

## **Anti-Corruption and Bribery Policy**

### **1 INTRODUCTION**

Salutica Bhd. along with all its subsidiaries under the group (“**Company**”) is committed to conduct its business with integrity. As such, the Company hereby set out its Anti-Corruption and Bribery Policy (“**Policy**”) to observe and uphold the Company’s zero tolerance position in the event of bribery and corruption.

### **2 OBJECTIVE**

The objective of this Policy is to provide information and guidance all internal and external parties, employees as well as stakeholders on bribery and corruption issues in the event it arises in the dealings of the Company.

### **3 PRINCIPLES**

- 3.1 The Company must at all times conduct all of its business in an honest and ethical manner. The Company takes a zero-tolerance approach to bribery and corruption and the management is committed to act professionally, fairly and with integrity in all the Company’s relationships and business dealings wherever we operate and to implement and enforce an effective system to counter bribery and corruption.
- 3.2 The Company and the management will uphold all laws relevant to counter bribery and corruption. The Company remains bound by the laws of the Malaysia, including the Malaysian Anti-Corruption Commission Act 2009, in respect of our conduct both locally and abroad.
- 3.3 Corruption and bribery are criminal offences punishable under the law which may result in criminal liability for individuals as well as the Company. Criminal liability for individuals found guilty of corruption or bribery may be liable up to twenty years’ imprisonment and an unlimited fine.
- 3.4 To address the risks of corruption and bribery in this organization, the Company through the implementation of this Policy will be taking the following steps:-
  - 3.4.1 Perform regular corruption risk assessment on our operations and review findings;
  - 3.4.2 Take steps to implement training programmes for all individual operating in areas of the organization that are identified as high risk; and
  - 3.4.3 Regular review and update to this Anti-Corruption and Bribery Policy.

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### **4 SCOPE**

4.1 This Policy applies to all individual working at all levels and grades, including senior managers, managers, officers, directors, employees (whether full-time, part-time, contract or temporary), consultants, contractors, trainees, seconded staffs, volunteers, interns, agents, sponsors, suppliers, customers, any thirds party and any other person associated with us (collectively referred to as “**Person**”).

### **5 GIFTS, ENTERTAINMENT AND HOSPITALITY**

5.1 The Company has adopted a "No Gift Policy" whereby all employees or their family members are prohibited from directly or indirectly receiving or providing gifts. The Company requires its employees to abide by this regulation to avoid conflict of interest or the appearance of conflict of interest for either party in on-going or potential business dealing between the Company and external parties as a gift can be seen as a bribe that may tarnish the Company's reputation or be in violation of anti-bribery and corruption laws.

5.2 A conflict of interest arises in a situation in which an individual is in a position to take advantage of his or her role in the Company for his or her family/household and friends.

5.3 Generally employees are not allowed to provide gifts to third parties or customers unless getting the approval from the Head of Company.

#### **5.4 Receiving of gifts**

In certain cultures or situations, gift giving is business etiquette and it may appear disrespectful to refuse a gift from external party. In such circumstances, employees may receive the gift but he/she must immediately report to his/her manager. However, in no circumstances may an employee or their family members accept gifts in the form of cash or cash equivalent.

#### **5.5 Exceptions**

There are certain exceptions whereby the receiving and provision of gifts are permitted in the following situations:-

- a) Exchange of gifts at the company-to-company level (e.g. gifts exchanged between companies as part of an official company visit/courtesy call and thereafter said gift is treated as company property)
- b) Gifts from company to external institutions or individuals in relation to the company's official functions, events and celebrations (e.g. door gifts offered to all guests attending the event)
- c) Gift from the Company to employees in relation to an internal or externally recognized company function, event and celebration (e.g. in recognition of an employee's service in the company)

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- d) Token gifts of nominal value normally bearing company's logo (e.g. t-shirts, pens, diaries, calendars and other small promotional items) that are given out equally to members of the public, delegates, customers, partners and key stakeholders attending events such as conference, exhibitions, training trade shows etc and deemed as part of the company's brand building or promotional activities
- e) Gift to external parties who have no business dealings with the Company (e.g. monetary gifts or gifts in-kind to charitable organisations)

Even in the above exceptional circumstances, employees are expected to exercise proper judgment in handling gift activities and behave in highest degree of integrity, avoid conflict of interest and comply with applicable laws/regulations/Company's rules & regulation/Company's code of conduct.

### **5.6 Disposition of gift**

The method of disposition of gift shall be determined by the Head Of Company whether to:

- a) Hold it for departmental display; or
- b) Share with other employees in the department; or
- c) Permit it to be retained by the employee

- 5.7 Any individual with any suspicions, concerns or queries regarding a payment made on our behalf or improper business practices, he or she should raise these by write in email to **whistleblowing@salutica.com.my**

## **6 DONATIONS AND POLITICAL CONTRIBUTION**

- 6.1 The Company does not make charitable donations or contributions to political parties. This however does not prohibit any individual's legal right to associate under their personal capacity.
- 6.2 Contributions or donations made by the Company to community projects or charities need to be made in good faith and in compliance with the Company's Code of Conduct and Ethics Policy, this Policy and all relevant Company's policies and procedures.
- 6.3 The Company's funds, services, property, facilities or employee time cannot be used for or contributed to any political party or candidate for public office without approval by the Chief Executive Officer ("CEO").

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### **7 Procurement Process**

- 7.1 The Company has processes and adheres to the system of internal controls around supplier selection. Supplier selection should never be based on receipt of a gift, hospitality or payment.
- 7.2 A tender process includes an invitation for other parties to make a proposal, on the understanding that any competition for the relevant contract must be conducted in response to the tender. All suppliers are chosen on the basis of their capability, price and quality.
- 7.3 Due diligence of new suppliers in supplier selection should include an acceptance and acknowledgement of the Company's Anti-Corruption and Bribery Policy.

### **8 Responsibilities**

- 8.1 The Company takes corruption and bribery very seriously. Any violation of this Policy will be regarded as serious matter by the Company and is likely to result in disciplinary action, including termination, consistent with local law.
- 8.2 Every Person is required to be familiar with and comply with this Policy.
- 8.3 An employee must notify his or her superior as soon as possible if he or she believes or suspect that a breach with this Policy has occurred, or may occur.

### **9 Record-keeping**

- 9.1 The Company must keep financial records and have appropriate internal controls in place which will evidence that business reason for making payments to third parties.
- 9.2 Ensure all expenses claims relating to hospitality, gifts or entertainment incurred to third parties are submitted in accordance with the Company's relevant policies.
- 9.3 All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as customers, suppliers and business contracts, should be prepared and maintained with strict accuracy and completeness.

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### **10 Protection**

10.1 Any employee who reports on bribery or corruption shall be accorded the protection as set out in the Company's Whistle Blowing Policy.

### **11 Training and Communication**

11.1 All existing employees operating in areas that are perceived as high risk will receive regular, relevant training on how to implement and adhere to this Policy.

11.2 Our zero-tolerance approach to corruption and bribery must be communicated to all suppliers, contractors, agents, business and other partners at the outset of our relationship with them and as appropriate thereafter.

### **12 Monitoring and Review**

12.1 All persons are responsible for the success of this Policy and should ensure they use it to disclose any suspected danger or wrongdoing.

12.2 Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering corruption and bribery.