



ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

1.0 INTRODUCTION

- 1.1 Unitrade Industries Berhad [hereinafter referred to as the “Group”] upholds the highest standards of professional integrity and ethical conduct required of its employees, directors and external parties who perform services for or on behalf of the Group.
- 1.2 The Group and all its employees and directors are committed to compliance with the Malaysian Anti-Corruption Commission Act 2009 (“MACC Act”), subsequent amendments to the Act and all guidelines issued by relevant authorities pertaining to the same.
- 1.3 This Policy aims to ensure that all employees, directors and external parties associated with the Group are aware of their obligation to disclose any corruption, bribery, conflict of interests or similar unethical acts, and to comply with this Policy to follow the highest standards of ethical conduct of business.

2.0 SCOPE

- 2.1 It is the Group’s policy to conduct all its business in an ethical, responsible and transparent manner. The Group takes a zero-tolerance approach to bribery and corruption and is committed to the highest standards of integrity, transparency and accountability in the conduct of its business and operations. It is the goal of the Group to avoid acts which might reflect adversely upon the integrity and reputation of the organization.
- 2.2 This Policy applies to the Group’s employees, directors and external parties. Compliance with the Policy constitutes terms of service or conditions of providing services to the Group by these said parties. Each such person is deemed to be bound to the provisions of this Policy upon notification and acknowledgement of the most recent copy.
- 2.3 The purpose of this Policy is to:
 - 2.3.1 Set out the responsibilities of the Group, its employees, directors and external parties, in observing and upholding the Group’s position on bribery and corruption; and
 - 2.3.2 Provide information and guidance on how to deal with bribery and corruption issues that may arise in the course of business.
- 2.4 External parties include but are not limited to agents, consultants, contractors, suppliers, customers, bankers and any other persons dealing with the Group.
- 2.5 For the purposes of this policy, external parties include “associated persons” as defined by the MACC Act.



3.0 FORMS OF BRIBERY AND CORRUPTION

3.1 For purposes of this Policy, 3.2 to 3.4 below is referred to as “bribery and corruption offences”.

3.2 Bribe

A bribe is the act of giving or receiving something of value in exchange for some kind of influence or action in return, that the recipient would otherwise not offer. A bribe is the gift bestowed to influence the recipient’s conduct. It can be money, goods, rights in action, property, preferment, privilege, emolument, objects of value, advantage, a promise to induce or influence the action, vote, or influence a person in an official or public capacity.

3.3 Kickback

A kickback is a form of negotiated bribery in which a payment is paid to the bribe- taker in exchange for services rendered or to cooperate in an illegal scheme. The most common form of kickback involves a vendor submitting a fraudulent or inflated invoice (often for goods or services which were not needed, of inferior quality, or both), with an employee of the victim assisting in securing payment. For his/her assistance in securing payment, the individual receives some sort of payment (cash, goods, services) or favor.

3.4 Extortion

An extortion is a criminal offence of obtaining money, property, or services from an individual or institution, through coercion, i.e. action or practice of persuading someone to do something using force or threats (verbal or written).

4.0 ANTI-BRIBERY AND ANTI-CORRUPTION STANDARDS

4.1 It is prohibited for the Group’s employees, directors and external parties to:

- (a) Give, promise to give or offer, a payment, gift or hospitality to a third party or otherwise engage in or permit a bribery offence to occur, with the expectation that an advantage in business will be received, or to reward a business advantage already given.
- (b) Give, promise to give or offer, a payment, gift or hospitality to a third party to “facilitate” or expedite a routine procedure.
- (c) Accept a payment, gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by the Group in return.
- (d) Threaten or retaliate against another employee who has refused to commit bribery offence or who has raised a concern under this Policy or the Whistleblowing Policy.
- (e) Engage in any activity that may lead to a breach of this Policy.



- 4.2 Non-compliance with this Policy may result in criminal and/or civil penalties which will vary according to the offence. An employee or external party acting in contravention of this Policy will also face disciplinary action.

5.0 CONFLICT OF INTEREST

- 5.1 A conflict of interest happens in situations where two or more competing interests' conflict and impair an individual's ability to make objective decisions. Generally, a conflict of interest arises when personal interests interfere with the Group's interests. It can arise when an employee takes actions or has interests that may make it difficult to perform their roles in the Group objectively.
- 5.2 A conflict of interest must be recorded in the **Conflict of Interest Register** maintained by the Company Secretary. It is the responsibility of the Head of Department or Senior Management to inform the Company Secretary when such a conflict arises and subsequently, decide on the next course of action. The Head of Department or Senior Management will also inform the Head of Group Human Resource (Group HR) and the Group Managing Director (Group MD).
- 5.3 Each Head of Department must ensure that:
- (a) Employees are aware of the need to declare any conflict of interest in the Register.
 - (b) Any conflict of interest that cannot be resolved is escalated to the Head of Group HR and/or Group MD for a final decision.
- 5.4 The Head of Department must inform the Group Chief Financial Officer (CFO), who will then duly inform the Company Secretary to record any actions taken to mitigate the conflict of interest in the Register.



6.0 RECEIVING AND PROVIDING GIFTS

- 6.1 As a general principle, the Group's employees and directors are prohibited to ask, accept, offer or/and give gifts for personal benefits to avoid any conflict of interests or the appearance of any conflict of interests. The employee should refrain from taking advantage of any position or exercising authority to further the employee's own personal interest at the expense of the Group.
- 6.2 However, the Group recognises that the exchange of gifts can be a very delicate matter whereby in certain cultures or situations, gift giving is a central part of business etiquette. Refusal to accept the gift from another party or not providing a gift to another party may affect the Group's business relationship with them. Receiving/accepting a gift or providing a gift on behalf of the Group is allowed only in limited circumstances as given below:
- a) Exchange of gifts at the Group-to-Group level (e.g. gifts exchanged between companies as part of an official Group visit/courtesy call and thereafter the said gift is treated as Group property);
 - b) Gifts from the Group to external institutions or individuals in relation to the Group's official functions, events and celebrations (e.g. commemorative gifts or door gifts offered to all guests attending the event);
 - c) Gifts from the Group to employees, directors and external parties in relation to an internally or externally recognized Group event (e.g. in recognition of an employee's long service to the Group);
 - d) Token gifts of nominal value normally bearing the Group's logo (e.g. t- shirts, pens, diaries, calendar and other small promotional items) that are given out equally to members of the public, delegates, customers, partners and key stakeholders attending events such as conferences, exhibitions, trainings, trade shows etc. and deemed as part of the Group's brand building or promotional activities; and
 - e) Gifts to external parties who have no business dealings with the Group (e.g. monetary gifts or gifts in-kind to charitable organizations).

Employees are expected to immediately declare the gift (monetary and non-monetary) based on the following limits by submitting the **Gift Declaration Form**:

6.2.1 Receiving gift: RM1,000 and above

6.2.2 Providing gift: RM1,000 and above

- 6.3 The employee is required to complete and submit the form to the Head of Department for review. Upon review, the employee or Head of Department is required to obtain approval from the Group MD/CFO before proceeding. The Gift Declaration Form must be submitted to the Human Resource Department for their record. The type of gifts and decisions made and accepted are recorded in the **Gift Register** maintained by the Human Resource Department.



6.4 In the event of receiving a gift, the Head of Department or Senior Management shall determine the treatment of the gift as below:

- a) Donate the gift to charity; or
- b) Hold it for departmental display; or
- c) Share it with other employees in the department; or
- d) Permit it to be retained by the employees.

6.5 In determining the above, the Head of Department or Senior Management is expected to exercise proper and reasonable care and judgement in each case, taking into account pertinent circumstances including the character of the gift, its purpose, the position/seniority of the person(s) receiving the gift, the business context, reciprocity, applicable laws and cultural norms, with reference to the Group's Code of Conduct as follows:

- 6.5.1 Adhere to the highest standard of integrity and behavior
- 6.5.2 Avoid conflict of interests
- 6.5.3 Comply with applicable laws, regulations and Group's policies and procedures, and report on any non-compliance.

6.6 A gift that falls within the categories below is not permissible and must be declined:

- a) Any gift involving parties engaged in a tender or competitive bidding exercise
- b) Any gift that would be illegal or in breach of local or foreign bribery and corruption laws.

7.0 PROVIDING AND RECEIVING ENTERTAINMENT

7.1 The Group recognizes that providing reasonable entertainment is a legitimate way of building business relationships and as such a common practice within the business environment to foster a good business relationship with external parties dealing with the Group. As such, eligible employees are allowed to entertain external parties through a reasonable act of hospitality as part of business networking as well as a measure of goodwill towards the recipients.

7.2 Employees should always bear in mind that this is an area where perception is often regarded as more important than facts and therefore proper care and judgment should always be exercised when providing entertainment to third parties, especially when it involves public officials to ensure compliance with local anti-bribery and corruption laws. The employee is required to maintain expenses within the entitlement limits as approved by the HOD or senior management when carrying out entertainment activities.



7.3 Any entertainment activity that falls within the categories below is not permissible and must be declined:

- a) Any entertainment activity that would be illegal or in breach of local or foreign anti-bribery and anti-corruption laws.
- b) Any entertainment activities that would be perceived as extravagant, lavish, excessive or may adversely affect the reputation of the Group.
- c) Any entertainment activity that is sexually oriented or may otherwise tarnish the reputation of the Group.

8.0 CONTRIBUTIONS, SPONSORSHIPS AND DONATIONS

8.1 The Group is prohibited to make donations, whether in cash, kind or by any other means, to support political parties or candidates as it will be deemed as an attempt to gain improper business advantage.

8.2 Sponsorships and donations made to charities or beneficiaries shall not be disguised as illegal payments to government officials or to fund illegal activities in violation of anti-money laundering, anti-terrorism and other applicable laws.

8.3 In accordance with the Group's commitment to contribute to the community as part of its Corporate Social Responsibility, coupled with its values of integrity and transparency, all contributions, sponsorships and donations must comply with the following;

- 8.3.1 in compliance with local laws and regulations;
- 8.3.2 obtain all the necessary authorization prior to payment;
- 8.3.3 be made to verified entities having an adequate organizational structure to ensure proper administration of the funds;
- 8.3.4 be accurately stated in the Group's accounting books and records; and
- 8.3.5 not to be used as a means to facilitate and conceal acts of bribery or corruption.



9.0 RECORD-KEEPING

- 9.1 The Group must develop and implement a system of internal controls to facilitate compliance with this Policy, as well as to foster a culture of integrity and maintain high ethical standards throughout the Group.
- 9.2 The Group must keep all other records including forms and registers as mentioned in 5.2 and 6.3 above for a period of 7 years as evidence that transactions are executed, approved and recorded according to this Policy.
- 9.3 All transactions must be executed in line with management's authorization. The Group must prepare accurate financial statements to conform with applicable Malaysian Financial Reporting Standards (MFRS) and other regulatory/statutory requirements.
- 9.4 The Group must maintain books and records that document all financial transactions and risk assessments for inspection. The use of false documents and invoices is prohibited, as is the making of inadequate, ambiguous or deceptive bookkeeping entries and any other accounting procedure, technique or device that would hide or otherwise disguise illegal payments.
- 9.5 To ensure the effectiveness of internal controls, finance personnel and management will review all transactions for wrongdoing.



10.0 PROCEDURE

- 10.1 Any employee, director or external party must immediately report in accordance with the procedures set out in this Policy when they:
- a) Uncover an incident of bribery; or
 - b) Suspect that a bribe has been, or is in the process of being, paid or received or discussed; or
 - c) Receive or otherwise become aware of information which suggests that a bribe is in the process of being, paid or received or discussed.
- 10.2 Any prohibited act or possible violations of this Policy shall be reported to the Head of Department and to the Head of Group HR. The Head of Group HR will conduct the investigation. Where the Group MD is not implicated, he shall be kept informed of any report.
- a) The report will be recorded and an investigation file opened.
 - b) The investigation may be conducted internally or by an external party employed, if so decided by the Group MD.
 - c) The identity of the person filing the report will be treated as confidential and only revealed on a need-to-know basis or as required by law or a court order.
 - d) On completion of the investigation, a written investigative report will be provided by Group HR to the Group MD. If the investigation has documented unlawful, violative or other questionable conduct, the Group MD will report to the Board of Directors (BOD). The report will include the suggested remedial action.
- 10.3 Where the report is against the employees in the Human Resource Department, the Group CFO will conduct the investigation.
- 10.4 Where the suspected violation is against the Group MD, the report is made by email to the Senior Independent Director (SID): Dato' Loh: ybloh1949@gmail.com. The SID will decide who leads the investigation. The SID will duly inform the BOD that a report has been made and the outcome of the investigation.
- 10.5 No employee, director or external party will suffer demotion, penalty or other adverse consequences for refusing to engage in or permit a bribery offence, raising a concern or reporting a possible wrongdoing, even if it may result in the Group suffering a disadvantage. The employee, director or external party is entitled to raise concerns about violations or potential violations of this Policy in confidence and without risk of reprisal.
- 10.6 The Group has adopted a [Whistleblowing Policy](#) which provides procedures for reporting concerns about unethical behavior, malpractices, illegal acts or failure to comply with regulatory requirements.
- 10.7 Employees, directors or external parties involved in bribery and corruption will be liable to be fined or sentenced to imprisonment as stated in the MACC Act 2009 (Amendment 2018).



11.0 RESPONSIBILITY OF THIS POLICY

- 11.1 The Head of Group HR has the primary responsibility in reviewing the implementation of this Policy, its suitability and adequacy, as well as monitoring its use and effectiveness.
- 11.2 Managers have full authority to implement this Policy within their areas of responsibilities, which include:
- a) designing, implementing and maintaining systems and controls to prevent, minimize risk and detect any bribery and corruption practices;
 - b) communicating this Policy to employees;
 - c) ensuring employees participate in any training specific to the needs of the said employee or job function;
 - d) act promptly if an employee has expressed any concern and handle the matter in accordance to the procedures stated in this Policy.
- 11.3 The Group MD has the overall responsibility for ensuring this Policy complies with the Group's legal and ethical obligations.

12.0 COMMUNICATION AND PUBLICATION

- 12.1 This Policy is made accessible to all employees and external parties on [Unitrade's website](#) and they shall acknowledge that they have read, understood and agreed to comply with the Anti-Bribery and Anti-Corruption Policy of the Group in **Appendix A**. Any amendments to this Policy shall be communicated to them accordingly.

13.0 POLICY REVIEW

- 13.1 This policy shall be reviewed periodically by Group HR to ensure its relevance and effectiveness, considering changing technologies, regulations and Group needs.



APPENDIX A

DECLARATION FORM

Name of Subsidiary: _____

1. I/We am/are the employee, director or external party of the above-named subsidiary of Unitrade Industries Berhad.
2. I/We hereby declare that I/We will comply with:
 - i) All applicable laws and regulations relating to Unitrade Industries Berhad's Group Anti-Bribery & Anti-Corruption Policy, Code of Conduct and Whistleblowing Policy.
 - ii) The following Anti-Bribery & Anti-Corruption principles:
 - a) Committing to promote values of integrity, transparency, accountability and good corporate governance.
 - b) Preventing corruption and fighting any form of corrupt practice.
 - c) Supporting anti-corruption initiative led by the government and the authorities (hereinafter collectively referred to "the requirements").
3. I/We have not been convicted nor have I/we been subjected to any investigation, inquiry or enforcement proceedings by the relevant authorities of any actual or suspected breach and will report any actual or suspected breach as soon as reasonably practicable and to the relevant authorities.
4. I/We undertake to promptly inform Unitrade Industries Berhad of any breach and/or alleged/suspected breach of the requirements and cooperate with the Group in any investigation of such breach involving staff within the Group.
5. I/We acknowledge the provisions set out in this declaration form shall form part of the terms and conditions of our appointment and/or contract of service.
6. I/We further acknowledge that the Group has the right to suspend or terminate the contract/agreement/job and disqualify us from tendering for future contracts/jobs if we were found to have breached the requirements or any other terms and conditions implemented pursuant to the contract/agreement/job.

I/We confirm that the Group has discharged its duty under Section 17A of the MACC Act 2009 or any other relevant provisions under the Act or any other written law in relation to corruption.

Signature of Authorised Person : _____

Name of Company Authorised Person : _____

Company Name : _____

Company Stamp : _____

Date : _____