



CODE OF BUSINESS ETHICS (CoBE)

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1. INTRODUCTION & SCOPE

INTRODUCTION

- This Code of Conduct and Business Ethics (“Code” or “CoBE”) provides guidelines on ethical issue one may face during the course of the business and the standards of behaviour expected of all employees of the Kumpulan Powernet Berhad Group (“Group”).
- This Code may be reviewed and updated from time to time to comply with local law(s) and directives.

SCOPE

- This Code shall by no means be exhaustive nor is it inclusive of all the policies of the Group.
- It provides a general guideline in resolving various legal and ethical issues that may arise in one’s course of business. If the Code contradicts local law, one must comply with local law.
- This Code applies to:
 - a. The Board of Directors;
 - b. Management;
 - c. Employees
 - d. Contractors of the Group; and
 - e. Business Partners.
- All Associates and Business Partners are expected to understand and comply with the Code. They are to ensure that good ethical values are constantly observed during the course of the business.

2. DEFINITIONS

- Reference to “**Associates**” refers to the Directors, Management and Employees of the Kumpulan Pownet Berhad.
- Reference to “**Board of Directors**” or “**Board**” refers to all Directors of the Group, be it independent or non-independent executive directors and non-executive directors and includes the alternate director.
- Reference to “**Business Partners**” refers to a person or an entity, which the Company has engaged with or entered into a procurement process of acquiring supplies of goods and services in order to fulfil the Company’s strategic and operational needs that require coordination of multiple disciplines across the end of procurement chain. This includes contractors, subcontractors, agents, consultants, representatives or other people engaged to act for or on behalf of the Company.
- Reference to “**Bribe**” refers to any gift, payment, benefit or other advantage pecuniary or otherwise, offered given, or received in order to secure an undue or improper result, award, decision, benefit or advantage of any kind.
- Reference to “**CoBE**” or “**Code**” refers to the Group’s Code of Business Ethics.
- Reference to “**Confidential Information**” refers to all data or information, whether in tangible or intangible form that is proprietary to Company relating to or in connection with the Company’s business.
- Reference to “**Facilitation Payments**” refers to payments made to secure or expedite the performance by a person performing a routine or administrative duty or function.
- Reference to “**Group**” or “**Company**” refers to Kumpulan Pownet Berhad Group of Companies, including its subsidiaries, direct or indirect, and controlled companies.

- Reference to “**Public Officials**” and/or “**Government Officials**” refers to any person who is a member, an officer, an employee or a servant of a government agency whether Federal or State Authorities and includes candidates for public office, officials of any political party and officials of state-owned enterprises.
- Reference to “**Gratification**” refers to any gift, payment, benefit or other advantage pecuniary or otherwise offered, given, or received in order to secure an undue or improper result, award, decision benefit or advantage of any kind.
- Reference to “**Insider**” refers to a person who possesses Price Sensitive Information and knows or ought reasonably to know that the information is not generally available publicly.
- Reference to “**Money Laundering**” refers to occurrence when the criminal origin or nature of money or assets is hidden in legitimate business dealings or when legitimate funds are used to support criminal activities, including the financing or terrorism.
- Reference to “**Personal Data**” relates directly or indirectly to a data subject, who is identified or identifiable from that information or from that and other information in the possession of the data user, including any sensitive personal data and expression of opinion about the data subject. For example: name, identity card number, date of birth, mobile number, employment information etc.
- Reference to “**Price Sensitive Information**” refers to information which if made generally available, would or would tend to have a material effect on the price or value of the securities of the Company.
- Reference to “**you**” or “**your**” refers to any person to this Code applies. Where more specific reference is used, the more specific reference is intended.

3. SECTION A: DUTIES OF GOOD FAITH, DILIGENCE & INTEGRITY

FIGHTING SOLICITATION, BRIBERY & CORRUPTION

1. The act of corruption has the effect of compromising the performance of one's duties and the exercise of one's authority thereby undermining the integrity in one's decision-making process. It also affects the decision of the Company concerning its business and affairs.
2. Associates and Business Partners are prohibited from directly or indirectly soliciting, accepting, obtaining or agreeing to accept or attempting to obtain from any party or for any other parties any Bribe or gratification as a reward for doing or forbearing to do, or for having done or forborne to do, any act in relation to the Company's affair or businesses.
3. Associates must satisfy themselves, where necessary, concerning the status of and probity of any contractor, subcontractor, agent, consultant, representative or other person whom they engage to act for or on behalf of the Company or in relation to the Company's affairs and/or businesses and confirm that the relevant party understands and accepts the Company's policies prohibiting improper solicitation, bribery and corruption.
4. Contractors, sub-contractors, consultants, agents, representatives and others must comply with the Company's policies when performing work or services for or on behalf of the Company.
5. Associates are prohibited from directly or indirectly offering, promising, or giving any bribe as a reward for doing or forbearing to do, or having done or forborne to do, any act in relation to the Company's affairs and/or businesses. Associates who receive a request for a bribe or if offered a bribe, must report it to the Designated Officer(s).
6. Associates are prohibited from directly or indirectly accepting or obtaining or attempting to accept or obtain facilitation payments from any person for yourself or for any other person subject to this Code.
7. Associates subject to this Code who directly or indirectly obtain any discount, rebate, commission, consideration of value or other benefit or payments of any kind (whether in cash or in kind) by virtue of his/her position or authority with or on behalf of the Company, will immediately disclose such receipt and he/she will be liable to render an explanation of the same and surrender any benefits and/or payments received to the Company.

3. SECTION A: DUTIES OF GOOD FAITH, DILIGENCE & INTEGRITY

NO GIFT POLICY

1. Associates are required to comply with the policies and procedures of the Corporate Resources & Administration Department relating to the receipt of gifts and entertainment.
2. Associates are not allowed to accept gifts or entertainment in exchange for an exercise or non-exercise of your authority or position in the Company.
3. Associates are not allowed to extend gifts or entertainment that are illegal or unduly dangerous or indecent or sexually oriented or inconsistent with Company's commitment of mutual respect, using Company's resources.
4. Associates are not allowed to offer gifts or entertainment, including travel related expenses, to Government Officials or their family/household members without prior approval from the head of an operating unit and in consultation with the legal department.
5. Associates are not allowed to accept any gift(s) of cash from Business Partners or Government Officials when in performance of your duties.
6. Associates are not allowed to pay for entertainment or a gift personally to avoid having to seek pre-approval or otherwise to circumvent the Company's policies.
7. Associates are not allowed to take active action to circumvent the prohibitions in the section. Associates, must in all circumstances, comply with the rules concerning solicitation, bribery and corruption set out in this Code as well as with applicable laws concerning bribery and corruption.
8. Associates are to inform external parties involved in any business dealings with the Company that the Company practices a "No Gift Policy".

3. SECTION A: DUTIES OF GOOD FAITH, DILIGENCE & INTEGRITY

MONEY LAUNDERING AND DUE DILIGENCE

1. Associates are required to, at all times, conduct sufficient counterparty due diligence to understand the business and background of the Company's prospective business counterpart(s).
2. Associates are required to, at all times or where necessary, determine the origin and destination of money, property and services of the Company's counterpart(s) and/or Business Partners when in engagement with the Company.
3. Associates must report to their respective Heads of Department, (or, if that is not practicable, any Designated Persons) suspicious transactions or suspected incidents of money laundering or bribery. Associates are not allowed to investigate a case of alleged money laundering or bribery yourself.
4. Associates are obligated to account for the amount, nature, purpose and provider or recipient of any payment or transfer to or from the Company and it must be accurately reflected in the books and records of the Group.

WHISTLEBLOWING POLICY AND REPORTING

1. The Company and its Board of Directors are committed to our internal whistleblowing policy by introducing a safe and acceptable platform for Associates and Business Partners to channel their concern about improper conduct not limited to illegal, unethical, improper business conduct affecting the Company.
2. The internal whistleblowing policy allows Associates and Business Partners to take appropriate preventative measures inside the Company without the negative effects that come with public disclosure such as loss of the Company's image and reputation, financial loss, loss of investor confidence and drop in value of share price.
3. Associates and Business Partners may make a disclosure of improper conduct based on his/her reasonable belief that any person is engaged, is engaging or is preparing to engage in improper conduct. Associates and Business Partners are required to provide sufficient information for management to take appropriate steps.
4. All concerns received will be duly investigated and deliberated by an independent committee, in accordance with our internal whistleblowing policy, for further steps to be taken, if any, based on the findings of the investigation.

4. SECTION B: CONFIDENTIALITY AND DATA PROTECTION

CONFIDENTIALITY

1. The business affairs and records of the Company comprising business, technical, financial, legal, personnel and contractual records and documents comprising telegrams, e-mails, WhatsApp, WeChat, letter, reports, drawings, calculations, specifications, formula, licenses, agreements, computer software or any other documents are all confidential information belonging to the Company.
2. All Confidential Information of the Company is strictly private and confidential and may not be utilised, discussed with, divulged to, or disclosed to persons outside of Company except by persons authorised to do so.
3. Associates are responsible to take all necessary precaution in respect of the confidentiality of the Company's private and confidential information.
4. Associates are prohibited to, at any time after the cessation of your tenure with Company, use Company's confidential information in breach of your post-tenure obligations to maintain the confidence of such confidential information.
5. Associates must comply with all laws, regulations and contractual obligations regarding the valid intellectual property rights of other parties, including patents, copyrights, trade secrets and other proprietary information.
6. Associates must not knowingly infringe on the protected intellectual property rights of other parties.
7. Associates are prohibited from publishing or writing any books or other works which are based on Company's confidential information, unless with the written permission of Company.

4. SECTION B: CONFIDENTIALITY AND DATA PROTECTION

CONFIDENTIALITY

8. Should permission be granted for such publication, Associates are obligated to observe the following at all times:-
 - a. The publication will not be published in such a way as to state or imply that it has received official support or backing of any kind from Company; and
 - b. The publication will not, under any circumstances, mean that Company has approved such publication or any words to that effect.
9. Associates are prohibited from uploading, downloading, sending or otherwise access or store pornography or other indecent or offensive material using Company's premises, equipment or systems.
10. Associates are prohibited from sending or forwarding obscene, libelous, defamatory, offensive or racist remarks.
11. Associates must promptly notify Company's management should you receive material set out in paragraph 10 above.
12. Associates are prohibited from forging or attempting to forge e-mail messages.
13. Associates are prohibited from using Company's information for personal gain and/or for advancement in authority.
14. Where Confidential Information is entrusted to persons outside of Company, Associates must make an effort to ensure the continuing protection and confidentiality of that information.
15. Where applicable, Associates are prohibited from trading in securities based on price sensitive information that is in your possession or has come to your knowledge in the course of your employment with the Company.

4. SECTION B: CONFIDENTIALITY AND DATA PROTECTION

DATA PROTECTION

1. Associates must at all times comply with Company's policies and applicable laws concerning the protection of personal privacy including the protection of Personal Data.
2. Personal Data must only be used for the purpose it was given or for compliance with legal obligations. Consent must be obtained if the personal data is used for a different purpose or if sensitive personal data is being processed.
3. A data user must notify the individual of the nature of the Personal Data being processed, the purposes for which it is collected and further processed and the data subject's right to request access to and correction of the personal data etc. Notification can be in electronic form so as to ensure the individual's capacity to record and keep a copy.

5. SECTION C: CULTURE AND ENVIRONMENT

UNLAWFUL DISCRIMINATION AND SEXUAL HARRASMENT

1. The Company will not tolerate unlawful discrimination in the workplace or on the job.
2. Associates are required to comply with laws in the local jurisdiction that prohibit workplace discrimination.
3. Company takes physical, emotional and psychological well-being of its employees seriously and as such, Company is committed in providing a conducive working environment where your right to protection from all forms of sexual harassment and unsolicited or unwarranted sexual advances is accorded due recognition.
4. Harassment can include verbal, written or physical conduct or other action that is degrading or shows hostility or aversion towards an individual.
5. The act of any sexual harassment, unsolicited or warranted sexual advances will be treated as misconducts.

SAFETY, HEALTH AND ENVIRONMENT

1. Associates are responsible for maintaining a safe workplace by following the safety, health and environment rules and practices.
2. Associates are responsible for immediately reporting accidents, injuries, and unsafe equipment, practices or conditions to your Head of Department. The Company is committed to keeping its workplace free from hazards.
3. Associates share the responsibility for reducing accidents by performing their jobs in a safe and healthy manner.
4. Associates must at all times declare immediately to the respective Head of Department of any contagious or dangerous disease that you are afflicted with.

5. SECTION C: CULTURE AND ENVIRONMENT

DRUGS, ALCOHOL AND PROHIBITED SUBSTANCES

1. Associates are strictly prohibited from the use, possession, distribution or sale of illegal drugs, alcohol or prohibited substances while in the course of Company's business.
2. Associates should report to work in proper condition to perform their duties, free from influence of illegal drugs or alcohol.

BUSINESS DRESS AND ATTIRE

1. When dealing with Business Partners, Associates must ensure that you are not dressed in such a manner or wear clothing that may offend the Business Partners or compromise health and safety standards.
2. Where applicable, when Company provides uniform or special attire, Associates must abide by the requirement.

CRIMINAL ACTIVITIES AND WRONGDOINGS

1. Associates shall, at all times, uphold the good name and reputation of the Company during and after office work.
2. Associates shall not engage or be involved in any behaviours or activities that may be categorised as tarnishing the image of the Company or subversive or commit any criminal offence punishable under the law of Malaysia.
3. Should Associates be found to be involved in any behaviours or activities that may be categorized as subversive or commit any wrongdoing, criminal or otherwise that may be detrimental to the image and reputation of Company, Associates shall be dealt with in accordance with Company's disciplinary policies and procedures and/or liable in the court of law.

6. SECTION D: DISCIPLINARY PROCESS AND SANCTIONS

GOOD CONDUCT, DISCIPLINE AND SANCTIONS

1. The Company promotes the maintenance of discipline, good conduct and decorum as it is vital to the smooth running of its business and is for the common good of the Company and its Associates.
2. Subject to the requirements of applicable law, disciplinary action may be taken against any person covered by this Code for misconduct or for non-compliance with such laws, regulations, rules and procedures.