

LUXCHEM

Luxchem Corporation Berhad

Anti-Bribery And Anti-Corruption Policy

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1. INTRODUCTION

This Anti-Bribery and Anti-Corruption Policy (“Policy”) of Luxchem Corporation Berhad (“LCB”) sets out the policy statements and other relevant parameters approved by the Board of Directors (“BOD”) against bribery and corrupt practices by the Directors and employees (“Employees”) of LCB and its subsidiary companies (“Group”), as well as persons performing services / supplying products for or on behalf of the Group (“Service Providers”). This Policy shall be read in conjunction with the Code of Ethics & Conduct of the Group (Employees / Business Partners) and other related policies.

In this policy, Service Providers are collectively referred to consultants, advisers, agents, vendors, principals, contractors, suppliers, joint venture partners, or any third parties that have business / operation dealings with the Group including government officers and political parties.

2. DEFINITION OF BRIBERY AND CORRUPTION

All the Employees and Service Providers are strictly prohibited from being involved in any form of bribery or corrupt acts, including where that person by himself, or by or in conjunction with any other person:

- i. Corruptly solicits or receives or agrees to receive for himself or for any other person; or
- ii. Corruptly gives, agrees to give, promises or offers to any person whether for the benefit of that person or of another person, any gratification as an inducement to or a reward for, or with the intent to secure or otherwise on account of:-
 - a. Any person doing or forbearing to do anything in respect of any matter or transaction, actual or proposed or likely to take place; or
 - b. Any officer of a public body doing or forbearing to do anything in respect of any matter or transaction, actual or proposed or likely to take place, in which the public body is concerned, or
 - c. Any business or advantage for the Group.

Any person found in violation of any of this Policy and / or being involved in such acts of bribery and / or corruption, shall, if found guilty, be subject to the appropriate disciplinary actions, including termination of business services or employment.

Please refer **Appendix A**, the Malaysian Anti-Corruption Commission (“MACC”) Act 2009 for the definition of ‘gratification’.

3. OBJECTIVE

The objective of this Policy is to set out clear policies of the BOD in upholding the highest standards of ethical practices and integrity by all the Employees in carrying out the affairs and businesses of the Group and by all Service Providers for and on behalf of the Group.

4. APPLICABILITY

This Policy applies to all the Employees of the Group. The general principles & prohibition under this Policy shall also apply to all Service Providers.

5. GUIDANCE ON COMMON FORMS OF BRIBERY AND CORRUPTION

5.1. Commissions, Referral Fees and Incentives

The giving of commissions and / or incentives in the ordinary course of business is generally not prohibited, so long as they are genuine and commercially driven, with no intent to disguise any acts of bribery or corruption as such.

5.2. Facilitation Payments To Officer of Public Body

Facilitation payments are unofficial payments or other advantages made to secure or expedite the performance of a routine action by an officer of public body. The Employees shall not give / offer / promise or offer facilitation payments to an officer of any public body.

Please refer **Appendix B** for definition Public Body under Section 3 of Malaysian Anti-Corruption Commission Act 2009

5.3. Gifts and Entertainment

This Policy does not prohibit giving and receiving of gifts and entertainment, so long as it is reasonable, appropriate, modest and bona fide.

As a general principle, the Employees should not accept any gift if it is made with the intention of influencing himself to obtain or retain business, or in exchange for any favours or benefits.

Similarly, the Employees should not give any gift to a third party with the intention of influencing the third party to obtain or retain business, or in exchange for favours or benefits.

In addition, lavish or unreasonable gifts or entertainment should not be given or accepted.

5.4. Service Providers

All Service Providers should be made aware of this Policy and the arrangements with them shall be subject to clear contractual terms when and wherever possible, including specific provisions requiring them to comply with minimum standards and procedures relating to bribery and corruption.

5.5. Political Contribution

Any contribution to individual politicians or candidates of the political parties is prohibited, unless it is for or in relation with bona fide charitable purposes. Subject to any prevailing laws governing political donations, the Group may make contributions to political parties in Malaysia, provided the prior approval from the BOD is obtained.

5.6. Donations, Charitable Support and Sponsorship

Genuine and legitimate charitable support, donations and sponsorship, be it giving or receiving, are acceptable, whether in cash or otherwise.

6. SERVICE PROVIDERS

All Service Providers, as referred to in the Introduction section of this Policy, must be made aware of this Policy. Whenever commercially possible, Service Providers must be required to and must declare their awareness of and undertake to comply with this Policy.

7. RECORD-KEEPING

It is important that proper and complete records be maintained of all payments made to third parties in the usual course of business as these would serve as evidence that such payments were bona fide, and not linked to corrupt and / or unethical conduct. All accounts, invoices, documents and records relating to dealings with Service Providers, third parties, such as clients, suppliers and business contacts, should be prepared and maintained with accuracy and completeness.

8. ANTI-BRIBERY AND CORRUPTION COMPLIANCE FUNCTION

Compliance Officer shall be responsible to review the adequacy and effectiveness of the controls relating to this Policy.

9. WHISTLE BLOWING FRAMEWORK

A robust framework for whistle blowing and reporting any form of improper conduct, wrongdoings, bribery, corruption, fraud and / or abuse by any of the Employee as well as any Service Providers shall be put in place to allow such acts to be reported via the appropriate channels, whilst protecting the identity of the person reporting, in order to deter, prevent and uncover such acts.

10. TRAINING AND AWARENESS

The Group shall conduct training and awareness programs for all its personnel on its position regarding anti-bribery and corruption, integrity and ethics.

11. REVIEW OF THE POLICY

The BOD will monitor compliance with the Policy and review the Policy at least once every 3 years to ensure that it continues to remain relevant and appropriate

Appendix A

The definition of 'gratification' under Malaysian Anti-Corruption Commission ("MACC") Act 2009

"gratification" means—

- (a) *money, donation, gift, loan, fee, reward, valuable security, property or interest in property being property of any description whether movable or immovable, financial benefit, or any other similar advantage;*
- (b) *any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;*
- (c) *any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;*
- (d) *any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;*
- (e) *any forbearance to demand any money or money's worth or valuable thing;*
- (f) *any other service or favour of any description, including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted, and including the exercise or the forbearance from the exercise of any right or any official power or duty; and*
- (g) *any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding paragraphs (a) to (f);*

Appendix B

The definition Public Body under Section 3 of Malaysian Anti-Corruption Commission Act 2009

“public body” includes—

- (a) *the Government of Malaysia;*
- (b) *the Government of a State;*
- (c) *any local authority and any other statutory authority;*
- (d) *any department, service or undertaking of the Government of Malaysia, the Government of a State, or a local authority;*
- (e) *any society registered under subsection 7(1) of the Societies Act 1966 [Act 335];*
- (f) *any branch of a registered society established under section 12 of the Societies Act 1966;*
- (g) *any sports body registered under section 17 of the Sports Development Act 1997 [Act 576];*
- (h) *any co-operative society registered under section 7 of the Co-operative Societies Act 1993 [Act 502];*
- (i) *any trade union registered under section 12 of the Trade Unions Act 1959 [Act 262];*
- (j) *any youth society registered under section 9 of the Youth Societies and Youth Development Act 2007 [Act 668];*
- (k) *any company or subsidiary company over which or in which any public body as is referred to in paragraph (a), (b), (c), (d), (e), (f), (g), (h), (i) or (j) has controlling power or interest; or*
- (l) *any society, union, organization or body as the Minister may prescribe from time to time by order published in the Gazette;*