



CODE OF BUSINESS PRACTICE

The Lion Group is committed to conducting business in an ethical and legal manner throughout the world. Its employees are expected to act in accordance with the highest ethical and legal standards in all aspects of their activities. The Group also expects the suppliers, independent contractors, agents and consultants with whom the Company or Group conducts business with to adopt and to conform to similar values and standards.

This Policy applies to all employees of the Group and its subsidiaries and outlines the broad principles of ethical and legal conduct to guide business related conduct. The provisions described here are not exhaustive and detail only the general principles*.

Employees are required to refer to the detailed provisions in the Group Human Resource's Policies and Procedures and the summaries herein are not in any way to dilute or derogate those requirements therein.

1) Ethical Business Conduct

1.1. The Group, its subsidiaries, directors and employees shall conduct business affairs honestly, fairly, impartially and in an ethical manner. Conducts that raise questions as to the Group's integrity, character or impartiality, which can damage its reputation, or create the appearance of illegality, unethical or improper conduct, are strictly prohibited.

1.2 This includes compliance with the prevailing anti-bribery, anti-corruption, anti-money laundering and counter terrorism financing laws of Malaysia such as the Anti-Corruption Act 1997, Anti-Money Laundering Act 2001, Strategic Trade Act, 2010 and such other extra territorial laws such as the Foreign Corrupt Practices Act, 1977 (U.S.A.) and Anti-Bribery Act, 2010 (U.K.) where applicable to dealings with and/or operations in these countries and in any other countries with their national, provincial and municipal laws where the Group has businesses and/or operations in.

2) Conflict Of Interest

2.1. All employees are expected to make business decisions and take actions based upon the best interests of the Group and its subsidiaries and not based upon personal relationships or benefits.

2.2. A conflict of interest is any activity, investment, interest, association or relationship which conflicts or is incompatible with the independent exercise of judgment in the discharge of an employee's duties and/or employment with the Group and its subsidiaries.

2.3 A conflict of interest occurs when an employee's personal interests interfere or override in any way, or appear to interfere or override, with his/her professional responsibilities or the best interests of the Group and its subsidiaries.

2.4 All employees of the Group are required to complete the Declaration of Conflict of Interest Form annually. Declarations are also required for any business related transactions where the



employee may have a personal interest; this includes making declarations upon submission for tenders/bids, purchases of items, etc.

3) Gifts and Kickbacks

3.1. The best interests of the Group and its subsidiaries may be compromised, or may appear to be compromised, when an employee asks for and accepts a business courtesy, either directly or indirectly, from persons or firms with which the Group and/or its subsidiaries have or may be expected to have a business relationship with. In such circumstances, soliciting, demanding or accepting a business courtesy is prohibited.

3.2 The Group's employees are prohibited from soliciting or accepting kickbacks, bribes or other illegal payments. Giving of bribes or illegal payments to secure deals or favors from third parties or officials is also prohibited.

3.3. Recognizing diverse cultural and business practices, business courtesies within reasonable limits in the ordinary and customarily acceptable course of business relationships; the acceptance of such gifts or gestures, for example, from suppliers, and reciprocity to business counterparts is permissible but strictly guided by the HR's Policies and Procedures on Accepting Business Courtesies which amongst others includes declaration by the recipient(s) and their quantum and controls by way of prior approval and audits.

3.4 Soliciting For Corporate Gifts Or Sponsorships For Functions

All employees are prohibited from soliciting and receiving gifts whether in the form of cash or in kind from any of the business associates. Any request for such sponsorship must be sanctioned and approved by the Group Chairman's Office.

3.5 Gift Giving

All employees must not offer or make payments, nor provide other inducements or lavish entertainment to government officials or customers in order to get sales or beneficial arrangements. If entertainment is offered, employees must comply with all business specific policies relating to customer entertainment. Any form of gift giving is subjected to the approval of the Group Chairman's Office.

4) Relations With Vendors And Customers

The Group's policy is to purchase all goods and services on the basis of competitive price, quality, availability, terms and service. Vendors and customers, as well as potential vendors and potential customers, are to be treated honestly and fairly. Purchases and sales shall be made on an impartial competitiveness basis and are to be based on legitimate business reasons. Vendor and customer relationships shall be above board and kept at arm's length and comply with the Group's Competition Policy.