



JS SOLAR HOLDING BERHAD
[Registration No. 202401025305 (1571154-D)]

CODE OF CONDUCT AND ETHICS

Adopted by Board : 9 December 2024

Effective Date : 9 December 2024

CODE OF CONDUCT AND ETHICS

1. INTRODUCTION

This Code of Conduct and Ethics ("**the Code**") sets out the fundamental principles and standards in which the Directors and employees of JS Solar Holding Berhad ("**the Company**") and its subsidiaries ("**the Group**") are expected to comply while fulfilling their responsibilities within the Group. The Directors are committed to upholding the highest ethical standards and conducting themselves in a professional and ethical manner to safeguard the Company's reputation and strengthen stakeholders' trust.

However, the Code is not intended to be exhaustive. It should be read in conjunction with the Anti-Bribery and Corruption Policy ("**ABC Policy**"), the Whistleblowing Policy and other policies and/or procedures adopted by the Group, including any relevant best practices in corporate governance.

2. DIRECTORS' CONDUCT

- 2.1 The Director of the Group must exercise his powers for a proper purpose and in good faith in the best interest of the Group in which he sits as a board member.
- 2.2 A Director who is appointed by virtue of his position as a representative of a shareholder, must act in the best interest of the corporation in which he sits as a board member. In the event of any conflict between his duty to act in the best interest of the corporation and his duty to his nominator, he must not subordinate his duty to act in the best interest of the corporation to his nominator.
- 2.3 In directing or managing the business and affairs of the corporation, a Director must exercise reasonable care, skill and diligence by:
 - (a) applying the knowledge, skill and experience which may reasonably be expected of a Director having the same responsibilities; and
 - (b) applying any additional knowledge, skill and experience which the Director has.
- 2.4 A Director is required to among others:
 - (a) maintain a sound understanding of the business, and keep abreast of relevant developments to ensure he is able to discharge his duties and responsibilities effectively;
 - (b) prepare for board meetings, contribute constructively to board discussions and decision-making, and conduct due inquiry before approving a matter;
 - (c) ensure key transactions or critical decisions are deliberated and decided on by the board in a meeting; and
 - (d) ensure key transactions or critical decisions are deliberated and decided on by the Board in a meeting.

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3. MISCONDUCT

- 3.1 It is not possible to give an exhaustive list of the activities that constitute misconduct, malpractice or irregularity covered by this Code. For example, the Group expects all Directors and employees to observe and apply the Code principles in the conduct of the Group's business. Employee behaviour that is not in line with Code principles could constitute a misconduct, malpractice, or irregularity that should be reported.
- 3.2 The principles of Code relate to but not limited to:
- abide by professional ethics and business integrity;
 - avoiding conflicts of interest;
 - no bribery;
 - compliance with laws and regulations;
 - abiding by the Group's policies and procedures;
 - compliance with financial controls and reporting requirements;
 - protecting the Group's information, records and assets;
 - prompt response to incidents and obligation to notify; and
 - prohibition of sexual harassment.

4. CONFLICT OF INTEREST

- 4.1 Directors should avoid conflicts and situation that may be perceived as creating a conflict of interest that may influence their judgement in the discharge of their duties and responsibilities.
- 4.2 Directors are required to declare at all times the nature and extent of any actual or potential conflict of interests, whether direct or indirect, with the Group, and if so required by the Board of Directors or Board Committees, to recuse themselves from any deliberation and decision relating thereto.
- 4.3 Where a potential or actual conflict arises, every Director shall adhere to the procedures provided by the relevant laws and the relevant internal documents.
- 4.4 Directors should notify in writing immediately to the Board where he is a director and an employee should notify his reporting superior or division head (as the case maybe) in writing immediately upon becoming aware of a conflict, whether real or perceived, either involving himself, other employees or a third party.
- 4.5 Employee must not place himself in a situation in which he has or appears to have a direct or indirect interest in connection with or benefit from an improper gain or advantage outside commercial activities, where such gain or advantage adversely affects the Group's interest.
- 4.6 Employees are advised to consult the Human Resource ("HR") Department if they are uncertain about a situation of potential conflict of interest.

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5. CONFIDENTIALITY

- 5.1 All Directors and employees must exercise caution and due care to safeguard any information of confidential, sensitive and non-public nature relating to the Group (“**Inside Information**”) during their course of duties. All such information must be held in the strictest confidence, not disclose 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, unless proper authorisation is given or legally mandated or until such information is publicly released. It is equally important that propriety or confidential information is only disclosed to other employees on a need-to-know basis.
- 5.2 Confidential information received by each Director in the course of their directorship with the Group shall be kept confidential and will not be disclosed or released to any person other than Board members, except as required by law or as agreed by the Board.
- 5.3 The obligation to preserve the proprietary and confidential information is ongoing even after an individual ceases to be a Director or employee of the Group. A violation of this policy can result in civil and criminal penalties.

6. INSIDER TRADING

- 6.1 Directors who possess Inside Information shall not deal in securities of the Company, or to communicate such information to any unauthorised persons, for the benefit of himself or any other persons.
- 6.2 When dealing in the securities, a Director shall comply with the provisions under the Bursa Securities Malaysia Berhad’s Listing Requirements and the Companies Act 2016 relating to trading in securities and observe the processes and procedures as set out in the internal document.
- 6.3 Any employee of the Group who is in possession of market sensitive information is prohibited from trading in the securities of the Group if that information has not been made public. This prohibition extends to any act of disclosing the insider information to another person, including family members and friends, if the employee knows or reasonably knows that the other person would make a trade in reliance on that information, even if the employee does not derive any direct economic benefit from the trade.
- 6.4 Employees are encouraged to consult with their reporting superior if they are uncertain of the status and nature of the information they possess.

7. ACCURACY OF FINANCIAL INFORMATION / FINANCIAL INTEGRITY

- 7.1 The Directors are responsible for ensuring that all the financial statements of the Group are prepared timely, accurately and conform to generally accepted accounting principles, and applicable accounting standards and to all applicable laws and regulations.
- 7.2 The employees are responsible for ensuring that the accounting books and records reflect the substance of transactions accurately, fairly and reasonably as well as to comply with company accounting policies and internal control requirements on matters in finance.

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7.3 Any purposely misrepresenting information or activities on company documents and reports may be considered document falsification, which is a serious offence. The Company reserves the right to report any act of misrepresentation suspected of being criminal in nature to the police or other relevant authorities.

7.4 Falsification of financial or other records, or the misrepresentation of information, may constitute fraud and can result in civil and criminal liabilities for Directors, employees and the Group. Any Director or employee of the Group is obliged to report false entries or omissions, and to highlight questionable or improper accounting in the accounting books and records of the Group to the relevant parties.

8. RECORD MANAGEMENT AND RETENTION

8.1 The Group's documents and records are strictly for business purposes and requirements, and in compliance with legal, tax, accounting and regulatory laws.

8.2 The employees must control and maintain such records so that they are accurate, up-to-date, eligible, readily identifiable and retrievable. The employees must also ensure that all records are handled according to the appropriate level of confidentiality, in accordance with any applicable policies and procedures and in conformity with all applicable laws and regulations.

9. PROTECTION OF COMPANY INFORMATION AND ASSETS

9.1 Every Director and employee of the Group has a duty to safeguard the Group's assets, including its physical premises, equipment and facilities as well as the records and information/data (both physical and electronic means).

9.2 The Group'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.

10. FAIR DEALING AND ANTI-COMPETITION

10.1 In the interests of preserving reputation and integrity of the Group, all Directors and employee of the Group shall act impartially, honestly and responsibly in dealing with the stakeholders, regulators and public where he shall not:-

- (a) compete or assist other competitors to compete with the Group; and
- (b) take unfair advantage of anyone through manipulation, concealment, abuse of privileged or confidential information, misrepresentation of material facts, or any unfair dealing practice.

11. POLITICAL ACTIVITIES

11.1 The Group recognises the Directors and employees in their capacity as citizens may wish to involve themselves in legitimate political parties.

11.2 While the Group does not wish to discourage the Directors and employees from doing so, such Directors and/or employees shall not utilise the Company's resources and participate in political activities during the Company's working hours.

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- 11.3 However, the Group has the right to exercise certain restraints to Directors and/or employees who are seeking election or have been appointed to the position of Head, or its equivalent, Secretary or Treasurer at Division or National level. In this instance, the Directors and employees concerned would need to obtain approval from the Group.

12. ANTI-BRIBERY AND CORRUPTION

- 12.1 To observe high standards of business, professional and ethical conduct, the Directors and employees of the Group (whether acting in their own capacity or on the Group's behalf) are committed to refrain themselves from offering, soliciting, giving or receiving any gifts, donations (including political donations), sponsorship, and any other form of benefits (in kind of cash, advantages, travels, entertainments, favour and etc) from persons or entities who deal with the Group where the gift would reasonably be expected to influence the performance of their duties in any aspect.
- 12.2 All Directors and employees of the Group are required to adhere to the ABC Policy which clearly sets out the Group's policies in various matters that relate to bribery and corruption.
- 12.3 Where provisions in this Code are in conflict or inconsistent with any applicable laws or the Group's policy, the stricter provisions shall prevail.

13. GIFTS, ENTERTAINMENT AND DONATION

- 13.1 Reference shall be made to the Group's ABC Policy pertaining to the guidelines on gifts, entertainment, donation and any other forms of gratuities.
- 13.2 The Directors and employees are discouraged to receive or give, nor allow their immediate family to receive or give on their behalf gifts or provision of gratuitous services from or to the Group's contractors, suppliers, bankers, dealers or customers, as this could place such executives in a position whereby their independent business judgement may be prejudiced.

14. HARASSMENT POLICY

- 14.1 The Group strongly opposes all forms of harassment, i.e. sexual, racial, religious, related to disability, general bullying or intimidation, and ensure that the working environment is sympathetic and conducive to its employees.
- 14.2 The Group encourages the employees to whistle-blow and/or raise this matter through the whistleblowing channel and/or to their reporting superior/Head of HR immediately in the event of occurrence.
- 14.3 Any employee who harasses any other employee on the grounds of sex, sexual orientation, race, disability or religion upon investigation shall be subjected to the Group's disciplinary procedure.

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15. SEXUAL HARASSMENT

- 15.1 Sexual harassment is defined as “*any unwanted conduct of a sexual nature, whether verbal, non-verbal, visual, gestural or physical harassment, directed at a person which is offensive or humiliating or is a threat to his/her well-being, arising out of and in the course of his/her employment*”.
- 15.2 Sexual harassment encompasses various conducts of a sexual nature, comprising the following:
- (a) Verbal harassment, *e.g. offensive or suggestive remarks, comments, jokes, jesting, kidding, sounds, questioning.*
 - (b) Non-verbal / gestural harassment, *e.g. leering or ogling with suggestive overtones, licking lips or holding or eating food provocatively, hand signal or sign language denoting sexual activity, persistent flirting.*
 - (c) Visual harassment, *e.g. showing pornographic materials, drawing sex-based sketchers or writing sex-based letters, sexual exposure.*
 - (d) Psychological harassment, *e.g. repeated unwanted social invitations, relentless proposals for dates or physical intimacy.*
 - (e) Physical harassment, *e.g. inappropriate touching, patting, pinching, stroking, brushing up against the body, hugging, kissing, fondling, sexual assault.*
- 15.3 The Group does not tolerate any form of sexual harassment. Sexual harassment may include unwelcome sexual advances, requests for sexual favors, or other unwelcome verbal or physical contact of a sexual nature when such conduct creates an offensive, hostile, and intimidating working environment and prevents an individual from effectively performing the duties of their position.
- 15.4 Any employee who is found guilty of sexual harassment upon investigation shall be subjected to the Group's disciplinary procedure and lodgment of a police report against the culprit/offender.

16. CYBERSPACE ABUSE AND SOFTWARE PIRACY

- 16.1 The Group does not tolerate any form of cyberspace abuse. Employees who have access to e-mails and/or internet access provided by the Group are required to use such services exclusively for work, business and matters of the Group. The use for personal reasons shall not be permitted.
- 16.2 The Group does not permit the use of pirated software on its computers and/or IT facilities. The relevant departments and operations of the Group are expected to conform to local copyright laws and to reasonably ensure that any software used is a fully licensed product.
- 16.3 The Group reserves the right to seek any compensation for such loss or damage or any other consequential costs as it may see fit from the employee guilty of this act.

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17. REPORTING VIOLATIONS OF THE CODE

- 17.1 Directors must immediately report any concern about possible/actual breaches of the Code by any director to the Chairman of the Board and strictly observe the Whistleblowing Policy. A Director making such a report must have reasonable and probable grounds and merits and must undertake such reporting in good faith, in the best interests of the Group.
- 17.2 Employees are required to promptly alert their reporting supervisor or senior management of the Company of business and work-related situations that could be damaging to the Group or cause harm to others and to take reasonable action to prevent damage or harm. Employees could be in breach of the Code if they assist or authorise others in activities that breach the Code or conceal or fail to report any known or suspected breaches by others.
- 17.3 Directors and employees of the Group also have a duty to report corruption in accordance with the ABC Policy.

18. REVIEW

The Board will review this Code every three (3) years to ensure its relevance, effectiveness and alignment with the Group's objectives, practices and current laws and regulations. Any amendments to this Code shall be approved by the Board.

This Code is made available on the Company's website.