

Revision No.	00
Effective Date	28-03-2019



KIA LIM BERHAD

Company No.: 199501013667 (342868-P)

**EMPLOYEES’
CODE OF CONDUCT
AND
ETHICS**

PURPOSE AND SCOPE OF THE CODE

This Code of Conduct and Ethics (“**Code**”) applies to all employees of Kia Lim Berhad (the “**Company**”) and its subsidiaries (collectively, “**Kia Lim Group**”), including full-time or permanent employees, part-time employees, employees on probation, and personnel on fixed-term contracts (collectively, “**Employees**”).

This Code sets out the principles to guide standards of behaviour and business conduct when Employees deal with third party. In this context, third party refers to any individual or organisation the Employee comes into contact with during the course of his / her work, and includes actual and potential customers, competitors, suppliers, contractors, distributors, business contacts / partners, agents, advisers, regulators, government and public bodies and officials, shareholders, investors and the community in which the Kia Lim Group operates in.

This Code is not a comprehensive guide that covers every ethical situation Employees may encounter in their course of work. In any circumstance which is not covered by this Code or in case of any doubt, Employees shall refer to his or her Head of Department or the Company’s Head of Human Resources and Administration Department for clarification or guidance.

1. Conflict of Interests

Employees have an obligation to act in the best interest of Kia Lim Group at all times. Employees are prohibited from using their position or knowledge gained directly or indirectly in the course of their duties and responsibilities or employment for private or personal advantage.

If an Employee at any time thinks that he or she may have a potential or actual conflict of interest, Employee is obliged to disclose the conflict promptly to the Company’s Head of Human Resources and Administration Department or Employee’s Head of Department so that a determination can be made as to the existence and seriousness of an actual conflict.

2. Misuse Of Position

- a) Employees should not abuse their position in the Kia Lim Group to take advantage of any information obtained in the course of duty for personal benefit or for the benefit of other persons.
- b) Employees should not make use of their position in the Kia Lim Group to solicit or receive favours from the Group’s customers in exchange either for:-
 - i) Granting them favourable terms and conditions; or
 - ii) Deliberately not exercising due diligence on delinquent accounts for a favour.
- c) Employees should, whenever possible, discourage their customers from offering them personal gifts, favours or services. However, the Company and its Employees may accept and offer meals and entertainment where business is conducted, such as recreational sporting or theatrical events, that are of reasonable value considering the nature of the event and / or frequency of occasion and advertising or promotional materials, such as pens, notepads, calendars, paper weights and other items of nominal value and are of commemorative nature for special events.

Any gift or gratuity must have a clear business purpose. If Employees are concerned about the nature of a gift or gratuity offered or requested, offer should be declined and advice sought by the Employee from his superior.

- d) Employees should not make use of their position in the Kia Lim Group:-
 - i) To solicit corporate directorships from the Kia Lim Group's customers, unless the member of staff is appointed to the Board to represent the Kia Lim Group's interest; or
 - ii) To borrow from or become indebted to these customers.
- e) It is the duty of all Employees to ensure that no other Employee in the Kia Lim Group should misuse his or her position in the Kia Lim Group. Employees who are aware of any such irregularities in the course of their work owe a duty to report such irregularities in confidence to the Kia Lim Group.
- f) Employees must not use the Kia Lim Group's name or facilities for personal advantage in political, investment or retail purchasing transaction, or in similar types of activities. Employees and their relatives must not use their connections with the Kia Lim Group to borrow from or become indebted to customers or prospective customers. The use of position to obtain preferential treatment, such as in purchasing goods, shares and other securities, is strictly prohibited.

Note: Under this clause, reference to 'customers' wherever it appears also include reference to 'vendors/suppliers of goods and services'.

3. Misuse Of Information

- a) Employees should not copy, remove or make use of any information obtained in the course of business for the direct or indirect benefit of themselves or of any other persons.
- b) It is regarded as a misuse of such information if an Employee uses information of the Kia Lim Group or customers to benefit themselves or confer an advantage on themselves or any persons.
- c) Employees in possession of confidential information should not use it in the following ways for the benefit of themselves or any other persons:-
 - i) To influence any customer or any third party in dealing in any transaction; or
 - ii) To communicate such information to any customer.
- d) The above prohibitions relating to the misuse of information continues even after the Employee ceases to be employed by the Kia Lim Group.
- e) Employees in one division, department or branch should not retrieve or obtain information of Kia Lim Group or customer from another division, department or branch unless the information so received is necessary in their course of work. Any transmission or transfer of information among the divisions, department or branches should be properly authorised.

- f) Employees shall not deal with securities of the Company listed on the stock exchange at any time when he / she is in possession of information, obtained as a result of his / her employment by the Kia Lim Group which is not generally available to shareholders of the Company and the public, and which, if it was so available, would likely bring about a material change in the market price of shares or other securities of the Company .
- g) An Employee who possesses insider information is also prohibited from influencing any other person to deal in the securities concerned or communicating such information to any other person, including other Employees who do not require such information in discharging their duty.

4. Integrity And Accuracy Of Records / Transactions

- a) Employees should ensure that accurate and complete records of the Kia Lim Group's operations are kept and maintained in such a form and for such a period as determined by the Kia Lim Group. These records include the following:-
 - i) Books, slips, documents, statement;
 - ii) Computer storage media;
 - iii) Computer programmes; and
 - iv) Computer print-outs.
- b) Employees should never make entries or allow entries to be made for any account, record or document of the Kia Lim Group that are false or would obscure the true nature of the transactions as well as to mislead the true authorisation limits or approval by the relevant authority of such transactions.
- c) Employees should ensure that any alteration or deletion to records is properly authorised by their superiors. Any removal of records must also be properly documented.
- d) Employees must ensure that Kia Lim Group's information and records are not copied by unauthorised persons including computer vendors.
- e) Employees should report to their superior immediately upon discovery of any unauthorised copying, entries, deletions or alterations in the Kia Lim Group's records.
- f) All records and computer files or programs of the Kia Lim Group, including personal files, financial statements and customer information, must be accessed and used only for the management-approved purposes for which they were originally intended.

5. Fair And Equitable Treatment

- a) All business dealings on behalf of the Kia Lim Group with current and potential customers, with other Employees and with all those who may have caused to rely upon the Kia Lim Group, should be conducted fairly and equitably. Employees must not be influenced fairly by friendship or association, either in meeting a customer's requirements or in recommending that they be met. Such decisions must be made on a strictly arm-length business basis. All preferential transactions with insiders or related interest should be avoided. If transacted, such dealings should be in full compliance with the law, judging on

normal business criteria basis and fully documented and duly authorized by the Board of Directors or an independent party.

- b) No Employee shall offer any bribe or similar consideration to any person or company in order to obtain business for the Kia Lim Group. Any commissions paid or other payments made, or favorable terms conceded, or other advantages given, by any Employee in the conduct of the Kia Lim Group's business shall be in accordance with the Kia Lim Group's policies on such matters as notified from time to time and shall be promptly recorded in writing.

6. Relationship With Customers

For matters of abnormal or of suspected abnormal nature in a Branch / Department (such as fraud / defalcation, robbery / theft, cash discrepancy and loss of important document), Head of Department should immediately inform General Manager.

7. Confidentiality

- a) The confidentiality of relations and dealings between the Kia Lim Group and its customers is paramount in maintaining the Kia Lim Group's reputation. Employees are required to keep confidential on all information relating to the Kia Lim Group's customers including information regarding their accounts and transactions. Employees should always abide by the Personal Data Protection Act (PDPA). *[Refer to KLB ISO Online - HRA Policy - Personal Data Protection Act.]*
- b) Employees should not remove or relocate documents or records of customers out of their divisions / departments / branches without the prior approval of their respective managers or department heads.
- c) Employees have a duty to continue protecting the confidentiality of customer information even after cessation of employment with the Kia Lim Group and except with the Kia Lim Group's consent, Employees shall not divulge or to make use of any secret, copyright material or any correspondence, accounts or dealings of the Kia Lim Group or its customers. No Employee shall in any way use information so obtained for financial gain.
- d) Employees should not reveal to third parties any names or other information in connection with any dealings or transactions with any customer.
- e) Confidential information concerning a customer may be given or made available to third parties only with prior written consent of the customer, when disclosure is authorized under any laws and regulations to be made to a police officer investigating into an offence specified in such law, regulations and other permitted disclosures.

8. Making Public Statements

- a) All Employees shall not, during or after termination of his employment with the Kia Lim Group:-
 - i) Publish or cause to be published or circulate any articles, statements, books, photographs or letters; and / or anything on the Kia Lim business;

- ii) Give away any interview or broadcast or delivery any lectures or speeches on any matter which concerns his duties or the policies, decisions or the business of the Kia Lim Group or any matter connected with the Kia Lim Group without obtaining the prior written consent of the Kia Lim Group.
- b) For making public statements, the following designated posts are exempted from seeking written permission from the Group if the act is in line with the discharge of official duties of the staff:-
 - i) Chairman;
 - ii) Chief Executive Officer; and
 - iii) Any spokesmen or persons so designated by the Chairman / CEO to do so.
- c) Employees wishing to seek permission to publish or write a book or article based on official information must write to the Chief Executive Officer or any other designated persons, giving details of the proposed publishing of the book or the article.

9. Social Media Usage And Computer Crimes

- a) When using social media such as, but not limited to, personal blogs, social media including Facebook or Twitter, Employees are to be mindful that they do not disclose confidential information about the Kia Lim Group's business, its customers and all other matters related to the Kia Lim Group. Employees are not authorized to make any commentaries on behalf of the Kia Lim Group and especially those that would adversely affect the image and reputation of the Kia Lim Group. Employees are prohibited from using / editing the Kia Lim Group's logos, pictorial images related to the Kia Lim Group and trademarks in their own personal social media accounts. Further, employees are required to comply with the Social Media Guidelines, IT Policy on Usage of Internet and IT Policy on Usage of Email when using social media. *[Refer to KLB ISO Online – IT Policy.]*
- b) Employee need to abide with the respective laws and regulation on computer crimes four (4) main offences relating to misuse of computers as stated below:-
 - i) Hacking and unauthorized access to computer material;
 - ii) Unauthorized modification of the contents of the Kia Lim Group's computers;
 - iii) Unauthorized communication directly or indirectly of a number, code, password or other means of access to the Kia Lim Group's computers; and
 - iv) Abetment and attempts to commit the offences described above.

10. Avenue To Express Viewpoint Or Complaint

Employees may express their viewpoint or their complaint on any matter or person with the Kia Lim Group's interest at heart direct to the General Manager in writing. *[Refer to KLB ISO Online - Human Resources Handbook (English / Bahasa Malaysia) -Grievance Handling Procedure.]*

11. Prohibited Conduct Of Person In Possession Of Inside Information

No Employee shall use price sensitive non-public information, which can affect the prices of the securities of the Company and / or related listed companies when it becomes publicly known (“Inside Information”), for personal benefit. Employees are prohibited to trade in securities or to provide information to others to trade in securities of the Company and / or related listed companies until the Inside Information is publicly released. Employees shall also not trade in securities in any other companies where they have Inside Information which they obtain in the performance of their duties.

12. Sexual Harassment

Every employee is entitled to work in a safe and conducive environment, Kia Lim Group views sexual harassment as a serious offence and appropriate action will be taken against any employee found guilty of committing the offence.

All incidences of sexual harassment must be reported to Human Resources and Administration Department for further investigation. All such reports and/or complaints shall be treated with strictest confidentiality. *[Refer to KLB ISO Online - HRA Policy – Sexual Harassment.]*

13. Workplace Attire

Kia Lim Group has chosen to offer a casual dress environment for employees. Employees are expected to use good judgment and to show courtesy to their co-workers by dressing in a manner that is presentable and appropriate. Employees are not permitted to wear any clothing that is revealing, displays inappropriate or offensive messages or could make others uncomfortable. At all times employees are asked to be cognizant that regardless of their interaction with clients, customers, suppliers, contractors or distributors, Kia Lim Group is still a place of business.

Should Employees be asked to attend business meetings with clients, either in Kia Lim Group offices or otherwise, they should dress in appropriate business attire.

14. Workplace Health And Safety

Kia Lim Group is committed to providing a safe and healthy work environment to all Employees. Health and safety support and training will be provided to Employees so that they understand their occupational health and safety obligations and diligently comply with all health and safety requirements, policies and procedures set out by the Company. Safety is everyone’s responsibility. *[Refer to Environment Policy, Security Policy and Safety Policy.]*