



LIM SEONG HAI CAPITAL BERHAD

Registration No. 202001036664 (1392985-A)

CODE OF CONDUCT AND ETHICS

1. Introduction

Lim Seong Hai Capital Berhad (“**LSH Capital**” or the “**Company**”) and its subsidiaries (collectively, “**LSH Group**” or the “**Group**”) are committed to establishing and sustaining a corporate culture based on the best corporate governance practices and the highest ethical standards in its operations and all business interactions. The Group has adopted a zero-tolerance approach against all forms of bribery and corruption. The Group is committed to conduct its business in accordance with all applicable laws, rules and regulation at the highest ethical standards.

2. Objective

The objective of the Code of Conduct and Ethics of LSH Capital (“**Code**”) is to assist the Group in defining sustainable and ethical standards and proper workplace conduct, and to ensure that all areas of the Group’s operations are in compliance with the applicable laws, rules and regulations.

This Code shall be read in conjunction with the Company’s policies and guidelines issued from time to time, and the applicable laws notably the Anti-Money Laundering and Anti-Terrorism Financing Act 2001, Malaysian Anti-Corruption Commission Act 2009, Personal Data Protection Act 2010 and Competition Act 2010. Where there is any discrepancy between the provision contained in the Company’s policies and guidelines and this Code which address the same subject matter, the more stringent provision applies.

3. Scope and Application

This Code shall be integrated into company-wide management practices and apply to all Directors and employees of the Group, including full-time and part-time employees, permanent employees, employees on probation, employees on contract, [trainees and interns] and any other temporary staffs (collectively referred to as “**Officer**”). In line with the Group’s commitment, Employees are required to read, understand and abide by the Code, and to conduct themselves in a manner consistent with this Code, the Company’s policies and guidelines and the laws, rules and regulations governing the matters covered in this Code. In the event that there is a conflict between the content of this Code and any applicable laws, rules and regulations, the latter shall prevail.

This Code is not meant to cover all possible circumstances that Employees may encounter in the course of performing their duties or work. If any circumstance is not covered by this Code or if in doubt, Employees shall seek guidance from their superior, Head of Department or Human Resources Department, whereas the Directors must refer to the Chairman of the Board of Directors of the Company (“**Board**”) or the Group Managing Director.

4. Key Areas of Conduct

4.1 Work Culture and Environment

✓ Occupational Safety and Health

The Group diligently adheres to occupational safety and health related laws, and is committed to ensuring a safe and healthy workplace and maintaining proper occupational safety and health practices in accordance with the nature of its operations. The Group also recognises that safety and health at work is everyone's responsibility. Employees are accountable for ensuring a safe and healthy working environment that prevents accidents or injuries to themselves at work or to the public.

✓ Equal Opportunity and Non-Discrimination

The Group upholds the principles of diversity of workforce, equal opportunity, non-discrimination and fair treatment in all aspects of employment, including recruitment and hiring, compensation and benefits, working conditions, training and recognition. Employees are prohibited from engaging in any form of discriminatory behaviour including based on a person's gender, race, disability, nationality, religion, age or sexual orientation.

✓ Harassment and Violence

The Group is committed to providing a conducive working environment where Employees are treated with respect and free from any form of harassment, violence or any other inappropriate conduct or behaviours. Any complaint concerning inappropriate conduct or behaviours shall be directed to the Head of the Department or the Human Resources Department. Upon receiving a complaint, a thorough investigation will be conducted and appropriate action will be taken to stop such conduct or behaviours and prevent future occurrences.

✓ Alcohol, Illegal Drugs or Controlled Substances

The Group strictly prohibits any unauthorised use, possession, distribution, manufacture, purchase or sale of alcohol, illegal drugs or controlled substances within the Group's premises or property or Employees performing their job duties under the influence of alcohol, illegal drugs or controlled substances, except for approved medicinal purposes.

✓ Illegal Activities

Employees shall not engage in any form of illegal activity. The Group's resources including premises, facilities and services shall not be used by Employees to conduct or facilitate illegal activities, directly or indirectly.

4.2 Company Records and Assets

✓ Personal Data Protection

The Group maintains a high degree of integrity and respects the privacy and confidentiality of any personal information concerning its Employees, business partners, customers and stakeholders, and has taken the necessary steps to protect such information. If Employees have access to personal data, Employees are expected to handle personal data and sensitive personal data in the manner that is in compliance with all applicable laws, rules and regulations including the Personal Data Protection Act 2010 and the Company's policies and guidelines. Personal data shall be kept private and protected, except when such data is needed for legitimate business purposes.

✓ Safeguarding Company Assets and Resources

Employees are to exercise reasonable care in safeguarding the Group's assets and resources with in accordance with all applicable laws, rules and regulations and the Group's policies and guidelines. Employees are expected to take appropriate steps to ensure that the Group's assets and resources are not lost, damaged, misused, stolen, fraudulent or destroyed.

✓ Company Documents and Records

Employees must ensure that the Company's documents and records are accurately and timely maintained and managed such that they are readable, clearly identifiable and easily retrievable.

✓ Proprietary and Confidential information

Employees shall not disclose any confidential information held by the Group unless the disclosure is duly authorised by the Company or legally required by law. Any proprietary or confidential information of the Group must be protected and must not be used by Employees for personal gain or any purpose that does not appear to be in the best interest of the Group or any other unauthorised purpose.

4.3 Conflicts of Interest

Employees have obligations to act in the best interest of the Group. Employees shall avoid situations in which their interest conflict with the Group's. Employees are prohibited from using their positions or knowledge gained directly or indirectly in the course of their duties and responsibilities or employment for private or personal advantage or for any unauthorised purpose.

In the event that there is any actual or potential conflict of interest, Employees are required to disclose the conflict promptly by submitting the completed Conflict of Interest Declaration Form to the Management and/or the Board so that an assessment can be made as to the existence and seriousness of an actual conflict. Where such circumstances are permitted by the Management and/or the Board to continue, they shall not be regarded as a violation of this Code.

4.4 Compliance with the Law

The Group is committed to doing its business in compliance with all applicable laws, rules and regulations across the jurisdictions in which the Group operates. Employees are expected to understand and comply with applicable laws, rules and regulations relating to their job responsibilities. In the event of any suspected illegal activities or actions, the Group reserves the right to notify the appropriate authorities.

4.5 Anti-Bribery and Corruption

In line with the Group's zero-tolerance approach against all forms of bribery and corruption, the Company has put in place the Anti-Bribery and Corruption Policy ("**ABC Policy**") which sets out the system to prevent the occurrence of bribery and corrupt practices in relation to the business of the Group. Please refer to the ABC Policy, which is available on the Company's website.

Employees shall not, directly or through any third parties or indirectly, accept or obtain, solicit, offer, promise or give any bribe in order to achieve any business or personal advantage for themselves or others or engage in any transaction that contravenes any applicable anti-bribery and anti-corruption laws.

4.6 Gifts, Entertainment, Hospitality and Travel

The Group does not prohibit any offer or acceptance of gifts, entertainment, hospitality and travel ("**GEHT**") so long as it is reasonable and appropriate to do so in circumstances that do not influence business decision and do not contravene any applicable anti-corruption or anti-bribery laws.

As a general rule, the intention behind the offering, giving or acceptance of GEHT must be considered. Employees must not offer/give to or accept from any third party, any GEHT which are lavish or unreasonable, or which are intended to influence business decision or in exchange for undue favours or benefits. The following factors are to be considered before accepting or offering/giving GEHT:

1. Whether the GEHT is reasonable in value;
2. Transparent;
3. Whether the offer, giving or acceptance of GEHT to or from the relevant party is infrequent in nature;
4. Whether the GEHT is given or received do not influence any business decision or obtain an unfair advantage; and
5. Whether the offer or acceptance of GEHT is respectful and customary.

GEHT which are reasonable and appropriate may include the following:-

- a) Gifts presented at work-related conferences, seminars and/or business events;
- b) Gifts giving in gratitude for hosting business events, conferences and/or seminars;
- c) Token of appreciation offered in business situations or to all participants and attendees, for example, work-related seminars, conferences, trade and business events; and
- d) Refreshments or meals provided during meetings or to participants of work-related conferences and/or seminars or meals provided for business purposes.

Any such business courtesies offered or received that are transacted on behalf of the Group must be approved in accordance with the Group's limits of authority and if transacted prior to such approval, Employees must make timely disclosure to the relevant supervisor.

4.7 Insider Trading, Securities Trading And Public Disclosure

LSH Capital, a public listed company on the Bursa Malaysia Securities Berhad, is required to comply with various laws, rules and regulations to make timely and accurate public disclosure of material information in relation to the Group which are necessary for informed investing.

Employees are prohibited from trading in securities of the Company or providing any sensitive or material information not available to the public obtained directly or indirectly in the course of performing duties or work to anyone (including family members and friends) to trade in securities of the Company.

Employees shall exercise due care, and shall always observe and comply with the applicable laws, rules and regulations related to insider trading when dealing in securities of the Company.

4.8 Anti-Money Laundering

Money laundering refers to the process of converting money, funds, or other property derived from criminal activities to give them a legitimate appearance, any form of which the Group strongly opposes. Employees are expected to conduct reasonable due diligence on all business partners, customers and counterparties to better understand their business and background, and to determine the origin and destination of the money, properties and services involved, with a view to ensuring legitimate funds are used for legitimate business purposes.

Sign of money laundering activities may include, but not limited to, the following:-

- Attempts to make payment in cash or cash equivalent (out of normal business practices);
- Payments made by third parties that are not parties to the contract; and
- Payments to or from accounts of third parties that are not parties to the contract.

If the Employees suspect money laundering activities, they should report it to their Head of Department or the relevant person designated by the Company.

5. Whistleblowing Policy

The Company has implemented a Whistleblowing Policy to cultivate a culture of integrity within the Group, with a view to deliver sustainable performance and value to our shareholders, customers and other stakeholders without compromising our ethical standards and behavioural expectations. The Whistleblowing Policy outlines the procedures which enable Employees, agents, vendors, contractors, suppliers, consultants and customers of LSH Group, as well as members of the public, to raise genuine concerns about any improper conduct through a confidential reporting channel.

Examples of improper conduct including but are not limited to the following:-

- ✓ Criminal offences, unlawful acts, fraud, corruption, bribery, money laundering and blackmail;
- ✓ Failure to comply with legal or regulatory obligations;
- ✓ Misuse of the Company's funds or assets;
- ✓ An act of conflict of interest with suppliers, vendors or customers;
- ✓ Act or omission which creates a substantial and/or specific danger to the lives, health or safety of the employees or the public or the environment;
- ✓ Abuse of power by an officer of the Company;
- ✓ Any other action that would cause significant harm to the Group; and
- ✓ Concealment of any of the above.

The Whistleblower's identity will be kept confidential unless required to be disclosed under the law. Any reprisal against the Whistleblower will not be tolerated.

6. Contravention of the Code

Violation of any of the Code's provisions can result in disciplinary action, including termination of employment and if warranted, legal action for extreme cases.

7. Review of the Code

This Code shall be reviewed and revised as necessary from time to time to ensure its adequacy and relevance.

Revision Date	Approval Date	Version	Author/Person Who approved New / Revised Version	Description/ Reason for Change
15.04.2024	15.04.2024	V1		Adoption of the Code