

# LAMBO GROUP BERHAD

## ANTI-BRIBERY AND CORRUPTION POLICY



### POLICY STATEMENT

Lambo Group Berhad (hereinafter referred to as Lambo or the Group) is committed to apply the highest standards of ethical conduct, integrity and accountability in all our business activities and operations. The Group has put in place this Anti-Bribery and Corruption Policy that will elaborate on these principles, by providing guidance to all Personnel with regards to deal with any improper solicitation, bribery and other corrupt activities and issues that may arise in the course of doing business.

This this Anti-Bribery and Corruption Policy applies to all of the Group's business dealings and operations.

Lambo has a zero tolerance policy towards any form of bribery and corruption by, or of, its Personnel or any persons or companies acting for or on behalf of the Group. Therefore, it is important that the Group comply with and conduct our business in accordance to the laws of the Guidelines on Adequate Procedures pursuant to Subsection (5) of Section 17A under the Malaysian Anti-Corruption Commission Act 2009.

### REFERENCES

This Policy should be read in conjunction with the Group's relevant internal policies:

- Anti-Bribery and Corruption Code of Conduct
- Whistleblowing Policy

### PURPOSE

The purpose of this Anti-Bribery and Corruption Policy ("ABC Policy" and/or "this Policy") is:

- To foster the growth of a business environment that is free of corruption.
- To set out the Group's responsibilities, and the responsibilities of those working for or with the Group in observing and upholding the Group's position, on bribery and corruption.
- To ensure that the Group has adequate procedures in place to prevent and detect bribery and corruption;
- To provide information and guidance to those working for or with the Group on how to recognize and deal with potential bribery and corruption issues; and
- To protect the Group against the possible penalties and repercussions resulting from acts of bribery and corruption or being associated with such behaviour.

# LAMBO GROUP BERHAD

## ANTI-BRIBERY AND CORRUPTION POLICY



### APPLICATION

This Policy is applicable to anyone who is employed by or work at Lambo (whether permanent, fixed-term or temporary basis), directors (executive and non-executive), company secretaries and committee members of Lambo (together, “**Personnel**”). It is also applicable to contractors, subcontractors, suppliers, consultants, agents, and service providers of any kind, performing work or services, engaged by or on behalf of Lambo (together, “**Business Partners / Associates**”).

The Group considers that the rules set out in this Policy represent good business ethical practices that transcend national boundaries. Should local regulations be less restrictive than the provisions in this Policy, the Anti-Bribery and Corruption Policy shall prevail. If local regulations however are more restrictive than the provisions in this Policy, the more restrictive local regulations shall prevail.

### DEFINITIONS

Abbreviation	Description
<b>Lambo / the Group</b>	Lambo Group Berhad
<b>ABC Policy</b>	Anti-Bribery and Corruption Policy
<b>Personnel</b>	Anyone who is employed by or work at Lambo (whether permanent, fixed-term or temporary basis), company secretaries and committee members of Lambo
<b>Management</b>	Personnel in supervisory roles
<b>Board</b>	Board of Directors (executive and non-executive)
<b>Business Partners / Associates</b>	Contractors, subcontractors, suppliers, consultants, agents, and service providers of any kind, performing work or services, engaged by or on behalf of Lambo
<b>Public Official</b>	<ul style="list-style-type: none"> <li>▪ any person holding a legislative, administrative or judicial office of a country,</li> <li>▪ government, state, province or municipality, whether appointed or elected;</li> <li>▪ any person exercising a public function for a country, government, state, province or municipality, including for a government agency, board, commission, corporation or other body or authority;</li> <li>▪ any official or agent of a public international organization; or</li> <li>▪ any political party or official of a political party or a candidate for public office;</li> </ul>

# LAMBO GROUP BERHAD

## ANTI-BRIBERY AND CORRUPTION POLICY



### RESPONSIBILITY

#### 1. Managements' Responsibilities

- Uphold the highest ethical standards of business conduct.
- Encourage ethical decision-making and rewarding integrity.
- Be a role model and lead by example.
- Ensure that employees are given the opportunity and guidance to understand the ABC Policy and other applicable policies.
- Create a positive and transparent environment where employees are comfortable raising questions and concerns.
- Ensure those who raise genuine concerns do not suffer retaliation.

#### 2. Employees' Responsibilities

- Familiarise and comply with the Group's ABC Policy and other applicable policies.
- Annual acknowledgement of ABC compliance and attend regular ABC training.
- Assist Business Partners / Associates to understand the practicality of the Group's ABC Policy.
- Raise questions and voice concerns in cases when there is a suspected violation of laws or internal policies.
- Pressure or demands due to business conditions are never an excuse for operating outside the law or behaving inconsistent to the Group's policies and values.

#### 3. Responsibilities of Business Partners/Associates

Business Partners / Associates can have a direct impact on the Group's business through their behaviour and actions. As such, the Group would like to work with Business Partners / Associates who share the same ethical values and commitments.

Business Partners / Associates who work for and on behalf of Lambo are expected to act in the way that is consistent with Lambo's ABC Policy. The Group will assess the suitability of its Business Partners / Associates through background checks, assessing their financial stability and risk profiling prior to appointment.

### UNDERSTANDING CORRUPTION

Corruption relates to the offer, promise, donation, acceptance or solicitation of an undue advantage of any value (financial or non-financial), directly or indirectly, whatever the location, in violation of applicable laws, to encourage or reward a person for acting or not acting within the scope of his/her functions.

An act of corruption may be direct or indirect, be committed by or with public officers or private individuals, directly by a company manager or employee or via an intermediary. Further details are provided below.

# LAMBO GROUP BERHAD

## ANTI-BRIBERY AND CORRUPTION POLICY



### UNDERSTANDING CORRUPTION (CONT'D)

#### Direct / Indirect Corruption

**Direct corruption** happens when the act is directly committed by the person looking for a favour. There is in this case a direct exchange between the corrupting party and the corrupt person.

**Indirect corruption** is when the act is committed by an intermediary on behalf of the person benefiting from the undue advantage, including if the beneficiary of the advantage is unaware that an act of corruption has been committed.

Both types of corruption are strictly prohibited. A company may be prosecuted for indirect corruption, even if it was unaware of the acts of corruption committed by the intermediary. It is essential to ensure that intermediaries that represent the Group are selected carefully, and undertake to comply with the Lambo's Anti-Bribery and Corruption Code of Conduct.

### WHAT IS BRIBERY?

Bribery is defined as:

- i. **Promises, offers or gifts of "anything of value"** (financial or non-financial), whether directly or indirectly, with the intention to induce or reward a person to act or refrain from acting in relation to the performance of that person's duty; or
- ii. **Requests, agrees to receive or accepts "anything of value"** (financial or non-financial), whether directly or indirectly, with the intention to induce improper performance in relation to the person's duty.

#### What constitute "Anything of Value"?

The Anti-Bribery and Corruption laws and regulations prohibit the giving or receiving of "anything of value" in order to obtain or retain business, or receiving / providing an undue advantage in the conduct of business, which includes, but are not limited to, the following:

- Financial value - cash and cash equivalent (e.g. stocks, bonds, equities, discounts, gift vouchers, loans, advances).
- Extravagant hospitality, gifts or entertainment (e.g. luxury holidays / travels received from a supplier).
- Contracts or business opportunities (e.g. promising and offering contractual business opportunities to Business Partners / Associates without going through the appropriate processes).

# LAMBO GROUP BERHAD

## ANTI-BRIBERY AND CORRUPTION POLICY



### FACILITATION PAYMENTS AND KICKBACKS

Facilitation payments are typically small payments made to secure or expedite the performance of a routine or necessary action to which the payer is entitled, legally or otherwise (e.g. influencing the timing of process or issuing of permits). In Malaysia, facilitation payment is illegal. It is seen as a form of corruption. Regardless of whether it is legal in any other country, facilitation payment is strictly prohibited under this Policy.

Our Personnel and Business Partners / Associates must not directly or indirectly offer, promise or give any form of facilitation payment to any Public Officials for any purposes. However, there are certain exceptional situations or circumstances where you are faced with having to make facilitation payments, in order to protect your life, limb or liberty. In a dangerous situation like this, you are allowed to make payment, but you must immediately report to your Head of Department / Division or Human Resource Department. Making facilitation in such a situation is the only exception which can be used as a defense when faced with allegations of bribery and corruption.

### CORRUPTION RISK ASSESSMENT

The Board of Directors believe that the Group's risk assessment must be effective and embedded at all levels of the organisation to intermittently assess corruption risks when necessary — i.e. an annual risk assessment on corruption risk, and other reasonable cause for suspicion, for e.g. upon:

- opportunity corruption and fraud activities arising from weaknesses in the organisation's governance framework;
- suspicious financial transactions indicating disguised corrupt payments;
- presence of business activities in countries / sectors with high corruption risk;
- significant change in the business landscape; and
- potential non-compliance of Business Partners / Associates acting on behalf of Lambo with regards to legal and regulatory requirements related to anti-corruption.

The risk assessment must identify internal and external sources of information which will assist in categorising the bribery and corruption risks to the Group.

# LAMBO GROUP BERHAD

## ANTI-BRIBERY AND CORRUPTION POLICY



### CONFLICT OF INTEREST

Conflict of interest arises when an individual's objectivity is compromised or perceived to compromise with his / her professional obligation at Lambo, by any form of personal interests.

One should avoid situations and positions where a personal relationship (e.g. family member, friend) and / or personal benefit influences and impairs his / her ability to perform the professional obligations and responsibilities at Lambo.

### CONFLICT OF INTEREST (CONT'D)

A possible conflict of interest may arise when a person:

- Has a financial interest and possess controlling rights in a supplier, competitor or customer when the person is involved in Lambo's decision making relating to, or of relevance, to the supplier, competitor or customer;
- Engages in activities that compete with, or perceived to compete with Lambo's interest; or
- Allows business decisions to be influenced ,or appear to be influenced, by personal or family interests.

Any actual or potential conflicts of interest are to be fully disclosed to appropriate management and / or Board of Directors and where such circumstances are permitted by Management and / or the Board of Directors to continue, shall not be deemed a breach of this Policy.

### GIFTS, ENTERTAINMENT AND CORPORATE HOSPITALITY

#### **"No Gift" Policy**

Lambo has adopted a "No Gift" Policy whereby, subject only to certain narrow exceptions, Lambo's employees and directors (executive and non-executive), family members or intermediaries acting for or on behalf of Lambo's employees, directors or their family members are prohibited from, directly or indirectly, receiving or providing gifts.

The Group requires all Personnel to abide by this Policy to avoid conflict of interest or the appearance of conflict of interest for either party in on-going or potential business dealing between Lambo and external parties as a gift can be seen as a bribe that may tarnish Lambo's reputation or be in violation of anti-bribery and corruption laws.

# LAMBO GROUP BERHAD

## ANTI-BRIBERY AND CORRUPTION POLICY



It is the responsibility of employees and directors to inform external parties involved in any business dealings with the Group that the Group practices a “No Gift” Policy and to request the external party’s understanding for and adherence with this Policy.

### **Corporate Entertainment / Hospitality**

Corporate entertainment / hospitality is generally defined as “corporate events or activities organised by an organisation which involves the entertainment of employees and third parties for the benefit of that organisation”.

Lambo recognises that the occasional acceptance of an appropriate level of hospitality given in the normal course of business is usually a legitimate contribution to building good business relationships. However, it is important for all Personnel to exercise proper care and judgement before accepting the hospitality . This is not only to safeguard the Group’s reputation, but also to protect the Personnel from allegations of impropriety or undue influence.

### **Corporate Entertainment / Hospitality (Cont’d)**

The acceptance of corporate hospitality (other than refreshments offered in meetings held at business premises) requires prior approval from the respective Head of Departments. The Personnel should only accept corporate hospitality if it is ethically, morally, socially and politically correct.

If hospitality has as its intent or purpose an attempt to secure a business advantage or influence a decision (e.g. by creating a sense of obligation) then it must be declined.

### **CHARITABLE CONTRIBUTIONS AND SPONSORSHIPS**

Corporate social responsibilities, sponsorships and / or donations must not be a disguise of bribery or conduit to fund illegal activities, which are in violation to the Group’s policies and procedures, and the applicable laws and regulations.

Good judgement has to be exercised in assessing the request of sponsorships or donations. Lambo must be certain of the intent and purpose of any donations or sponsorships given.

Any charitable contribution, sponsorships and corporate social responsibility activities should be reviewed by the respective Head of Departments and approved in accordance to the Approved Authority Limit. Such activities, if incurred, must be accurately stated and documented in Lambo’s accounting books and records. When in doubt, Lambo’s Personnel should seek further advice from the Human Resource and Administration Manager.

# LAMBO GROUP BERHAD

## ANTI-BRIBERY AND CORRUPTION POLICY



The Group will conduct a due diligence exercise to ensure that the recipient of any charitable contribution or sponsorship is a legitimate and, in the case of a charity (if required under local laws) registered charity. The recipient will be required to provide a receipt for the contribution, and confirmation of what the funds will be used for.

### **POLITICAL DONATIONS**

The Group does not make charitable donation or sponsorship to any political association or parties. In undertaking any such unauthorised activity, all Personnel will be deemed to be acting in their personal capacity or that of their own corporate organisation and not on behalf of the Group.

### **DUE DILIGENCE**

#### **Due Diligence for Business Partners / Associates**

The purpose of carrying out the due diligence procedures are to serve as a guide to the Personnel in making a decision whether to on-boarding / continuing the relationship with any Business Partners / Associates.

The Group's dealings with Business Partners / Associates must be carried out in compliance with all the relevant laws and consistent with the values and principles of the Group's Code of Conduct. As part of this commitment, all forms of bribery and corruption are unacceptable and will not be tolerated.

Lambo's Personnel is to carry out proper due diligence process and comply with all applicable standard operating procedures before on-boarding any Business Partners / Associates. This include informing them of the Group's Anti-Bribery and Corruption Policy and with effect from the date of this Policy. Results of the due diligence process must be documented and submitted for approval prior to being approved as Lambo's service provider.



# LAMBO GROUP BERHAD

## ANTI-BRIBERY AND CORRUPTION POLICY



### **Internal Due Diligence for Recruitment**

The recruitment of employees should be based on approved selection criteria to ensure that only the most qualified and suitable individuals are employed. This is crucial to ensure that no element of corruption is involved in the hiring of employees.

### **Financial and Non-Financial Controls**

Lambo adopts clear separation of duties for all jobs functions either (i.e. financial and non-financial related) within the Group. Designated Personnel for preparing, verifying and approving each transaction / activity was documented in written procedures and communicated to all of Lambo's Personnel for adherence.

For non-financial related activities, there must be at least two-layers of checking i.e. maker and checker. Nonetheless, in most circumstances, the non-financial related functions will have three layers of checking.

For financial related activities, Lambo had since adopted three layers of checking which comprises of the maker, checker and approver. For disbursements and payments, Lambo strictly adopts multiple signatories to further mitigate any corruption risk.

### **RECORD-KEEPING AND DOCUMENTATIONS**

The respective Head of Divisions / Departments must retain all records, operation work documents, other documents, and transaction for at least seven (7) years to enable the Group to comply with any requests from the relevant authorities.

It is the Group's goal to maintain accurate and precise records in order to be transparent. At Lambo, we ensure that we will not: -

- Falsify, omit, misstate, alter or conceal any information or otherwise misrepresent the facts on a company record;
- Encourage or allow anyone else to compromise the accuracy and integrity of our records;
- Intentionally make a false or misleading entry in a record, report, file or claim; and
- Engage in any scheme to defraud anyone.

# LAMBO GROUP BERHAD

## ANTI-BRIBERY AND CORRUPTION POLICY



All our financial books and records must accurately reflect and disclose the business rationale, purpose, substance and legality of all our local and cross-border transactions, payments and expenses, gifts and entertainment received or given to Lambo's Personnel and others.

### **RAISING A CONCERN**

All Personnel have the responsibility for helping to detect, prevent and report instances of bribery and any other suspicious activity or wrongdoing. Lambo is absolutely committed to ensure a safe, reliable, and confidential way of reporting any suspicious activity.

Therefore, it is vital that the Group's Personnel and Business Partners / Associates adhere and comply with this Policy and act as the Group's first line of defence by raising concerns with regards to bribery and corruption when detected.

In cases where a Personnel suspect, or reasonably believe that this Policy has been, or is being breached, he / she has an obligation to report his / her concerns through the designated reporting channels set out in the Group's Whistleblowing Policy.

All concerns reported will be taken seriously, treated in confidential manner and investigated immediately.

The whistleblower's anonymity will be protected unless the disclosure is required by law pursuant to an investigation or legislation. Any retaliation directed against anyone making such report will not be tolerated.

All reports shall be made in good faith and the report must be legitimate. Anyone who makes any malicious, scandalous or vexatious report, and particularly if they persist with such untrue allegations, they will be subjected to the Group's disciplinary actions.

### **TRAINING AND COMMUNICATION**

This Policy is a public document which will be communicated to all our Personnel and Business Partners / Associates. Our Personnel and Business Partners / Associates are to read and understand Lambo's position on anti-bribery and anti-corruption.

Training on this Policy forms part of the induction process for all new employees. All existing employees will receive regular, relevant training on how to implement and adhere to this Policy.

# LAMBO GROUP BERHAD

## ANTI-BRIBERY AND CORRUPTION POLICY



The Group acts with due care before engaging with new Business Partners / Associates and ensure that they acknowledge Lambo's commitment on prohibiting bribery / corruption activities within the Group.

### **MONITORING AND REVIEW**

The Group's Human Resource and Administration Manager will monitor the effectiveness and review the implementation of this Policy regularly considering its suitability, adequacy and effectiveness.

Regular audits shall be conducted to monitor, review, improve and assess performance, efficiency and effectiveness of ongoing anti-bribery and anti-corruption efforts by the Group. Such audits may be conducted internally by the Group or by an external consultant. The results of any audit, risk assessment, review of control measures and performance shall be reported to the Audit and Risk Management Committee and acted upon accordingly.

All Personnel are responsible for the success of this Policy and should ensure they use it to disclose any suspected misconduct.

Our Personnel is encouraged to raise any concerns or inadequacies in the anti-bribery and anti-corruption programme to the Human Resource and Administration Manager.

This Policy will be reviewed periodically and may be amended at any time. All Personnel will be fully informed of any material revisions to this Policy.

### **ENFORCEMENT FOR NON-COMPLIANCE**

Non-compliance and violation of this ABC Policy may be subjected to disciplinary actions (e.g. reprimands, demotions, formal warnings, dismissal or termination of employment contract) and / or any legal proceedings.

Lambo will have the right to exercise an audit or inspection on Business Partners / Associates who are alleged or reported to be in non-compliance with the Group's ABC Policy. In cases where any of the Group's Business Partners / Associates dealing with Lambo are found to have breached any ABC laws or regulations or the Group's ABC Policy, such breach may result in termination of contract(s) and if required, subject to legal proceedings.