



TEXCHEM RESOURCES BHD
[Reg. No.: 197301002868 (16318-K)]

ANTI-CORRUPTION POLICY

This Anti-Corruption Policy (“Policy”) sets forth the commitment of Texchem Resources Bhd and its subsidiaries (“Texchem”) to maintaining high ethical standards and outlines Texchem’s approach to preventing bribery and corruption.

This Policy is not intended to be exhaustive and all individuals working at all levels, including employees, directors, officers, suppliers, vendors, service providers, consultants, contractors and/ or any agents of Texchem shall adhere to the substance and spirit of this Policy at all times.

Unless otherwise stated, any references to “we”, “us” and “our” in this Policy means Texchem.

1. Objective

- 1.1 Texchem prohibits corruption of any forms, modes and manner of gratification by the employees, directors, officers, including receiving, offering, promising, authorizing or providing anything of value to any customer, business partner, vendor or other third party in order to induce or reward the improper performance of an activity connected with our business.
- 1.2 We are committed to act lawfully, ethically and with integrity in all our dealings and operations. As part of this commitment, all forms of corruption are unacceptable and will not be tolerated. We must not, and we must ensure that any vendors, service providers, consultants, contractors, agents, distributors, suppliers and joint venture partners (together referred to as “Third Parties” in this document) acting on our behalf do not act corruptly in the dealings with any other persons.

2. Scope

2.1 Corruption involves the following:-

- (a) when gratification or reward is offered, given or promised to another person with the intention to induce or reward them or another person to perform their responsibilities or duties improperly; or

- (b) when a gratification or reward is requested, agreed to be received or accepted by another person with the intention of inducing or rewarding them or another person to perform their responsibilities or duties inappropriately.

2.2 It does not matter whether the gratification or reward is:

- (a) given or received directly or through a Third Party; or
- (b) for the benefit of the recipient or some other person.

2.3 Section 3 of the Malaysian Anti-Corruption Commission Act 2009 defines gratification as follows:-

- (a) money, donation, gift, loan, fee, reward, valuable security, property or interest in property whether movable or immovable;
- (b) office, dignity, employment, contract of services, agreement to give employment or render services;
- (c) payment, release, discharge or liquidation of any loan, obligation or other liability;
- (d) valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;
- (e) forbearance to demand any money or money's worth or valuable thing;
- (f) other service/ favour, including protection from any penalty or disability incurred or apprehended or from any action or proceedings of disciplinary, civil or criminal nature; or
- (g) offer, undertaking or promise of any gratification within the meaning of any of the preceding paragraphs (a) to (f).

3. Gifts, hospitality and benefits-in-kind

3.1 Texchem accepts normal and appropriate gestures of hospitality and goodwill (whether given to/ received from third parties) so long as the giving or receiving meets the following requirements:-

- (a) It is not made with the intention of influencing the party to whom it is being given to obtain or reward the retention of a business or a business advantage, or as an explicit or implicit exchange for favours or benefits.
- (b) It is not made with the suggestion that a return favour is expected.
- (c) It is in compliance with local law.
- (d) It is given in the name of the company, not in an individual's name.
- (e) It does not include cash.
- (f) It is of an appropriate type and value and given at an appropriate time, taking into account the reason for the gift.
- (g) It is given/received openly, not secretly.
- (h) It is not selectively given to a key influential person, clearly with the intention of directly influencing them.
- (i) It is not offered to, or accepted from, a government official or representative or politician or political party.

3.2 Where it is inappropriate to decline the offer of a gift (i.e. when meeting with an individual of a certain religion/culture who may take offence), the gift may be accepted so long as it is declared to the Human Resources Business Partner ("HRBP")/ Managing Director/ Head of Company, who will assess the circumstances.

3.3 The intention of a gift being given/ received should always be considered. If there is any doubt, the advice of the HRBP/ Managing Director/ Head of Company should be sought.

4. Facilitation payments

4.1 Facilitation payments are any payments given to government official including employees of government owned or controlled commercial enterprises to illegally secure or expedite the performance of his/her official duties.

4.2 All facilitation payments are prohibited.

5. Political Contributions

- 5.1 Texchem will not make donations, whether in cash, kind or by any other means, to support any political parties or candidates. We recognise this may be perceived as an attempt to gain an improper business advantage.

6. Charitable Contributions

- 6.1 Texchem accepts and encourages the act of donating to charities – whether through services, knowledge, time or direct financial contributions (cash or otherwise) – and agrees to disclose all its charitable contributions.
- 6.2 We will ensure that all charitable donations made are legal and ethical under local laws and practices and are not offered/ made without the approval of the Managing Director/ Head of Company.

7. Dealing with Third Parties

- 7.1 We are committed to promoting compliance by all Third Parties acting on behalf of Texchem. All Third Parties acting for and on behalf of Texchem shall adhere with this Policy and applicable anti-corruption laws and regulations in their interactions and dealings with Texchem and/or when transacting on behalf of Texchem.
- 7.2 All forms of corruption and bribery are unacceptable and will not be tolerated.
- 7.3 All arrangements with Third Parties should be subject to clear contractual terms including specific provisions requiring them to comply with minimum standards and procedures in relation to corruption. Appropriate wording to be included in contracts can be obtained from the Group Legal and Secretarial Services Department.
- 7.4 All employees, directors and officers of Texchem are required to undertake sufficient due diligence when entering into arrangements and agreements with Third Parties to ensure that the Third Parties are not acting corruptly and periodically monitor the performance of the Third Parties to ensure ongoing compliance.

[End]