



Anti-Bribery and Anti-Corruption Policy

SACOFA Sdn. Bhd (552905-P)

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DOCUMENT CONTROL

Document Detail

| | |
|-------------------------|-------------------------------|
| Version No. | 2.0 |
| Reference No. | SSB/CR/POL/01/Ver.2.0 |
| Document Type | Policy |
| Owner | Head, Compliance & Risk |
| Approver | Board of Directors |
| Effective Date | 6 th February 2024 |
| Document Classification | Public/Unclassified |

Document History

| Author | Date | Details | Version |
|---------------------------------|-------------------------------|-----------------|---------|
| Kevin Anak Kopet | 6 th February 2024 | Second revision | 2.0 |
| Galton Advisory Private Limited | 15 May 2020 | Initial release | 1.0 |

Document Reference

| No. | Document Name | Date of approved by BOD |
|-----|---|---------------------------|
| 1. | Policy on Business Incentives | 15 th May 2020 |
| 2. | Policy on Donations and Sponsorships | 15 th May 2020 |
| 3. | Policy on Facilitation Payments | 15 th May 2020 |
| 4. | Policy on Gifts, Hospitality, and Third-party Travel | 15 th May 2020 |
| 5. | SACOFA Code of Business Ethics for Suppliers and Business Associates | - |
| 6. | Code of Ethics and Business Conduct for Employees | - |
| 7. | SACOFA Code of Business Ethics for Directors | - |
| 8. | Anti-Bribery Procedures for Managing Stakeholders | 15 th May 2020 |
| 9. | Review of Governance Structure | - |
| 10. | Whistle-Blowing Policy | 15 th May 2020 |
| 11. | The Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 ("AMLA Act") | - |
| 12. | Malaysian Anti-Corruption Commission Act 2009 | - |

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Document Purpose

Sacofa Sdn Bhd (“SACOFA” or the “Company”) and its subsidiaries (the “Group”) is committed to conducting its business in a lawful and ethical manner.

SACOFA has established this Anti-Bribery And Anti-Corruption (ABAC) Policy (“Policy”) to set out the Company’s expectations for internal and external parties working with and for the Group in upholding the Group’s zero-tolerance stance against bribery.

This Policy must form the keystone for the Group’s Anti-Bribery And Anti-Corruption Framework and the relevant policies that constitute the Anti-Bribery And Anti-Corruption Framework.

Document Review

This document must be reviewed at any known internal, external, actual or potential material change impacting the organization that requires immediate updates to the areas covered in this document, whichever sooner, to ensure its consistency and continuing relevance.

SACOFA reserves the right to periodically change and/or amend the provisions of this ABAC Policy.

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Terminologies Used

| Abbreviation/Term | Definition |
|--------------------------|---|
| ABAC | Anti-Bribery and Anti-Corruption |
| AML/CFT | Anti-Money Laundering and Counter Financing of Terrorism |
| Authority | Any regulator, government department, government agency, or authority. |
| BAC | Board Audit Committee |
| Board | Board of Directors |
| Business Associates | The Group's joint-venture entities, joint-venture partners, associate companies, and business partners, as well as Service Providers. |
| CEO | Chief Executive Officer |
| Company | Sacofa Sdn Bhd |
| CSR | Corporate Social Responsibility |
| Employees | All employees of the Company |
| Foreign Public Official | Definition as provided in the MACC Act 2009 |
| GDS | Gifts, Donations and Sponsorship |
| GECH | Gift, Entertainment and Corporate Hospitality |
| HOD | Head of Department |
| HC | Human Capital |
| LOA | Limits of Authority |
| MACC Act 2009 | The Malaysian Anti-Corruption Commission Act 2009 |
| Officer of a Public Body | Definition as provided in the MACC Act 2009 |
| P&P | Policies & Procedures |
| PEP(s) | Politically Exposed Person(s) |
| Policy | This Group Anti-Bribery Policy, as revised from time to time, subject to the BOD's approval. |
| SACOFA | Sacofa Sdn Bhd |
| Service Providers | Contractors, sub-contractors, consultants, distributors, agent representatives, or any parties performing work or services for or on behalf of the Group. |
| SLT | Senior Leadership Team |
| The Group | Sacofa Sdn Bhd |

DOCUMENT APPLICABILITY

This Policy is generally applicable to the Group's Directors, Employees, Suppliers, Service Providers, Business Associates, and any third parties acting on the Group's behalf, unless otherwise stated in the specific policies.

Section 1: Roles and Responsibilities

The responsibilities and roles of the governing parties in place to guarantee adherence to this policy are depicted below:

1.1. Board of Directors

- (i) Accepts, upholds, and adheres to SACOFA's zero-tolerance policy regarding bribery and promises never to bribe anyone for any reason.
- (ii) To guarantee that, in all aspects of its business activities, the organization maintains the highest ethical standards.
- (iii) Foster a climate that is upbeat, honest, transparent, and open so that employees and third parties feel free to voice any concerns they may have.
- (iv) Does not accept, permit, or condone discrimination or retaliation against anyone who voice or disclose legitimate concerns.
- (v) Create a designated position or point of contact to reduce the likelihood of bribery and corruption within the company by implementing an ABAC program.

1.2. Personnel

- (i) When performing tasks for or on behalf of SACOFA, read, comprehend, and abide by this policy.
- (ii) Adopt the mindset that one should never break the law or act contrary to the organization's principles and ideals.
- (iii) Admit to ABAC compliance and participate in frequent ABAC related training.
- (iv) Bring up or voice complaints, infractions, or non-compliance, whether they are real or suspected.

1.3. Third party

- (i) Recognize and adhere to the same moral principles as SACOFA.
- (ii) When carrying out its duties for or on behalf of SACOFA, act in a way that is compatible with this Policy and SACOFA's basic values.

Section 2 : Non-compliance to ABAC Policy

- 2.1.** Compliance with this Policy by the Group, its Directors, Employees, Suppliers, and Business Associates is mandatory. Any violation of this Policy will be dealt with seriously by the Group and may lead to, but not limited to, review of contracts, employment, or appointment, disciplinary actions, dismissal, cessation of business relationship, and/or reporting to the authorities, consistent with relevant laws and regulations.
- 2.2.** Failure to comply with this Policy may subject an individual to disciplinary action, up to and including termination of employment.
- 2.3.** Any personnel who violates this policy must be reported immediately via the appropriate means. Every investigation will be conducted with strict confidentiality and each complaint will be investigated independently.
- 2.4.** Failure by a Third Party to comply with this Policy and any applicable ABAC laws may result in the termination of the non-complying party's relationship with SACOFA and other adverse consequences.
- 2.5.** SACOFA is committed to protect, within reason and means, anyone who reports or raises a concern in good faith, and those who participate in or investigate, from retaliation.

Section 3 : Compliance and Support

- 3.1.** Directors, Employees, Suppliers, or Business Associates with any concerns or queries or requiring support and advice pertaining to compliance with this Policy must consult with their respective internal reporting lines or the Compliance & Risk Department.
- 3.2.** Any exception or deviation to the requirements of this policy must be sought in writing to the Compliance & Risk department. An expressed approval from the Board of Audit Committee will be required for each request.
- 3.3.** If there is a suspected violation or potential violation of this Policy, such cases must be reported via the Group's whistleblowing mechanism, as outlined in the following section.

Section 4 : Reporting of Violations of the Policy

- 4.1.** As part of our commitment to maintaining the highest standards of morality and legality, SACOFA will always act with integrity, equity, and responsibility.
- 4.2.** Any person, including the general public, who knows of, or suspects, a violation of the Policy is encouraged to report the concerns through the whistleblowing mechanism set out under the Group's **Policy On Whistleblowing**.
- 4.3.** No individual will be discriminated against or suffer any sort of retaliation by the Group or its personnel for raising genuine concerns or reporting in good faith on violations or suspected violations of the Policy. All reports will be treated confidentially.

- 4.4.** A person must make sure that there is a legitimate reason or basis for the concern, that the disclosure is done in good faith, and that it is not driven by malice or malicious intent. The basis for speaking up or to whistle blow does not lie in mere hearsay or rumors.

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DOCUMENT CONTENT

Section 1 - Definitions

- 1.1. "ABAC Policy" or "This Policy" is defined as this Anti-Bribery And Anti-Corruption Policy.
- 1.2. "ABAC Procedure" refers to Anti-Bribery And Anti-Corruption Management Process which provide guidance to employees on how to deal with any improper solicitation, bribery and other corrupt activities and issues that may arise in the course of doing business.
- 1.3. Where this Policy refers to the act of "giving" or "paying" a bribe it also refers to actions amounting to the act of agreeing to give, promising, or offering a bribe;
- 1.4. Where this Policy refers to the act of "receiving" a bribe it also refers to actions amounting to the act of soliciting or agreeing to receive a bribe;
- 1.5. "bribery" refers to the act of corruptly authorising, giving, agreeing to give, promising, offering, soliciting, receiving, or agreeing to receive any gratification, including actions prohibited by Section 16, Section 17, and Section 17A of the MACC Act 2009;
- 1.6. "gratification" must have the meaning as defined in the Malaysian Anti-Corruption Commission Act 2009, i.e.:
 - 1.6.1. money, donation, 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;
 - 1.6.2. any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;
 - 1.6.3. any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;
 - 1.6.4. any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;
 - 1.6.5. any forbearance to demand any money or money's worth or valuable thing;
 - 1.6.6. 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
 - 1.6.7. any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding paragraphs 1.6.1 to 1.6.6;

- 1.7.** “active bribery” refers to the action of offering, promising or giving a bribe by a legal person, which includes company, associated with the Group;
- 1.8.** “passive bribery” refers to the action of requesting, receiving or accepting a bribe by a legal person, which includes a company, associated with the Group;
- 1.9.** where this Policy refers to the act of “giving” or “paying” a bribe it also refers to actions amounting to the act of agreeing to give, promising, or offering a bribe;
- 1.10.** where this Policy refers to the act of “receiving” a bribe it also refers to actions amounting to the act of soliciting or agreeing to receive a bribe;
- 1.11.** "Associates" are organizations over which SACOFA has a sizable amount of influence but neither joint nor exclusive control. The ability to participate in the associates' financial and operational policy decisions has a significant impact, but it is not the same as having shared or actual control over those decisions.
- 1.12.** The term "SACOFA Instruments" refers to all relevant regulations and processes, such as the SACOFA Limits of Authorities ("LOA"), SACOFA Policies, and the Code of Ethics.
- 1.13.** The term "Board of Directors" refers to the corporate governing body of the company.
- 1.14.** A group of people chosen to serve as an organization's corporate governing body in order to oversee its operations is referred to as "board members."
- 1.15.** "SACOFA" or "the Company" refers to SACOFA Sdn. Bhd. and its affiliates and subsidiaries that it owns either directly or indirectly, as well as any existing joint venture companies.
- 1.16.** An activity that promotes the sustainability of our environment and society by voluntary, self-regulated, and ethical means is called a "Corporate Social Responsibility Activity," or "CSR Activity."
- 1.17.** A "donation" is any amount given to a charity organization or association, either directly or indirectly, in kind or currency, without the expectation of rewards, benefits, or returns.
- 1.18.** The term "gift, entertainment, and corporate hospitality" refers to anything of value, which can include lodging, travel tickets, event tickets (such as those for a concert organized or sponsored by SACOFA and given to partners, customers, or enterprises), meals provided or hosted by a third party either directly or indirectly through its representatives, agents, or business associates in order to establish and/or maintain positive business/stakeholder relationships.
- 1.19.** “facilitation payments” must have the definition consistent with that provided by Transparency International, which is: a small bribe, also called a ‘facilitating’, ‘speed’, or ‘grease’ payment, whether it be cash or non-financial, made to secure or expedite the

performance of a routine or or regular or administrative task or function or necessary action to which the payer has legal or other entitlement;

- 1.20.** "Directors" include directors of SACOFA and its subsidiaries;
- 1.21.** "person associated" refers to a director, partner, or an employee of a commercial organisation, which includes SACOFA Group; or a legal person, including companies, who performs services for or on behalf of the commercial organisation;
- 1.22.** Any spouse, parents, siblings, children, brothers, sisters, and spouse of the personnel's siblings, children, or sisters are considered "Family Member(s)".
- 1.23.** Anything of worth—cash or kind—that is given to or received as a present from a third party without the expectation of reimbursement or fair market value remuneration from the recipient is considered a "gift."
- 1.24.** The term "money laundering" refers to the practice of criminals trying to conceal the true source and ownership of the money received from their illicit operations in order to avoid being charged with a crime, being found guilty, and having their illicit gains seized.
- 1.25.** Nepotism - The act of influence whereby a personnel member seeks an unfair advantage for a family member or friend who is working or wants to be employed at SACOFA, despite the fact that the family member or friend is not qualified or deserving, is known as nepotism.
- 1.26.** "Employees" or "Personnel" is defined as SLT, heads, senior managers, managers, and full-time personnel at all levels, including SACOFA part-time, probationary, contract, temporary employees, as well as trainees and interns.
- 1.27.** "Politically Exposed Person (PEP)" is defined as follows: -
- (i)** Foreign PEPs: those who are or have been granted significant public office by a foreign nation. Chiefs of state or government, powerful politicians, senior military or judicial officials, senior CEOs of state-owned businesses, and prominent figures in political parties are a few examples.
 - (ii)** Domestic PEPs: those who currently hold or have held important public positions within their country. Heads of state or government, for instance, as well as prominent members of the judicial system, the armed forces, state-owned business executives, and political party officials; or
 - (iii)** individuals who hold or have held a prominent position within an international organization; this category includes top management personnel. Directors, deputy directors, board members, and other similar roles are a few examples.
- 1.28.** "Officer of a Public Body" or "Public/Government Official" must have the definition as provided in the MACC Act 2009; refers to any individual who serves as a public body (a

department, agency, or instrument of government) as a member, officer, employee, servant, or in an official capacity.

1.29. "Foreign Public Official" must have the definition as provided in the MACC Act 2009. This definition includes members of the administration, members of Parliament, State Legislative Assembly members, judges of the Federal Court, Court of Appeals, or High Court, and anyone who receives compensation from public funds. In the event that the public body is a corporation sole, this definition also includes the individual who is incorporated as such.

1.30. "Close Relationship" refers to any of the following situations:

(i) being a family member of the other person, where "family" must have the following definition:

- a) spouse;
- b) parent;
- c) child including an adopted child and step-child;
- d) brother and sister; and
- e) spouse of the person referred to in c) and d) above.

(ii) being a director, major shareholder, partner, or a person with executive power of an entity or organisation;

(iii) being a family member of the person referred in (ii) above; and

(iv) being a person who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions, or wishes of the other person.

1.31. "Sponsorship(s)" is defined as a financial or non-financial support given to a person, company, organization, or association in order to finance, look after, or maintain a project, activity, person, or event with the main goal of enhancing our reputation and promoting our brand in exchange.

1.32. The term "stakeholder" refers to any internal or external party that interacts with SACOFA; this includes personnel, third parties, all members of the Board and its subcommittees, and any other external stakeholder(s) that work for or on behalf of SACOFA.

1.33. Subsidiary - Any business or entity that SACOFA, directly or indirectly, owns or controls more than 50% of is considered a "subsidiary."

1.34. "Business Associates" include the Group's joint-venture entities, joint-venture partners, associate companies, and business partners, as well as Service Providers;

- 1.35.** "Subject" refers to a party on which due diligence may be required to be performed;
- 1.36.** The method via which terrorists raise money to carry out their actions is known as "terrorism funding."
- 1.37.** "Service Providers" include the Group's contractors, sub-contractors, consultants, distributors, agent representatives, or any parties performing work or services for or on behalf of the Group;
- 1.38.** Suppliers, contractors, subcontractors, rival companies, state-owned businesses, regulators, investors, media, analysts, vendors, agents, intermediaries, consultants, representatives, distributors, joint venture partners, business partners, and other external stakeholders acting on behalf of or for SACOFA are all considered "Third Parties" or "Third Parties" under this definition.
- 1.39.** "Whistleblowing" refers to the platform created, managed, and run by SACOFA as its official avenue for any party to report a grievance or issue. To further support the efforts by Sacofa Sdn Bhd ("SACOFA") and its group of subsidiaries (the "Group") in driving towards better corporate governance, SACOFA has established a whistle-blowing mechanism, governed through the Whistleblowing Policy (this "Policy").

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Section 2 : Introduction

- 2.1.** The term "bribery" describes the corrupting act of providing, promising, soliciting, accepting, or consenting to receive any form of reward. Regardless of the location(s) and the applicable law, gratification can take many different forms, such as monetary, non-monetary, services, favors, or any other kind of benefit or advantage, directly or indirectly, with the intention of influencing that person's actions or decisions to obtain or retain an improper advantage or refrain from acting in relation to that person's performance of that person's duties.
- 2.2.** A gratification that is given or received with a corrupt intent, including to induce or reward the improper performance of a party, or to obtain or retain business advantage, is considered a bribe.
- 2.3.** The misuse of office, position, or power for personal, family, or associate benefit is known as corruption. It occurs when someone offers, gives, receives, or promises anything of value or gratification—which may or may not be financial—to or from anyone with whom they interact in order to acquire or hold onto business or to obtain an improper business advantage that is unlawful, immoral, or inconsistent with moral principles.
- 2.4.** The Company sternly forbids accepting or offering bribes, as well as engaging in any actions or circumstances that could result in or be interpreted as bribes. Examples of such actions include making promises, accepting or soliciting gifts and hospitality, accepting anything of value, paying for facilitation, or making improper payments to or from any individual, organization, or agency in order to get, hold, or provide an improper business advantage or favorable treatment.
- 2.5.** The Malaysian Anti-Corruption Commission Act 2009 ("MACC Act 2009") prohibits a person or a commercial organisation from giving and receiving bribes, including via agents or associates.

[Refer to **Section 16**, **Section 17**, and **Section 17A** of the MACC Act 2009]

Section 3 : SACOFA Anti-Bribery Stance

- 3.1.** The SACOFA Group adopts a zero-tolerance approach towards bribery and will not pay bribes to anyone for any purpose.
- 3.2.** The Company takes the upholding of its anti-bribery stance across the Group's business seriously and expects the same from stakeholders internal and external to the Group's business, extending to all the Group's business dealings and transactions in all countries in which it operates.
- 3.3.** Directors, Employees, Suppliers, Service Providers, Business Associates, and any third parties working with or for the Group must adhere to and observe the Group's anti-bribery stance and relevant provisions of the Group's Anti-Bribery Framework.
- 3.4.** The Company treats any violation of this Policy seriously and will undertake necessary actions, including, but not limited to, review of employment or appointment, disciplinary actions, dismissal, and reporting to the authorities, consistent with the relevant laws and regulations.

- 3.5. The Company is committed to complying with the relevant anti-bribery laws and regulations, breaches or violation of which may cause great damages to the Group which may include reputational damages, legal fines, imprisonment for persons responsible, etc.
- 3.6. **Anything of value or gratification** is gaining or holding onto an unfair business or personal advantage, gratification or bribery can take any shape, including but not limited to:
- (i) Cash or money equivalents, such as cash, loans, valued securities (bonds, shares, etc.), jewelry, commissions, discounts, and rebates.
 - (ii) Exquisite gifts and hospitality, such as giving or getting a five-star hotel, first-class airfare, or family-or self-only tour packages.
 - (iii) Making promises to any stakeholder, directly or indirectly, or awarding a contract, job, or business opportunity in violation of the SACOFA Instruments; and
 - (iv) Offers of free services of whatever nature to any Stakeholder.

Section 4 : Gift, Entertainment and Corporate Hospitality Policy

- 4.1. SACOFA has adopted a “**No Gift Policy**” whereby, Directors and Employees, Family Members or agents acting for or on behalf of SACOFA Directors, Employees or their Family Members are prohibited from, directly or indirectly, receiving or providing gifts, subject only to certain narrow exceptions which is **Corporate Gifts**.
- 4.2. Gift, Entertainment and Corporate Hospitality (GECH) which may influence, or be perceived to be able to influence, any business-related decisions or outcome may be construed as a bribe. Directors, Employees, Suppliers, and Business Associates of the Group must avoid giving or receiving gifts and hospitality which may be construed as a bribe. Third Parties are prohibited from giving any GECH to SACOFA Personnel or Family Members, if it could reasonably give the appearance of influencing the business relationship with SACOFA or any business decision arising out of the business relationship.
- 4.3. SACOFA requires Directors and Employees to abide by this policy to avoid conflict of interest or the appearance of conflict of interest for either party in on-going or potential business dealings between SACOFA and external parties as a gift can be seen as a bribe that may tarnish SACOFA reputation or be in violation of anti-bribery and corruption laws.
- 4.4. As set out in the SACOFA Code of Ethics and Business Conduct, a conflict of interest arises in a situation in which an individual is in a position to take advantage of his or her role in SACOFA for his or her personal benefit, including the benefit of his or her family/household and friends. This would undermine the duties of good faith, fidelity, diligence and integrity as expected by SACOFA from its employees and directors in the performance of their duties and obligations.
- 4.5. It is the responsibility of Directors and Employees to inform external parties involved in any business dealings with SACOFA that the Company practices a “No Gift Policy” and to

request the external party's understanding for and adherence with this policy.

- 4.6. Despite acknowledging SACOFA's "No Gift Policy", some external parties may still insist on providing gifts to SACOFA Employees, Directors and/or their family members in certain situations which do not fall within the general exceptions. In no circumstances may an Employee, Director or his/her family/household members accept gifts in the form of cash or cash equivalent.
- 4.7. Even if it may appear disrespectful to refuse a gift from an external party, nevertheless, if there is a conflict of interest situation (e.g. bidding is in progress and the company that gave the gift is one of the bidders) then clearly the Head of Department/Unit cannot approve the acceptance of said gift (in the case of Directors, the Company Secretary would advise the same). In this situation, **the gift must be politely returned with a note of explanation about the Company's "No Gift Policy"**.
- 4.8. Although generally SACOFA practices a "No Gift Policy", there are certain exceptions to the general rule whereby the receiving and provision of gifts are permitted in the following situations:-
 - (i) Exchange of gifts at the company-to-company level (e.g. gifts exchanged between companies as part of an official company visit/courtesy call and thereafter said gift is treated as company property);
 - (ii) Gifts from company to external institutions or individuals in relation to the company's official functions, events and celebrations (e.g. commemorative gifts or door gifts offered to all guests attending the event);
 - (iii) Gifts from SACOFA to employees and directors and/or their family members in relation to an internal or externally recognised Company function, event and celebration (e.g. in recognition of an Employee's/Director's service to the Company);
 - (iv) Token gifts of nominal value normally bearing the SACOFA or company's logo or (e.g. t-shirts, pens, diaries, calendars 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, training, trade shows etc. and deemed as part of the company's brand building or promotional activities; and
 - (v) Gifts to external parties who have no business dealings with SACOFA (e.g. monetary gifts or gifts in-kind to charitable organisations).
- 4.9. SACOFA recognises that occasional acceptance or offer of corporate gifts, can be a legitimate contribution to good branding presence. Corporate gifts must be of nominal value such are stationaries, bears company logo, in small quantities per recipient, and are within the Company approved threshold. All Stakeholders are required to observe the **VITAL Principles** before accepting or providing GECH:

| VITAL Principles | V VALUE | I INTENTION | T TIMING | A AVOID CONFLICT OF INTEREST | L LIMITED FREQUENCY |
|----------------------------|--|--|---|---|----------------------------------|
| | Does the value surpass the LOA or outside the norm or is it extravagant, out of the ordinary, or all four? | Is there an intention to improperly influence decision-making? | Is it during a sensitive time (such as a contract negotiation, RFP, or tender)? | Is there an actual or perceived conflict of interest? | Is it a repeated transaction? |

- **Value** – Offerings or receipts of GECH cannot be (real or perceived) lavish, excessive, abnormal, or surpass the combined or comparable criteria listed in the LOA. Exemptions from the "No Gift" Policy's broad guidelines must be carefully considered and authorized in line with GECH Policy.
- **Intention** – Anything of value that is given or received, regardless of its frequency or permitted value, should not communicate an expressed or perceived "advantage" or "benefit," whether monetary or not, with the goal to illegally influence the decision-making process in order to achieve, secure, or keep opportunity.
- **Timing** – Anything of Value should not be offered or received during the period that may give the appearance (actual or perceived) of it being offered or received to improperly influence the decision made to obtain, secure or retain a business opportunity.
- **Avoid conflict of interest** – Anything of value that raises an actual, perceived, or real conflict of interest and obligates personnel to make unbiased decisions for and on behalf of the company is not something that should be offered or accepted. Every employee is expected to abstain from abusing their position or using their power for personal gain at the detriment of SACOFA.
- **Limited frequency** – Even if something is of modest worth, nothing of value should be given or received from a person repeatedly or in a pattern to prevent actual or apparent conflicts of interest or improper influence.

4.4. All gifts, entertainment and corporate hospitality necessitates approval and adherence to SACOFA instruments. These instruments ensure that the activities are designed to meet their intended purpose and provide benefits to the intended receiver or recipient(s).

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Section 5 : Donations and Sponsorships Policy

- 5.1. A donation is something that SACOFA gives as charity, either in kind or in cash, with no expectation of receiving anything in return.
- 5.2. Sponsorship is financial support or assistance provided to an association, organization, or event in exchange for branding placement or other privileges, such as hospitality, passes, or tickets.
- 5.3. Donations made by the Group are philanthropic in nature and must never be made with the intention to, or perceived to be able to, influence any business-related decisions or outcome. Such Donations or Sponsorships must not violate our core values, policies and applicable laws or made to secure any improper advantage or retain any business relationship.
- 5.4. Sponsorships made by the Group must have at least one of the following commercial benefits:
 - (i) offers value for money;
 - (ii) promotes the brand name of the Group or its products; and
 - (iii) enhances or promotes business opportunities, in a fair manner without the sponsorship being potentially constituting a bribe.
- 5.5. Generally, in order to avoid situations where there could be an actual or perceived conflict of interest, the Group must avoid making contributions or donations to, or sponsor the events of any regulator, government department, government agency, or authority (hereinafter referred to as "Authority") or entities directly related to them, if:
 - (i) the Group is expecting to apply, obtain, or renew a licence, permit, approval, or any form of clearance (hereinafter referred to as "Clearance") from the said Authority; or
 - (ii) the Group has just obtained a Clearance from the said Authority.
- 5.6. A donation or sponsorship must not be made to an Authority or entities directly related to the Authority beginning from three (3) months before a request for Clearance to three (3) months after the Clearance has been obtained unless the donation or sponsorship event has a clear social or environmental cause.
- 5.7. Good judgement and due diligence must be exercised to assess the purpose and intention of the Donation or Sponsorship, and the reputation or status of the beneficiaries. All Sponsorships or Donations must be offered and made transparently in accordance with the Group's Donation and Sponsorship Policy.
- 5.8. The provision of donation and sponsorship necessitates approval and adherence to SACOFA instruments. These instruments ensure that the activities are designed to meet their intended purpose and provide benefits to the intended receiver or recipient(s).
- 5.9. Donations and sponsorships by the Group must be in accordance with the **Group's Policy on Donation and Sponsorship**.

Section 6 : Corporate Social Responsibility (CSR) Policy

- 6.1. CSR is a self-regulatory, morally-based endeavor that uses volunteerism to guarantee the sustainability of both our environment and society.
- 6.2. To maintain the sustainability of both society and the environment, SACOFA actively supports a range of CSR initiatives.
- 6.3. The authenticity and sincerity of CSR initiatives must be carefully considered to ensure that they are not being carried out in a way that might unlawfully impact a business outcome.
- 6.4. The organization that is being suggested as the receiver ought to be rightful and legitimate. Consequently, it is necessary to perform the proper due diligence in order to determine whether any public officials or government employees are connected to the organization. The selection and decision-making process ought to be open and transparent, with accurate documentation maintained.
- 6.5. The implementation of CSR activities necessitates approval and adherence to SACOFA instruments. These instruments ensure that the activities are designed to meet their intended purpose and provide benefits to the intended receiver or recipient(s).

Section 7 : Facilitation Payments Policy

- 7.1. Facilitation Payments are forms of satisfaction or inducements to ensure or speed up the performance of a normal task that a person is expected to complete as part of their daily activities and obligations. Small amounts are typically paid informally to speed up standard administrative procedures for things like licenses, permits, visas, and customs clearance.
- 7.2. It is forbidden for to seek, provide, promise, accept, agree to accept, or try to obtain anything that could be construed as a facilitation payment in any way, whether directly or indirectly.
- 7.3. The Group, its Directors, Employees, Suppliers, and Business Associates are prohibited from, directly or through a third party, giving or receiving facilitation payments. Directors, Employees, Suppliers, and Business Associates must comply with the **Group's Policy on Facilitation Payments**.
- 7.4. Facilitation payments include unofficial and improper payments or benefits, such as gifts or entertainment, provided to secure or expedite a routine or necessary action to which the Group is legally entitled. Facilitation payments are bribes and they could be small in value and solicited by both public and private sectors.
- 7.5. In a situation where a Director, Employee, Supplier, or Business Associate is pressured to make a facilitation payment to protect his/ her safety (i.e. life or limb) or freedom, he/ she must prioritise his/ her safety or freedom. If a facilitation payment is made in such situation, the payment must immediately be reported via Group Compliance, in accordance with the procedures set out in **Policy on Facilitation Payments**.

Section 8 : Conflict of Interest Policy

- 8.1.** To make impartial decisions in the best interest of SACOFA by recognising actual or potential conflict of interest. Director, Employee, Supplier, or Business Associate have a contractual obligation and are accountable for decisions made or actions taken, which should always be in the best interest of SACOFA.
- 8.2.** To uphold integrity and foster trust through unbiased and competent business decision-making, all stakeholders must identify and steer clear of any actual, perceived, or possible conflicts of interest.
- 8.3.** A conflict of interest occurs when a person's professional obligations or responsibilities at SACOFA collide with their personal interests, and when their neutrality is questioned or is thought to have been questioned.
- 8.4.** Any recognized conflict of interest, whether real or apparent, must be declared and reported right away by the stakeholder in accordance with SACOFA ABAC SOP. Along with taking the required steps, the Stakeholder must act quickly to remove himself or herself from the situation.
- 8.5.** In compliance with the Third Party Non-conflict of Interest with SACOFA procedure, Third Parties are required to report any conflicts of interest to the Head of Human Capital.

Section 9 : Business Incentives Policy

- 9.1.** Doing business or establishing new business opportunities may involve the use of business incentives, such as commissions, rebates, or referral fees, for promotional and marketing purposes or for referral into new business relationships or opportunities. That said, certain business incentives may be of questionable nature or may constitute a bribe formulated with the intention to obtain or retain undue business advantage.
- 9.2.** The Group, including Directors, Employees, and, where applicable, Business Associates must not provide or receive business incentives which are questionable in nature or are contradictory with anti-bribery laws and regulations.
- 9.3.** Business incentives provided by the Group or received by the Group's Directors or Employees must be in accordance with the **Group's Policy On Business Incentives**.

Section 10 : Dealing with Customers and Third Parties Policy

- 10.1.** The foundation of SACOFA's economic success is our understanding of our business partner, who also holds similar moral principles. With Third Parties and any individual or organization acting on behalf of SACOFA, SACOFA establishes confidence and a positive business connection or engages into a contractual arrangement.
- 10.2.** All Third Parties are expected to:
 - (i)** comply with this Policy.

- (ii) before beginning any business activities with SACOFA, to sign the Third Party Declaration Form, Customer's Annual Declaration Form, Third Party Non-conflict of Interest with SACOFA, or any other documents as stipulated by SACOFA.
 - (iii) take part in any SACOFA-mandated due diligence activities;
 - (iv) ensure that all relevant laws and rules—such as those against bribery and corruption—are followed at all times;
 - (v) ensure that any appointed subcontractors are informed of this Policy, SACOFA's "No Gift" Policy, and its zero tolerance for bribery and corruption; and
 - (vi) always conduct commercial dealings for and on behalf of SACOFA in a morally and professionally manner.
- 10.3.** All Personnel are obliged to refer to the ABAC SOP for additional guidance regarding business relationships with Third Party.

Section 11 : Third-Party Travel Policy

- 11.1.** Third-Party Travel refers to travelling-related expenditures, such as travel, meals, or accommodations, incurred for legitimate business activities, such as an audit or factory visit, which is incurred by a business counterpart and paid for by the Group. Inappropriate, excessive, or unnecessary Third-Party Travel poses a bribery risk, especially when the business activity in question involves a material interest of a specific party, e.g. an audit, and must not be provided or received.
- 11.2.** All Third-Party Travel provided by the Group or received by the Group's Directors and Employees must be authorised, processed, and recorded in accordance with the Group's **Group's Gift, Entertainment and Corporate Hospitality policy** (see section 4 of this policy document).
- 11.3.** All Third-Party Travel activities necessitates approval and adherence to SACOFA instruments. These instruments ensure that the activities are designed to meet their intended purpose and provide benefits to the intended receiver or recipient(s).

Section 12 : Business Dealings with Suppliers and Business Associates Policy

- 12.1.** The Group, in selecting its Suppliers and Business Associates, such as agents, consultants, distributors, or joint venture partners, places great emphasis on integrity and ethical business practices. The Group has established internal procedures which requires due diligence checks to be performed on Suppliers and Business Associates before appointment or engagement.
- 12.2.** Suppliers and Business Associates are required to have in place adequate procedures to prevent the conduct of bribery activity, especially when performing a work or service on behalf of the Group. For a business arrangement or conduct of business activity which bears a higher bribery risk, as assessed and determined by the Group from time to time,

the Group requires the Supplier or Business Associate involved to have in place written policies and procedures to prevent the conduct of bribery activities.

- 12.3.** All business dealing necessitates approval and adherence to SACOFA instruments. These instruments ensure that the activities are designed to meet their intended purpose and provide benefits to the intended receiver or recipient(s).

Section 13 : Interactions with Public/Government Officials and Politically Exposed Persons (“PEPs”) Policy

- 13.1.** Within its industry, SACOFA deals with Public/Government Officials (PEPs) and regulators, among others, who hold real or perceived authority to make or influence decisions that affect the company's operations and business.

- 13.2.** In order to get or maintain a business advantage, SACOFA will never unlawfully influence PEPs or public/government officials. Instead, it will make a sincere effort to conduct business in an open and honest manner. In all transactions and interactions with regulators, public/government officials, and PEPs, extreme caution and diligence are required.

- 13.3.** All personnel are required to adhere the ABAC Procedures, any applicable laws, and all rules and regulations governing interactions with public/government officials while dealing or interacting with PEPs and public/government officials.

- 13.4.** When engaging with PEPs and public/government officials, bear the following in mind:

(i) Any actions of bribery or corruption involving public/government officials and PEPs are strictly prohibited for all stakeholders.

(ii) All stakeholders who engage with PEPs and public/government officials (both domestic and foreign) on behalf of or in the name of SACOFA must use caution and adhere to the "PLOD" principles listed below:

- **Perception** - We must always act professionally and in accordance with SACOFA's principles and code of conduct in all of our dealings with public/government officials, or PEPs.
- **Legitimacy** - Our interactions with PEPs (public/government officials) must always be in line with SACOFA's company goals.
- **Objectivity** – We will always operate impartially and in a way that advances our business partnerships and corporate principles in all of our interactions with PEPs, or public and government officials.
- **Declaration** – Gifts, entertainment, and corporate hospitality with public/government officials or PEPs must be reported and approved in line with the LOA.

- 13.5.** All stakeholders must use appropriate caution and diligence in all of their interactions with public/government officials and PEPs while preserving professional working

relationships with them.

- 13.6.** In their dealing with PEPs, public/government officials, and any of their family or associates, the stakeholder(s) must not utilize or accept private cash for the advantage of the Company, any of the stakeholder(s), or both.
- 13.7.** The bribing of an Officer of a Public Body or a Foreign Public Official is an offence under the MACC Act 2009. Directors, Employees, Suppliers, and Business Associates of the Group who has dealings with any Officer of a Public Body or Foreign Public Official must exercise extra care to not engage, directly or through a third party, in any activity or transaction that may constitute, or be perceived to constitute, an attempt to bribe an Officer of a Public Body or Foreign Public Official.
- 13.8.** All interactions with Public/Government Officials and Politically Exposed Persons (“PEPs”) necessitates approval and adherence to SACOFA instruments. These instruments ensure that the activities are designed to meet their intended purpose and provide benefits to the intended receiver or recipient(s).

Section 14 : Political Contributions Policy

- 14.1.** Political contributions in any form are forbidden by SACOFA. It is forbidden for Stakeholder(s) to donate to political campaigns, political parties, political candidates, or any of their offices or officials, or to any organization linked with Stakeholder. SACOFA funds and resources are not for such purposes.
- 14.2.** The following actions by the stakeholder(s) are prohibited:
 - (i)** Using their position to persuade someone to endorse politicians or their parties or to contribute to politics in any way.
 - (ii)** Contributing to or spending money on any political campaign, party, or politician's behalf using SACOFA's resources.
 - (iii)** Supporting any political campaigns or candidates from government parties by using SACOFA's staff, resources, facilities, equipment, and other resources; and
 - (iv)** making a donation or contribution to a public or government official's preferred charity.

Section 15 : Recruitment - Avoiding Nepotism Policy

- 15.1.** SACOFA does not dissuade several family members from working for the company and instead follows an open and equitable recruitment process. Nonetheless, the company vehemently opposes nepotism and is dedicated to minimizing potential, real, or perceived conflicts of interest that may emerge when an employee reports to another employee or is constrained by authority at work in addition to personal, familial, and other similar relationships.
- 15.2.** Additionally, SACOFA maintains the right to respond appropriately when relationships

among its personnel have an impact on work ethics.

- 15.3.** All job referrals or requests for employment from public servants, outside parties, or consumers must go through the standard recruitment procedure and be recognized individually, regardless of whether they are accepted or denied. It is definitely forbidden to accept or accept any offer, whether in kind or at face value, in such circumstances.
- 15.4.** Any department that plans to hire a relative of a client or public/government official must notify the Human Capital Department in advance and perform due diligence on the candidate before hiring them.

Section 16 : Anti-Money Laundering/Counter Terrorism Funding Policy

- 16.1.** Money laundering and financing of terrorism are strictly forbidden by SACOFA in accordance with the relevant laws and regulations in each of the nations in which it conducts business.
- 16.2.** Every employee is required to read SACOFA's Policy and be aware of the possibility that the company's operations could be utilized for money laundering or terrorism funding.
- 16.3.** Employees must report to their HOD or the Compliance & Risk Department right away if they have any questions, if they notice any unusual transactions, or if they suspect that money laundering or terrorism funding is occurring.
- 16.4.** We must thoroughly examine any violations of money laundering and terrorism funding regulations, whether they come from Malaysia or any other foreign nation in which we conduct business. Based on the investigation's findings, appropriate and prompt action will be made to make sure we stick to SACOFA Instruments.

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