



FIBROMAT (M) BERHAD
Registration No. 201201037651 (1022133-V)
(Incorporated in Malaysia under the Companies Act, 1965)

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

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1 INTRODUCTION

1.1 BACKGROUND

- 1.1.1 In promoting ethical business practices, the Group is committed to design and institute appropriate policies and procedures to support the Group's business operations and assist its Employees to understand their obligations in upholding corporate integrity and the Group's reputation.
- 1.1.2 The Group does not condone any act of bribery and corruption, which are criminal acts in nature as well as indictable offences.

1.1 1.2 OBJECTIVE

- 1.2.1 The group is committed to conduct its business in accordance with all applicable laws, rules and regulations and the highest ethical standards.
- 1.2.2 The purpose of this policy is to reiterate commitment to full compliance by the Fibromat Group, its subsidiaries and affiliates, and its officers, directors, employees and agents (if applicable) to the Malaysian Anti-Corruption Commission (MACC) Act 2009 and similar Acts in relation to countering bribery and corruption.
- 1.2.3 It is imperative that the Group is seen as an Organisation that does not tolerate bribery and corruption involving its employees, suppliers, contractors and agents. The Group has a holistic anti-bribery and corruption program to fight against dishonest claims, breaches of trust, kickbacks, unfair favours, obstructions of justice, embezzlement, money laundering and any other forms of bribery and corruption that are non-exhaustive.
- 1.2.4 The policy will be updated as the Law and Regulations changes to incorporate the latest standards in anti-bribery and corruption.

1.3 SCOPE

- 1.3.1 All Employees shall understand, adopt and adhere to the contents in the Group Anti-Bribery and Corruption Policy (ABC Policy) as well as other procedures referred to herein.
- 1.3.2 All Employees shall observe the relevant rules and regulation in relation to Anti-Bribery and Corruption that governs business and day-to-day operations of the Group.

1.4 APPLICATION

- 1.4.1 This policy is applicable to all entities within the Group and subsidiaries.
- 1.4.2 should the application of the policy requires adjustment to suit local regulations, such details must be incorporated and formalised as Addendum to this policy, with the appropriate approvals in order to be effective.

1.5 APPROVAL

- 1.5.1 This Policy shall be adhered to at all times by the Group's Employees. Any amendments to the Policy must be concurred by Group Human Resource Department, approved by the Board of Directors of the Group.

1.6 REGULATORY REQUIREMENTS

- 1.6.1 The Group and its Employees remain bound by the respective jurisdiction laws, including the MACC Act 2009.
- 1.6.2 Whenever applicable, the Policy should be read together with the Group's Staff Handbook.

1.7 PENALTY

- 1.7.1 Any employee who breaches the policy will be liable to stern disciplinary actions, including dismissal.

2 GOVERNING PRINCIPLES

2.1 KEY PRINCIPLES

2.1.1 PRINCIPLE 1: ZERO TOLERANCE FOR BRIBERY AND CORRUPTION

The Group has zero tolerance on bribery and corruption, in line with its core shared values and Group Code Ethics & Conduct for Employees.

2.1.2 PRINCIPLE 2: REPORTING ACTUAL OR POTENTIAL VIOLATIONS

All employees must report any request for an y request for an improper payment, or any indication that a person might be making corrupt payments or that a person has an inclination or plan to violate Anti-Bribery Laws, immediately to the approved formal channels and avenues as provided by the Group.

2.1.3 PRINCIPLES 3: SPONSORSHIP, DONATION AND CONTRIBUTION

The Group and its employees are prohibited from political contributions and donations or bribes with intentions to induce to engage in improper conducts.

2.1.4 PRINCIPLE 4: GIFTS, HOSPITALITY AND ENTERTAINMENT

Employees must ensure compliance to Gifts and Hospitality Guidelines and Guidelines for festive & non-festive Gifts prior to offering, promising or receiving any of the above-mentioned.

2.1.5 PRINCIPLE 5: EXTORTION AND REQUEST TO CARRY OUT IMPROPER PAYMENT ACTIVITY

The Group and its employees must actively resist extortion and all other demands for improper payments made under duress.

3 POLICY STATEMENTS

3.1 PRINCIPLE 1: ZERO TOLERANCE FOR BRIBERY AND CORRUPTION

The Group has zero tolerance on bribery and corruption in line with its core shared values and Group Code Ethics & Conduct for Employees.

3.1.1 Employees are to stay away from bribery and corruption, never offer, promise or give anything of value in order to influence someone's professional objectivity or to reward any act for the benefit of themselves or the Group. Equally employees are to never requestor accept anything of value that might influence one's objective in doing their job.

3.1.2 The Group may be held accountable not only for acts of bribery or corruption by its employees but by those acting for or on behalf of the Group. So, when using Third parties apply the same standards as those that the Group uses itself.

3.1.3 The general rule is that gifts, travel, lodging and modest entertainment can be paid for out of Group funds only in connection with good faith promotion, demonstration, or explanation of the Group's products or services, or the execution or performance of a contract, and must be reasonable amount.

3.2 PRINCIPLE 2: REPORTING ACTUAL OR POTENTIAL VIOLATIONS

Employees must report any request for an improper payment, or any indication that a person might be making corrupt payments or that a person has an inclination or plan to violate Anti-Bribery Laws, immediately through the approved formal channels and avenues as provided by the Group.

- 3.2.1 Employees have similar obligation to promptly report any information or knowledge of any hidden fund or asset, of any false or artificial entry in the books and records of the Group, or any payment that circumvents the Group's internal financial controls immediately through the approved formal channels and avenues as provided by the Group.

3.3 PRINCIPLE 3: SPONSORSHIP, DONATION AND CONTRIBUTION

The Group is prohibited from political contributions and donations or bribes with intentions to induce a party to engage in improper conducts.

- 3.3.1 Political contributions or donations, and support of any political parties or candidates are prohibited.
- 3.3.2 Charitable donations made with the intention to induce a party to engage in improper or unlawful conduct are considered as bribes and are prohibited.
- 3.3.3 Contributions to any public or non-governmental organisations are only allowed with the prior written approval of the Group Managing Director (GDM).

3.4 PRINCIPLE 4: GIFTS, HOSPITALITY AND ENTERTAINMENT

Employees must ensure compliance to Gifts and Hospitality Guidelines and Guidelines for Festive & Non-Festive Gifts prior to offering, promising or receiving any of the above-mentioned.

- 3.4.1 Providing or receiving reasonable gifts, hospitality and entertainment is often an appropriate way to reflect esteem or gratitude or build stronger business relationship. Nonetheless, gifts, hospitality and entertainment require careful consideration to ensure that they are consistent with the law and the Group standards.
- 3.4.2 Before offering, promising or receiving any gifts, hospitality or entertainment, employees must ensure compliance to Gift and Hospitality Guidelines and the relevant operations manual.

3.5 PRINCIPLE 5: EXTORTION AND REQUEST TO CARRY OUT IMPROPER PAYMENT ACTIVITY

The Group and its employees must actively resist extortion and all other demands for improper payments made under duress.

- 3.5.1 No employees should ever engage in improper payment activity because instructed to do so by their superior or co-worker.

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