

ANTI-BRIBERY AND CORRUPTION POLICY

1. INTRODUCTION

1.1 Corruption is the single greatest obstacle to economic and social development around the world. Nowadays business is becoming increasingly exposed to the many threats and dangers associated with corruption. We acknowledge that corruption destroys shareholder value, undermines the confidence of investors and is the antithesis of sustainable growth.

1.2 This Anti-Corruption and Bribery Policy (the “**Policy**”) is established and adopted by the Board of Directors (the “**Board**”) of Tayarmart (M) Sdn Bhd and its subsidiaries (collectively the “**Group**”). The Group is committed to promote integrity, transparency and good governance and shall conduct its business in an honest and ethical manner, as well as complying with all relevant laws, rules, and regulations and adopt good business practices free from bribery and corruption. We take a zero-tolerance approach to bribery and corruption and strive to acting professionally, fairly and with integrity, in all our relationships and business dealings in line with the Anti-Corruption Principles set out in Appendix 1 hereto. (“**Anti-Corruption Principles**”)

1.3 This policy provides principles, guidelines and requirements on how to deal with bribery and corrupt practices that may arise in the course of daily business and operation activities within the Group.

2. PURPOSE

2.1 The purpose of this Policy is:

- a) To ensure compliance with laws, rules and regulations against bribery and corruption;
- b) To provide information and guidance on how to recognize and deal with bribery issues and corrupt practices;
- c) To provide the mechanism to handle actual or potential conflict of interest;
- d) To encourage the reporting of unlawful or unethical behavior.

3. DEFINITION

For the purpose of this Policy, the terms listed below represent its respective definitions:

“Bribery”: Offering, promising, giving, accepting or soliciting of an undue advantage of any value (which could be financial or non-financial), directly or indirectly in violation of applicable law, as an inducement or reward for a person acting or refraining from acting in relation to that person’s duties, action or decision in order to gain any commercial, contractual, regulatory or personal advantage.

“Corruption”: The provision or receipt of monetary or non-monetary bribe or reward of high value for performing in relation to the Board, the Employees’ and Third Party Business Associates’ duties. This includes misuse of a public office or power for private and personal gain or the misuse of private power in relation to business outside the realm of government.

“Entertainment”: a) The provision of recreation; or

b) The provision of accommodation or travel in connection with or for the purpose of facilitating entertainment of the kind mentioned in item (a) above, with or without consideration paid whether in cash or in kind, in promoting or in connection with a trade or business activities and/or transactions.

“Facilitation”: Any sum or bribe, unofficial payment made to secure or expedite the performance of a routine action or service.

“Gratification” is defined as follows:

- a) Money, donation, gift, loan, fee, reward, valuable security, property or interest in property of any description whether movable or immovable, financial benefit or any other with similar advantage;
- b) Any office, dignity, employment, contract of employment or services and agreement to give employment or render services in any capacity;
- c) Any payment, release, discharge or liquidation of any loan, obligation or other liability whether in whole or in part;
- d) Any valuable consideration of any kind, discount, commission, rebate, bonus, deduction or percentage;
- e) Any forbearance to demand any money or money’s worth or valuable thing;
- f) Any other service or favor of any description, including protection from any penalty or disability incurred in action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted and including the exercise or the forbearance from the exercise of any right or any official power of duty;
- g) Any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any preceding from (a) to (f).

“Kickbacks”: Any form of payment intended as reward for favorable treatment, awarding of further business or other improper services.

4. **PRINCIPLE**

4.1 **Business Conduct**

We cultivate good moral values and business ethics to combat bribery and corruption.

M – Mindful of Wrongdoings

I -- Uphold Integrity and Dignity

G – Good Corporate Governance

H – Be Honest No Cheating

T – Open and Transparent

4.2. Risk Assessment

To address these risks, we are taking the following steps:

- a) Implement this Policy;
- b) Perform regular corruption risk assessment on our operations and review findings;
- c) Take steps to implement training program for all individuals operating in areas of the organization that is identify as high risk.

5. SCOPE AND APPLICATION

- 5.1** The Policy applies to all individuals working for the Group. This includes the Board, senior managers, managers, executives, employees and all individuals working at all levels and grades (whether permanent, contract, part-time or casual), sales representatives and third party business associates.
- 5.2** In this Policy, the third party business associates shall refer to any individual that may come into contact during the course of his/her engagement with the Group, which may include but not limited to suppliers, vendors, contractors, consultants, agents, outsourced personnel, advisers, government officials and representatives.

6. COMPLIANCE OF POLICY

6.1. Bribery, Corruption, Gift, Gratification and Entertainment

6.1.1 All persons who are subjected to this Policy shall **NOT**:

- a) Offer, give, or promise to give a bribe, gratification or anything which may be viewed as a bribe to secure or award an improper business advantage;
- b) Offer, give, or promise to give a bribe, gratification or anything which may be viewed as a bribe to a government official, agent or representative to facilitate, expedite, or reward any action or procedure;
- c) Solicit, request or receive a bribe, gratification or anything which may be viewed as a bribe from third party knowing or realizing it is offered with the expectation that it will obtain a business advantage for them, or
- d) Accept or receive any Inappropriate Gift, Gratification and/or Entertainment from a third party except if it is made out of gestures that are construed to be legitimate and are presented in good faith for cultivating good business relationship and given in an open and transparent manner.

6.1.2 All persons who are subjected to this Policy shall:

- a) Exercise proper care and judgment in respect of giving or receiving any Gifts, Benefits and/or Entertainment on a case-to-case basis;
- b) Prior to giving or accepting any Gifts, Benefits and /or Entertainment, assess the appropriateness of their actions with regards to how their action are perceived or could reasonably give the appearance of having influenced their decision and its impact towards the business operations of the Company.

6.1.3 All persons who are subjected to this Policy are restricted from accepting or receiving Gifts, Gratification and/or Entertainment from a third party that might create a sense of obligation and compromise their professional judgment or create impression of doing so.

6.1.4 Employees shall report and handover all gifts received to the management who shall decide the course of action in respect of such gifts.

6.1.5 This Policy does not prohibit normal and appropriate hospitality (given or received) to or from third party, so long as it is reasonable, modest and bona fide corporate hospitality. Some examples of acceptable gifts and/or benefits are as follows:-

- a) Food and drinks, fruits, flowers and meals offer during suppliers visit for business purposes;
- b) Gift/souvenir of corporate nature presented with legitimate business purpose.
- c) Contribution/sponsorship to the Group's official function or events such as anniversary, annual dinner.

6.2 Facilitation Payments and Kickbacks

6.2.1 We do not promise, offer or make Facilitation Payments or Kickbacks of any kind whether the demand is made directly or indirectly through an agent or intermediary to expedite/speed up a routine action or service, or to obtain/retain business.

6.2.2 Extra precaution shall be taken with respect to interaction with public officials. Any appearance of an attempt to influence public official must be avoided.

6.3 Procurement Processes

6.3.1 We strictly follow the processes on supplier selection and adhere closely to the system of internal control on procurement. Every purchase order/contract shall be awarded subject to the determining factors such as price, quality of goods, services rendered and the supplier's track record in delivery of goods or services.

6.3.2 Bidding process is open to all qualified bidders and no parties having the unfair advantage of separate, prior, close-door negotiations for a contract.

6.3.3 The directors and employees shall disclose to the Company if any relative provides any form of goods or services direct or indirect to the Company. They shall not influence and avoid or abstain from participating in or making decisions on any deal involving his/her relative.

6.4 Political Donations and Contributions

- 6.4.1** We do not make donations or contribution whether in cash or in kind to political parties.
- 6.4.2** The Group's property, facilities, services or employee time shall not be used for or contributed to any political party or candidate for public office.

6.5 Donations, Sponsorship and Contributions to Charity or Social Projects

- 6.5.1** Donations or contributions to community projects or charities shall be made in good faith and in compliance with the relevant policies and procedures.
- 6.5.2** No donation should be made which may or may be perceived to breach applicable law.

6.6 Falsifying Documents

Forgery of documents is considered as dishonest or deceptive acts and includes:

- 6.6.1** Altering, changing, tempering, or modifying a document for the purpose of deceiving another person;
- 6.6.2** Knowingly makes an untrue statement or claim to gain a benefit or reward;
- 6.6.3** Tendering false academic certificates to support a job application or promotion;
- 6.6.4** Falsifying work documents such as work records, time cards and medical certificates (MC) to support sick leave claims;
- 6.6.5** Creating bogus customer records and bank accounts so that false payment can be generated;
- 6.6.6** Altering payee details and amounts on cheques and payable orders in an attempt to cash them;
- 6.6.7** Creating false payment and financial information to support fraudulent claims for personal benefits;
- 6.6.8** Authorizing payments to oneself

7. ROLES AND RESPONSIBILITIES

- 7.1** Everyone has a role to play and is responsible for the success of this Policy and shall watch his/her own action to ensure adherence to this Policy.
- 7.2** We must at all times be mindful and responsible to uphold the values of honesty, integrity and transparency to create a conducive environment free from corruption.
- 7.3** All persons who are subjected to this Policy shall read and understand the legal and ethical issues that may affect the Company's reputation as well as business relationship in the long term.
- 7.4** Any individual or employee with any suspicious, concerns or believes regarding a violation with this Policy has occurred or may occur, should raise up, notify and shall report to the Company via the channel outlined in our Whistleblowing Policy.
- 7.5** Any violation of this Policy will be regarded as serious matter and will result in disciplinary action being taken, including dismissal and termination in accordance with local law.
- 7.6** An individual will be personally liable and responsible whether he/she pays a bribe himself/herself or whether he/she authorizes, assists or conspires with someone else to violate this Policy and/or any anti-corruption or anti-bribery laws. Punishment for violating the law are against him/her as an individual and may include fines, imprisonment and others which the Company will not be held responsible.

8. RECORD KEEPING

- 8.1** We must keep all financial records and have appropriate internal controls in place which will evidence, substantiate and justify the business reason for making payments to, and receiving payments from, third parties.
- 8.2** All expenses claims relating to gifts, hospitality or entertainments incurred on third parties are submitted in accordance with the Company's claim procedures and state specifically the reason for such expenditure.
- 8.3** No accounts shall be kept "off-book" to facilitate or conceal improper payments.

9. REACHING OUT

- 9.1** We encourage openness and will support anyone who raises genuine concerns in good faith with reasonable belief that the information and allegation is true and not made with malice or bad intentions for personal revenge.
- 9.2** To report without fear of retaliation any actions, practices or behavior believed to be inappropriate, illegal, unethical or suspicious of malpractice at the earliest possible stage.
- 9.3** Any disclosure of information will be treated with utmost confidentiality. We are committed to ensuring that no one suffers any detrimental treatment as a result of refusing to be involved in corrupted practice, or because of reporting concerns under this Policy in good faith. Detrimental treatment includes disciplinary action, threats, dismissal and other unfavorable treatments connected with raising a concern.
- 9.4** Any suspected or known instances of wrongdoing shall be reported directly to The Management. Wherever possible shall always refer to the Whistleblowing Policy published on our Company website.

10. CONSEQUENCES

- 10.1** Any employee found to have contravened or in violation of this Policy, shall be subjected to disciplinary action including dismissal, termination in accordance with applicable law
- 10.2** Report of wrongdoings may be made to the relevant authorities where necessary.

11. MONITORING AND REVIEW

- 11.1** We will undertake a bribery and corruption risk assessment across our business where appropriate to understand the bribery and corruption risk it faces and ensure that it has adequate procedures in place to address those risks.
- 11.2** Internal control system and procedures will be subjected to regular review and audit to ensure its effectiveness in curbing bribery and corruption.
- 11.3** All parties involved are welcome to comment and suggest ways in which the Policy might be improved. The Policy may be modified, amended at any time by the Company.

12. COMMUNICATION

- 12.1** Our zero-tolerance approach and strong commitment to curb bribery and corruption shall be communicated to all persons working for the Group as mentioned in Section 5 above. They must first read and understand the requirements identified in the Policy and require to sign a Letter of Undertaking to affirm their adherence and compliance to the Policy and practice of non-corruption.
- 12.2** All customers, at the outset of their business dealing with us or as appropriate thereafter, are requested to sign the letter Enforcement of Corporate Integrity and Prevention of Bribery and Corruption to affirm their adherence and compliance to our Policy and practice of non-corruption. They are always encouraged to refer to this Policy published on our Company website.

13. RED FLAGS

Always look out for red flags. Further indications/warning signs that may raise the likelihood/ possibility that corruption and bribery exists are set out in Appendix 2 hereto.

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