

Anti-Bribery and Anti-Corruption (“ABAC”) Policy

1. Introduction

BASF PETRONAS Chemicals Sdn. Bhd. (“BPC”) is committed to conducting business dealings with integrity, and zero-tolerance against bribery and corruption. BPC requires all Directors and Employees to act professionally and with integrity at all times when representing the company.

This Anti-Bribery and Anti-Corruption Policy (“Policy”) is approved by the Board and outlines BPC’s stance on dealing with bribery and corruption. It describes the anti-corruption compliance programme designed to address corruption risks identified in the corruption risk assessment.

This Policy must be read, understood, acknowledged and complied with by all stakeholders.

2. Objective

BPC prohibits all forms of bribery and corruption and continues to take reasonable and appropriate measures to ensure that its businesses do not participate in corrupt activities for its advantage or benefit. This Policy provides clarity and guidance to all related stakeholders to prevent the occurrence of bribery and corrupt practices in relation to the businesses of BPC.

It provides a transparent framework for achieving BPC’s anti-corruption objectives. This includes:

- Acceptable Code of Conduct for Directors and Employees
- Managing Conflicts of Interest
- Parameters for Gifts, Entertainment and Hospitality
- Requests for Donations, Sponsorships and Political Contributions
- Dealing with Facilitation Payments
- Conducting Due Diligence
- Reporting issues using the BASF Global Compliance Hotline; and
- Empowerment through Training and Communications

2.1 Applicability

This Policy is applicable to:

- a. all directors of BPC (executive and non-executive) (“Directors”) and
- b. all employees of BPC including but not limited to those who are employed on a full time, temporary and/or contract basis, trainees and interns, employees on probation or on secondment (“Employees”)

It is mandatory for all Directors and Employees to sign and acknowledge this document, signifying they have read and understood their obligations under this Policy.

Note: For third parties who provide work, goods or services in their dealings with, or on behalf of BPC, the applicable policy will be the Code of Business Conduct for Third Parties document. Third parties include vendors, suppliers, service providers, contractors, sub-contractors, consultants, agents, representatives and other persons or entities (“Third Parties”).

3. Compliance

BPC will comply with all applicable laws, rules and regulations of the governments, commissions and exchanges in jurisdictions within which BPC operates. Directors and Employees are expected to understand and comply with the Malaysian Anti-Corruption Commission Act 2009 ("MACC Act") including any amendments thereof, with special emphasis on the Corporate Liability provision under Section 17A of the MACC Act. BPC has undertaken steps to meet the Adequate Procedures guidance related to this provision by specifically addressing "Out-bound" corruption which involves giving or offering of bribes.

In the event of any conflict or inconsistency between the provisions of this Policy and the MACC Act, the latter shall prevail.

4. Violations

Adherence to this Policy by all Directors and Employees is mandatory and non-negotiable. BPC views seriously any violations or infringements of this Policy and reserves the right to take internal disciplinary action or termination of employment/ service or business arrangements without notice.

BPC further reserves the right to initiate legal action against violators to protect its interests and/or reporting any actions or activities suspected of contravening or failing to comply with applicable Malaysian laws to the police, MACC or other relevant authorities.