

## **Anti-Bribery and Corruption Policy**

---

### **1.0 Objective**

Apollo Food Holdings Berhad (“Company”) (together with its subsidiaries, “the Group”) is committed to carry out business ethically in accordance with all requirements of anti-bribery and corruption laws.

This Anti-Bribery and Corruption (“ABC”) Policy serves as a guide on methods to prevent, deal and combat with activities involving bribery and corrupt that may arise in normal business operations. The ABC Policy is founded on the principles and values of Code of Conduct and Ethics approved by the Board and therefore, the Group upholds highest standards of integrity in all business interactions and a zero-tolerance on any and all forms of Bribery and Corruption (including but not limited to, the acts to promise, offer, give, accept or obtain any Bribery and Corruption and any attempt thereof).

### **2.0 Scope**

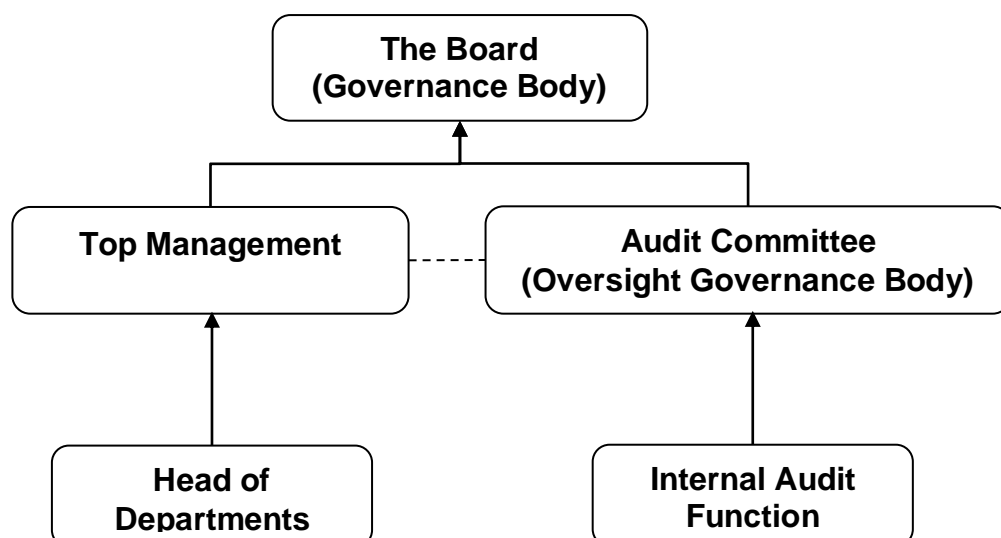
This Policy is applicable to all the Group’s employees, directors (executive and non-executive) and any person who performing works or services for or acting on behalf of the Group.

Under this policy, any person is prohibited to:

- Give, promise or offer anything of value to obtain any personal or business advantage; or
- Accept or receive anything of value in order to influence the decision in carrying out the Group’s business.

Anything of value can take in the forms of including monetary, services, donation, employment, gift, entertainment, gifts or stocks in either directly or indirectly.

### **3.0 Roles and Responsibilities**



### **3.0 Roles and Responsibilities (continued)**

The roles and responsibilities of each function in the ABC Compliance Management (“ABCM”) are as follows:

<b><u>Function</u></b>	<b><u>Roles and Responsibilities</u></b>
Board of Directors (“the Board”)	<ul style="list-style-type: none"><li>• To review, determine and approve the Group’s ABC Policy and subsequent reviews;</li><li>• To ensure that the ABC Policy complies with the Group’s mission, vision, strategies and business objectives; and</li><li>• To ensure the adequacy and effectiveness of implementation of the ABC Policy.</li></ul>
Audit Committee (“AC”)	<ul style="list-style-type: none"><li>• To ensure that identified bribery and corruption are being responded appropriately with the result and recommendation reported to the Board;</li><li>• To review the reports on the incidents reported under whistleblowing channel and whether adequate action plans have been taken; and</li><li>• To review the adequacy and effectiveness of internal control established and implemented by Top Management.</li></ul>
Top Management	<ul style="list-style-type: none"><li>• To ensure that adequate and appropriate resources are allocated and assigned to implement and for effective and efficient operation of ABC Compliance Management, including provide proper guidance and direction;</li><li>• To cultivate appropriate ABC culture within the Group;</li><li>• To establish appropriate reporting channel for suspected and actual bribery and corruption; and</li><li>• To ensure all employees within the Group have received adequate trainings in relation to ABC.</li></ul>
Head of Departments	<ul style="list-style-type: none"><li>• To integrate ABC Policy into the business processes under his/her control;</li><li>• To assist with the development of the management action plans and implement these action plans;</li><li>• To ensure that his/her staffs understand the ABC Policy and the importance to comply the ABC Policy; and</li><li>• To ensure staff receives adequate training on ABC Policy annually and upon joining.</li></ul>
Internal Audit Function	<ul style="list-style-type: none"><li>• To perform review on the adequacy and effectiveness of the Group’s governance and control structure based on the internal audit plan reviewed by AC and approved by the Board;</li><li>• To review whether all relevant bribery and corruption risks have been identified and managed adequately for business activity under review and to report the same to AC; and</li><li>• To verify compliance with the ABC Policy and relevant anti-bribery and corruption laws and regulations and to report the same to AC.</li></ul>

## **4.0 Gift**

All employees are prohibited to act on behalf of the Group from directly or indirectly providing or receiving gifts. Under no circumstances may Group employees accept gifts in the form of:

- Cash or cash equivalent, including voucher, discounts or any other related forms.
- Receive or provide gift in High Risk Country.
- Gifts which come with a hint direct or indirect that some expected outcome is required in return for the gift.
- Gifts that would be illegal or in breach of local or foreign bribery and corruption laws.
- Gifts which are lavish or excessive, e.g. valued above the maximum threshold of RM300.00 or equivalent permitted by the Group.

Employees are responsible to inform external parties who dealing business with the Group that the existence of this policy and to request the external party understands for and adherence with this policy.

### **4.1 Receiving Gifts**

The Group is aware that in certain cultures gift giving is part of business etiquette and it is a very delicate matter for exchanging gifts. Even if it may appear disrespectful to reject a gift from an external party, the gift must be politely returned with a note of explanation about the implementation of ABC policy in this situation.

In some exceptional situations whereby rejecting the gift is likely to seriously offend and may sever the Group's business relationship with an external party, accepting the gift is allowable with a maximum value of RM300.00. However, relevant employees are required to immediately or in any event not more than five (5) working days from receiving the gift to record the gift in the Gift/Entertainment/Corporate Hospitality/Travelling Register Form and submit it to the Head of Departments and Executive Chairman who will then decide whether to approve the acceptance of the gift or return it.

In the event the acceptance of the gift is approved, the treatment of the gift will be either one of the following:

- Donate the gift to the charity; or
- Hold it for department display; or
- Share with other employees in the department; or
- Permit it to be retained by the employee.

Heads of Departments and Top Management are expected to exercise proper care and judgment in each case by take into account applicable circumstances including the gift's amount, characteristic, purpose, receiver's seniority, frequency and cultural norms.

### **4.2 Providing Gifts**

In general, all employees are not allowed to provide gifts to third party, unless approval is gained from the Head of Departments and the Executive Chairman. In accordance to the standard operating procedure related to application of gift and entertainment, the gifts shall not be more than RM300.00 and not more than 2 times per year.

## **4.0 Gift (continued)**

### **4.2 Providing Gifts (continued)**

All provision of gift to third party required prior approval from the Head of Department and Executive Chairman, relevant employees are required to apply for the intended gift to third party with the estimated value of entertainment in the Gift/Entertainment/Corporate Hospitality/Travelling Register Form and submit to the Head of Departments who will then decide whether to approve the provision of gift. If the Head of Departments and Executive Chairman decide not to provide gifts, relevant employees shall be prohibited to provide such gift.

All claims on gift shall be subject to the standard operating procedure on payment and claim and authority limit manual implemented by the Account Department. Details such as gift, organization's name and representatives which the entertainment provided to shall be recorded and posted accordingly in the accounting system for monitoring.

### **4.3 Exceptions**

There are certain exceptions whereby the receiving and provisions of gifts by employees are permitted in the following situations, subject to approval by Executive Chairman:

- Exchange of gifts at the Company-to-Company level;
- Gifts from the Group in relation to the Group's official functions, events and celebrations;
- Gifts to employees in relation to an internal or externally recognized corporate function, event and celebration;
- Token gifts (RM200.00 or below) of nominal value normally bearing the official logo of the Group or the giver that are given out to all participants attending official events organized or attended by the Group and for the Group's or the giver's brand building or promotional activities; and
- Gifts to external parties who have no business relationships with the Group, e.g. Donation and Sponsorship.

## **5.0 Entertainment**

The Group's recognizes that providing or receiving modest entertainment is a legitimate way of business relationship as part of business networking and to foster good business relationship with external clients. Only eligible employees are allowed to entertain external client through a reasonable act of hospitality.

Employees and Directors are strictly prohibited from providing or offering to provide entertainment with a view to improperly cause undue influence on any party in exchange for some future benefits or results.

Certain types of entertainment activities which are never permissible and employee should immediately refuse if it involves the following:

- a) Any entertainment that comes with a direct / indirect suggestion, hint, understanding or implication that in return for the entertainment provided some expected or desirable outcome is required.
- b) Any entertainment activities that would be illegal or in breach of local or foreign bribery laws.
- c) Any entertainment in High Risk Country.

## **5.0 Entertainment (continued)**

- d) Any entertainment activities that would be perceived as extravagant lavish and excessive or may adversely affect the reputation of Group. The limit for entertainment is restricted to maximum RM200.00 per headcount per event. Any amount of entertainment from RM100.00 to RM200.00 per headcount is required to obtain Executive Chairman's approval before proceed.
- e) Any entertainment activity that is sexually oriented or may otherwise tarnish that reputation of Group.

All entertainment receive/provide required prior approval from the Head of Department and Executive Chairman, relevant employees are required to apply for the intended entertainment with the estimated value of entertainment in the Gift/Entertainment/Corporate Hospitality/Travelling Register Form and submit to the Head of Departments who will then decide whether to approve the provision of entertainment. If the Head of Departments and Executive Chairman decide not to provide entertainment, relevant employees shall be prohibited to receive/provide such entertainment.

## **6.0 Donation and Sponsorship**

All charitable donations, contributions and sponsorship provided by the Group must be in tune with the Group's normal business operations and reflect the Group to operate in an ethical manner.

Any donations or sponsorship shall only be made to a properly established and legitimate charity or organisation. The Group prohibits all employees to make any direct or indirect political donations to political parties, organisations or individual engaged in politics and the Group is not and will not affiliated with any political party, independent candidate or with any other organisation whose activities are primarily political.

In accordance with the standard operating procedure, all donations or sponsorship required prior approval from the Head of Departments and Executive Chairman. In the case where donation or sponsorship is rejected, all employees are prohibited to provide donation and sponsorship to such organisation or charity.

Summary of donations and sponsorship must be submitted to Account Department for record and filing purposes. The Sales Department shall prepare monthly listing of the donations or sponsorship made by the Group during the month for tracking purposes and report to the Board during scheduled meeting as required.

## **7.0 Facilitation Payment**

Facilitate payment are typically small, unofficial payments made to secure or expedite a routine action that an official is obligated to perform. All employees acting for or on behalf of the Group must not offer, promise, give, request, accept or receive anything which might reasonably be regarded as a facilitation payment.

## **8.0 Tradition or Customary Practices**

Unless prohibited by relevant local or foreign bribery and corruption laws and subject to the approval from Executive Chairman, only the followings can be provided by the Group or received by the Group and employees in relation to the tradition or customary practices within such country and in order to foster cordial working relationship with third party:

- a) Gift during festivities or red/green packet for wedding or birth of child as a sign of blessing or money donation as a token of condolences at funeral at an amount that is not more than RM1,000.00; and
- b) Contribution to the corporate event or official function (such as annual dinner or family day event) at an amount that is not more than RM3,000.00.

### **8.1 Token of Blessing or Condolences and Contribution Given and Received by the Group**

All token of blessing or condolences given, and contribution made by the Group for the corporate event or official function of the third party shall require the approval of Executive Chairman in accordance with standard operating procedure.

All token of blessing or condolences received, and contribution received by the Group for the corporate event or official function of the Group shall require approval by Executive Chairman.

All payment and receipt by the Group in relation to token of blessing or condolences and contribution to the corporate event or official function submitted by employees shall be subject to the standard operating procedure on payment and claim as well as receipt as well as relevant approval requirement(s), with the important details of the giving and contribution, name of the organisation and designation of representatives the token of blessing or condolences is given or received, shall be recorded for monitoring.

The Account Department shall prepare listing of the token of blessing or condolences and contribution made by and received by the Group and submitted to Executive Chairman for review and report to the Board on an annual basis.

## **9.0 Money Laundering**

All employees acting on behalf of the Group must not involve, directly or indirectly in any money laundering activities.

## **10.0 Dealing with Public Official and Political Exposed Person**

All employees acting on behalf of the Group must not offer, promise, give anything which might reasonably be regarded gift, entertainment, corporate hospitality, CSR programme, donation and sponsorship to Public Official or Political Exposed Person or Person Connected to them in High Risk Country.

All employees acting for or on behalf of the Group must not offer, promise, give anything which might reasonably be regarded gift, entertainment, corporate hospitality, CSR programme, donation, sponsorship to Public Official or Political Exposed Person or Person Connected to them in country other than High Risk Country unless it is permissible under the applicable laws and regulations and prior approvals are obtained from Head of Department and Executive Chairman and subject to maximum threshold applied.

## **11.0 Lobbying**

All Officers, Employees and Business Associates acting for or on behalf of the Group must not participate in any lobbying activities and must not offer, promise, give anything which might reasonably be regarded lobbying fees.

## **12.0 Control Activities**

The financial controls, non-financial controls and due diligence process are implemented in order to manage and prevent bribery and corruption risks identified by the Group.

### **1. Financial Controls**

The Group shall implement relevant financial controls that manage bribery and corruption risks and to manage the financial transactions properly and to record these transactions accurately, completely and in a timely manner.

Relevant financial controls are documented in the relevant standard operating procedures and work instructions maintained by the Group.

### **2. Non-Financial Controls**

The Group shall implement relevant non-financial controls that manage bribery and corruption risks and to manage with respect to such areas as procurement, operational, sales, commercial, human resources, legal and regulatory activities.

Relevant non-financial controls are documented in the relevant standard operating procedures and work instructions maintained by the Group.

### **3. Due Diligence**

Due diligence will be conducted on employees and third party (including any Business Associates that act on behalf of the Group) before entering into any official relationship with the Group. These include a search through relevant databases, background checks, document verification and self-declaration.

Relevant due diligence process for employees and third party are documented in the relevant standard operating procedures and work instructions maintained by the Group.

The financial controls, non-financial controls and due diligence process implemented are subject to continuous improvement based on the results of the subsequent risk assessment, incident management, responses to non-compliances and review, evaluation and continuous improvement.

## **13.0 Conflict of Interest**

A conflict of interest arises in any situation in which an individual is in a position to take advantage of his or her role at the Group for his or her personal benefit, including the benefit of his or her family and friends. A conflict of interest can make it difficult for an individual to fulfil his or her duties impartially and correctly. A conflict of interest can exist even if it results in no unethical or improper acts. Even the appearance of improper influence in decision-making may be an issue. A conflict of interest will undermine the values of good faith, fidelity, diligence and integrity in the performance of duties and obligations as expected.

### **13.0 Conflict of Interest (continued)**

All employees and business associates acting for or on behalf of the Group (including Person Connected to them) must avoid situations in which personal interest could conflict with their professional obligations or duties and must not use their position and authorities, the Group's resources and assets, or information available to them for personal gain or for the benefit of the Person Connected to them or to the Group's disadvantage.

All employees and business associates must disclose their interest in the contemplated transaction or contract and such interested employees are abstained from participating in the discussion and decision in relation to the interested transaction or contract and comply with the Companies Act 2016, Main Market Listing Requirements and other relevant laws and regulations.

If the employees and business associates acting for or on behalf of the Group are unsure whether they have either an actual or potential conflict of interest, they should consult Head of Departments and Top Management for advice.

### **14.0 Dealing with Business Associates**

All forms of bribery and corruption are unacceptable and will not be tolerated. The Group dealings with business associates must be carried out in compliance with all relevant laws and consistent with the values and principles of this ABC Policy.

Supplier Evaluation Form and Customer Application Form must be filled in by all supplier and customer before appointment or engagement. Supporting documents such as statutory registration information, corporate profile, latest audited financial statements, directors and key management personal details, authorisation for credit information search, etc. should be obtained.

Business associate will be informed the importance of countering bribery and corruption, expectations on the ways of business associates' employees to act and how to recognise and deal with particular bribery and corruption risks.

Annual performance appraisal for all business associates that are classified as higher risk in accordance to threshold set in respective department SOP are required to be performed by responsible Head of Departments at end of financial year.

### **15.0 Dealing with Employees**

Any qualified and competent individual are provided with equal opportunity to be employed by the Group from various multicultural and multiracial background, sources form externally, local and internationally.

Candidate who intends to establish relationship with the Group is required to provide basic and important information via Employment Application Form. A Declaration of Interest Form and supporting documents such as identity registration documentation, employment history and evidence, education record and evidences, etc.

HR Department shall perform briefing of ABC Commitment, ABC Policy and ABCM of the Group to the candidate during interview. The HR Department is required to perform annual performance appraisal for all employees with the assistance of Head of Departments at end of the calendar year.



## **16.0 Whistle blowing / reporting Bribery**

Any employees with a concerned about any form of malpractice, improper action, or wrongdoing by the employees or stakeholder are strongly encouraged to report the matter through their Superior or via Whistle-blowing Policy published on the corporate website of the Group.

The Group believes that any employee with the knowledge of bribery in any form should not remain silent. The Group take all matters relating to bribery very seriously and employee strongly encouraged to raise incidents or behaviours that are not in accordance with the policy.

The Group recognizes that there may be some cases where no wrongdoing is found through internal procedures. Protection will be given under Whistleblower Protection Act 2010 and no disciplinary action taken if the disclosure is reasonable made in good faith and the information believed to be true.

## **17.0 Training and Communication**

Training on this policy forms part of the induction process for all new employees. All existing employees will receive relevant training on how to implement and adhere to this policy. This ABC Policy will be posted on the Group's official corporate website.

The policy's existence and implementation will be communicated to all Business Associates who performing works or services for or acting on behalf of the Group through the respective Departments. Acknowledgement of the awareness of this policy will be documented.

## **18.0 Compliance**

Any act of bribery in whatever form is unacceptable. The act of bribery, corruption and unfair competition is viewed as a gross misconduct. Disciplinary action will be taken against anyone who fails to comply with the ABC Policy up to and including dismissal. Failure to comply with policy may also leave employee open to a criminal prosecution under the act.

## **19.0 Monitoring**

The Board of Directors ("BOD"), via the compliance reports prepared and tabled by the Management, will monitor compliance with the policy and review the Policy at least once every 3 years to assess their effectiveness and ensure that it continues to remain relevant and appropriate.

The findings from any internal audit or random checks done by the internal auditor will be directly reported to the BOD.

There is no written policy can cover every situation that might arise or set forth a rule to follow in all situations that might arise or set forth a rule to follow in all situations. Obviously, there are other Group policies and practices, as well as common sense to adhere. Each member is specially given notice that the Group will enforce the rules set forth in this policy.

## **20.0 Record Keeping**

We shall declare and keep a written record of the amount and reason for gifts, entertainment, hospitality and travel accepted and given including donations, sponsorships, and expenses of similar nature by whatever name called, and understand that such expenses are subject to management review.

The record shall document the following as a minimum:

- Identify of the giver and recipient (name of dividends and corporations they represent);
- The actual amount expended or last estimate (in respect of gifts, entertainment, hospitality and travel received);
- Purpose of the giving or receiving, and
- Frequency of the giving or receiving.

This Anti-Bribery and Corruption Policy is adopted by the BOD on 28 June 2021.

**APOLLO FOOD HOLDINGS BERHAD**  
**COMPANY NO. 199401005792 (291471-M)**

**GIFT/ENTERTAINMENT/CORPORATE HOSPITALITY/TRAVELLING REGISTER FORM**

Employee Name :	
Position :	
Department :	
Date :	

<b>GIFT/ENTERTAINMENT/CORPORATE HOSPITALITY/TRAVELLING TO REGISTER</b>				
Item Received	Description	Estimated / Actual Value	Given by (Giver Name and Organisation)	Remarks
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				

<b>ADMINISTRATIVE</b>			
HOD Remarks :		Signature :	
		Name :	
		Date :	
Executive Chairman Remarks :		Signature :	
		Name :	
		Date :	

**Note:**

1. Threshold for receiving/providing gifts are restricted to maximum RM300.00.
2. Threshold for receiving/providing entertainment are restricted to maximum RM200.00.
3. Any amount exceeding the threshold required prior approval from Executive Chairman.