Kinergy

Kinergy Advancement Berhad
Kinergy Group
Kinergy/ the Group

Human Rights and Labour Standard Policy

HUMAN RIGHTS AND LABOUR STANDARD POLICY

1. Overview

Respect for human rights is a core value of **Kinergy Advancement Berhad and its Group of Companies ("Kinergy"** or **"the Group")**. The Group is committed to respecting and promoting human rights in alignment with the UN Guiding Principles on Business and Human Rights. We integrate these principles into our business processes, sustainability initiatives, and interactions with all internal and external stakeholders. Our goal is to actively contribute to the protection and promotion of human rights as key components of the social and governance ("ESG") factors within our sustainability efforts.

Kinergy have ultimate oversight of all human rights, labour standards, and ESG matters affecting the Group. We are committed to upholding the 'Protect, Respect, and Remedy' framework outlined in the UN Guiding Principles on Business and Human Rights, ensuring efforts to avoid, mitigate, and address any human rights impacts, while advancing our social and governance goals within the broader context of sustainability.

2. Objectives

This objectives of this policy are to:

i. Protect and promote human rights in accordance with national laws and international standards as referenced under the Group's Guiding Principles below:

Guiding Principles:

The Group's human rights and labour commitments are guided by the following national and international frameworks:

- Malaysian Employment Act 1955 and other relevant national labour laws in the countries in which we operate
- United Nations Guiding Principles on Business and Human Rights ("UNGPs")
- International Labour Organisation ("ILO") Core Conventions
- International Bill of Human Rights

ii. Ensure fair, safe and non-discriminatory working conditions for all employees and those within our supply chain

iii. Prevent and eliminate forced labour, child labour and human trafficking in all forms across Kinergy's operations and business relationships

iv. Foster transparent engagement and grievance mechanisms that allow employees and stakeholders to voice concerns safely and responsibly.

3. The Policy

i) Equality, Diversity and Inclusion

We are committed to the principles of equal opportunity and equal pay and maintains a zero-tolerance policy on discrimination and harassment. We work to maintain workplaces that are free from discrimination and harassment based on race, sex, colour, national or social origin, ethnicity, religion, age, disability, sexual orientation, gender identification or expression, political opinion or any other status protected by applicable law.

The basis for recruitment, hiring, placement, development, training, compensation and advancement at the Group is qualifications, performance, skills and experience. Our hiring processes will include the employment of under-privileged groups, including those from deprived backgrounds, having poor social status and with no formal education or qualifications. We do not tolerate disrespectful or inappropriate behaviour, unfair treatment or retaliation of any kind. We value and advance the diversity and inclusion of various people groups in the workplace.

We strictly prohibit any form of harsh or inhumane treatment, including physical punishment, abuse, harassment, or any other behaviour that violates an individual's dignity.

We are committed to maintaining a respectful and safe environment where all employees are treated with fairness and respect, in line with our core values and applicable human rights standards. We also strive to enhance opportunities for young talent through youth unemployment initiatives, apprenticeships, and graduate placements. In addition, the Group upholds a strict zero-tolerance stance against bullying, harassment, or any behaviour that undermines the dignity and well-being of our employees.

ii) Freedom of Association and Collective Bargaining

We respect our employees' right to join, form and to join a labour union without fear of reprisal, intimidation or harassment.

We also respect and support the right to collective bargaining. We are committed to establishing a constructive dialogue in good faith with employees and/or their representatives.

iii) Health and Safety Workplace

Safe and healthy work conditions involve both prevention of physical and mental harm, and promotion of workers' and employees' health. We are committed to provide a safe and healthy workplace and comply with applicable safety and health laws and regulations. We work closely in consultation with our employees, by addressing and remediating identified risks of accidents, injury and health impacts.

Internally, we commit to continuous improvement of our health and safety practices and processes towards reducing negative health and safety impacts. At the same time, externally, we engage with all our contractors and external stakeholders in our business value chain to ensure occupational health and safety standards are met.

iv) Workplace Security

We are committed to maintaining a workplace that is free from violence, harassment, bullying, intimidation and other unsafe or disruptive conditions due to internal and external threats. Violence, harassment, bullying, and intimidation is not tolerated in the workplace and in any work-related circumstance outside the workplace.

Security measures for employees are provided, as needed, and are maintained with respect for employee privacy and dignity.

v) Forced Labour and Human Trafficking

Forced or compulsory labour are work and service that is exacted from any person under the menace of any penalty and for which the said person has not offered herself or himself voluntarily.

We prohibit the use of all forms of forced labour, including prison labour, indentured labour, bonded labour, military labour, modern forms of slavery and any form of human trafficking.

The Group conducts various forms of due diligence, when necessary, in order to prevent the involvement of forced labour or human trafficking within its activities. It is also to avoid contributing to, or becoming complicit in, the use of forced labour or the occurrence of human trafficking through its relationships with its external stakeholders (e.g., suppliers, customers).

vi) Child Labour

As defined under the ILO, child labour is work that deprives children of their childhood, their potential and their dignity, and that is harmful to their physical or mental development including by interfering with their education. Specifically, it means types of work that are not permitted for children below the relevant minimum age. We prohibit the hiring of individual that is under eighteen (18) years of age for any position in the Group.

The Group conducts verification and/or due diligence to ensure employee and/or worker meets the minimum age and to prevent the use of child labour within its activities. It is also to avoid contributing to, or becoming complicit in, the use of child labour through its relationships with its external stakeholders (e.g., suppliers, customers).

vii) Work Hours and Benefits

The Group is committed to upholding human rights by ensuring fair working hours in compliance with Malaysia's Employment Act 1955. Employees shall not work more than 8 hours per day, 45 hours per week, or 104 overtime hours per month without consent.

Overtime is voluntary and compensated as required by law. Adequate rest periods, weekly rest days, and public holidays are provided to safeguard employee health, safety, and well-being, ensuring a balanced and equitable work environment.

viii) Minimum Wages

The Group aims to comply to the latest minimum wages regulation set by the authorities to protect employees against any unduly low pay. We also believe that minimum wages can also be one element of a policy to overcome poverty and reduce inequality, including those between men and women, by promoting the right to equal remuneration for work of equal value.

ix) Stakeholder Engagement

The Group is committed to frequent engagement with all our internal and external stakeholders in order to identify and manage any risks that arise from human rights violations or non-compliances.

Engagements and consultations shall be documented. Measures will be taken to avoid or mitigate any potential negative human rights impacts with the cooperation of the stakeholders.

4. Whistleblowing and Grievance Mechanism

We are committed to provide employees with a fair, confidential, and transparent process to address workplace grievances.

Employee or any third party may anonymously report any violation related to this policy via the Group's confidential e-mail at whistleblowing@kinergyadvancement.com

i) Grievance Procedures

Step 1	Employees are encouraged to raise concerns to the HR department, Whistleblowing Committee, email hotline or anonymous reporting box detailing the issue clearly.
Step 2	Grievances will be acknowledged within three (3) working days, and initial efforts will be made to resolve them informally.
Step 3	If unresolved, a formal investigation will be conducted, with relevant parties interviewed and evidence reviewed, ensuring confidentiality throughout.
Step 4	Decisions will be communicated within 14 working days of the investigation's completion, and employees may appeal unsatisfactory outcomes to senior management or a review panel within seven (7) working days.

All grievances will be handled without retaliation, and records securely maintained. This process ensures workplace fairness and respect for all.

ii) Remedial Action

We are committed to taking appropriate and timely remedial action to address valid grievances. Where a grievance is found to be substantiated, corrective measures will be implemented promptly to resolve the issue, prevent recurrence, and restore a fair and respectful work environment. All actions taken will be communicated transparently to the affected parties.

The Group will comply with any binding decisions or orders from the relevant authorities or judiciary, including the payment of compensation, fines, or penalties, if found guilty. Upon full compliance with such decisions or orders, the Group shall be considered discharged from the claim and will not bear any further liability related to the matter.

The entire process and its results shall be documented and shall be properly disclosed in accordance with any applicable laws or sustainability standards.

5. Roles and Responsibilities

The Board, assisted by the management, is responsible for developing strategies to meet the objectives of the policy, as well as monitoring the progress of achieving the objectives.

6. Reporting and Disclosure

As and when necessary, the Group shall periodically report and disclose the relevant metrics, targets, deliverables and achievements with regards to protecting and promoting human rights while avoiding and mitigating any human rights violations in the workplace, via mandatory or voluntary public reports and disclosures in accordance with the relevant regulations and standards.

7. 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.