG) reduction initiatives by adopting practices that conserve energy, minimise emissions, and contribute to decarbonisation objectives consistent with Kinergy's sustainability commitments.

3.1.3 Waste, Water and Pollution Controls

Vendors shall implement responsible waste management and pollution prevention measures, and use water efficiently to protect environmental quality, in accordance with the Group's environmental commitments

5.0 MONITORING AND COMPLIANCE

The Group reserves the right to conduct audits and on-site inspections to verify suppliers' compliance with this Code. Vendors are expected to maintain accurate records and provide relevant documentation upon request to demonstrate adherence to the required standards. In the event of non-compliance, the Group may take corrective actions, including but not limited to suspension, termination of the business relationship, or initiation of legal proceedings.

6.0 WHISTLEBLOWING AND GRIEVANCE MECHANISM

Anyone who knows of or suspects a violation of this Code is encouraged to report it promptly through the Group's [Ethics, Compliance and Whistleblowing Policy](#) or email at whistleblowing@kinergyadvancement.com. Reports made in good faith will be treated confidentially, and individuals will be fully protected from retaliation or any adverse consequences.