

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 Policy (“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 Company’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 Gift

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

- Cash or cash equivalent, including voucher, discounts or any other related forms.
- 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 Company.

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

3.1 Receiving Gifts

The Company 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 “No Gift” policy in this situation.

In some exceptional situations whereby rejecting the gift is likely to seriously offend and may sever the Company’s business relationship with an external party, accepting the gift is allowable with a maximum value of RM300. However, relevant employees are required to report the gift not more than five (5) working days from receiving the gift and submit it to the Head of Departments 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 as follows:

- 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 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.

3.2 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.

All provision of gift to third party required prior approval from the Head of Department and Executive Chairman. 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 subjected 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.

3.3 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 Company in relation to the Company’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 or below) of nominal value normally bearing the official logo of the Company or the giver that are given out to all participants attending official events organized or attended by the Company and for the Company's or the giver's brand building or promotional activities; and
- Gifts to external parties who have no business relationships with the Company, e.g. Donation and Sponsorship.

4.0 Entertainment

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

5.0 Corporate Hospitality

Defined as corporate events or activities organized by an organization which involves the entertainment of employees and third parties for the benefit of that organization, Corporate events and activities include but are not limited to sporting event, gala dinners, concerts or activity based events such as golf tournaments.

Corporate hospitality is recognized as legitimate way to network and build goodwill in business relationship employee must exercise proper care and judgment before offering or providing corporate hospitality to third parties. Any corporate hospitality activities that would involve public officials shall require approval from the Executive Chairman.

Corporate hospitality activities are not permissible and should refuse if it involves illegal, lavish or excessive or may adversely affect the reputation of Company's. Any corporate hospitality that involves sexually oriented or may otherwise tarnish Company's reputation should be immediately decline by the employee.

The limit is maximum RM200 per headcount per event. Any amount from RM100 to RM200 per headcount is required to obtain Executive Chairman's approval before proceed.

6.0 Travelling

In situations where acceptance of travelling provided by the third party is necessary for the legitimate business purposes of the Company in order to ensure quality of the products or services offered by the Company meet the expectation and requirements of its customers, eligible employees approved by Executive Chairman are allowed to receive travelling from third party.

All employees acting on behalf of the Company are strictly prohibited from receiving or attempt to receive travelling with a purpose to exchange some future benefits or result in conflict of interest situation.

Employees should immediately reject travelling if it involves the following:

- a) Any provision of travelling by third party that comes with a direct / indirect suggestion or hint that in return for the entertainment provided some expected outcome is required.
- b) Any provision of travelling by third party that would be illegal or in breach of local or foreign bribery laws.
- c) Any provision of travelling by Third Party in High Risk Country.
- d) Any provision of travelling by Third Party that would be perceived as extravagant lavish, and excessive or may adversely affect the reputation of the Group.
- e) Any provision of travelling by Third Party which involve conflict of interest situation.
- f) Any provision of travelling and associated entertainments that is sexually oriented or may otherwise tarnish that reputation of the Company.

All travelling provided by third party required prior approval from the Head of Department and Executive Chairman, relevant employee are required to submit the relevant documents for intended travelling with the estimated value of travelling and report to the Head of Departments and Executive Chairman who will decide whether to approve the acceptance of travelling provided by the third party. If the travelling provided by the third party is rejected, relevant employees of the Company shall be prohibited to receive such travelling.

7.0 Donation and Sponsorship

The Account Department shall prepare monthly listing of the donations or sponsorship made by the Company during the month for tracking purposes and report to the Board during scheduled meeting as required.

8.0 Facilitation Payment / Kickbacks

Facilitate payment are typically small, unofficial payments made to secure or expedite a routine action that an official is obligated to perform. Facilitation payments are unlawful and should not be made by all employees.

Kickbacks are typically payments made in return for a business favour or advantage. All employees must avoid any activity that might lead to kickback.

9.0 Money Laundering

All employees acting on behalf of the Company 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 Company 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 Chief Executive Officer and subject to maximum threshold applied, i.e. RM 50 or RM equivalent.

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 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 if the Company.

Company believes that any employee with the knowledge of bribery in any form should not remain silent. Company 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 Company 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.

13.0 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.

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.

14.0 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 Anti Bribery Policy up to and including dismissal. Failure to comply with policy may also leave employee open to a criminal prosecution under the act.

15.0 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 Company policies and practices, as well as common sense to adhere. Each member is specially given notice that the Company will enforce the rules set forth in this policy.

This Anti-Bribery and Corruption Policy is adopted by the BOD on 29 June 2020.