

SUSTAINABILITY REPORT

RESPONSIBLE GOVERNANCE



Leon Fuat’s comprehensive governance framework, policies, management systems and code of conduct lay out our ethical principles, ensuring the maintenance of high ethical standards throughout our operations.

Key Stakeholders	Material Sustainability Matters	Our Shared Values
Investors/Shareholders Government/Regulatory Authorities Management Employees Customers Vendors/Suppliers	<ul style="list-style-type: none"> • Corporate Governance and Anti-Corruption • Data Privacy and Cybersecurity 	Drive a performance culture of integrity and accountability

CORPORATE GOVERNANCE AND ANTI-CORRUPTION

Why is this Important?


Effective corporate governance is crucial for the long-term success of any organisation. It establishes a framework for ethical decision-making, transparency and accountability, fostering trust among stakeholders and minimising the risk of misconduct.

Our Approach

The dedication to ethical business practices, good conduct and transparency across our business segments is anchored by our fundamental policies, reinforced by our Anti-Bribery Management System.

 Anti-Bribery Policy	 Whistleblowing Policy	 Code of Ethics and Conduct
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In addition to our fundamental policies and Anti-Bribery Management System, we are committed to complying with all applicable rules and regulations in the places we operate.

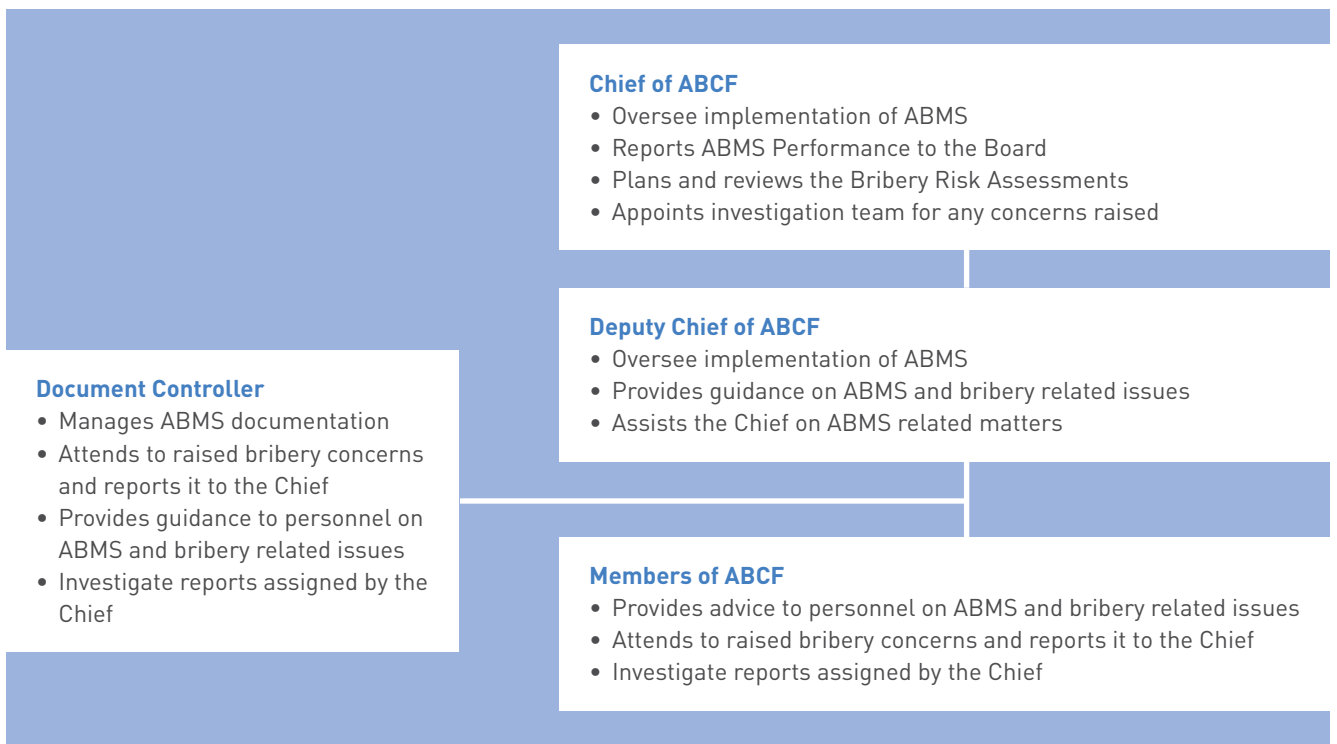
 Regulatory Compliance	<ul style="list-style-type: none"> • Capital Markets and Services Act 2007 • Companies Act 2016 • Employment Act 1955 • Environmental Quality Act 1974 • Factories and Machinery Act 1967 • Income Tax Act 1967 • Minimum Wages Order 2018 • Occupational Safety and Health Act 1994
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Anti-Bribery Management System (“ABMS”)

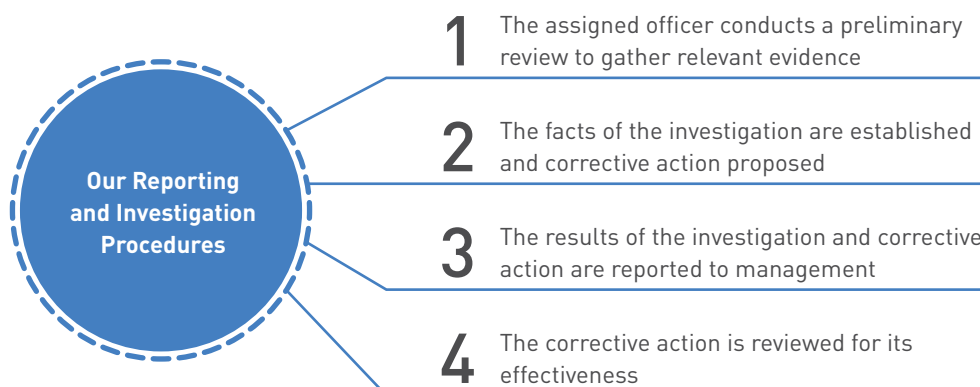
In FY2020, the Group implemented the ABMS to foster ethical operations. This system employs a preventative risk-based approach to identify and address bribery risks in our business activities and organisational committee. We are committed to conforming with the principles of ABMS (MS ISO 37001). The ABMS is complemented by the Anti-Bribery Manual which comprehensively defines the scope of the management system.

The Group also established the Anti-Bribery Compliance Function (“ABCF”), which oversees the implementation and management of the ABMS, maintains its documentation and handles bribery-related concerns.



Grievance Mechanism and Whistleblowing Procedures

We have a grievance mechanism in place to address any suspected unlawful or improper conduct within the Group. Any interested party can file a complaint by sending an email to the Group’s designated personnel. Throughout the process, all reports filed in good faith will be treated with confidentiality. Whistleblowers are shielded from reprisal, and their identities are kept strictly confidential until prior authorisation to reveal them is obtained.



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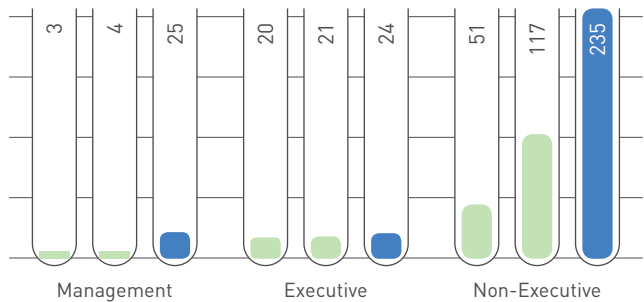
Our Performance

Bribery Prevention via Communication and Training

We effectively communicate our anti-bribery policies to our employees through various channels, including the employee handbook, orientation programmes for new hires and regular anti-bribery training sessions. Our policies are also readily accessible on our corporate website.

In FY2023, anti-bribery training was attended by two hundred and thirty-five (235) Non-Executive employees, twenty-four (24) Executive employees and twenty-five (25) Management employees across LF Hardware and LF Metal.

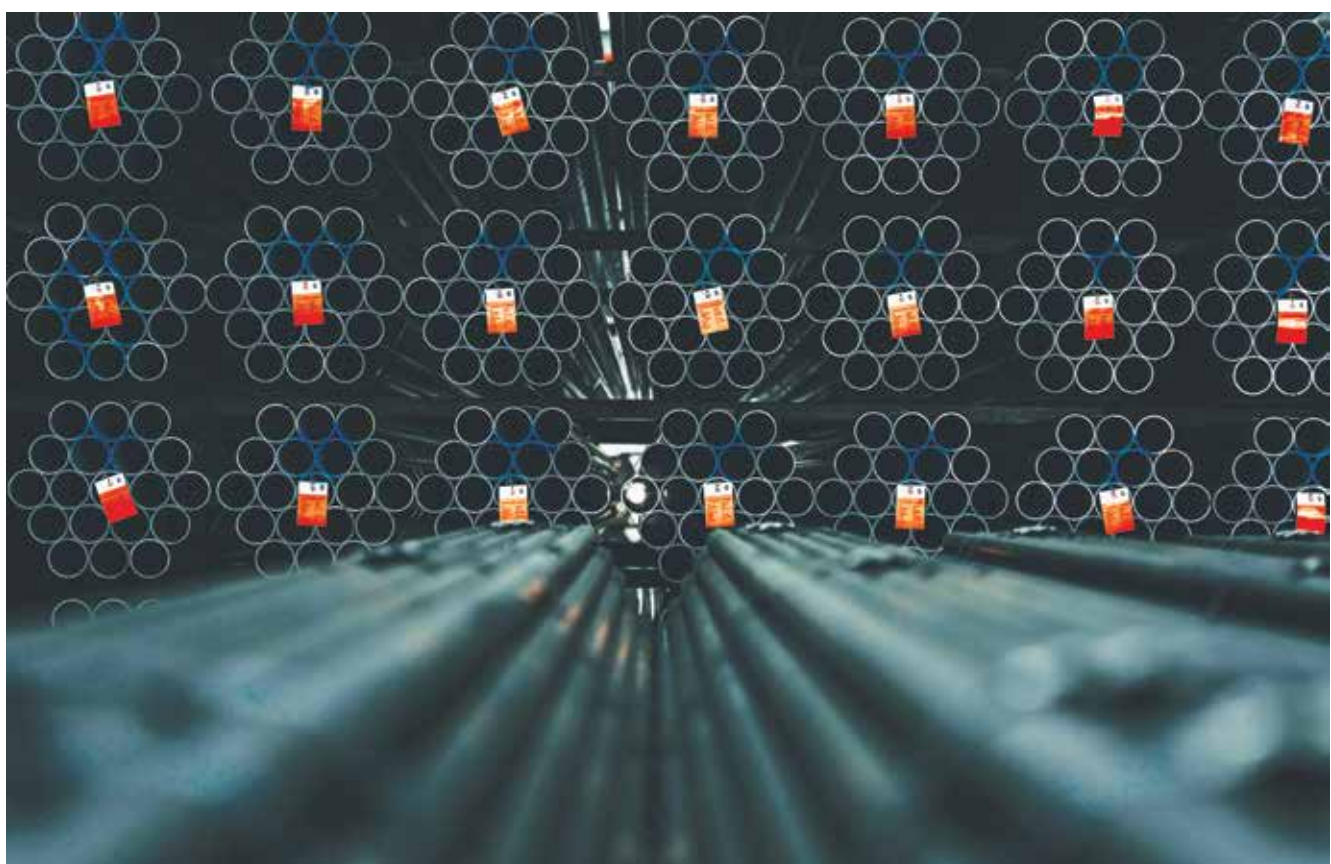
Employee Category	Attendance		
	FY2021	FY2022	FY2023
Management	3	4	25
Executive	20	21	24
Non-Executive	51	117	235



Bribery, Corruption and Whistleblowing Incidents

In FY2023, we maintained our outstanding record of zero (0) bribery and corruption cases as well as whistleblowing incidents across the Group. This achievement is a testament to the effectiveness of our comprehensive anti-bribery and anti-corruption trainings and our robust grievance mechanism.

	FY2021	FY2022	FY2023
No. of confirmed bribery and corruption incidents	0	0	0
No. of incidents of whistleblowing	0	0	0



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DATA PRIVACY AND CYBERSECURITY

Why is this Important?

In an era where digital transformation is integral to business operations, the pervasive shift to remote work and reliance on digital technologies underscore the importance of data privacy and cybersecurity. As cyber threats continue to escalate, safeguarding sensitive information from potential breaches is a legal requirement and a strategic imperative for maintaining trust, integrity, and the uninterrupted flow of business activities.

Our Approach

At Leon Fuat, our approach to data privacy and cybersecurity is guided by the Personal Data Protection Act of 2010 (“PDPA 2010”). This regulation governs the acquisition, use, disclosure and maintenance of personal data, forming the legal foundation for our operations. In accordance with PDPA 2010, we provide clear communication through a Personal Data Protection Notice to our employees and customers, outlining the purposes of personal data processing and any potential disclosures.



Our Performance

In FY2023, there were zero (0) substantiated complaints related to data privacy and cybersecurity breaches.

	FY2021	FY2022	FY2023
No. of substantiated complaints concerning breaches in customer privacy or data loss	0	0	0