



堡 利 安 食 品 包 装 有 限 公 司
POLYON FOOD PACKAGING SDN. BHD. (199601007325)

POLYON FOOD PACKAGING SDN BHD

Anti-Bribery and Anti-Corruption Policy

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Foreword by The Board of Directors

The Board of Directors (“the Board”) of Polyon Food Packaging Sdn Bhd (“Polyon” or “Company”) believes that honesty, integrity and transparency are the core values of Proper Corporate Governance.

The Board has a fiduciary responsibility to ensure that Polyon has in place all aspects of good corporate governance through the implementation and adoption of policies and procedures. This includes the policies and procedures that adequately address and manage bribery and corruption risk. As such, the Board promotes a culture of ethics and integrity with the commitment to effectively communicate to both internal and external parties as well as to comply with all laws and regulatory requirements of the Malaysian Anti-Bribery Commission Act 2009 (Amended 2018) and all other laws and regulations which our business and operations are governed by.

Based on the recommendation by the management of Polyon, the Board has determined that Polyon approves the Anti-Bribery and Anti-Corruption Policy.

1.0 Introduction

Bribery and corruption offences present a very serious risk for all businesses and in the case of a company, person(s) associated with the company as well as the company could face punishment under the law in addition to suffering reputation loss.

Polyon and its subsidiaries (collectively, “the Group”) is committed to the highest level of integrity and accountability in everything it does and will not tolerate any irresponsible or unethical behavior that would jeopardize its good standing and reputation.

The Group adopts a zero-tolerance approach to bribery and corruption and is committed to acting professionally, transparently and fairly with integrity in all our business dealings and relationships.

Any corrupt practice or bribery committed by a person associated with the Group (including but not limited to, director, employees, and a person who performs services for and on behalf of the Group e.g., subsidiaries, associate companies, agents, contractors and joint venture partners) will cause the Group to be penalized, by way of a fine and imprisonment, regardless of whether the offence is committed within or outside of Malaysia, or with or without the knowledge of the Group.

This Anti-Bribery and Corruption Policy (“ABAC Policy”) embodies the Group’s commitment in this regard, and sets out what is permissible and non-permissible conduct in the business practices of the Group.

This ABAC Policy is to be read in conjunction with (a) other internal policies applicable to each department and subsidiary; and (b) the relevant laws and regulations of the jurisdictions in which the Group operates.

If you have any concerns or require further clarification with respect to the application of this ABAC Policy, you should consult the Human Resource Department.

An electronic version of this ABAC Policy is available at the official portal of the Company.

2.0 Purpose

The purpose of this Policy is to set out Polyon's position on bribery and corruption and details out how responsibility for observing and upholding our core values of honesty and integrity is established across Polyon's operations. It also seeks to establish controls to ensure compliance with all applicable anti-bribery and anti-corruption laws and regulations to ensure that Polyon's business is conducted with the highest standards of honesty and integrity.

3.0 Scope

This Policy applies to all Polyon's subsidiaries and related companies, employees including but not limited to all individuals at all levels and grades, management, officers, directors, related personnel, and third parties acting on behalf of the aforementioned parties. It extends to all business dealings in all jurisdictions where Polyon operates.

For the purposes of this Policy, "related personnel" includes family members (spouse, children, siblings and parents). "Third Party(ies)" means any individual organization which comes into contact during the course of work with Polyon and includes actual or potential customers, clients, suppliers, distributors, contractors, business contacts, agents, advisers, and government and public bodies including their advisors, representatives, officials and agents. Besides, for the purposes of this Policy, all directors, officers, employees, and any third party or persons associated with Polyon are collectively known as "Polyon Associates".

4.0 Rules and Regulations

- a) This Policy shall at all times comply with the laws and regulations of Malaysia. In the event of any inconsistency or conflict between the provisions of this policy and the laws of Malaysia, the latter shall prevail. The paramount laws on bribery and corruption is the Malaysian Anti- Corruption Commission ("MACC") Act 2009 ("MACC Act") as subjected to any subsequent governmental directives, re-enactment and/ or amendment.
- b) With reference to the MACC in its official portal (www.sprm.gov.my), "corruption" is described as an act of giving or receiving of any gratification or reward in the form of cash or in-kind of high value for performing a task in relation to his/ her job function or activity.

- c) The MACC Act stipulates six (6) main offences as below:
- i. Soliciting/ Receiving Gratification (Bribe) - Sections 16 & 17(a) of MACC Act
 - ii. Offering/ Giving Gratification (Bribe) - Section 17(b) of MACC Act
 - iii. Intending to Deceive (False Claim) - Section 18 of MACC Act
 - iv. Using Office or Position for Gratification (Bribe) (Abuse of Power/ Position) – Section 23 of MACC Act
 - v. Offering/ Giving Gratification by Commercial Organization (Corporate Liability) – Section 17A of MACC Act
 - vi. Deemed Parallel Personal Liability for Senior Personnel (Personal Liability) – Section 17A(3) of MACC Act
- d) For reference of this Policy, corruption may include “bribery” which is any offering, promising, giving, requesting, agreeing to receive, accepting a gratification, or other advantages with the intention of inducing or rewarding someone to perform their job function or activity improperly. Form of bribery includes kickbacks, inflated commissions, expensive gifts, political donations, excessive or inappropriate entertainment.
- e) Gratification is defined in the MACC Act as:
- i. Money, donation, gift, loan, fee, reward, valuable security, property or interest in property, whether movable or immovable, financial benefits, or any other similar advantage;
 - ii. Any office, dignity, employment, contract of employment or services and agreement to give employment or render services in any capacity;
 - iii. Any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;
 - iv. Any valuable consideration of any kind, discount, commission, rebate, bonus, deduction or percentage;

- v. Any forbearance to demand any money or money's worth or valuable thing;
- vi. 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 exercise of any right or any official power or duty; and
- vii. Any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding items (i) to (vi).

5.0 General Principles

- a) Polyon does not engage in bribery or corruption, and it is contrary to Polyon's policy for any employee or third party acting on behalf of Polyon to request, offer, solicit, make or receive any payments or inducements which are illegal and unethical.
- b) Polyon is committed to have in place its internal control guidelines and ensure that its businesses and operations are conducted in all respects in accordance with rigorous ethical, professional, and legal standards.
- c) Polyon adheres strictly in all respects to prevailing laws pertinent to countering bribery and corruption in all jurisdictions in which it operates.
- d) Polyon shall not engage in any form of bribery, either directly or indirectly or through any third party (such as an agent, contractor or distributor).
- e) Polyon does not make direct or indirect contributions to political parties or candidates.
- f) Polyon prohibits the use of contracts or consulting agreements to channel improper payments through agents or intermediaries to public or government officials.

5.1 Gifts, Benefits and Hospitality

Polyon prohibits its employees from giving or accepting gifts, entertainment or other benefits which would in any way influence or appear to influence any business decision, arrangement,

or transaction. In addition, employees are prohibited from receiving or offering cash and any form of cash including vouchers, coupons, shares and commission.

However, Polyon recognises that entertainment, gifting, and acceptance of gifts may be a legitimate custom or practice in business relationships to demonstrate appreciation, and given or received without expectation of consideration or value in return. The guideline subscribed by Polyon in relation to such gifting and acceptance of gifts is that unsolicited gifts or other business courtesies may be given or accepted, provided they are handled transparently, are reasonable and modest in nature and amount, bona fide, and justified by a clear and legitimate business purpose.

Polyon encourages good judgment and due diligence when giving or receiving gifts, benefits, or hospitality, ensuring they are infrequent, transparent, appropriate, lawful, modest in value, and free from conflicts of interest or any intent to solicit an unfair advantage. All such activities must be conducted in a manner that upholds the integrity and reputation of Polyon, complies with applicable laws and regulations, and avoids any perception of impropriety.

Employees may only give or receive customary business courtesies, such as modest festive hampers, small commemorative items, or reasonable business meals, provided they are appropriate to the circumstances and not intended to influence a business decision. Cash or cash-equivalent items, extravagant or lavish benefits, or anything that may place an employee under an obligation are strictly prohibited. All gifts, benefits, and hospitality with a value of RM200 or above must be declared using the prescribed Gift, Benefit, and Hospitality Declaration Form for management review and approval.

5.2 Sponsorship and Charitable Donation

Sponsorships, charitable donations, and corporate social responsibilities shall be made for genuine and verifiable causes. Sponsorships are only permitted if there is a clear business case and for specific objectives. Bribes or facilitation payments shall not be disguised as sponsorships or donations as a means to improperly influence business decisions or conduit to fund illegal activities, which are in violation of Polyon's policies and procedures as well as the applicable laws and regulations.

Reasonable steps must be taken in accordance with the Group's policies and procedures to verify that all sponsorships, charitable donations do not constitute illegal payment to a Public

Official or any individual or entity in violation of the Group's policies and procedures, including this ABAC Policy.

Steps that may be taken for verification purposes, includes conducting due diligence on the recipient organisations pertaining to the public activity and background.

As a charitable donation or sponsorship can be used as subterfuge for bribery, due diligence must be conducted on the recipient organisation to understand the purpose of the request and background of the recipient organisation before providing the contribution or sponsorship.

All sponsorships, charitable donations, and corporate social responsibility activities are subject to Management's approval by completing the Donation & Sponsorship Request Form and Due Diligence Checklist.

5.3 Political Contribution

Direct or indirect contributions to political parties, organisations or individuals engaged in politics is prohibited.

Political contributions may be perceived as a way of obtaining advantage in business transactions.

Political contributions can be made in many forms, such as follows:

- a) financial donations;
- b) secondments to political parties;
- c) loans of money at less than market interest rates;
- d) discounted fees or rates for products, services or loans;
- e) sponsorship of an event or publication;
- f) subscriptions or affiliation payments;

- g) free or discounted use of facilities or services such as offices, transport, printing, telecommunications, advertising and media coverage; and
- h) sponsorship or support for fundraising events, such as a fundraising dinner.

5.4 Facilitation Payment

Polyon adopts a strict policy of disallowing the use of facilitation payment throughout any scope of its operations within the organisation. For the purpose of this policy, facilitation payments are defined as form of payments or other provision made personally to an individual in control of a process or decision to secure or expedite the performance of a routine or administrative duty or function.

If any employee of Polyon encounters any request to offer, promise, give, accept or receive a facilitation payment, he/ she shall make a committed decision and action to decline such request or be involved in any form of subsequent involvement. Furthermore, the employee shall report this situation to the Head of Department and Human Resource Department on an immediate basis. If the employee is unsure of the nature of the payment request, the Head of Department and Human Resource Department shall be notified immediately in order to seek clarification and guidance on the next course of action.

In some instances, whereby an employee of Polyon is being coerced to commit or make such payment as their safety or liberty is under serious threat and they have no alternative but to pay in order to protect their life, limb or liberty, the affected employee must immediately report the payment to the Head of Department and Human Resource Department.

6.0 Due Diligence and Dealing with Third Parties

- a) All employees are required to exercise reasonable due diligence at all times when dealing with Third Parties, where practical and relevant with focus on its integrity before entering a business dealing with them.
- b) Polyon will not enter into any business dealings with any Third Parties reasonably suspected of engaging in bribery and improper business practices.

- c) Polyon has the right to terminate their services in the event that these Third Parties pay bribes or act in a manner that is inconsistent with this Policy.

7.0 Responsibilities

- a) The Board has overall responsibility for ensuring this Policy complies with legal and ethical obligations and that all those who are subject to the Policy comply with the same.
- b) The Board shall ensure the alignment of this Policy to Polyon's strategy and oversight on the overall anti-bribery and anti-corruption management system.
- c) The Management of Polyon shall ensure that each operating business unit and all Polyon Associates are made aware of this Policy.
- d) The Management of Polyon shall govern the implementation of this Policy across all business units and jurisdictions where Polyon operates in. The respective business unit head is responsible to ensure the implementation of this Policy within his/ her business unit.
- e) The Head of Department and/ or Human Resource Department shall attend to, manage and address any queries and request for consultation in regards to this Policy or any other circumstances related to its content.

8.0 Whistleblowing

It is Polyon's belief that the acts of prevention, detection, reporting of bribery and other forms of corruption are the responsibility of all Polyon Associates and the public at large. Polyon encourages Polyon Associates to raise concerns about any issue or suspicion of unethical conduct and corporate misdemeanors, including bribery and corrupt practices, by reporting the same via channels set out in the Whistleblowing Policy made available via Polyon's website. To the extent possible, Polyon will treat any report of unethical and corrupt conduct in the strictest confidence and will not punish or take retaliatory action against any person for reporting a matter in good faith, and in accordance with Polyon's policies and procedures.

In the event that the whistleblowing matter is able to be resolved internally without having to escalate to the higher management, the superior or Head of Department shall be addressed in the first instance.

For whistleblowing matter which is inappropriate and impossible to escalate through superior and/ or Head of Department, whistleblower shall report such matter directly to the following Prescribed Officer(s) (i.e., person(s) authorised to receive reports on whistleblowing matters):

Position: Head, Human Resource Department

Email: hr@polyon.com.my (mark 'Strictly Private and Confidential to Addressee only')

9.0 Training and Communications

Human Resources Department must ensure that employees will be provided with this Policy and related training programs to educate them about the requirements and obligations under the anti-bribery and anti-corruption laws and the content of this Policy. For declarations obtained from employees, a copy of the said documentation shall be retained by the Human Resource Department throughout the employee's employment tenure.

All business units of Polyon shall communicate this Policy to all its suppliers, contractors and business partners and any third parties at the outset of business relations and as appropriate thereafter.

10.0 Risk Assessments

Senior Management shall conduct risk assessments to identify the bribery and corruption risks potentially affecting Polyon periodically and/ or when there is a change in law or circumstance of the business.

The results of risk assessment, review of control measures, and performance shall be reported to the Risk Management Committee and acted upon accordingly. All results and actions planned or implemented will also be reported to the Board of Polyon for further deliberation

The bribery and corruption risk assessment process as below: -



11.0 Compliance

Compliance with this Policy is mandatory for all Polyon Associates. This Policy is subject to periodic review to ensure its suitability and effectiveness with regard to Polyon's operations and in the jurisdictions which Polyon operates in.

If any Polyon Associates is in breach of this Policy, the offending party shall face disciplinary action which could result in dismissal for gross misconduct whereas Polyon shall reserve its right to terminate any contractual relationship with Polyon Associates in the event of breach of this Policy.

Failure to observe and/ or comply with the terms of this Policy may result in severe consequences to Polyon as such failure may expose Polyon to both civil and criminal offences under the laws of Malaysia. Polyon may reserve the right as it deems appropriate to refer the matter to the regulatory authorities.

12.0 Monitoring

Polyon is committed to making its anti-bribery and anti-corruption measures a continuous effort to uphold its reputation and high standards of business conduct and operations.

Where necessary, regular reviews and audits shall be conducted to monitor, assess and improve performance, efficiency and effectiveness of Polyon's ongoing anti-bribery and anti-corruption measures. Such review may be conducted internally by Polyon or by an external party. The results of any audit and review of control measures and performance shall be reported to the Board and acted upon accordingly.

13.0 Review of Policy

This Policy can be modified and amended by the Board from time to time as it deems necessary. Modifications and amendments may be initiated as necessary in order to ensure compliance with laws and regulations and/ or to accommodate organizational and business developments within Polyon. The updated Policy shall be made effective upon the approval of the Board and after the same is made publicly available.