

SPRING ART™

SPRING ART HOLDINGS BERHAD

ANTI- CORRUPTION AND BRIBERY POLICY

1. INTRODUCTION

The Board of Directors (the “Board”) of Spring Art Holdings Berhad (“Company”) and its subsidiaries (collectively “Spring Art Group”) has established and adopted this Anti-Corruption and Bribery Policy (“Policy”). SPRING ART Group is committed to conducting the business ethically, as well as complying with all applicable laws, which include compliance with the Malaysian Anti-Corruption Commission Act 2009 and the Malaysian Anti-Corruption Commission (Amendment) Act 2018 and any of its amendments or reenactments that may be made by the relevant authority from time to time. 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 Spring Art Group.

Unless otherwise stated, any references to “we”, “us” and “our” in this Policy are to our Company and our subsidiaries taken as a whole.

2. PURPOSE

This Policy’s purpose is to set out our responsibilities to comply with laws against bribery and corruption; and provide information and guidance to those working for Spring Art Group on how to recognize and deal with corruption and bribery issues. We will undertake a bribery and corruption risk assessment across our business when appropriate to understand the bribery and corruption risks it faces and ensure that it has adequate procedures in place to address those risks.

3. SCOPE AND APPLICATION

This Policy applies to all individuals working for Spring Art Group at all levels and grades. This includes employees, senior managers, managers and all individual working at all levels and grades (collectively the “Employees”) and the Board (whether full time, part-time, contract or temporary) and any third parties associated with us. In this Policy, the associated third parties shall refer to any individual or organization that an associate may come into contact during the course of his/her engagement with the Spring Art Group, which may include but not limited to suppliers, contractors, agents, consultants, outsourced personnel, distributors, advisers, government and public bodies including their advisers, representatives and officials (hereafter together defined as “Associated Third Parties”).

4. DEFINITIONS

For the purpose of this Policy, the terms listed below represent its respective definitions and shall exclude food and drinks, flowers and contribution/sponsorship to Spring Art Group official events:

- “Benefits”:
Any form of advantages or profits gained by the Board, the Employees, and the Associated Third Parties.
- “Bribery”:
Offering, promising, giving, accepting or soliciting of an undue advantage of any, 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.
- “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 the Associated Third Parties’ duties. This includes misuse of a public office or power for private gain or the misuse of private power in relation to business outside the realm of government.
- “Entertainment or Hospitality”:
(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 Payments”:
Small sums or bribe, unofficial payment made to secure or expedite the performance of a routine action by the Board, the Employees, and the Associated Third Parties.

“Kickbacks”:
Any forms of payment intended as compensation for favorable treatment or other improper services. This includes the return of a sum already paid or due as a reward for awarding of furthering business.

“Gifts” :
Any form of monetary or non-monetary such as goods, services, cash or cash equivalents, fees, rewards, facilities, or benefits given to or received by an the Board, the Employees, and the Associated Third Parties, his or her spouses or any other person on his or her behalf, without any or insufficient consideration known to the Board, the Employees, and the Associated Third Parties.

“Third Party”:
Any individual or organization you come into contact with during the course of your work for us. This includes actual and potential customers, suppliers, business contacts, Intermediaries, government and public bodies, including their advisors, representatives and officials, politicians and political parties.

5. PRINCIPLES

- We take a zero-tolerance approach to corruption and bribery.
- We conduct all of our business in an honest and ethical manner. We are committed to acting professionally, fairly and with integrity in all our relationships and business dealings in accordance with our Code of Conduct and to implement and enforce effective system to counter bribery.
- We will uphold all laws relevant to countering corruption and bribery. We remain bound by the laws of Malaysia, including the Malaysian Anti-Corruption Commission Act 2009 and the Malaysian Anti-Corruption Commission (Amendment) Act 2018 and any of its amendments or re-enactments that may be made by the relevant authority from time to time in respect of our conduct both at home and abroad.
- To address these risks, we have taken the following steps:
 - a) Implement this Policy;
 - b) Take steps to implement training programmes for all individuals operating in areas of the organization that are identified as high risk; and Anti-Corruption and Bribery Policy
 - c) Regular review and update to this Policy.

6. RESPONSIBILITIES

- All persons who are subject to this Policy shall NOT:
 - a) offer, give, or promise to give a bribe 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 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) request or receive a bribe or anything which may be viewed as a bribe from a third party knowing or suspecting it is offered with the expectation that it will obtain a business advantage for them; or
 - d) engage in any activity that might lead to a breach of this Policy.

- All persons who are subject to this Policy are debarred from accepting or receiving Gifts, Benefits, Entertainment or Hospitality from a third party or stakeholder of the Company that might create a sense of obligation and compromise their professional judgement or create appearance of doing so.

- All persons who are subject to this Policy shall not accept or receive any Gifts, Benefits, Entertainment or Hospitality from a third party or stakeholder of the Company except if it is made from gestures that are construed to be legitimate contribution and provided that the Gifts, Benefits, Entertainment or Hospitality are presented in good faith and below a monetary value of equivalent to RM500, which may be directly or indirectly offered as a result of or in anticipation of the Board's, employee's and Associated Third Party's position or performance of duties with the Company or for cultivating good business relationship.

- All persons who are subject to this Policy shall exercise proper care and judgement in respect of giving or receiving any Gifts, Benefits, Entertainment or Hospitality on a case-to-case basis.

- All persons who are subject to this Policy shall take into consideration the impact of their actions with regards to how their actions are perceived (i.e. Influencing their decision) and its impact towards the business operations of the Company prior to giving or accepting any Gifts, Benefits, Entertainment or Hospitality.

- We encourage the use of good judgement when giving or accepting the Gifts, Benefits, Entertainment or Hospitality. All the Benefits including Gifts, Benefits, Entertainment or Hospitality must be: -
 - a) reasonable in value;
 - b) infrequent in nature;
 - c) transparent and open;
 - d) not given to influence or obtain an unfair advantage; and
 - e) respectful and customary

7. FACILITATION PAYMENT AND KICKBACKS

- We do not make and will not accept Facilitation Payments or Kickbacks of any kind. All associates must avoid any activity that might lead to Facilitation Payments or Kickbacks being made or accepted.

- Any individual with any suspicious, concerns or queries regarding a payment made on our behalf or improper business practices, he or she should raise these by reporting to the Company via the channel as outlined in our Whistleblowing Policy.

8. ASSOCIATED THIRD PARTIES AND PROCUREMENT PROCESS

- We had processes and adheres to the system of internal controls on supplier selection. Supplier selection should never be based on receipt of the Gifts, Benefits, Entertainment or Hospitality.
- Bidding process is open to all qualified bidders and no parties having the unfair advantage of separate, prior, close-door negotiations for a contract.
- Selection of supplier shall subject to clear adherence to Purchase Process Policies and Procedures and compliance with Spring Art Code of Conduct.

9. POLITICAL DONATIONS AND CONTRIBUTION

We do not make charitable donations or contributions to political parties. Whilst our Employees and the Associated Third Parties acting in their personal capacity as citizens are not restricted to make any personal political donations, Spring Art Group will not make any reimbursement for these personal political contributions back to its Employees or the Associated Third Parties.

10. RECORD KEEPING

- We must keep all financial records and have appropriate internal controls in place which will evidence, substantiate and justify that business reason for making payments to, and receiving payments from, third parties.
- All the Employees must keep Top Management aware and keep a written record of all Gifts, Benefits, Entertainment or Hospitality offered which over RM500min value by fill up Record of Gifts, Benefits, Entertainment or Hospitality Received by Employee Form (APPENDIX A). This form will then subject to the review of Top Management.
- We must ensure all expenses claims relating to Gifts, Benefits, Entertainment or Hospitality made to third parties are submitted in accordance with the Company's reimbursement procedures and/or applicable policy and specifically record the reason for such expenditure. All the parties shall further ensure that all expense claims shall comply with the terms and conditions of this Policy.
- All documents, accounts 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. No accounts should be kept "off-book" to facilitate or conceal improper payments.

11. CONFIDENTIALITY AND PROTECTION

- Individuals who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. We encourage openness and will support anyone who raises genuine concerns in good faith under this Policy, even if they turn out to be mistaken.
- We are committed to ensuring that no one suffers any detrimental treatment as a result of refusing to take part in corruption, or because of reporting concerns under this Policy in good faith. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavorable treatment connected with raising a concern.

12. COMMUNICATION

- Spring Art Group will on a continuing basis provide information on this Policy, and on anti-corruption and bribery laws and on how to implement and comply with this Policy, for all new and existing Employees.
- Our zero-tolerance approach to corruption and bribery must be communicated to all the Associated Third Parties at the outset of our business relationship with them and as appropriate thereafter. Wherever possible, all the Associated Third Parties should be sent a copy of this Policy at the outset of the business relationship or shall always refer to this Policy published on our Company website.

13. MONITORING AND REVIEW

- All the Employees and the Associated Third Parties are responsible for the success of this Policy and should ensure adherence to this Policy and use it to disclose any suspected danger or wrongdoing.
- Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering corruption and bribery.
- This Policy does not form part of the associates' contract of employment and it may be amended at any time by the Company even though all the Employees and the Associated Third Parties are welcome to comment on this Policy and suggest ways in which it might be improved.



RECORD OF GIFTS, BENEFITS, ENTERTAINMENT OR HOSPITALITY RECEIVED BY AN EMPLOYEE

You should complete this form if you have received a Gifts, Benefits, Entertainment or Hospitality in connection with your duties and responsibilities at Spring Art Group which is of significant value (over RM500.00). The completed form should be returned to the HR and Admin Department. The details will be recorded on a schedule and will be reviewed annually by the Top Management. Employees should refer to the Spring Art's Anti-corruption and Bribery Policy for further details.

Name Position

- Gift/Hospitality received (Provide brief details):

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• Value/Anticipated Value

• Reason for the gift/hospitality

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Signed..... Dated

For Office Use Only: The details above will be recorded in the Spring Art's Record of Gifts, Benefits, Entertainment or Hospitality and reviewed by the Top Management annually.

Signed..... Dated