



## **KHEE SAN BERHAD**

Registration No: 199401018697  
(304376-A)

## **CODE OF CONDUCT AND ETHICS**

## **1. INTRODUCTION**

The Directors and Employees (“Officers”) of Khee San Berhad (“the Company” or “Khee San”) hold the position of trust with the public, shareholders, other stakeholders, as well as with each other. Therefore, it is important to establish appropriate standards of business conduct and ethical behaviour to govern the exercise of the Officers’ duties and responsibilities as directors and employees of the Company in order to uphold good corporate integrity. This Code is to provide the fundamental guiding principles and standards applicable to the Officers. As Officers of the Company, they are expected to adhere to, comply with and uphold the provisions of the Code.

The Officers of Khee San is regulated by the Main Market Listing Requirements issued by Bursa Malaysia Securities Berhad (“MMLR”) including but not limited to the Capital Markets and Services Act 2007 (“CMSA”), the Companies Act 2016 (“CA”), the Malaysian Code on Corporate Governance issued by the Securities Commission Malaysia (“MCCG”) and the provisions of the Constitution of Khee San. This Code is not intended to be exhaustive. It should be read in conjunction with the existing framework of all relevant laws and regulations as well as the directives and policies of the Company from time to time.

## **2. PURPOSE**

The objectives of the Code are:-

- a) To provide guidance to the Board to maintain the confidence of shareholders and other stakeholders in the Company’s integrity;
- b) To establish a standard of ethical corporate behaviour for the Officers based on universally accepted values;
- c) To enhance the standards of honesty, integrity, ethical and law-abiding behaviour expected of Officers;
- d) To encourage the observance of those standards to protect and promote the interests of shareholders and all stakeholders; and
- e) To promote good business conduct and maintaining a healthy corporate culture that engenders transparency and fairness.

## **3. EXPECTED STANDARDS OF CONDUCT AND ETHICS**

The Officers shall act within the authority conferred upon them in the best interests of the Company and will:

- a) Have a clear understanding of the aims and purpose, capabilities and capacity of the Company;
- b) At all times act with utmost good faith towards the Company in any transaction and to act honestly and responsibly in the exercise of his powers in discharging his duties;

- c) Devote time and effort to attend meetings (for Director) and to know what is required of the Board and each of its Director, and to discharge those functions;
- d) Ensure at all times that the Company is properly managed and effectively controlled;
- e) Stay abreast of the affairs of the company and be kept informed of the company's compliance with the relevant legislation and contractual requirements;
- f) At all times exercise his/her powers for the purposes they were conferred, for the benefit and prosperity of the Company;
- g) Willing to exercise independent judgment and, if necessary, openly oppose if the vital interest of the company is at stake;
- h) Disclose immediately all his/her contractual interests whether directly or indirectly with the Company;
- i) Should neither divert to his own advantage any business opportunity that the company is pursuing, nor may he use confidential information obtained by reason of his office for his/her own advantage or that of others;
- j) Be conscious of the interest of shareholders, employees, creditors and customers of the Company; and
- k) Confidential information received by an Officer in the course of the exercise of his/her duties as an Officer of the Company, remains the property of the Company and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by the Company, or the person from whom the information is provided, or is required by law.

#### **4. CONFLICT OF INTEREST**

Conflict of interest occurs when an Officer's private or personal interest interferes, or may appear to interfere, with the interests of the Company. A conflict of interest can arise when an Officer takes actions or has interests that may make it difficult to perform his/her responsibilities objectively and effectively.

- a) Officers should avoid business, financial or other direct or indirect interests or relationships which conflict with the interests of the Company or which divides his or her loyalty to the Company. A conflict of interest occurs when an individual's private interest interferes in any way with the interests of the Company or any of its subsidiary and affiliated companies. Officers must not use their position or knowledge gained directly/indirectly in the course of their duties for private or personal advantage.
- b) The Officers shall not hold positions or engage in other interests that adversely impact the performance of duties owed to the Company and shall avoid any relationship with a third party that could compromise the ability to transact business on an impartial and competitive basis.

- c) Officers are required to declare at all times the nature and extent of any conflict of interests, whether direct or indirect, or whether actual or potential, with the Company or its subsidiaries, and where so required, to abstain from any deliberation and decision relating thereto.
- d) Where a potential or actual conflict arises, every Officer shall adhere to the procedures provided by the relevant laws (including but not limited to the Companies Act 2016) and Bursa Malaysia Securities Berhad Main Market Listing Requirements.

## **5. GIFTS AND ENTERTAINMENT**

To observe high standards of business, professional and ethical conduct, the Officers (whether acting in their own capacity or on the Company's behalf) are committed to refrain themselves from authorising offering, giving or receiving any gifts and any other form of benefits (in kind, cash, advantages and/or favour and etc) from persons or entities who deal with the Company where the gift would reasonably be expected to influence the performance of the Officer's duties in any aspect.

## **6. PROTECTION OF COMPANY'S ASSETS**

- a) Officers shall take reasonable care to safeguard the Company's assets, including its physical premises, equipment and facilities as well as the records and information/data.
- b) Company's assets shall only be used in a safe, ethical and lawful manner and shall not be used for pursuing improper personal gain or opportunity.

## **7. CONFIDENTIALITY**

- a) Officers may come into possession or access to confidential, sensitive and non-public information ("Insider Information") in the course of their directorship with the Company. Officers must treat all such information in strictest of confidence, not disclose such information to any unauthorised persons and take all necessary precautions to maintain such confidentiality and not use it, directly or indirectly, for any purpose other than what it has been intended, except when disclosure is authorised or legally required.
- b) The obligation to preserve the Company's Insider Information is on-going even after an individual ceases to be an Officer of the Company, until the information becomes publicly available or the Company no longer considers it as confidential.
- c) Officers must not misuse confidential information of a third party.

## **8. INSIDER TRADING**

Insider trading is illegal by law. It can take many forms. This includes the use of or disclosure of price sensitive information for personal benefit or for the benefit of others.

- a) Officers who possess insider information shall not:-
  - i) deal in securities; or
  - ii) communicate such information to any unauthorised persons, for the benefit of themselves or any other persons.
- b) When dealing in the securities, an Officer shall comply with the relevant laws on trading in securities and observe such guidelines as may be prescribed by the Company in relation thereto from time to time.

## **9. COMPLIANCE WITH LAWS, RULES AND REGULATIONS**

Every Officer in exercising and/or discharging his/ her powers or duties shall comply with all applicable laws, rules and regulations including the Constitution of the Company and guidance and directives issued by the authorities.

## **10. NON-COMPLIANCE**

Officers must immediately report any concern about possible/actual breaches of the Code by any Officer to the Chairman. The Board shall determine appropriate actions to be taken after considering all relevant information and circumstances or may take necessary action to ratify on the non-compliance by Officers. Employees can also use the Whistle Blowing Policy and Procedures to report any violations.

## **11. REVIEW OF THE CODE**

This Code shall be reviewed by the Board and amendments to be made from time to time to be in line with the changes in law, governance code couple with the change in Company's vision, values and business plan.

*(Last reviewed on 28 August 2023)*