



LEON FUAT BERHAD

Anti-Bribery and Corruption Policy

1.0 Introduction

This Anti Bribery and Corruption ("ABC") Policy has been developed as part of a framework for the prevention, detection of bribery and corruption in Leon Fuat Group's ("the Group") operations. It promotes compliance with the Malaysian Anti-Corruption Commission Act 2009, and other applicable anti-corruption laws.

2.0 Purpose

The purpose of this ABC Policy is to provide a clear set of guidelines to ensure that the Group conducts its activities in an ethical and appropriate manner as well as complying with the laws and regulations of each jurisdiction in which it operates.

3.0 Scope

This policy applies to all directors, permanent and temporary employees, interns, contractors, agents, representatives, and third parties acting on behalf of the Group. Compliance is mandatory regardless of position, seniority, or function.

4.0 Policy Statement

All the Group personnel are required to comply fully with this ABC Policy, the Malaysian Anti-Corruption Act 2009 and other applicable anti-corruption laws. The basic rules are:

- Take a zero-tolerance approach to bribery.
- Provide and maintain an anti-bribery working environments for all employees and stakeholders.

- Comply to anti-bribery laws that are applicable to the organisation.
- Provide avenue and encourage raising concerns regarding bribery conduct.
- Assign and authorise the Anti-Bribery Compliance Function to carry out their duties independently.
- Impose appropriate action against any act of not complying with the anti-bribery policy.

5.0 Definitions

“**ABCF**” means the Group’s Anti-Bribery Compliance Function.

“**ABMS**” means the Group’s Anti-Bribery Management System based on the principles of the Anti-Bribery Management System (MS ISO 37001).

“**Bribery**” refers to the act of offering, giving, promising, asking, agreeing, receiving, accepting, or soliciting something of value or of an advantage so to induce or influence an action or decision. A bribe refers to any inducement, reward, or object/item of value offered to another individual in order to gain commercial, contractual, regulatory, or personal advantage. Bribery is not limited to the act of offering a bribe. If an individual is on the receiving end of a bribe and they accept it, they are also breaking the law. Bribery is *illegal*.

“**Personnel**” means directors and all individuals directly contracted to the Group on an employment basis, including permanent and temporary employees.

“**Business Associate**” means an external party with whom the Group has, or plans to establish, some form of business relationship. This may include clients, customers, joint ventures, joint venture partners, consortium partners, outsourcing providers, contractors, consultants, subcontractors, suppliers, vendors, advisers, agents, distributors, representatives, intermediaries, and investors.

6.0 Gift, Entertainment, Hospitality and Donation

The Group commits to hold to the No Gift Policy as set out by Leon Fuat Berhad where all personnel are prohibited from receiving or asking for (soliciting) gifts from external parties.

Eligible employees are allowed to entertain clients through a reasonable act of hospitality as part of building or maintaining business relationship but are strictly

prohibited from providing or offering to provide entertainment with a view to improperly cause undue influence on any party in exchange for some future benefit.

Gift-giving to or receiving from external parties in the form of corporate gift (e.g., calendar, notebook, festive gift etc.) is allowed but there must be no expectation of any specific favor or improper advantages from the intended recipients and there must not be any corrupt / criminal intent involved.

Donations and sponsorships are permitted if it is not intended (or perceived) to influence business decisions.

7.0 Facilitation Payments

Facilitation payment refers to payments made to secure or expedite the performance by a person performing a routine or administrative duty or function.

The Group prohibits giving or accepting facilitation payments to or from any person for the benefit of the employee himself or for any other person.

If the personnel receive a request or being offered facilitation payments, he/ she must report it to the ABCF.

Only in the event when an employee's security is at stake is it permitted to make the payment. The employee must immediately report the incident to their Head of Department and ABCF to record the details of the event.

8.0 Business Associates

The Group expects that all business associates acting for or on its behalf to share the Group's values and ethical standards as their actions can implicate the Group legally and tarnish the Group's reputation.

As far as practical, before the Group engages with a business associate who is rated as medium or high bribery risk (results from the bribery risk assessment with reference to ABMS), appropriate due diligence should be exercised to understand the business and background of the prospective business associate to ensure that bribery risk is adequately managed.

9.0 Recruitment, Training and Awareness

The Group shall not offer employment to prospective personnel in return for their having improperly favoured the Group in a previous role.

Due diligence shall be conducted on prospective personnel who will take up position which is rated as more than low bribery risk (results from the briber risk assessment with reference to ABMS).

The Group shall provide adequate anti-bribery awareness and training to personnel which address the following issues, as appropriate:

- i. The organisation's ABC policy and procedures and their duty to comply.
- ii. The bribery risk and the damage to them and the organisation.
- iii. The circumstances in which bribery can occur in relation to their duties and how to recognise these circumstances.
- iv. How to recognise and respond to solicitations or offers of bribes.
- v. How they can help prevent and avoid bribery.
- vi. Their contribution to the effectiveness of the anti-bribery performance and of reporting suspected bribery.
- vii. The implication and potential consequences of not conforming with the ABC Policy.
- viii. How and to whom they can report any concerns.
- ix. Information on available training and resources.

10.0 Financial Controls

The Group shall implement financial controls to manage its financial transactions properly which include but not limited to:

- i. All payment requires approval by at least two Directors.
- ii. Appropriate supporting documentation (purchase requisition, purchase order, delivery order, service report etc.) to be verified by relevant personnel and annexed for payment approvals.
- iii. All payment categorisations and descriptions in the accounts shall be done accurately and clearly.

- iv. Any significant financial transactions shall be reviewed by the Board of Directors.
- v. Conduct periodic and independent financial audits.

11.0 Non-Financial Controls

The Group shall implement non-financial controls to manage its bribery risks which include but not limited to:

- i. Conduct due diligence on business associates which assessed as more than low bribery risk.
- ii. Conduct due diligence on its employment process involving positions assessed as more than low bribery risk.

12.0 Policy Communication and Accessibility

This policy shall be communicated to all employees, contractors, business associates, and relevant stakeholders. It shall be accessible via the company's intranet and official communication channels. Awareness sessions and updates shall be conducted regularly.

13.0 Reporting of Policy Violations

All personnel are encouraged to report in good faith or on the basis of a reasonable belief on attempted, suspected and actual bribery, or any violation of or weaknesses in the ABC Policy to the anti-bribery compliance function (ABCF).

Following to Leon Fuat Berhad's Whistleblowing Policy, personnel who in good faith reports a violation shall not suffer detriment, either actual or threatened, harassment, retaliation or adverse employment or engagement consequence. If any personnel retaliate against someone who has reported a violation in good faith, they will be subject to discipline up to and including termination of employment or services.

14.0 Monitoring and Reviewing

The Group shall undertake regular bribery risk assessment to:

- i. Identify the bribery risks the organisation might reasonably anticipate.
- ii. Analyse, assess and prioritise the identified bribery risks.
- iii. Evaluate the suitability and effectiveness of the organisation's existing controls to mitigate the assessed bribery risks.

Regular audits shall be conducted to ensure compliance to the ABMS requirements. Such audits may be conducted internally by the Group or by an external party.

Top Management and the Board of Directors shall review the organisation's ABC Policy at least once a year to ensure its continuing suitability, adequacy, and effectiveness.

Date: 28 May 2025