

ANTI-BRIBERY AND CORRUPTION POLICY

1. Purpose

- 1.1 To set out our company's stance against bribery and corruption.
- 1.2 To set out and highlight the duties, roles and responsibilities of employees, directors and business associates in detecting, preventing and reporting actual, suspected or attempted bribery and corruption.
- 1.3 To provide general guidance to the public on our company policies and procedures, to enable them to make reports of any actual, suspected or attempted bribery or corruption to our company.
- 1.4 To set out the tone of our company's adequate procedures pursuant to Malaysian laws and the requirements of the main market listing requirements.
- 1.5 To guard and protect our company against ramifications of acts of bribery and corruption.

2. Scope

Applies to all employees, directors, and business associates in/of EMPG Group Berhad.

3. Reference

Not Applicable

4. Definition

- 4.1 **The Company** : All entities under EMPG Group Berhad
- 4.2 **MD** : Managing Director
- 4.3 **HR** : Department of Human Resources
- 4.4 **Bribery** is the offering, promising, giving, accepting or soliciting of an undue advantage of any value (whereby the advantage could be financial or non-financial), directly or indirectly, and irrespective of locations, in acting or refraining from acting in relation to the performance of that person's duties.
- 4.5 **Business Associates** means an external party with whom the Company has, or plans to establish some form of business relationship, and can include vendors, suppliers, contractors, agents, consultants, joint venture partners, distributors, outsourcing providers, sub-contractors, advisors, representatives, intermediaries and investors of the Company.
- 4.6 **Conflict of Interest** is a situation where business, financial, family, political or personal interests could interface with the judgment of persons in carrying out their duties for the Company, leading to the interests of our company being undermined or our company being put at disadvantage.
- 4.7 **Corporate Social Responsibility** includes any activities, programs, donations, or contribution, monetary or otherwise by the Company for the improvement of environment, welfare, community or society, including to the charitable or non-profit organizations.

- 4.8 **Corruption** is the abuse of entrusted power for private gain. Corruption can be classified as grand, petty and political, depending on the amounts of money lost and the sector where it occurs. Corruption can include bribery.
- 4.9 **Employees** shall mean the employees of the Company, whether permanent, temporary or on contract.
- 4.10 **Directors** shall mean the board of directors of the Company.
- 4.11 **Family Member** shall mean the spouse, children, parents, siblings, including adopted or step-children, step-parents or step-siblings, cousins, aunts, uncles, nieces, nephews, grandparents, grandchildren or any other person with a close relationship with the employee, director or business associate.
- 4.12 **Facilitation Payment** shall mean an illegal or unofficial payment for the performance of a routine action that the payer is supposed to receive. An example of a facilitation payment is a small bribe to expedite the processing of an application by a governmental official.
- 4.13 **Gratification** shall mean:
- a) Any money, donation, gift, loan, fee, reward, valuable security, property, interest in property, financial benefit, similar advantage;
 - b) Any office, dignity, employment, contract of employment or services, agreement to give employment or render services in any capacity, payment, release, discharge or liquidation of any loan, obligation or other liability (whether whole or in part);
 - c) Any valuable consideration of any kind, discount, commission, rebate, bonus, deduction or percentage;
 - d) Any forbearance to demand money or money's worth or valuable thing;
 - e) Any other service or favour; or
 - f) Any offer, undertaking or promise, whether conditional or unconditional, of any of the above.
- 4.14 **Public Official** shall mean a person holding a legislative, administrative or judicial office, whether by appointment, election or succession, or any person exercising a public function, including for a public agency or public enterprise, or any official or agent of a public domestic or international organization, or any candidate for public office.

5. Record

Not Applicable

6. Details

- 6.1 The Company has designated HR, who shall be primarily responsible for the implementation, administration and enforcement of our company policies relating to bribery and corruption. HR shall also be responsible for:
- a) Dealing with any queries regarding the interpretation of our company policies and procedures relating to bribery and corruption;
 - b) Monitoring the effectiveness and the use of our company policies and procedures relating to bribery and corruption and the performance of personnel;
 - c) Arranging for the investigation of any matter relating to bribery and corruption by an independent function not related to the incident;

This copy is uncontrolled when printed unless stamped as controlled.

- d) Reporting to the MD regarding issues concerning bribery and corruption;
- e) Conduct continual evaluations and improvements on our company policies and procedures in relation to bribery and corruption; and
- f) Proposing any amendments or changes our company policies and procedures relating to bribery and corruption to the MD.

6.2 Anti-Bribery and Corruption Statement

- 6.2.1 Our company has a zero-tolerance stance against any kind of bribery or corruption whether committed within or outside of Malaysia. Our company is committed to the highest level of integrity and ethical practices in all business conduct.
- 6.2.2 Employees, directors and business associates of the Company are strictly prohibited from soliciting, receiving, procuring, offering, or giving any form of gratification with corrupt intent and are required to adhere to the laws of Malaysia that deal with bribery and corruption.
- 6.2.3 Our company will not hesitate to take any action against, or report to relevant authorities the employees, directors or business associates who are found to be in breach of the laws of Malaysia dealing with bribery and corruption, or in breach of this policy or any of our company policies dealing with bribery and corruption. Any violation of this policy shall constitute misconduct, and may result in disciplinary action including dismissal or the termination of a business relationship.

6.3 Commissions, Discounts and Secret Profits

- 6.3.1 Payment of commission by our company shall be in accordance with the terms and conditions of the employment contract of an employee, or the terms of engagement for a business associate.
- 6.3.2 Employees, directors and business associates may only receive discounts for our company goods and services in accordance with the terms and conditions of their employment contracts or terms of engagement, or in accordance with our company policies, processes and procedures.
- 6.3.3 Employees, directors and business associates are prohibited from procuring discounts for our company goods and services for any third party.
- 6.3.4 Employees, directors and business associates are prohibited from making any secret profits from their role or dealings with our company.

6.4 Gifts, Entertainment, Hospitality and Travel

6.4.1 Receiving Gifts, Entertainment, Hospitality and Travel

- a) The Company has a general “no gift policy” (which covers any gifts, entertainment, hospitality, travel, donations or other benefits whether tangible or intangible), subject to the exceptions in this policy.
- b) Employees and directors are strictly prohibited from receiving or requesting any gifts, entertainment, hospitality or travel except as allowed in our company policies and procedures relating to gifts, entertainment, hospitality and travel.
- c) Where a business associate has breached our company “no gift policy”, their engagement with or by our company can be terminated. The Company also reserves the right to pursue legal redress for any losses incurred as a result of this breach.
- d) Where a gift, entertainment, hospitality or travel is received by an employee or director in their capacity as our company’s employee or director, they should:
 - Immediately declare this to HR; and

This copy is uncontrolled when printed unless stamped as controlled.

- Where a gift was received outside of our company premises, bring the gift to our company if it is possible to do so.
- e) Once a declaration has been made, HR shall determine whether any of the exceptions to the “no gift policy” apply. If none of the exceptions apply, HR shall return the gift with a letter from the Company containing an explanation of our company “no gift policy”.
- f) Exceptions to this “no gift policy” are only allowed in the following circumstances:
 - The gift is a seasonal gift delivered directly to our premises. Examples of seasonal gifts include hampers for festive holidays, and dates during Hari Raya. In such circumstances, HR shall receive the seasonal gift under the Company’s name and distribute the seasonal gift to our company’s employees.
 - The gift is a token or souvenir of nominal value, whereby the employee or director will be allowed to keep the gift.
 - Gifts given by our company to employees and directors are excluded from the “no gift policy”. Examples of such gifts include gifts in recognition of the employee’s or director’s long service to our company and lucky draws at our company’s events.

6.4.2 Giving Gifts, Entertainment, Hospitality and Travel

- a) Employees and directors are prohibited from giving gifts, entertainment, hospitality and travel to any party including business associates, governmental or regulatory authorities, subject to the exceptions stated in this policy.
- b) Exceptions are only allowed where:
 - The gifts, entertainment, hospitality or travel is in line with and permitted by the Company’s entertainment policy and any other policy or procedure dealing with giving gift, entertainment, hospitality or travel;
 - The gift is a token or souvenir of nominal value;
 - The gift is a seasonal delivered in our company’s name to an external party; or
 - The gift is given by our company at or in conjunction with our company’s official event, function or celebration.
- c) Extra care must be taken when dealing with public officials whether from Malaysia or outside of Malaysia, whereby the same rules regarding gifts, entertainment, hospitality and travel shall apply.

6.4.3 Conducting Seminars and Lectures

- a) Employees are prohibited from conducting lectures or seminars at the premises of business associates without prior approval from the Company.
- b) Employees should be mindful of the value of any tokens of appreciation received. Employees are prohibited from receiving gifts that are not of nominal value, or from receiving any money.
- c) Employees are required to make a declaration to HR of any gift received from conducting lectures or seminars, regardless of value.

6.5 Donations and Sponsorships Including Political Contributions

This copy is uncontrolled when printed unless stamped as controlled.

6.5.1 Donations and sponsorships by our company to third parties are only permitted in line with our company's policies pertaining to donations and sponsorships.

6.5.2 in granting donations or sponsorships, including for any Corporate Social Responsibility, the following requirements and principles should be adhered to:

- Internal approval from the MD must be obtained before a donation or sponsorship can be granted.
- The donations to the charity shall be in line with the purposes, objectives and aims of the charity in helping those in need.
- Due diligence must be conducted before a donation or sponsorship is granted to ensure that it is appropriately granted and not an indirect form of bribery. The nature of the activity, identity, reputation of the recipient, and conflicts of interest with the Company, and the legality of the initiative should be considered as part of the due diligence process.
- Verification and periodic monitoring should be conducted on all donations and sponsorships to ensure that they have been appropriately utilized for their intended purpose and not misused.
- Checks must be conducted to ensure that contributions are allowed by the relevant laws.
- All donations and sponsorships should be reflected accurately in our company's internal records.

6.5.3 Contributions by our company, or any of its employees or directors on behalf of the Company, whether directly or indirectly to political parties or candidates for office are strictly not allowed.

6.6 Facilitation Payments

6.6.1 The Company regards facilitation payments, as defined in this policy, as a form of bribery. As such, employees, directors and business associates are prohibited from offering, promising, requesting, paying or receiving anything that might be reasonably regarded as a facilitation payment.

6.6.2 Exceptions are only permitted where life, health, safety or liberty of the payer or another person is at stake. In such circumstances where a facilitation payment has been made to protect a life, a person's health, safety or liberty, the payer must immediately report the facilitation payment and the circumstances which gave rise to the threat of life, health, safety or liberty to the MD / HR who shall:

- Document and keep record of the incident;
- Conduct or appoint an independent person to conduct internal investigation;
- Communicate the incident to the BOD; and/or
- Report the incident to the relevant authorities.

6.7 Conflict of Interest

6.7.1 The relationship between our company, its employees, directors and business associates are one based on mutual trust. Employees, directors and business associates expected to act in line with our company's best interest.

6.7.2 employees, directors and business associates therefore have a duty to avoid any conflict of interest where possible. Examples of how a conflict of interest can be avoided include, but are not limited to:

- Not engaging subcontractors or businesses that our company's employees, directors or business associates, or their family members have a direct or indirect interest in or personal relationship with;

This copy is uncontrolled when printed unless stamped as controlled.

- Not buying shares in a company that has an existing relationship with our company;
 - Not disclosing any information obtained in the course of work that may give undue advantage to the third party;
 - Not conducting any personal transactions with our company's existing or potential business associates;
 - Avoiding taking on employment outside of our company; and
 - Avoiding becoming involved in activities that may conflict with our company's business.
- 6.7.3 where is not possible to avoid an existing conflict of interest, or where a situation arises that may give rise to a conflict of interest, the employee, director or business associate is required to immediately declare the conflict of interest, in accordance with our company's prescribed format for the respective parties ("Declaration of conflict of interest" for directors and employees, and "Declaration Statement" for business associates).
- 6.7.4 Employees and directors are required to complete and submit the declaration of conflict of interest to HR immediately after detecting a conflict of interest. Any further steps taken to mitigate the conflict of interest should be recorded and maintained by the respective aforesaid departments.
- 6.7.5 Employees and directors are also required to make an annual declaration of conflict of interest.
- 6.7.6 In addition to the above, employees, directors and business associates must also comply with our company's conflict of interest policy in the code of ethics.
- 6.8 Dealing with External Parties
- 6.8.1 Our company's dealings with external parties (including business associates) must be carried out in compliance with the Company's policies and procedures, and relevant laws relating to bribery and corruption.
- 6.8.2 The Company expects all its business associates acting for or on its behalf to:
- Share our company's values and standards relating to bribery and corruption;
 - Comply with all applicable laws and our company's policies and procedures relating to bribery and corruption; and
 - Implement internal controls, policies and procedures to manage the risk of bribery and corruption in relation to their dealing with, for or on behalf of the Company.
- 6.8.3 The Company shall conduct a risk assessment and due diligence on its business associates, transactions and projects before entering into a formalized relationship, agreement or arrangement, and will periodically monitor such business associates, transactions and projects that have more than a low risk of bribery and corruption.
- 6.9 Procurement
- 6.9.1 Procurement should be conducted in accordance with the Company's policies, internal processes and procedures relating to procurement.
- 6.9.2 Employees and directors are prohibited from offering, promising, requesting, paying or receiving any form of bribe or facilitation payment as part of the procurement process.
- 6.9.3 There shall be processes and procedures in place to ensure:
- Due diligence is conducted on potential business associates before a business relationship is formed to ensure they are the most qualified and suitable to conduct the procurement role;

This copy is uncontrolled when printed unless stamped as controlled.

- Due diligence is conducted on potential business associates before a business relationship is formed to ensure there are no convictions or allegations of bribery or corruption against them;
- Verification and periodic monitoring are conducted on all works, services, deliveries and supplies associated with the procurement role, to ensure that they are completed accordingly;
- The procurement process is conducted in an efficient, transparent, non-discriminatory and proportionate manner;
- Persons involved in the procurement process, including business associates, are diligent to avoid situations where an actual or perceived conflict of interest could arise.

6.9.4 In addition to the above, all employees, directors and business associates involved in the procurement process are required to adhere to the code of ethics and code of ethics for business associates.

6.10 Recruitment and Employment

6.10.1 Recruitment of employees and directors by the Company must be conducted in accordance with our company's policies, internal processes and procedures relating to recruitment.

6.10.2 In recruiting new employees and directors, there shall be processes and procedures in place to ensure:

- Background checks are conducted on persons before they are employed to ensure there are no convictions or allegations of bribery or corruption against them;
- Due diligence is conducted on persons before they are employed, to ensure it is reasonable to employ them and they are the most qualified and suitable persons for the position;
- There is no conflict of interest present in the recruitment process; and
- Any potential conflict of interest or red flags raised in hiring a person is recorded and addressed before the person is hired.

6.10.3 In managing existing employees and directors, there shall be process and procedures in place to ensure:

- Performance bonuses and incentives are reviewed periodically;
- Due diligence is conducted on employees and directors before they are transferred and promoted to ascertain that the transfer or promotion is appropriate; and
- Employees and directors are to be familiar and have access to the Company's policies dealing with bribery and corruption.

6.11 Record Keeping and Reviewing Policies

6.11.1 Policies, procedures, declaration reports and other documents relating or dealing with bribery and corruption shall be maintained by HR or any other department involved in the business function relating to the document, in accordance with the Company's policies, process and procedure relating to record keeping.

6.11.2 MD/BOD/HR shall periodically review the policies and procedures relating to bribery and corruption to ensure they are relevant to the needs, culture and value of the Company and up to date with the laws of Malaysia.

6.12 Financial and Non-Financial Controls

This copy is uncontrolled when printed unless stamped as controlled.

6.12.1 The Company shall have in place policies, processes and procedures that provide for financial and non-financial controls for the Company's operations where bribery and corruption can occur. Such control shall include the separation of duties and approval powers, and the requirement for multiple signatories for transactions that have more than a low risk of bribery corruption and among others.

6.13 Training and Communication of Policies

6.13.1 The Company policies dealing with bribery and corruption shall be communicated to all employees and directors upon joining the Company and where relevant to business associates upon the establishment of the business relationship with the Company.

6.13.2 The Company shall conduct training at planned intervals regarding its policies and procedures relating to bribery corruption for employees, directors and business associates who are involved in transactions with high risk of bribery and corruption.

6.13.3 The attendance of employees, directors or business associates for the training when required by the Company shall be mandatory.

6.13.4 The training shall take into account the result of any risk assessment conducted by the Company relating to bribery and corruption and shall cover.

6.13.5 Duties of employee, director and business associate to comply with the Company's policies and procedures and applicable laws relating to bribery and corruption.

6.13.6 Training on recognizing and reporting actual, suspected or attempted bribery and corruption.

6.13.7 How to prevent and avoid incidents of bribery and corruption

6.13.8 Where or how to obtain further information from the Company.

7. Appendix

Not Applicable