

ANTI-CORRUPTION AND BRIBERY POLICY

1. Introduction

- This Anti-Corruption and Bribery Policy (“the Policy”) is part of LTKM’s commitment in conducting its business in a legal and ethical manner that complies with all applicable laws, which include the Malaysian Anti-Corruption Commission Act 2009 and the Malaysian Anti-Corruption Commission (Amendment) Act 2018 and any of its amendments or reenactments that may be made by the relevant authority from time to time (“the MACC Act”).
- LTKM takes reasonable measures and implement appropriate procedures to prevent involvement of bribery and corruption in its business practices.
- This Policy is not meant to be exhaustive and should be read together with LTKM’s Code of Conduct & Ethics, Whistle Blower Policy and other applicable policies and procedures.
- Unless otherwise stated, any references to “we”, “us”, “our”, “LTKM”, “Group” and “Company” in this Policy refers to LTKM Berhad and all its subsidiaries.

2. Background and Objectives

2.1 Background

- This Policy emphasizes on the provision under Section 17A MACC Act 2009 that stipulates a corporate liability principle where a commercial organisation can be considered guilty if any of its employees and/or associates commit corruption for the benefit of the organisation. The commercial organisation is also considered guilty in the event whether or not, the upper management or its representatives know about the corruption acts committed by its employees or associates.
- This new provision encourages commercial organisations to take appropriate and parallel steps to ensure businesses are conducted with integrity and without corruption.

2.2 Objectives

- Based on the background above, the Objectives of this Policy is focused on :
 - Setting out LTKM’s principles on bribery and corruption
 - Providing clarification on specific transactions and circumstances which fall under the ambit of this Policy
 - Preventing corrupt activities which fall under the MACC Act
 - To provide adequate procedures to protect the Company, its directors, senior management and all levels of employees against any criminal

offences arising from activities which are chargeable under the MACC Act

3. Board's Commitment

- The Board leads by example through their actual and perceived integrity against any forms of bribery and corrupted practices.
- The Board of Directors are the guardian for the existence and quality of this Policy.
- The Board delegates the implementation of the Policy to the senior management who in turn assimilate them into respective functions and areas of responsibilities of each employee.
- The Board uses the Internal Auditor to assist it in assessing the effectiveness of the Policy and to review its level of compliance.
- The Integrity Officer is responsible to assist the Board to monitor and upgrade the Policy from time to time, subject to the Board's approval.

4. Scope

- This Policy is applicable to :
 - All employees of LTKM including directors whether employed on full-time or part-time basis, on contract, in probation or temporary basis (" Employees ").
 - Business Associates who are business associates of the Group such as those who carry out works for and/or on behalf of the Group including provision of goods and services. They include but not limited to suppliers, contractors, sub-contractors, agents, consultants, advisors, customers, partners, distributors, solicitors, representatives and others ("Business Associates").
- This Policy forms an integral part of the terms and conditions of the employment and business contracts; as the case may be.
- In the event of conflict between mandatory law and this Policy, the law shall prevail.

5. Bribery and Corruption

- Bribery is the offering, giving, receiving or soliciting of any item of value to influence the actions of an official, or other person to gain advantage or benefit whether commercial, contractual, regulatory or personal.
- Bribery also includes an illegal or unethical gift or lobbying effort bestowed to influence the recipient's conduct. It may take the form of money, goods, rights in

action, property, preferment, privilege, emolument, objects of value, advantage, or merely a promise to induce or influence the action, vote, or influence of the recipient.

- Corruption is a form of dishonesty or abuse of power undertaken by a person or organization entrusted with a position of authority, to acquire commercial, contractual, regulatory or personal advantage or benefit. Corruption may include offering, giving, receiving, or soliciting of bribery.
- Briberies and corruption are illegal and therefore are NOT allowed in LTKM regardless of reason and who the giver and / or receiver parties are.

6. Gifts and Hospitality

- Employees and Business Associates are not allowed to promise, offer or give any gifts or hospitality in any form, in order to secure improper business advantage or to improperly influence business decisions whether to private or public officials and entities.
- Employees and Business Associates are also not allowed to require, solicit or accept any gifts and hospitality in any form for their own personal benefit or benefit of the Company.
- However, gifts and hospitality which are customary or festive in nature are allowed if they :
 - Are not lavish or excessive in value compared to the occasion
 - Will not result in undue influence or create obligation on the part of the recipient
 - Are not exclusively given to the particular recipient only
 - Are legal and compliant with relevant laws
- Employees and Business Associates must politely decline any offer of gifts or hospitality that are not allowed and explain our Policy to the third party.
- Employees and Business Associates must declare and surrender (for gifts) any gifts or hospitality which do not conform with the conditions above and that cannot be avoided immediately to upper management in accordance with procedures. The management will make a decision to donate, return or give away the gift as appropriate.

7. Donations & Sponsorships

- Donations and sponsorships to outside parties for the purpose of corporate social responsibility and charity are allowed but are subjected to prior approval from upper management.

- Whilst LTKM supports corporate social activities especially to the under-privileged, Employees and Business Associates must be careful to ensure that all donations and sponsorship are for legitimate purpose and not used to disguise any forms of bribery and corruption.
- The recipients of such donations and sponsorship must be legally registered entity and records of receipt properly surrendered to the Integrity Officer to be kept in the Company and be audited as necessary.

8. Facilitations Payments & Kickbacks

- Payments to expedite some administrative process by a third party are facilitation payments. Facilitation payments usually involve payments made to government officials but it can also be made to non-governmental third parties.
- Kickbacks are value received in return for a business favour or advantage. It can be in the form of cash, cash equivalent, favours, advantage, privilege or kind.
- LTKM prohibits making or receiving of Facilitation payments and Kickbacks by any of its employees. Any employee found to be involved in such transactions would have committed a misconduct and will be dealt with in accordance with the Company's rules and employment terms.

9. Business Associates' Roles and Responsibilities

- LTKM's Business associates must always abide by the Policy in all their business dealings with and for LTKM.
- LTKM's Business Associates are not allowed to offer, promise, solicit, give or accept bribes, in any forms, on behalf of LTKM and for all jobs related to LTKM.
- This Policy also applies to LTKM's Business Associates' suppliers, contractors, sub-contractors, agents, consultants, distributors, solicitors, representatives and others who are engaged by the Associates to carry out jobs and services for LTKM.
- This Policy is explained to Business Associates for their compliance and forms a part of the terms and conditions of engagement / contracts with them. Where appropriate, the terms and conditions of contracts will contain clause(s) pertaining to compliance of the Policy.

- Business Associates may liaise with LTKM or our Integrity Officer in case of doubt and for any clarification. Strict actions may be taken on Business Associates who breach this Policy, including termination of contract.

10. Employees' Roles and Responsibilities

- Compliance with the Policy together with the Company's Code of Conduct & Ethics, Whistle Blower Policy and other policies and procedures, forms an integral part of the Employee's terms of engagement
- Employee who suspects or knows of a violation of the Policy has a duty to report by following the procedures of reporting as outlined in LTKM's Whistle Blower Policy. The Company's Whistle Blower Policy is available to all employees. A copy of the policy is also available in LTKM's official website.
- Awareness of this Policy is part of employee training for all existing and new employees as well as training on regular basis.
- Breach of the Policy may lead to disciplinary action including termination of employment.

11. Procedures, Documentation and Record Keeping

- Specific procedures for implementing the Policy is contained in the Anti-Corruption and Bribery Procedures of LTKM.
- Accurate and complete records must be properly stored and maintained as part of the usual course of business administration. These records also serve as evidence that payments made were bona-fide and not linked to bribery and corruption.

12. Review and Monitoring

- This Policy is subject to regular review and updates from time to time.
- Review for compliance of the Policy is embedded into day-to-day operational procedures. It is also subject to regular auditing by the Group's Internal Auditor for testing of effectiveness and consistent compliance.
- This Policy was first approved on 31 May 2020.

13. Integrity Helpdesk

- If you require any clarifications on the Policy or have any queries where you are unsure about matters related to bribery and corruption, you may contact:
 - Integrity Officer : Azlinda binti Tammatulmadzi
 - Email : azlinda.tm@ltk.com.my
 - Telephone : 03-33422830

Dated: 27 February 2023