

ANTI-BRIBERY & ANTI-CORRUPTION POLICY

1.0 INTRODUCTION

In this statement, Nylex (Malaysia) Berhad means referred to “the Company”.

The Company shall conduct its business with integrity, respecting the laws, cultures, dignity and rights of individuals in all of the countries where it operates. All the Company’s Directors and Employees are expected to act in accordance with Company’s corporate values and ethics.

This Anti-Bribery and Anti-Corruption (“**Policy**”) describes the Company’s commitments and requirements regarding ethical business practices and personal conduct. It sets out the behaviour the Company expects of its employees and what the Company’s employees, business partners can expect from the Company.

This Policy is intended to give the Company’s employees, directors, subsidiaries and third-party affiliates guidance with respect to its Anti-Corruption practices.

Suppliers, subcontractors and other contracting parties of the Company shall adhere to standards which are consistent the Policy and the applicable laws in Malaysia.

2.0 THE COMPANY’S STANCE

The Company does not tolerate corruption and is firmly opposed to corruption in all its forms. The Company is committed to doing business in accordance with the highest ethical standards as it believes the success of an organisation is built on the trust of its customers, employees and the general public and this is earned by demonstrating ethics and integrity in business practices.

This Policy’s principles and rules apply to all the Company’s activities and business conducts to support the Company’s core values which are outlined below:

- a) The Company commits to carry out business fairly, honestly and openly;
- b) The Company does not tolerate corruption;
- c) The Company is committed to continual improvement of its anti-corruption management system; and
- d) The Company is obliged to comply with local and foreign bribery and corruption laws.

3.0 BUSINESS ETHICS

The Company is committed to ensuring that business is conducted according to ethical and legal standards in all respects. The Company accepts that it has a moral obligation to act as a responsible corporate citizen in all jurisdictions.

The Policy outlines the required standards of personal and corporate behaviour, reinforcing a strong ethical culture which runs through its organisation. The Company’s three pillars of business ethics are:

- (a) Transparency;
- (b) Accountability; and
- (c) Fairness

Honesty and integrity in communication are regarded as key in establishing the Company's reputation as a credible and trustworthy organisation. On this basis, the Company operates by communicating openly with all of its stakeholders whether they are shareholders, government departments or agencies, the local community, employees, customers or suppliers.

4.0 GIFTS AND HOSPITALITY

The Company does not allow gifts and hospitality where giving or accepting them could influence business decisions or enforcement of regulations, or cause others to perceive such influence. The Company does not expect gifts or hospitality from any of its business partners.

Gifts and hospitality may be accepted or offered when this is expected as common business courtesies, however, only when aligned with the precautions and regulations described below. Gifts, hospitality or any financial or other advantage shall not be offered, promised, given to, or received from public officials unless this is subject to specific approval from the Company's Integrity Officer ("CIO").

4.1 Gifts

Directors and Employees may receive gifts of nominal value (RM1,000 or below on each occasion) provided they are products marked with company's logo; tokens of appreciation provided during company's event such as plaques; perishable items such as flowers or food items or festive gifts such as mandarin oranges, hampers or other similar items.

Gifts other than those listed above shall be politely declined or returned. Where the said gifts cannot be returned or when declining or returning the gifts may cause offence, the recipient shall accept the gifts and declare the gifts to the CIO. The CIO, after consulting the Group MD, shall decide on the handling of the gifts, including but not limiting to distributing the gifts amongst the employees.

4.2 Hospitality

Hospitality, expenses, or other favours shall not be offered or received where it could be perceived to influence decision making in situations of contract negotiation, bidding, or award.

Directors and Employees may only attend social events and entertainment connected with the Company's business with third parties that are considered modest and are relevant to maintain a business interest of the Company. Similarly, events hosted by the Company shall be modest and relevant to maintain a business interest.

Hospitality offered to or by a supplier or customer may be accepted when associated with a relevant business meeting and is normally provided to other business partners as a normal part of business.

The cost of hospitality must always be kept within reasonable limits and must not be accepted on a recurring basis.

Ensure that travel, accommodation and other expenses for the individual representing the Company is always paid by the Company.

Hospitality given or received shall be properly recorded in the Company's Gifts and Hospitality Register.

The above principles apply in reverse direction, so that no person subject to this Policy may offer, participate in or pay for transactions, entertainment, gifts or favours that violate the above principles.

In cases of doubt, you should always consult the CIO.

5.0 BRIBERY AND CORRUPTION

Directors and Employees shall not offer, give, solicit or accept gratification in order to achieve business or personal advantages or engage in any transaction that can be construed as having contravened the anti-corruption laws.

Directors and Employees shall be cognisant of the fact that bribes and/or gratification may be in any form, monetary or otherwise including but are not limited to unauthorised remuneration such as referral fee, commission or other similar compensation, material goods, services, gifts, business amenities, premiums or discounts of an inappropriate value or of an unreasonable level or that are not generally offered to others or that are prohibited by law or may reasonably be viewed as having crossed the boundaries of ethical and lawful business practice.

The Company expressly prohibits any provision or offering or accepting of bribes and/or gratification of any variety to any person, whether private or public and it is strictly prohibited to offer or make facilitation payments.

Corruption occurs when you offer, pay or accept an improper payment, gift or advantage to influence a business outcome or someone who acts on the Company's behalf in the conduct of their duties. Turning a blind eye to your suspicions of bribery and corruption can result in liability for the Company and for you personally. The Company expressly prohibits any provision or offering or accepting of and/or gratification of any variety to any person, whether private or public.

Directors and Employees should immediately report any suspected bribery or corruption to the CIO and shall cooperate fully with the CIO to provide necessary information for its onward investigation.

6.0 SPONSORING AND DONATIONS

The Company may utilise sponsorship to promote the company and its business. All sponsoring relationships shall be strategic and aligned with the Company's values. There must be documented tangible benefits for the Company to be associated with any sponsorship, such as professional development, enhanced profiling etc.

All sponsoring relationships shall be structured as 'win-win situations' whereby both parties achieve some gain. There shall be no personal conflict involved in the decision to sponsor an organisation. In situations where a conflict of interest exists, the conflicted individual shall withdraw from any associated decision-making process.

Charitable donations or gifts to charitable organisations do not carry the same requirement for mutual benefit. All charitable donations must be approved in advance by the CIO.

All political donations shall not be permitted.

7.0 FACILITATION PAYMENT

Facilitation payments are payments aimed at expediting or securing the provision of products or services to which the Company is legally entitled.

Directors and Employees must not (whether directly or indirectly through a third party) :

- (a) offer anything of value to influence the actions or decisions of any official, other person in public or legal duty, any person acting on behalf of customers or sub-contractors/ suppliers, or any other third party, or
- (b) otherwise obtain any improper advantage, in selling goods and services, conducting financial transactions or representing the Company's interests.

Facilitation payments shall not be made by any person acting on behalf of the Company, even if not considered to be a criminal offence under certain jurisdictions. It is your responsibility to make sure that payments (whether locally or in other jurisdictions) made are proper and legal and in full compliance with the laws of Malaysia and the laws of the respective jurisdiction.

Directors and Employees shall not, in order to obtain or retain business or other improper advantage in the conduct of business, offer, and promise or give any undue advantage to a public official.

8.0 CONFLICT OF INTERESTS

A conflict of interest is when your personal relationships, participation in external activities or interest in another venture can influence or could be perceived to influence your decisions when acting in your capacity as an employee of the Company.

It is your responsibility to avoid conflicts of interest. Directors and Employees shall act in the best interests of the Company and take appropriate steps to avoid situations and positions that may create or appear to create conflicts of interest.

If you believe there is an actual or potential conflict of interest, notify the Integrity Unit in writing together with all relevant facts.

Directors and Employees shall not participate in any transactions or other business arrangements on behalf of the Company where you directly or indirectly have, or could reasonably be suspected to have, a personal interest, financial or otherwise, or that could otherwise reasonably be considered to harm the Company's reputation.

Business transactions must be entered into solely for the best interests of the Company. You shall not, directly or indirectly, benefit from your position as an employee or from any sale, purchase, or other activity of the Company. Persons subject to this Policy shall avoid situations involving a conflict or the appearance of a conflict between duty to the Company and self-interest.

However, recognising that these transactions do occur, any such conflict of interest that cannot reasonably be avoided, shall be made transparent and reported to the CIO or your manager in writing.

The manager or CIO shall ensure that the conflicted individual is isolated from any operation, influence and/or decision-making process associated with the subject of the conflict. If in doubt regarding the above, the CIO shall be consulted.

9.0 PROCUREMENT PROCESS

The Company has processes in place and adheres to a system of internal controls for supplier (including service provider) selection. Supplier selection should never be based on receipt of a gift, hospitality or payment.

When supplier selection for the supply of goods and services is formal and structured and involves a tender process, it is most important that the Company maintains documentation supporting the Company's internal control.

The tender process must be conducted, assessed and monitored by an independent committee selected by the Company.

Any competition for the relevant contract must be conducted in response to the tender. No party should be entitled to any unfair advantage of a separate, prior, close-door negotiation for the contract where a bidding process is open to all qualified bidders and where the sealed bids are in the open for scrutiny.

Due diligence should be conducted against new suppliers in respect of any potential corruption prior to the signing of contract.

10.0 FINANCIAL TRANSACTION

Every financial transaction must be approved by an officer independent from the transaction.

All payments (whether by cheque or online remittance) must be signed by at least two (2) signatories authorised by the Company.

11.0 DECLARATION OF COMPLIANCE

Directors and Employees are required on an annual basis to confirm by signing the Annual Statement of Compliance that they have read and familiarised with the Company's Anti-Corruption Policy, and that you, for the previous year, have conducted their tasks and responsibilities in accordance with the requirements set forth in the Policy.

Suppliers, subcontractors, representatives and other contracting parties of the Company are expected to have ethical standards that are compatible with the Policy, and shall sign a letter of undertaking confirming compliance with the requirements in this Policy.

12.0 REPORTING/ NOTIFICATION OF BREACH

Directors and Employees are required to report violations of laws, rules, regulations or the Policy to the Integrity Unit.

Reporting may be done through the whistle-blower channel via the Company's website at www.nylex.com. The identity of the Directors and Employees who have reported a violation shall be kept confidential and the Company will not allow retaliation against such Directors and Employees.

All reporting should be made in good faith based on honest and reasonable grounds at the material time without necessitating hard evidence.

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Directors and Employees are encouraged to talk to supervisors, managers, the Integrity Unit and other appropriate personnel when in doubt about the best course of action in a particular situation.

Violations will be investigated by the Company or by a person or persons designated by the Company and appropriate action will be taken in the event of any violations of this Policy.

As certain principles set out in this Policy are derived from legal and regulatory duties in line with the laws of Malaysia, failure to comply with certain aspects of the Policy could subject the offender to criminal liability.

13.0 REVIEW AND PUBLICATION OF THE POLICY

The Board shall publish the Policy in the Company's website at *www.nylex.com*. The Board shall also review the Policy annually and make necessary amendments to ensure that the Policy remains consistent with the Board's objectives, current regulatory requirements and governance best practices. Changes in the Policy shall be adopted by the Board with a resolution.