

**TOMYPAK HOLDINGS
BERHAD
ANTI – BRIBERY AND CORRUPTION
POLICY**

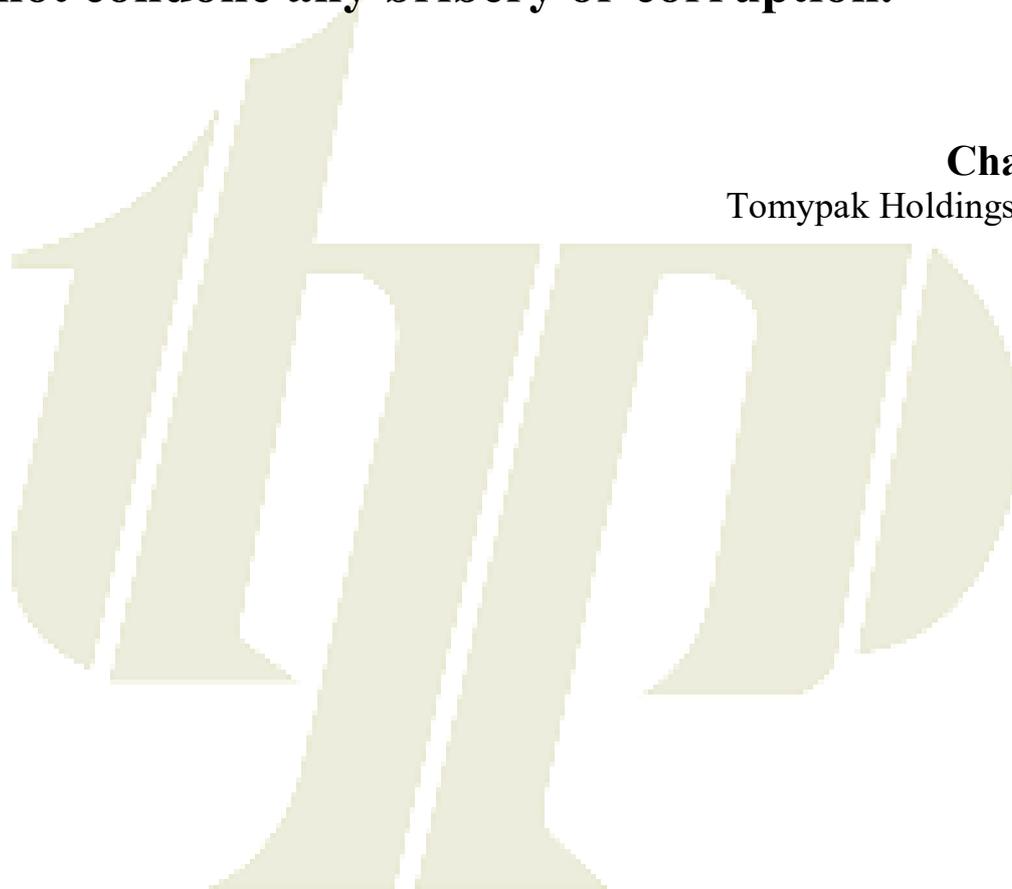
DATE: 29 May 2020

Anti-Bribery and Corruption Policy – Tomypak Holdings Berhad

Chairman Statement on Anti-Corruption

Tomypak conducts its business professionally with highest level of integrity. The Board of Directors and I personally are committed to conduct the business in accordance with all applicable anti-bribery laws and do not condone any bribery or corruption.

Chairman
Tomypak Holdings Berhad



TOMYPAK HOLDINGS BERHAD
ANTI BRIBERY & CORRUPTION POLICY

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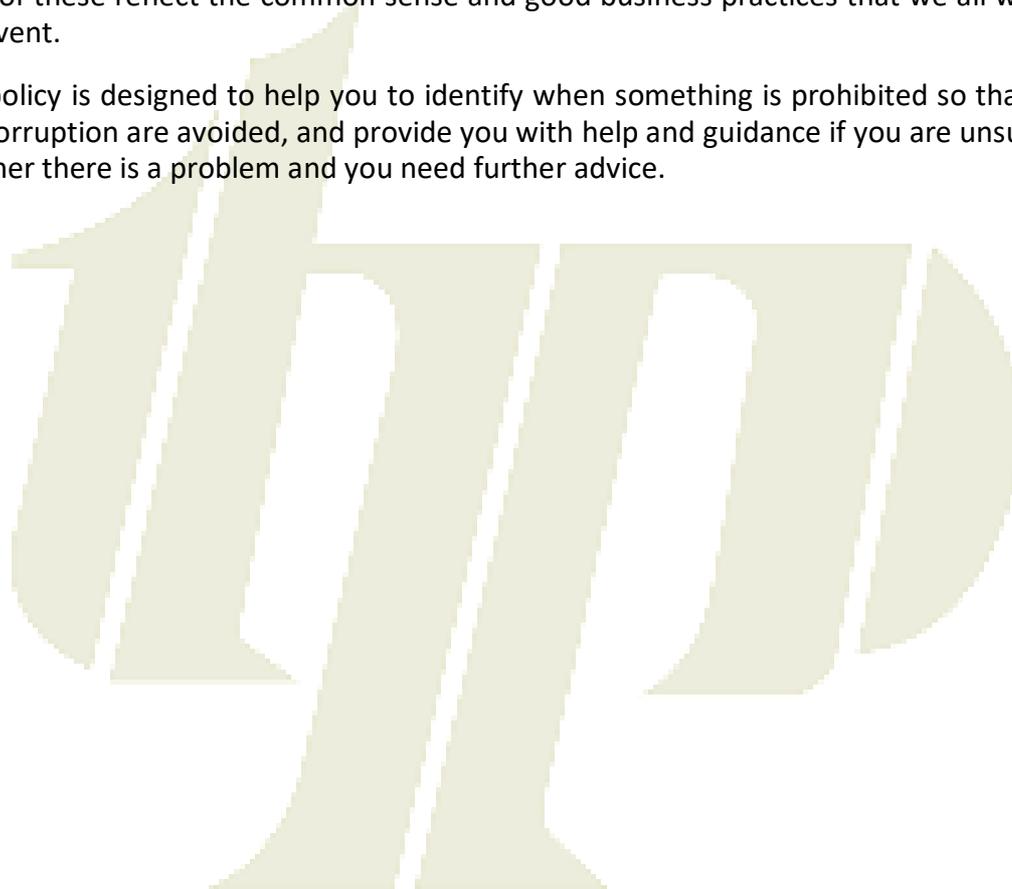
1. PURPOSE

This anti-bribery and corruption policy set out Tomypak Group of Companies (“TOMYPAK” or The “Group”) policies to prevent acts of bribery and corruption.

These policies and procedures have been designed to comply with legislation governing bribery and corruption in Malaysia which is **Section 16 & 17A of the MACC ACT 2009 (Amendment 2018)**.

This policy provides guidance on the standards of behaviour to which we must all adhere and most of these reflect the common sense and good business practices that we all work to in any event.

This policy is designed to help you to identify when something is prohibited so that bribery and corruption are avoided, and provide you with help and guidance if you are unsure about whether there is a problem and you need further advice.



2. SCOPE

The fundamental standards of integrity under which we operate do not vary depending on where we work or who we are dealing with.

This policy applies to every director (executive and non-executive) and employee (permanent or temporary) in TOMYPAK. This policy also applies but not limited to business associates which are joint venture partner, customers, suppliers, contractors, agents, and traders.

This policy sets out a single standard that all employees must comply with, regardless of whether local law or practices might permit something to the contrary.

Part of TOMYPAK's commitment to prevent bribery and corruption is to ensure that the people acting on our behalf also do so in compliance with effective anti-bribery and corruption policies.

Accordingly, where we engage third parties such as agents, we have obligations to complete appropriate level of due diligence when entering into arrangements to ensure that they are not acting corruptly, and to periodically monitor their performance to ensure ongoing compliance. In short, if we cannot do it, neither can they.

Failure to comply with this policy, whether or not this is intentional, may lead to disciplinary action (up to and including dismissal), and criminal liability for the individual involved (up to and including imprisonment). Employees will be required to confirm that they have read and understood the policy and that they comply with its terms as part of their ongoing employment assessment processes. In addition, relevant employees will be required to attend training to support the guidance in this policy.

3. BRIBERY

3.1 DEFINITION

Offering, promising, giving, accepting, receiving or agreeing on receive any gift, hospitality and similar benefits of any value (which could be financial or non-financial), directly or indirectly, and irrespective of location (s), in violation of applicable law, as an inducement or reward for a person acting or refraining from acting in relation to his/her performance of duties to give or receive any improper advantage.

3.2 EXPLANATION

Bribery involves the following:

- when a financial or other advantage is offered, given or promised to another person with the intention to induce or reward them or another person to perform their responsibilities or duties improperly (it does not have to be the person to whom the bribe is offered that acts improperly); or
- when a financial or other advantage is requested, agreed to be received or accepted by another person with the intention of inducing or rewarding them or another person to perform their responsibilities or duties inappropriately (it does not have to be the person who receives the bribe that acts improperly).

It does not matter whether the bribe is:

- given or received directly or through a third party (such as someone acting on TOMYPAK's behalf, for example an agent, distributor, supplier, joint venture partner or other intermediary); or
- for the benefit of the recipient or some other person.

3.3 EXAMPLES

Bribes can take many shapes and/or forms, examples as below:

- money (or cash equivalent such as shares);
- unreasonable gifts, entertainment or hospitality;
- kickbacks;
- unwarranted rebates or excessive commissions (e.g. to sales agents or marketing agents);
- unwarranted allowances or expenses;
- “facilitation” payments/payments made to perform their normal job more quickly and/or prioritise a particular customer;
- political/charitable contributions;
- uncompensated use of company services or facilities;
- client representative or public official travel;
- promotional expenses;
- sponsorship;
- community benefits;
- training;
- club memberships;
- personal favours;
- confidential and privileged information; or
- anything else of value.

This policy applies to both the public and private sectors. Dealing with public officials poses a particular high risk in relation to bribery and corruption and specific guidance when dealing with public officials is set out below. A breach of bribery laws can result in fines for both the company and the individual involved and, in some jurisdictions, could also result in imprisonment.

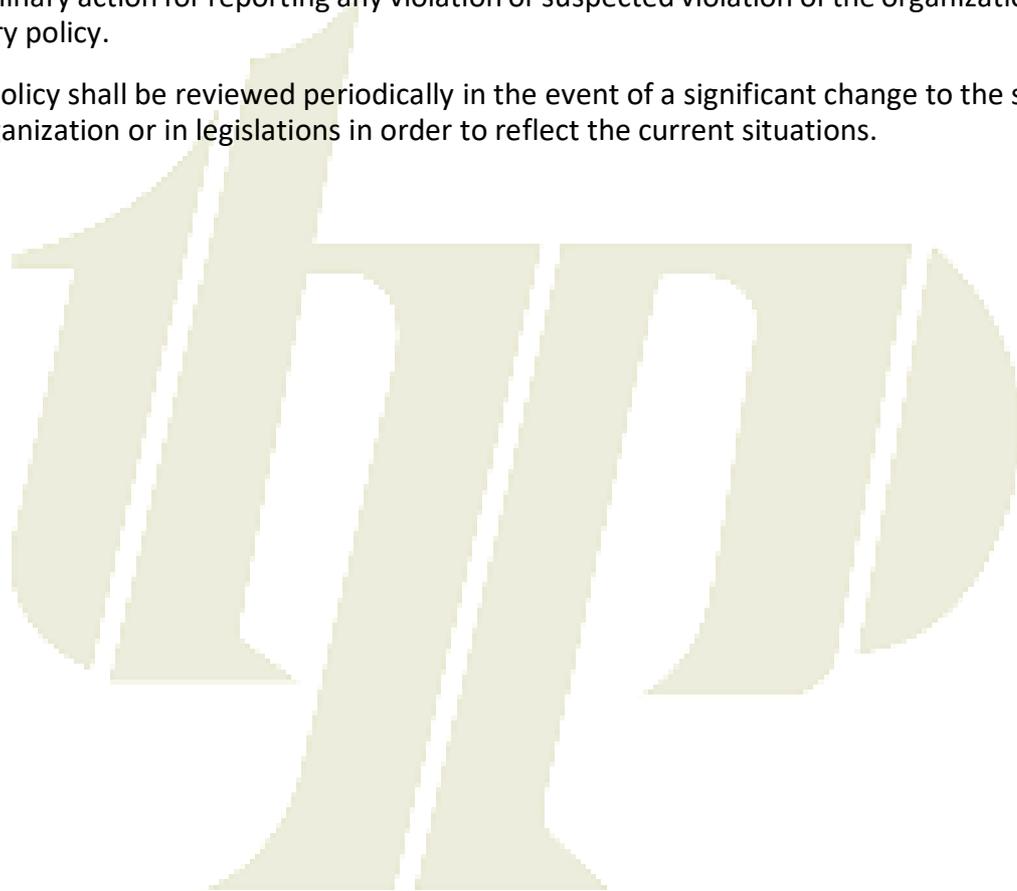
4. GOVERNING BODY AND TOP MANAGEMENT'S COMMITMENT

The Governing Body (The Board) and management shall promote an appropriate anti-bribery culture within the organization and are fully committed to act independently and with integrity in engaging business transactions.

The management together with all the departments will be identifying, assessing and monitoring bribery and corruption risks on periodic basis. Please refer to *Key Risk Register*.

The management has to ensure that no personnel will suffer retaliation, discrimination or disciplinary action for reporting any violation or suspected violation of the organization's anti-bribery policy.

This policy shall be reviewed periodically in the event of a significant change to the structure of organization or in legislations in order to reflect the current situations.



5. DEALING WITH THIRD PARTIES

TOMYPAK could be liable for the acts of people that act on our behalf.

As such we are committed to promoting compliance with effective anti-bribery and corruption policies by all third parties acting on behalf of TOMYPAK.

All third parties should be made aware of the terms of the TOMYPAK's **Third Party Code of Conduct** and of their obligations to comply with it.

Appropriate due diligence should be undertaken before any third parties are engaged. The appropriate level of due diligence will vary depending on the circumstances and you should use your judgement on a case by case basis.

If conflict of interest or red-flag arises at any point during due diligence or dealings with a third party, this may require further investigation and all concerns must be sufficiently addressed before the engagement with the third party can progress.

All arrangements with third parties should be subject to clear contractual terms including specific provisions requiring them to comply with minimum standards and procedures in relation to bribery and corruption. Appropriate wording to be included in contracts can be obtained from TOMYPAK's Group Legal.

You must not engage any third party who you know or reasonably suspect of engaging in bribery.

5.1 AGENTS, CONTRACTORS, TRADERS AND SUPPLIERS

TOMYPAK conducts sufficient and appropriate due diligence prior to engaging a new supplier or contractors which in an unbiased and transparent manner. Further details are set out in [Purchasing Operating Procedure: PREQ-PUR-001](#).

TOMYPAK only engage the approved supplier and contractors from approved supplier/contractors listing to prevent bribery and corruptions.

All suppliers and contractors must be aware of the clause in **Third Party Code of Conduct** in order to comply with TOMYPAK's Anti-Bribery and Corruption policy when performing their work or service.

Any third party who violates the Anti-Bribery and Corruption Policy will result in termination of their contracts and services.

Questions you should be asking yourself include:

- who are they – have I seen documents evidencing that they are who they claim they are?

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- who else have they worked with – do they have references?
- are they well established with a good reputation or are they more obscure so that I need to do more to find out about them?
- do they operate in a territory where bribery is prevalent?
- are they happy to sign a contract agreeing to comply with anti-bribery procedures?
- do they have their own anti-bribery programme?
- have I done basic searches such as Google searches, business directory searches, etc?
- are there inconsistencies between the provider of the services and the person I am paying?
- are commissions/payments in line with generally accepted market practice?

On top of that, some high-risk transactions or activities will require enhanced due diligence which may require independent investigation. Employees will be provided with helpful guidance and checklists where appropriate to support the due diligence process.

All payments and commissions to third parties must:

- be made in accordance with TOMYPAK's *Bank Signatories* and the local policies relevant in your business as set by your department manager;
- be made via bank transfer through the accounts payable system and be fully accounted for;
- must be in line with generally accepted rates and business practices for the service in question and should not be unjustifiably excessive or unsupportable; and
- must be made in accordance with the terms of the contract with the person or company providing the services.

5.2 CUSTOMERS

We will perform appropriate and proportionate due diligence on all customers at take-on and on an on-going basis. In particular, we will consider the extent to which the jurisdiction of these parties could aggravate or otherwise impact the risk of bribery and corruption pose to our business. We will not engage with anyone if we have grounds to suspect that they may be involved in or linked to any acts of bribery. Further details are set out in *Customer Assessment Process*.

If you have any concern that arrangements with a third party are not in accordance with this policy, you should seek assistance from **Human Resource Department**.

6. GIFTS, ENTERTAINMENT AND HOSPITALITY AND SIMILAR BENEFITS

Giving or receiving gifts, entertainment or hospitality is often an important part of maintaining and developing business relationships. Lavish or unreasonable gifts or hospitality, whether these are given or received, are unacceptable as they can create the impression that we are trying to obtain or receive favourable business treatment by providing individuals with personal benefits.

In addition, gifts and hospitality can themselves be a bribe. Be careful to avoid even the appearance that the giving or accepting of gifts, entertainment or hospitality might influence the decisions you take on behalf of TOMYPAK.

TOMYPAK has adopted no gift policy. The Group's employees and Directors, family members or agents acting for or on behalf of the Group's employees, Directors or their family members are prohibited from, directly or indirectly, receiving or providing gifts.

The Group requires employees and Directors 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 dealing between the Group and external parties as gift can be seen as a bribe that may tarnish TOMYPAK's reputation or be in violation of anti-bribery and corruption laws.

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 the Group 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 the Group from its employees and Directors in the performance of their duties and obligations.

It is the responsibility of employees and Directors to inform external parties involved in any business dealings with the Group that the Company practices a "No Gift" Policy and to request the external party's understanding for and adherence with this policy.

6.1 RECEIVING GIFTS

In very limited circumstances, whereby refusing the gift is likely to severely offend and affect the Group's business relationship with the third party, accepting of gift is allowed. The employee shall declare the gift in a standard form (FORM 4), certify by Head of Department and submit to Human Resource Manager in accordance to the procedures set out in [Code of Conduct](#).

6.2 RECEIVING ENTERTAINMENT AND HOSPITALITY

It is important for employees to exercise proper care and judgment before accepting entertainment and hospitality offered or provided by a third party. Employees should submit the details of the entertainment and hospitality to Human Resource Department through respective Head of Department in standard form (FORM 3) in accordance to the procedures set out in *Code of Conduct*, if any of the following circumstances exist:

- Received lavish entertainment or hospitality;
- Received entertainment or hospitality party that came with a direct/indirect suggestion, hint, understanding or implication that some expected or desirable outcome is required; or
- The entertainment or hospitality is extended to family members.

6.3 GIVING GIFTS, ENTERTAINMENT AND HOSPITALITY

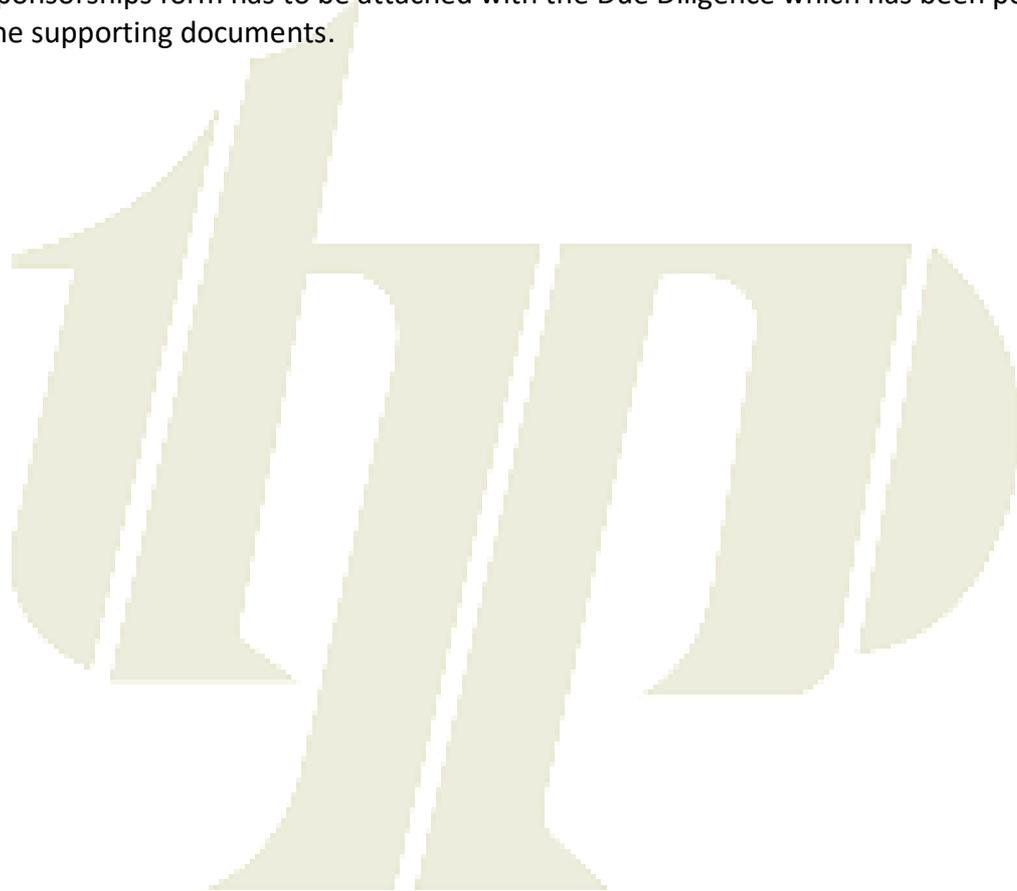
TOMYPAK is providing modest entertainment to foster good business relationship with Third Parties. Employees should submit the details of the entertainment and hospitality to Human Resource Department through respective Head of Department in standard for (FORM 3) in accordance to the procedures set out in *Code of Conduct*, if any of the following circumstances exist:

- Offered lavish entertainment or hospitality;
- Offered entertainment or hospitality party that came with a direct/indirect suggestion, hint, understanding or implication that some expected or desirable outcome is required; or
- The entertainment or hospitality is extended to family members.

7. CHARITABLE DONATIONS AND SPONSORSHIPS

TOMYPAK has received invitation on sponsoring annual dinners. Any contribution or sponsorship in monetary form should be given only to an organization and not to an individual in order to ensure the funding never improperly influences a business outcome.

Due Diligence has to be done on Charitable Organization and approvals for contributions and sponsorships have to be in accordance to **Approval Matrix** with corresponding details recorded down in the **Charitable Donations and Sponsorships form**. The Charitable Donations and Sponsorships form has to be attached with the Due Diligence which has been performed and the supporting documents.

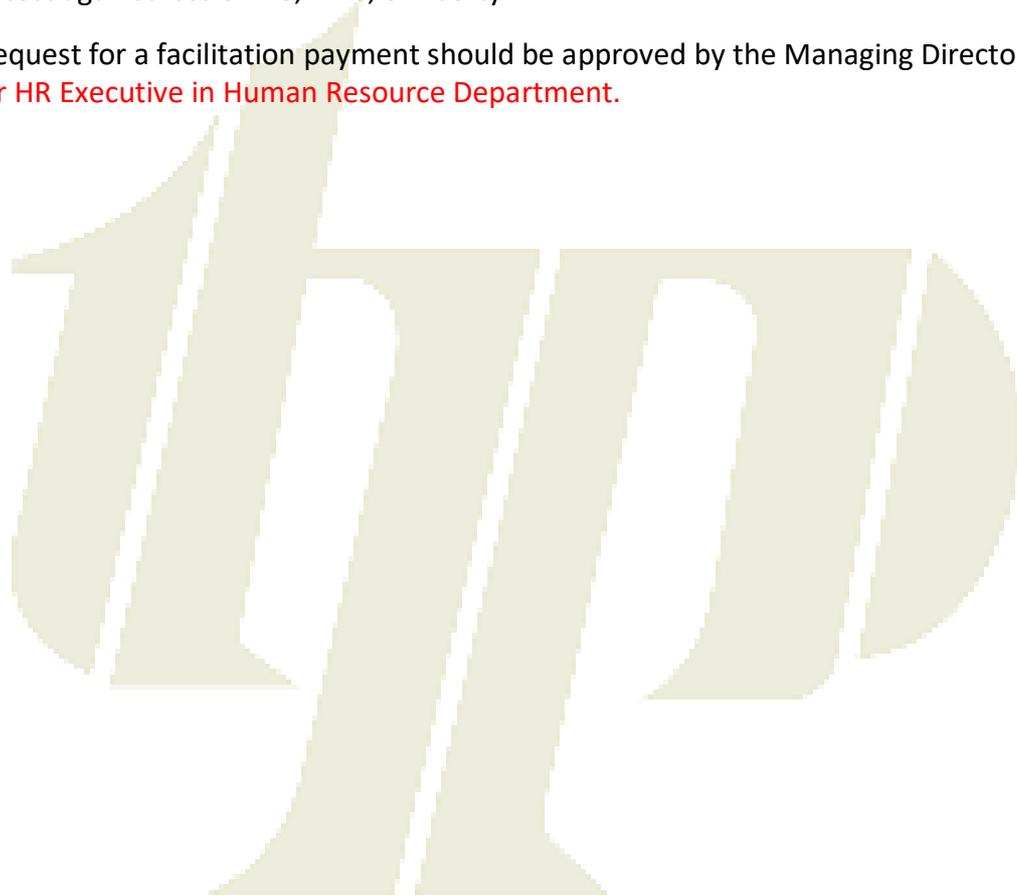


8. FACILITATION PAYMENTS

Facilitation payments are any payments, no matter how small, given to Public Body or Private Body to expedite the progress at which they do their job for instances custom declaration, health and safety certification.

All facilitation payments are generally prohibited no matter is directly or through Third Party Agency. However, your safety is our primary concern and we understand that there may be circumstances in which you have no alternative but to make a facilitation payment in order to protect against loss of life, limb, or liberty.

Any request for a facilitation payment should be approved by the Managing Director, via the **Senior HR Executive in Human Resource Department**.



9. PUBLIC OFFICIALS

Although this policy applies to both public and private sectors, dealing with public officials poses a particularly high risk in relation to bribery due to the strict rules and regulations in many countries. Caution must be exercised when dealing with public officials.

Public officials include those in government departments, but also employees of government owned or controlled commercial enterprises, international organisations, political parties and political candidates.

Employees are prohibited from provision of money, gift, entertainment and non-business travel and hospitality, no matter how small the value, to any public official for the purpose of influencing them in their official capacity.

POLITICAL DONATIONS AND CONTRIBUTION

Employees and business associates are prohibited from making political donations or contributions on behalf of TOMYPAK.

If any contribution is made by TOMYPAK's employees or business associates in personal capacity, it must be permissible under applicable laws and must not be made with any promise or expectation of favourable treatment in return.

10. RECRUITMENT

Employee is one of the stakeholders in an organization. Adequate controls on recruitment of employee is a vital activity in an organization. Inadequate controls of recruitment of employee, for instance request from an Individual from Public Official, third parties or related parties of TOMYPAK to hire close family in exchange for business benefits, shall potentially expose TOMYPAK to bribery of corruption cases or conflict of interest.

TOMYPAK shall conduct due diligence on the Group's employees at an early stage in the process of recruiting any potential employee, in particular where there is significant exposure to bribery and corruption risk. As part of TOMYPAK's due diligence procedures, employee has to go through standard hiring procedure including appropriate screening of documents about employee and interview shall be conducted, to understand his/her background and ensure that he/she is not involved in unlawful activities. Further details are set out in *Recruitment Process: SOP-PER-01*.

11. CONFLICT OF INTEREST

"Conflict of interest" exist when an employee is/could be influenced by a personal interest in carrying out his duties at TOMYPAK. A conflict of interest can be intentional, perceived or potential. Conflict of interest is an act that leads to partial decision making which constitute the element of a corrupt conduct.

Conflict of interest may arise directly or indirectly through an intermediary, such as third-party, friends or family. As such, TOMYPAK requires all employees to report any actual or potential conflict of interest such as family, financial or other connection directly or indirectly related to their line of work to local Human Resource Personnel **annually** by completing *Form 2*.

12. FINANCIAL AND NON-FINANCIAL CONTROLS

TOMYPAK adopts segregation of duties for all job junctions (i.e. financial and non-financial related) within the Group. Designated personnel for preparing, verifying and approving each transaction / activity are documented in written procedures (i.e. internal operational standard operating procedure, *PR Approval Matrix* and *Bank Signatories Resolutions*) and communicated to employees of TOMYPAK for compliance and adherence.

13. RECORD KEEPING

Records include accounts, invoices, correspondence, memoranda, tapes, discs, papers, books, and other documents or transcribed information of any type. Head of Department must maintain written records to evidence that adequate financial and non-financial controls established within TOMYPAK have taken place to mitigate any bribery / corruption risks. All the records shall be retained for at least seven (7) years from its date of generation, to enable TOMYPAK to comply with any requests from the relevant authorities.

14. TRAINING AND COMMUNICATION

All new employees will be briefed about this policy as part of their induction training on first working day and all existing employees will receive regular training including but not limited to compliance with laws, regulations or internal written procedures relevant to TOMYPAK's line of business and the position they hold in TOMYPAK.

TOMYPAK acts with due care before engaging with new business associates and ensure that they acknowledge TOMYPAK's commitment on prohibiting bribery / corruption activities within the Company. Human Resource Department shall ensure copy of TOMYPAK's *anti-bribery and corruption policy*, *Code of Conduct* and *Whistleblowing Policy* are made available to each business associate.

Further details are set out in *Identification of Training Needs: SOP-PER-003*.

15. COMPLIANCE WITH THE POLICY

It is the responsibility of Human Resource Department to ensure compliance with this policy in each business.

Ultimate responsibility for compliance with this policy throughout the group is taken by the TOMYPAK's Human Resource Department. However, each of us has an obligation to act with integrity and to ensure that we understand and comply with the policy.

Ongoing compliance will be monitored and reported by TOMYPAK's Internal Audit team. We will conduct on-going monitoring of our anti-bribery policies and procedures and adherence to these to ensure that they remain appropriate and proportionate to our business.

Training will be provided to relevant TOMYPAK employees throughout the group to support them in complying with their responsibilities. If you are not selected for training but believe that it is relevant for you then please ask your TOMYPAK Human Resource Personnel for further information.

In addition, all employees will be required to confirm that they have understood and complied with the policy annually.

16. WHISTLEBLOWING

TOMYPAK is committed to ensuring that employees can speak up with confidence if they have any concerns or need to ask for help.

If you suspect or observe anything that you think might be in contravention of this policy, you have an obligation to report it.

You should raise your concerns with Whistle Blowing Committee in the first instance. Alternatively, you can report your concerns under TOMYPAK's [Whistleblowing Policy](#).

TOMYPAK will not tolerate retaliation in any form against anyone for raising concerns or reporting what they genuinely believe to be improper, unethical or inappropriate behaviour.

All reports will be treated confidentially.

17. FURTHER INQUIRY

If you are unsure about your obligations under this policy, you should contact one of the following people for help:

- Personnel from Human Resource Department.

