



**ANTI-BRIBERY
AND
CORRUPTION
POLICY**

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1. INTRODUCTION

This Anti-Bribery and Corruption Policy ("ABC Policy" and/or "Policy") sets out OpenSys (M) Berhad and its subsidiaries (collectively referred to as "OpenSys") principles in dealing with improper solicitation, bribery and other corrupt activities and related issues that may arise in OpenSys course of business.

This Policy is not intended to provide definitive answers to all issues related to bribery and corruption. Rather, it is intended to provide employees with a policy on how OpenSys combats bribery and corruption in furtherance of OpenSys's commitment to lawful and ethical behaviour at all times.

If you have any doubt about the scope of applicable laws or the application of OpenSys's policies concerning the fight against bribery and corruption, you should contact your Manager immediately.

"ALWAYS ASK WHENEVER IN DOUBT"

Engaging in bribery or corrupt practices can have severe consequences for you and OpenSys. You may face dismissal, fines and imprisonment, and OpenSys may face damage to reputation, financial loss and disbarment from business and other negative consequences.

2. ANTI-BRIBERY AND CORRUPTION COMMITMENT

OpenSys is committed to conducting business dealings with integrity, trustworthiness, and accountability. This means avoiding practices of bribery and corruption of all forms in OpenSys operations.

OpenSys has adopted a **ZERO-TOLERANCE** approach against all forms of bribery and corruption. Employees who refuse to pay bribes or participate in acts of corruption will not be penalised even if such refusal may result in losing business.

The Policy reflects OpenSys's dedication to maintaining the highest level of integrity and ethics in OpenSys. For all intents and purposes, employees shall always observe and ensure compliance in both the spirit and the letter of this Policy and all applicable laws, rules and regulations in the performance of their duties.

3. SCOPE

This Policy applies to all companies within OpenSys and includes Directors (both executive and non-executive) and personnel of all levels and grades whether full-time, part-time, contract, temporary, interns or trainees.

In addition, the Policy shall extend to consultants, contractors, suppliers, customers, volunteers, agents, sponsors and any third parties with business dealings with OpenSys. The Manager/appropriate personnel of this class shall ensure that all their employees, sub-contractors and/or agents are aware of and comply with this policy, where applicable.

4. DEFINITIONS

“Bribery & Corruption” means any action which would be considered an offence of giving or receiving ‘gratification’ under the Malaysian Anti-Corruption Commission Act 2009 (“MACCA”). In practice, this means offering, giving, receiving or soliciting something of value in an attempt to illicitly influence the decisions or actions of a person who is in a position of trust within an organisation.

Bribery may be ‘outbound’, where someone acting on behalf of OpenSys attempts to influence the actions of someone external, such as a Government official or client decision-maker. It may also be ‘inbound’, where an external party is attempting to influence someone within OpenSys such as a senior decision-maker or someone with access to confidential information.

“Gratification” is defined in the MACCA to mean the following:

- (a) money, donation & sponsorship, gift, loan, fee, reward, valuable security, property or interest in property being property of any description whether movable or immovable, financial benefit, or any other 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, any 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 favour of any description, including protection from any penalty or disability incurred or apprehended or from any 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 or duty; and
- (g) any offer, undertaking or promise, whether conditional or unconditional, of any Gratification within the meaning of any of the preceding paragraphs (a) to (f).

“Business Associate” means an external party with whom OpenSys has, or plans to establish, some form of business relationship. This may include clients, customers, joint ventures, joint venture partners, consortium partners, outsourcing providers, contractors, consultants, subcontractors, suppliers, vendors, advisers, agents, distributors, representatives, intermediaries and investors.

“Conflict of Interest” means when a person’s own interests either influence, have the potential to influence or are perceived to influence their decision making at OpenSys.

“Controlled Organisation” means an entity where OpenSys has the decision-making power over the entity such that it has the right to appoint and remove the management.

This would normally be where OpenSys has the controlling interest (>50% of the voting share ownership), but it could be where there is an agreement in place that OpenSys has the right to appoint the management, for example, a joint venture where OpenSys has the largest (but still <50%) allocation of the voting shares;

“Corporate Gift” means something given from one organisation to another organisation or individuals, with the appointed representatives giving and accepting the gift. Corporate Gifts may also be promotional items given out equally to the general public at events, functions, trade shows and exhibitions as a part of building the company’s brand and include gifts from the company to its personnel in relation to an internally or externally recognised company’s events, functions or celebrations. The gifts are given transparently and openly, with the implicit or explicit approval of all parties involved. Corporate Gifts normally bear the company’s name and logo.

Examples of Corporate Gifts that bear the company’s name and/or logo include items such as diaries, table calendars, pens, notepads, plaques, drinking mugs, umbrellas and tee-shirts. Examples of Corporate Gifts that do not bear the company’s name and/or logo include items such as dates, mooncakes and mandarin oranges.

“Donation & Sponsorship” means charitable contributions and sponsorship payments made to support the community. Examples include sponsorship of educational events, supporting NGOs, and other social causes;

“Exposed Position” means a staff position identified as vulnerable to bribery through a risk assessment. Such positions may include any role involving: procurement or contract management; financial approvals; human resource; relations with government officials or government departments; sales; positions where negotiation with an external party is required; or other positions which OpenSys has identified as vulnerable to bribery;

“Hospitality” means the considerate care of guests, which may include refreshments, accommodation and entertainment at a restaurant, hotel, club, resort, convention, concert, sporting event or other venues such as OpenSys’s offices, with or without the personal presence of the host. Provision of travel may also be included, as may other services such as the provision of guides, attendants and escorts; use of facilities such as a spa, golf course or ski resort with equipment included;

5. REQUIREMENTS AND GUIDELINES

Prior to the Amendment in 2018 of the MACCA, only Individuals were liable for committing offences under the MACCA. Although the employee or director of the organisation could be punished for committing the crime, the organisation itself did not suffer any penal consequences.

On 1 June 2020, Corporate Liability Provision Section 17A of the MACCA came into effect where should any employee or director of OpenSys, or vendor, service provider, agent, etc. commit a corrupt act (gives/ agrees to give, promises/ offers any gratification, bribe etc.) to either obtain or retain business or obtain or retain an advantage for OpenSys, then OpenSys is deemed to have committed the offence (in addition to the individual committing the offence).

In line with the introduction of section 17A of the MACCA, the MACC has launched the Guidelines on adequate procedures pursuant to new section 17A (5) on 10 December 2018 (MACC Guidelines). MACC Guidelines set out adequate procedures in which a Commercial Organisation ("CO") needs to have as a defence against a corporate liability charge under the MACCA. If convicted, a CO is liable to a fine of not less than ten (10) times the value of the gratification or RM 1 million whichever is higher, or imprisonment not exceeding twenty (20) years or both.

The MACC Guideline is based on five (5) principles; i.e. T.R.U.S.T.

T - Top Level Commitment
R - Risk Assessment
U - Undertake Control Measures
S - Systematic Review, Monitoring and Enforcement
T - Training and Communication

The following sections set out the various policies and procedures that OpenSys implements based on the above guidelines.

6. BRIBERY AND CORRUPTION

Bribery is the offering, promising, giving, accepting or soliciting of an advantage as an inducement for an action which is illegal, unethical or a breach of trust. A bribe is an inducement or reward offered, promised or provided to gain 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. Bribery and Corruption may take the form of anything of value, such as money, goods, services, property, privilege, employment position or preferential treatment, and are in all forms prohibited.

OpenSys employees and its Business Associates shall not therefore, whether directly or indirectly, offer, give, receive or solicit any item of value constituting a bribe, kickback, personal favour etc., in the attempt to illicitly influence the decisions or actions of a person in a position of trust within an organisation, either for the intended benefit of OpenSys or the persons involved in the transaction.

The anti-bribery and corruption statement above applies to OpenSys's business dealings with commercial ('private sector') and Government ('public sector') entities and includes all OpenSys's employees or directors.

No employee or external party will suffer demotion, penalty or other adverse consequences in retaliation for refusing to pay or receive bribes or participate in other illicit behaviour.

OpenSys is also committed to conducting due diligence checks on prospective employees, particularly as it relates to appointments to positions where bribery or corruption risk has been identified.

7. GIFTS, DONATIONS AND SPONSORSHIPS

OpenSys's employees and directors are prohibited from directly, or indirectly, giving or receiving or asking for (soliciting) gifts which include cash or cash equivalent in the form of gift certificates, loans, commissions, coupons, discounts or any other related forms. It is the responsibility of the Personnel to inform the external parties involved in any business dealings with OpenSys that OpenSys practices a "No-Gift" policy and to request the external party's understanding to adhere to the said policy.

Although the general principle is to immediately refuse and return gifts offered by the external party, accepting or receiving a gift on behalf of OpenSys may be allowed only under limited circumstances as follow:

- a) Corporate Gift not exceeding RM500;
- b) Customary and lawful under the circumstances;
- c) Do not have or are perceived to have (by either the giver or the receiver), any effect on actions or decisions;
- d) No expectation of any specific favour or improper advantages from the intended recipients;
- e) Independent business judgment of the intended recipients not affected;
- f) No corrupt/criminal intent involved; and
- g) Gift and Hospitality to be done openly and transparently.

When in doubt, the employee is to consult his/her manager.

If a gift, entertainment or Hospitality is intended for public officials, employees or directors must ensure that the gift, entertainment or Hospitality is not excessive and lavish, and must be commensurate with the official designation of the public official and not his personal capacity subject to the limit referred to above.

If a Business Associate offers an employee a gift the employee may politely decline and explain the rules in force in OpenSys or accept the gift on OpenSys's behalf and hand over the gift to the CEO who may decide that the gift be given to charity, included in a festive draw within the company or share with other employees in the department.

Due care must be exercised when dealing with government officials or associated persons at all times. Any dealings related to giving/receiving kickbacks or gratuities are prohibited.

Corporate Social Responsibility (CSR) Projects, Sponsorship and Donations in Support of CSR projects and the use of Sponsorships and Donations (collectively "contributions"), are part of OpenSys's contribution to the well-being of the communities and the environment in which OpenSys operate. Such contributions, however, can never be promised, offered or made to secure a business advantage or for any other improper purpose such as to bribe or self-enrich. Before offering, promising or making any contribution to CSR projects, a Sponsorship or a Donation, the appropriate due diligence and screening must first be performed and such due diligence and screening should not be omitted or circumvented.

8. FACILITATION PAYMENTS

A facilitation payment is an unofficial payment or other provision made personally to an individual in control of a process or decision. It is given to secure or expedite the performance of a routine or administrative duty or function.

Offering/giving/accepting any form (cash or any item of value) of improper payments in exchange for business favours, information or favourable treatment is prohibited.

Personnel shall decline to make the payment and report to the CEO immediately when they encounter any requests for a facilitation payment. Personnel must not promise or offer, or agree to give or offer, facilitation payments to any other party.

9. RECRUITMENT, PROMOTION AND SUPPORT OF PERSONNEL

OpenSys recognises the value of integrity in its employees and Business Associates. OpenSys's recruitment, training, performance evaluation, remuneration, recognition and promotion for all OpenSys's employees, including management, shall be designed and regularly updated to recognize integrity.

The recruitment of employees should be based on approved selection criteria to ensure that only the most qualified and suitable individuals are employed. This is crucial to ensure that no element of corruption is involved in the hiring of employees.

In line with this, proper background checks should be conducted to ensure that the potential employee has not been convicted in any bribery or corruption cases nationally or internationally. More detailed background checks should be taken when hiring employees that would be responsible in management positions, as they would be tasked with decision making obligations.

OpenSys does not offer employment to prospective employees in return for their having improperly favoured OpenSys in a previous role.

10. BUSINESS ASSOCIATES

All Business Associates (including external providers such as consultants, advisors, vendors and agents) acting on behalf of OpenSys are required to comply with this Policy and all other related policies.

Due diligence shall be carried out with regards to any Business Associates intending to act on OpenSys's behalf as an agent or in other representative roles, to ensure that the entity is not likely to commit an act of bribery or corruption in the course of its work with OpenSys.

The extent of the due diligence should be based on a Bribery and Corruption risk assessment. Due diligence may include a search through relevant databases, checking for relationships with public officials, self-declaration, and documenting the reasons for choosing one particular Business Associate over another. The results of the due diligence process must be documented, retained for at least seven years and produced on request by the custodian of the process.

OpenSys shall include standard clauses in all contracts with Business Associates enabling OpenSys to terminate the contract if bribery or an act of corruption has been proved to occur. Additional clauses may also be included for Business Associates acting on OpenSys's behalf where bribery risk has been identified.

11. RESPONSIBILITIES OF OPENSYS PERSONNEL

All OpenSys's employees are required to carry out those responsibilities and obligations relating to OpenSys's anti-bribery and corruption stance, alongside those already in existence, which includes the following:

- a) Be familiar with applicable requirements and directives of the policy and communicate them to subordinates;
- b) Promptly record all transactions and payments in OpenSys's books and records accurately and with reasonable detail;
- c) Ask his/her manager if any questions about this Policy arise or if there is a lack of clarity about the required action in a particular situation;
- d) Always raise suspicious transactions and other "Red Flags" (indicators of bribery or corruption) to immediate superiors for guidance on the next course of action;
- e) Be alert to indications or evidence of possible violations of this Policy;
- f) Promptly report violations or suspected violations through appropriate channels;
- g) Attend required anti-bribery and corruption training as required according to position; and
- h) Not misuse their position or OpenSys's name for personal advantage.

When dealing with Business Associates, all OpenSys's Personnel shall not:

- a) express unexplained or unjustifiable preference for certain parties;
- b) make any attempt at dishonestly influencing their decisions by offering, promising or conferring advantage;
- c) exert improper influence to obtain benefits from them;
- d) directly or indirectly offer or make promises or corrupt payments, in cash or kind for a specific favour or improper advantage from them.

During an active or anticipated procurement or tender exercise, employees participating in the exercise in any way whatsoever, shall not:

- a) receive gifts or Hospitality of any kind from any external party participating, planning to participate, or expected to participate, in the procurement or tender exercise;
- b) provide anything other than a Corporate Gift and token Hospitality to any external/third party related to the exercise;
- c) be involved in any discussions regarding business or employment opportunities, for personal benefit or the benefit of a Business Associate;
- d) abuse the decision-making and other delegated powers given by the top management; and
- e) bypass normal procurement or tender process and procedure.

When dealing with external parties in a position to make a decision to OpenSys's benefit (such as a Government official or client), OpenSys's employees shall not:

- a) offer, promise or make any attempt at dishonestly influencing the person's decision by directly or indirectly offering or making promises of corrupt payments, in cash or kind;
- b) be involved in any discussions regarding business or employment opportunities, for their own personal benefit or the benefit of the external party;
- c) otherwise abuse the decision-making and other delegated powers given by the top management, in order to illicitly secure an outcome which would be to the commercial advantage to themselves and/or OpenSys; and
- d) exert improper influence to obtain personal benefits from them.

OpenSys's managers have a particular responsibility to ensure that this Policy is applied and complied with within their department or function and to monitor compliance of the same. They shall ensure that subordinates in 'Exposed Positions' attend relevant training.

12. RED FLAGS

This list is not exhaustive and all employees should be alert to other indicators that may raise a suspicion of corrupt activity. The employee must report to the immediate manager if any of these indicators are encountered.

The following is a list of "red flags" that may indicate the possible existence of corrupt practices:

- a) Unexpected additional fee or commission to "facilitate" a service;
- b) Payments to be made through a third-party account, or to a country/geographic location different from where the Third Party resides or conducts business;
- c) Demanding lavish gifts or hospitality before commencing or continuing contractual negotiations or provision of services;
- d) Third-Party refuses to divulge adequate information during due diligence procedures and requests an unexpected additional fee or commission to "facilitate" a service;
- e) Private meetings requested by public contractors or companies hoping to tender for contracts;
- f) Not following policies or procedures – abusing the decision-making process;
- g) Unexplained preferences for certain contractors/refusal to put terms agreed in writing;
- h) Invoices rendered or paid in excess of contractual amounts.
- i) A third party engages in, or has been accused of engaging in, improper business practices;
- j) A third party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a "special relationship" with other parties;
- k) A third party insists on receiving a commission or fee payment before committing to sign up to a contract with us, or carrying out a government function or process for us;
- l) A third party requests that a payment is made to "overlook" potential legal violations;

- m) A third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us;
- n) Unreasonable fee to provide consultancy services.

13. CONFLICTS OF INTEREST

A Conflict of Interest may arise in a situation where an individual is in a position to take advantage of his/her role in OpenSys for his/ her personal benefit, including the benefit of his/her family and/or friends and/or company. This would undermine the duties of good faith, fidelity, diligence and integrity as expected by OpenSys from its Personnel in the performance of the Personnel's duties and obligations.

All employees should avoid situations in which personal interests could conflict with their professional obligations or duties. Employees must not use their position, official working hours, company's resources and assets, or information available to them for personal gain or to the company's disadvantage.

All employees and directors must ensure that personal and business affairs do not conflict with or appear to be conflicting with OpenSys's interests. All employees and directors must act in a way that reflects OpenSys's commitment to integrity and responsible business conduct.

In situations where a conflict does occur, employees are required to declare the matter.

14. STAFF DECLARATIONS

All OpenSys's employees shall certify in writing that they have read, understood and will abide by this Policy. A copy of this declaration shall be documented and retained by the Human Resources Department for the duration of the employee's employment. A sample declaration can be found in the Appendix of this Policy.

15. ANTI-BRIBERY AND CORRUPTION COMPLIANCE FUNCTION

OpenSys shall establish and maintain an anti-bribery and corruption compliance function to oversee the design, implementation and management of this Policy.

The CEO shall perform the functions below within OpenSys's structure, equipped to act effectively against Bribery and Corruption:

- a) provide advice and guidance to employees on this Policy and issues relating to Bribery and Corruption;
- b) take appropriate steps to ensure that adequate monitoring, measurement, analysis and evaluation of this Policy is performed; and
- c) report on the performance of this Policy to the top management and the Board Audit Committee.

OpenSys shall conduct regular risk assessments to identify the Bribery and Corruption risks affecting the business, set anti-bribery and corruption objectives, and assess the effectiveness of the controls in achieving those objectives.

16. TRAINING AND AWARENESS

OpenSys shall conduct an awareness programme for all its Personnel on OpenSys's position regarding anti-bribery and corruption, integrity and ethics at the appropriate time.

17. REPORTING OF POLICY VIOLATIONS

Suitable reporting channels shall be established and maintained for receiving information regarding violations of this policy, and other matters of integrity provided in good faith by OpenSys employees and/or external parties.

Employees who, in the course of their activities relating to their employment at OpenSys, encounter actual or suspected violations of this Policy are required to report their concerns to their immediate managers or the top management of OpenSys.

Reports made in good faith, either anonymously or otherwise, shall be addressed promptly and without incurring fear of reprisal regardless of the outcome of any investigation.

Retaliation in any form against an OpenSys employee where the person has, in good faith, reported a violation or possible violation of this Policy is strictly prohibited.

Any OpenSys Personnel found to have deliberately acted against the interests of a person who has in good faith reported a violation or possible violation of this policy shall be subjected to disciplinary proceedings including demotion, suspension, dismissal or other actions (including legal action) which OpenSys may pursue.

18. CONFIDENTIALITY OF INFORMATION

All information received shall be treated with confidence. Information on the identity of the individual who reports fraudulent activities will not be released without the prior consent of the individual. Investigation status/results must not be disclosed or discussed with anyone other than those who have a legitimate need to know

19. AUDIT AND COMPLIANCE

Audits shall be conducted to ensure compliance with this Policy. Such audits may be conducted internally by OpenSys or by an external party. Audit documentation should include performance improvement action plans.

Non-compliance as identified by the audit and any risk areas identified through this and other means should be reported to the top management and the Board Audit Committee in a timely manner in accordance with the level of risk identified.

OpenSys regards bribery and acts of corruption as serious matters and will apply penalties in the event of non-compliance with this Policy. For OpenSys employees, non-compliance may lead to disciplinary action, up to and including termination of employment.

For external parties, non-compliance may lead to penalties including termination of the contract. Further legal action may also be taken in the event that OpenSys's interests have been harmed by the results of non-compliance by individuals and/or organisations.

In the unlikely situation where an exception or modification to the principles set out in the Policy be required, the request for exception must be made in good faith and submitted in writing to the manager or person-in-charge

20. REVIEW

OpenSys shall monitor the legal and regulatory regimes where it operates and any changes to OpenSys's business environment and risks and identify opportunities for this Policy's improvement. This Policy should be assessed to ensure its scope, policies, procedures and controls match the Bribery and Corruption related risks faced by OpenSys.

OpenSys endeavours to impact the business environment where it operates. This includes extending its integrity programme to non-controlled Business Associates such as suppliers and contractors, seeking to work with companies who have a similar commitment and supporting initiatives in the private and public sectors which are likely to improve the integrity of its operating environment.

APPENDIX 1

ANTI-BRIBERY AND CORRUPTION POLICY

DECLARATION FORM

ACKNOWLEDGEMENT OF ANTI-BRIBERY AND CORRUPTION POLICY

I, _____, hereby declare that I have read and understood the OpenSys Anti-Bribery and Corruption Policy ("Policy") and the responsibilities required of me in relation to the said Policy.

I shall abide by the requirements and provisions set out in the said Policy which shall be read together and forms part of my employment contract with OpenSys.

I shall abide by all Malaysian laws, rules and regulations pertaining to anti-bribery and corruption.

I shall not indulge in any form of bribery, corruption and abuse of power either directly or indirectly, with any party dealing with OpenSys.

I also understand that failure to comply with the requirements of the Policy, whether intentionally or negligently, may subject me to disciplinary action, including but not limited to termination of employment.

(Signature)

Name:

NRIC/Passport No.:

Employee Number:

Designation:

Organization:

Date: