DUOPHARMA BIOTECH BERHAD

GIFT & HOSPITALITY POLICY

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A. REVISION HISTORY RECORD

Revision Date	Change Description	Revision No.	Revised by
30 August 2019	New	01	Rama Sockalingam
12 August 2020	Included signatories of GMD and AIC Chairman	02	Zarinah Japar
15 August 2023	Revision in the policy due to restructuring in organization, inclusion of Indonesian's Corruption law and enhancement of control.	03	John Tan Hong Tat
14 May 2026	Insert the role of Group Chief Executive Officer to align with the current organisational structure	04	Zarinah Japar

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GIFT & HOSPITALITY POLICY

1. INTRODUCTION

In many countries, gifts and hospitalities play an important role in building business relationships. The practice of receiving and giving gifts has become a culture in our society because they are aimed at creating a sense of gratitude, love and friendship which is present in the public service and private sector. Problems arise, however, when such customary courtesies create new opportunities for undue influence and misuse.

Most organisations want to build good relationships with customers, suppliers, vendors and contractors. The best form of relationship is based on honesty, integrity, transparency, fairness and good business practice. Such values are more important than any gift.

Duopharma Biotech Berhad ("Duopharma Biotech or the "Company") is committed to achieving the highest standards of ethical conduct and in complying with all applicable laws, regulations and policies in the countries where it conducts business. These laws include the Malaysian Anti-Corruption Commission Act 2009 (Act 694), Section 595 of the Malaysian Companies Act 2016, Prevention of Corruption Act (Chapter 241) Singapore, Republic Act No.3019 of the Philippines, U.S. Foreign Corrupt Practices Act, U.K. Bribery Act, The Corruption Eradication Commission Indonesia (KPK Law) and local anti-bribery laws.

Duopharma Biotech's Employees and Representatives are prohibited from offering, promising, authorising, giving, or receiving money, gifts or anything of a monetary value to or from Business associates or Government Officials to improperly obtain or retain business or to obtain an advantage in the conduct of business and/or to induce the recipient to perform an improper and unethical conduct.

2. AIMS AND SCOPE OF THIS POLICY

The objective of this Policy is to ensure that gifts and hospitalities given to and/or received from customers, suppliers, other Commercial Business Associates and Government comply with Duopharma Biotech's values, the Company's Anti-Bribery & Corruption Policies and all applicable laws, regulations and related policies.

This Policy applies to all Directors, Officers and Employees (permanent and temporary) of Duopharma Biotech, subsidiaries and affiliated companies, regardless of the location of employment. This Policy's general principles and prohibitions also apply to suppliers, vendors, agents, distributors, consultants and any other third parties acting on Duopharma Biotech's behalf, regardless of citizenship or where they conduct business.

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3. ACCOUNTABILITIES

Directors, Officers and Employees are responsible for ensuring that their own conduct meets the required standards of integrity. They place the Duopharma Biotech's interest above their own interests when carrying out their duties. This includes declaring all gift offers in accordance with this policy and refusing prohibited gifts (*reference to section 8 – Prohibited Gifts/Hospitality)*. The Chairman, the Group Managing Director ("GMD") /Group Chief Executive Officer ("GCEO") and Employees with direct reports are responsible for being aware of, and monitoring, the risks inherent in their team's work and functions. They model good practice and promote awareness of this policy and related processes.

4. DEFINITIONS

In general, gifts received or given are "gifts" when there are no strings attached to the gifts by the giver or receiver. In other words, there should not be any reciprocity involved. The test, therefore, is the intention behind the gifting.

It is the policy of the Company that no employee or any member of his immediate family will accept any form of gifts or favours from contractors, suppliers, vendors, clients/customers, or any other party having business dealings with the Company.

However, in such circumstances where it is customary to do so, employees shall be permitted to accept such gifts of nominal value or favours provided that such gifts or favours are not extended and/or accepted for the purpose or with the intention of:

i. influencing any present or future act or decision by that employee.

ii. inducing such employee to perform or omit any act in violation of his proper duties and responsibilities.

iii. inducing such employee to use or direct any other person to use his influence with a government, or any of its representatives, divisions or agencies to affect or influence any act or decision of any such government, representative, division or agency and in any or all of the above cases, for the purposes of expediting, benefiting, prejudicing or affecting in any way whatsoever whether directly or indirectly the business dealings or relationship of the gift giver with the Company.

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5. CONFLICT OF INTEREST

A 'conflict of interest' is a conflict between a Director, Officer or Employee's duty to act in the best interests of the Company and their private interests (financial or non-financial). A conflict exists whether it is:

i. **Real** – it currently exists;

ii. **Potential** – it may arise, given the circumstances; or

iii. **Perceived** – the stakeholders could reasonably form the view that a conflict exists or could arise, that may improperly influence the person's performance of their duty to the Company, now or in the future.

6. RECEIVING OF GIFT AND CORPORATE HOSPITALITY

A gift offer is anything of monetary or other value that is offered by an external source (organisation or individual) to a Director, Officer or Employee as a result of their role and position. It includes free/discounted:

i. **Corporate Memento**, for example, items such as a desk calendar, annual diaries, commemorative object, or 'door gift' at a function or training, which have no resale value. Corporate Memento(s) are <u>not required</u> to be declared.

ii. **Perishable items & Books**, for example, items such as a Self-Development Books, a bouquet flowers festive hamper, box of chocolates, box of dates and box of mandarin oranges which is at a ‘Nominal value’. For the purpose of this section, ‘Nominal Value' of a gift shall be defined as the sum of the gift(s) having the aggregate monetary value of not more than Ringgit Malaysia Five Hundred only (RM500) or equivalent. Items’ of a nominal value can be maintained and/or distributed by the Director, Officer and Employee after the declaration has been made and approved by the Head of Department/Approving Authority. The declaration is to be furnished to the Group Risk Management & Integrity (“GRMI”) or the Integrity Champions for regional offices.

iii. **Personalised Gifts** including, but not limited to jewellery, perfumes, handbags, branded products of a valuable consideration that could create a reasonable perception that it is offered to influence, or could influence and further create a conflict of interest situation.

iv. **Personalised benefits** such as preferential treatment, privileged access, favours or other advantages or intangible benefits, for example access to a personal discount due to the purchases made on behalf of the Company.

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6. RECEIVING OF GIFT AND CORPORATE HOSPITALITY (Con't)

v. **Hospitality / Entertainment** that exceeds common courtesy. 'Hospitality' is the friendly reception and treatment of guests. It includes offers of food, drink, travel, accommodation, events or activities (e.g. sporting, social, industry, arts, entertainment or other events/activities). 'Common courtesy' is polite, basic and modest. It does not raise a conflict of interest. Whether an offer exceeds common courtesy depends on the circumstances (i.e. what is offered, by whom, to whom, when and why). It will not usually be in the interest of the Company for alcohol to be consumed at meetings or as an entertainment.

For personalised gifts and personalised benefits (*other than perishable items*) which should not be accepted by the employee, the gifts or benefits shall be:

i. Declined at first instance;

ii. Returned to the donor; or

iii. If such return is not possible or impracticable, retained by the Company for distribution to recognised charitable organisations or the Duopharma Biotech's Sports Club. The items are to be surrendered to the GRMI or the Integrity Champions (*Regional Offices*) for safekeeping.

All received personalised gifts and personalised benefits must be declared accordingly and acknowledged by the Head of Department/Approving Authority. The declaration is to be furnished to the GRMI or the Integrity Champions for regional offices.

Hospitality/Entertainment

To ensure compliance with the above requirements, Directors, Officers and Employees must be particularly cautious about accepting gift offers of hospitality/entertainment (i.e. food, drink, travel, accommodation, events or activities). Employees shall not accept any gratuitous entertainment from any of the Company's clients, customers, suppliers, contractors or any party with whom the Company has business dealings with unless is an act of common courtesy.

In an event that the hospitality/entertainment is beyond modest and common courtesy, a declaration is to be made as per the gift/hospitality declaration form and acknowledged by the Head of Department/Approving Authority. The declaration is to be furnished to the GRMI or the Integrity Champions for regional offices.

All employees shall, if in doubt as to the nature or purpose of the gift or favour consult the Head of Group Risk Management & Integrity ("HGRMI") who shall decide, either in consultation with the GMD/GCEO and/or Risk Management Committee ("RMC") Chairman, or through his own accord, the course of action in respect of such gift, favour or hospitality.

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7. PROVISION OF GIFT AND CORPORATE HOSPITALITY

It is the policy of Duopharma Biotech to ensure that a high standard of business ethics is observed in all its transactions. Gifts, benefits and hospitality may be provided to welcome new associates, facilitate the development of business relationships and further sustainability of Duopharma Biotech's business outcomes.

Other than in circumstances where token gifts, in line with custom and practice, are acceptable, no payments, in cash or in kind, are to be made by employees to individual employees of external bodies, in particular Government officials, or their spouses or dependents, in an attempt to influence them in their business dealings with the Company. When deciding whether to provide gifts, benefits or hospitality or the type of gift, benefit or hospitality to provide, ensure that:

i. any gift, benefit or hospitality is provided for a business reason in that it furthers the conduct of official business or other legitimate organisational goals, or promotes and supports Duopharma Biotech's objectives, vision and mission;

ii. that any costs are proportionate to the benefits obtained for sustainability of Duopharma Biotech business and would be considered reasonable in cultural terms and expectations; and

iii. it does not raise an actual, potential or perceived conflict of interest.

As a general rule, perishable items, festive related gifts and promotional gifts are acceptable provided that the cost is reasonable, i.e. monetary value of not more than Ringgit Malaysia Five Hundred only (RM500) or equivalent. However, prior to the distribution of the gifts, the following should be fulfilled:

i. Equality in terms of the value of all festive gifts to external parties;

ii. The recipient of the gift should not be a selected group;

iii. No preferential treatments to any parties receiving the gifts;

iv. Not an inducement expecting any future favours that can be deemed as a form of bribe or corruption; and

v. Only relevant individuals should receive the festive gifts.

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7. PROVISION OF GIFT AND CORPORATE HOSPITALITY (Cont'd)

Costs involved in the provision of gifts, benefits and hospitality should be contained wherever possible. The following questions may be useful to assist individuals to decide the type of gift, benefit or hospitality to provide:

i. Is the gift prohibited by law or the recipient Company's regulations? [Note: The Government ministries and agencies have enforced 'NO GIFT' policy or gift policy, and so have companies in the private sector such as Permodalan Nasional Berhad, Petronas, Telekom Malaysia and Pharmaniaga]

ii. Is it being provided to the same recipient too often?

iii. Would the gift bring in discomfort or embarrassment to the recipient?

iv. Does the gift giving create an obligation within the business relationship?

All **gifts** that are given to external parties should be documented and the declaration must be furnished to GRMI or the Integrity Champions for regional offices. For claims purposes, a copy of the completed declaration form is to be provided to the Finance Department.

The provision of Duopharma Biotech's **promotional products** as a gift or as a token of appreciation is to be declared and tracked accordingly by the respective Departments.

For **Corporate Hospitality/Entertainment** to external parties, the current disclosure in the Entertainment Expenses claim form is sufficient and a Director, Officer or Employee are <u>not required</u> to declare them separately. Nevertheless, written declaration is required for Corporate Hospitality/Entertainment to **<u>Public Official</u>**.

In regards to the **Distribution of Corporate Mementos**, for example, items such as a desk calendar, annual diaries and/or commemorative object which have no resale value are <u>not required</u> to be declared.

8. PROHIBITED GIFTS/HOSPITALITY

A Director, Officer or Employee must refuse any gift offer that:

i. Is money or is similar to money (e.g. gift vouchers, E-Angpow, E-Vouchers or Holiday vouchers) or easily converted into money (e.g. shares);

ii. Is a conflict of interest (real, potential or perceived) – e.g. is offered by an external source with an interest in a decision that the Director, Officer or Employee is likely to make or can influence, including in relation to:
   - procurement of goods or services;
   - tender processes/contracts;
   - setting of policy/awarding of a grant or sponsorship

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iii. Could create a reasonable perception that it is offered to influence, or could influence, the judgement of the Director, Officer or Employee (i.e. how they act, or fail to act, now or in the future); or

iv. Could in any other way bring their integrity and impartiality into disrepute.

Attempts to Bribe

A 'bribe' is an offer of money or other inducement made with the intention to corruptly influence a Director, Officer or Employee in the performance of their duties. Bribery or attempted bribery of a public official[1] is a criminal offence.

A Director, Officer or Employee who receives a gift / hospitality offer that they believe is an attempted bribe must refuse the offer. They must immediately report the matter to the RMC Chairman or the HGRMI as a protected disclosure.

Prohibited Gifts/Hospitality to Healthcare Professionals[2]

Inappropriate financial or material benefits, including inappropriate hospitality, should not be offered to healthcare professionals to influence them in the prescription of pharmaceutical products. No gifts or financial inducement shall be offered or given to healthcare professionals for purpose of sales promotion *(unless an approved promotional program as per guidelines*).

Cash: Payments in cash or cash equivalents (such as gift certificate) must not be offered to healthcare professionals unless the same is as payment for bona fide services rendered.

Personal Gifts: Gifts for the personal benefit of the healthcare professionals (including, but not limited to, music CDs, DVDs, sporting or entertainment tickets, electronic items) must not be provided or offered.

Entertainment: No stand-alone entertainment or other leisure or social activities should be provided or paid for. At Events, entertainment of modest nature which is secondary to refreshments and/or meals is allowed. Invitations to such meetings should not be extended to spouses unless they themselves are practicing members of the medical or allied profession.

[1] A **"public official"** means an officer to a public body. Please refer to the Interpretations.
[2] Reference made to *The Malaysian Organisation of Pharmaceutical Industries (MOPI) Code of Ethics, Amended November 2016*

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9. GIFT/HOSPITALITY REGISTER

A Register of responses to reportable gift/hospitality offers ('gifts register') must be maintained by the Integrity Manager that includes a record of:

i. All **reportable** gift/hospitality offers and receipts (based on completed gift and hospitality declaration forms); and

ii. If the gift offer was accepted, how the gift will be utilised.

10. COMPLIANCE AND MONITORING OF THE POLICY

i. Any Director, Officer or Employee who does not comply with any part of this Policy shall be subject to disciplinary action.

ii. The HGRMI will be responsible for undertaking a formal assessment of the compliance and effectiveness of the policy and any emerging patterns and reporting this to the RMC and GMD/GCEO.

iii. The GMD/GCEO has overall responsibility for the Gift and Hospitality Policy.

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REFERENCES

i. Malaysian Anti-Corruption Commission Act 2009 (Act 694) ("MACC Act 2009")
ii. Section 17A of the MACC Act 2009
iii. Guidelines on Adequate Procedures (2018) issued by the Prime Ministers Department
iv. National Anti-Corruption Plan 2019 – 2023
v. The Malaysian Organisation of Pharmaceutical Industries (MOPI) Code of Ethics, Amended November 2016
vi. Pekeliling Perkhidmatan Bilangan 3 Tahun 1998 Garis Panduan Pemberian Dan Penerimaan Hadiah Di Dalam Perkhidmatan Awam

INTERPRETATION

i. ***"public body"*** includes:
(a) the Government of Malaysia;
(b) the Government of a State;
(c) any local authority and any other statutory authority;
(d) any department, service or undertaking of the Government of Malaysia, the Government of a State, or a local authority;
(e) any society registered under subsection 7(1) of the Societies Act 1966 [Act 335];
(f) any branch of a registered society established under section 12 of the Societies Act 1966;
(g) any sports body registered under section 17 of the Sports Development Act 1997 [Act 576];
(h) any co-operative society registered under section 7 of the Co-operative Societies Act 1993 [Act 502];
(i) any trade union registered under section 12 of the Trade Unions Act 1959 [Act 262];
(j) any youth society registered under section 9 of the Youth Societies and Youth Development Act 2007 [Act 668];
(k) **any company or subsidiary company over which or in which any public body as is referred to in paragraph (a), (b), (c), (d), (e), (f), (g), (h), (i) or (j) has controlling power or interest;** or
(l) any society, union, organization or body as the Minister may prescribe from time to time by order published in the Gazette.

ii. ***"Public official"*** means any person who is a member, an officer, an employee or a servant of a public body, and includes a member of the administration, a member of Parliament, a member of a State Legislative Assembly, a judge of the High Court, Court of Appeal or Federal Court, and any person receiving any remuneration from public funds, and, where the public body is a corporation sole, includes the person who is incorporated as such.

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