

**ZHULIAN®**

**ZHULIAN CORPORATION BERHAD**

Company No. 199701000031 (415527-P)

(Incorporated in Malaysia)

**ANTI-BRIBERY AND  
CORRUPTION POLICY**

## **ANTI-BRIBERY AND CORRUPTION POLICY**

### **INTRODUCTION**

We embrace a zero-tolerance policy in the event of bribery or corruption. In this regard, Zhulian Corporation Berhad (“ZCB”) and its subsidiaries (collectively referred to as the “Group”) has in place an Anti-Bribery and Corruption Policy, which covers the areas of bribery, gifts and business courtesies, events and arrangements.

The Group requires Directors and employees of the Group to be committed to acting professionally, fairly and with integrity in all the business dealings. The Group will take reasonable and appropriate measures to ensure that its businesses do not engage in corrupt activities for its advantage or benefit. This Anti-Bribery and Corruption Policy (“Policy”) sets out the guide to prevent the occurrence of bribery and corrupt practices in relation to the businesses of the Group. The Policy is supplemental to, and shall be read in conjunction with the Code of Ethics and Conduct of the Group.

### **DEFINITION OF BRIBERY AND CORRUPTION**

Bribery is the offering, promising, giving, accepting or soliciting of an advantage as an inducement for action which is illegal, unethical or a breach of trust. A bribe is an inducement or reward offered, promised or provided in return for any commercial, contractual, regulatory or personal advantage and can take the form of gifts, loans, fees, rewards or other advantages. Corruption is the abuse of entrusted power for private gain.

### **OBJECTIVE**

The objective of the Policy is to provide information and guidance to the Directors and Employees on standards of behaviour to be observed and how to recognise as well as address bribery and corruption. The Policy is not intended to be exhaustive, and there may be additional obligations that Directors and Employees are expected to comply with when performing their duties. For all intents and purposes, the Directors and Employees shall always observe and ensure compliance with all the relevant laws, rules and regulations to which they are bound to observe in the performance of their duties.

### **SCOPE**

The Policy is applicable to all Directors and Employees of the Group who have a duty to read and understand the Policy. Violation of any of the Policy’s provisions may result in disciplinary actions, including termination of employment.

### **GUIDANCE ON COMMON FORMS OF BRIBERY AND CORRUPTION**

#### *Gifts and Hospitality*

This Policy does not prohibit normal business hospitality, so long as it is reasonable, appropriate, modest and bona fide corporate hospitality. Some examples of acceptable gifts and/or benefits are as follows:-

- (a) token gifts offered in business situations or to all participants and attendees for example, work related seminars, conferences, trade and business events;
- (b) gifts presented at work-related conferences, seminars and/or business events;
- (c) gifts given in gratitude for hosting business events, conferences and/or seminars;
- (d) refreshments or meals during meetings or as participants of work-related conferences and/or seminars;  
and
- (e) meals for business purposes.

As a general principle, the Directors and Employees should not accept or give a gift to a third party if it is made with the intention of influencing the third party to obtain or retain business, or in exchange for favours or benefits. In addition, lavish or unreasonable gifts or hospitality should not be accepted as such gifts or hospitality may be perceived or interpreted as attempts by the Directors or Employees to obtain favourable business treatment for personal benefits. The Directors and Employees should refrain from giving or receiving gifts or hospitality as it could be perceived as a way of improperly influencing the decision making of the recipient. The intention behind a gift being given/received should always be considered.

#### *Facilitation Payments*

The Group does not accept and will not make any form of facilitation payments of any nature. Facilitation payments are a form of bribery that involves expediting or facilitating the performance of a public official for a routine governmental action. However, there may be circumstances in which the Directors or Employees have no alternative but to make a facilitation payment in order to protect themselves from injury, loss of life or liberty. Any request for facilitation payment under such circumstances should be reported immediately to the superior or Head of Division/Department.

#### *Political Contribution*

The Group will not make donations, whether in cash, kind, or by any other means, to support any political parties or candidates. We recognise this may be perceived as an attempt to gain an improper business advantage.

#### *Charitable Contribution*

Charitable support and donations are acceptable (and indeed are encouraged), whether through services, knowledge, time, or direct financial contributions. However, Directors and Employees must be careful to ensure that charitable contributions are not used as a scheme to conceal bribery. No donation can be offered or made without the prior approval of the Executive Directors. The records of all charitable contributions shall be kept by the Group's Accounts Department.

### **CONFLICTS OF INTEREST**

Directors and employees have an obligation to act in the best interest of the Group at all times. Exploitation of the positions held or knowledge gained directly or indirectly in the course of the duties and responsibilities for private or personal advantage is strictly prohibited.

Should there be any potential or actual conflict of interest, there is an obligation to disclose the conflict promptly to the Chairman of the Board (in the case of any Director) or the Company's Head of Human Resources Department or the respective Heads of Department (in all other cases) so that a determination can be made as to the existence and seriousness of an actual conflict. The highest standard of conduct is to be adopted when in doubt.

### **FINANCIAL AND NON-FINANCIAL CONTROLS**

The Group subscribes to strict principles on segregation of duties and proper approval hierarchy as well as existence of multiple signatories. These are enshrined in operating procedures throughout the organisation.

**RECORD-KEEPING**

It is important that proper and complete records be maintained of all payments made to third parties in the ordinary course of business as these would serve as evidence that such payments were bona fide, and not linked to corrupt and/or unethical conducts. All the relevant supporting documents eg correspondence letters, invoices, receipts and accounts relating to dealings with third parties, such as customers, suppliers and business contacts, should be prepared and maintained with accuracy and completeness.

**COMPLIANCE WITH THE LAW**

The Group will comply with all applicable laws, rules and regulations of the relevant regulatory and statutory bodies within which the Group operates. Directors and Employees are expected to understand and comply with the Malaysian Anti-Corruption Commission Act 2009 (including any amendment thereof). The Group reserves the right to report any actions or activities suspected of being criminal in nature to the police or other relevant authorities.

**REPORTING OF VIOLATIONS OF THE POLICY**

Any Director and employee who knows of, or suspects, a violation of the Policy, is encouraged to whistle blow or report the concerns through the mechanism set out under the Group's Whistle Blowing Policy. The provision, protection and procedure of the Whistle Blowing Policy for reporting of the violations of the Policy are available on ZCB website. No individual will be discriminated against or suffer any sort or manner of retaliation for raising genuine concerns or reporting in good faith on violations or suspected violations of the Policy. All reports will be treated confidentially.

**REVIEW OF THE POLICY**

The Board will monitor compliance with the Policy and review the Policy regularly to ensure that it remains relevant and appropriate.