



# ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

## 1.0 INTRODUCTION

### 1.1 Bribery and Corruption

Bribery is a direct or an indirect offer to give or receive gratification or anything of value with the intention of corruptly influencing the behaviour of someone to obtain or retain a commercial advantage, such as to award new business, continue existing business or to gain any improper advantage.

Gratification<sup>1</sup> means:

- (a) Money, donation, gift, loan, fee, reward, valuable security, property or interest in property being property of any description whether movable or immovable, financial benefit or any other similar advantage;
- (b) Any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;
- (c) Any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;
- (d) Any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;
- (e) Any forbearance to demand any money or money's worth or valuable thing;
- (f) Any other service or favour of any description, including protection from any penalty or disability incurred or apprehended of from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted, and including the exercise of the forbearance from the exercise of any right or any official power of duty; and
- (g) Any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding paragraphs (a) to (f).

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<sup>1</sup> Reference made to the Malaysian Anti-Corruption Commission Act 2009 (Act 694)

## 1.2 Policy Objective

Duopharma Biotech Berhad (“Duopharma Biotech/the Company”) is fully committed to comply with all applicable laws, regulations and policies in the countries where it conducts business and will ensure that the Company’s businesses are conducted in an honest and ethical manner at all times. These laws include the Malaysian Anti-Corruption Commission Act 2009 (Act 694), Prevention of Corruption Act (Chapter 241) Singapore, Republic Act No.3019 of the Philippines, U.S. Foreign Corrupt Practices Act, U.K. Bribery Act and local anti-bribery laws.

This Policy aims to ensure compliance with the anti-corruption laws in Malaysia, as well as other countries where the Company carries out its business.

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.

The Chairman, the Group Managing Director and Employees with direct reports are responsible for being aware of this policy 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.

Failure to comply with the anti-bribery laws could lead to criminal and civil penalties for Duopharma Biotech and its Directors, Officers and Employees with the introduction of the Section 17A Corporate Liability Provision, significant business disruptions, and harm to Duopharma Biotech’s reputation.

## 1.3 Policy Guidelines

- As a guide, Directors, Officers and Employees must not offer and/or accept any forms of bribe and they must not use intermediaries, such as agents, consultants, advisers, distributors or any other business partners to commit acts of bribery.
- As far as bribery is concerned, the Company does not differentiate between public officials and private persons: bribery is not tolerated, regardless of the status of the recipient.
- A Director, Officer and Employee should always ask himself or herself before offering or giving money, or anything else of value to any person if what he/she is considering to do could be viewed as having an illegitimate purpose. If the answer is yes, he/she must not proceed. If in any doubt, he/she must consult the Chief Legal Officer and/or the Head of Group Internal Audit & Integrity before proceeding.

## 2.0 RESPONSIBILITY

### 2.1 To Act Honestly and With Integrity in All Dealings

All forms of bribery are prohibited. Duopharma Biotech's Directors, Officers and Employees must not provide, offer or accept bribes, kickbacks, corrupt payments, facilitation payments, or inappropriate gifts; to or from Government Officials or any commercial person or entity, regardless of local practices or customs.

This restriction applies to all directors, officers, employees, contractors, consultants and anyone acting on behalf of the Company when dealing with job applicants, clients (prospective and current), suppliers, partners and anyone else that they come into contact during the course of their employment/engagement.

### 2.2 To Understand the Policy and Evaluate the Corruption Risk

All Directors, Officers and Employees must understand this Policy and evaluate the impact of this Policy on their responsibilities. In doing so, they must:

- evaluate the corruption risk affecting the Director, Officer and Employee's area and responsibilities;
- take the necessary steps to prevent the risk; and
- handle the corruption or unethical issue in hand in a proper manner, should it arise.

### 2.3 To Respond to the Identified Corruption Risk

Corruption risk must be assessed on an ongoing manner within each business area with the appropriate risk reporting, establishment of mitigation plans and putting in place of internal controls. The monitoring plans must be established and prioritised according to the risk rating.

### 2.4 To Notify Any Alleged Violations to the Policy

Any Director, Officer and/or Employee who knows of a potential violation of applicable laws or this Policy is required to report his or her suspicion promptly in accordance with the ***Whistle Blowing Policy***.

Anyone who reports a possible violation of applicable laws or this Policy will be protected from retaliation in any form.

Employees, supervisors and managers must promptly report suspected violations of anti-bribery laws and this Policy to Group Internal Audit & Integrity or through other appropriate channels and may do so anonymously.

### **3.0 FOCUS AREA**

#### **3.1 Gifts, Hospitality and Entertainment**

Duopharma Biotech recognizes that it is customary for its employees, customers, suppliers and other business partners to occasionally exchange small gifts, often promotional in nature. Gifts can be defined as benefits of any kind given to someone as a sign of appreciation or in a cultural recognised occasion without expectation of receiving anything in return. The 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. Cash and gifts that are cash equivalent (e.g. shopping coupons) is prohibited.

'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). The hospitality should be modest and does not raise a conflict of interest.

Business entertainment can play an important role in strengthening working relationships amongst business partners. Accordingly, a Duopharma Biotech Director, Officer and/or Employee may accept or provide business entertainment offered for legitimate business purposes, such as building goodwill and enhancing relationships with customers or suppliers. Specifically, accepting or providing entertainment is permitted only if such entertainment is occasional, is reasonably related to a legitimate business purpose and is not given as an inducement or kickback to obtain or retain business.

*For further details, please refer the Gifts & Hospitality Policy.*

#### **3.2 Contributions and Donations**

Grants and donations are benefits given by the Company in the form of money or in-kind contributions (e.g. the supply of the Company's products for free or at a reduced price). They can also involve both a monetary payment and an in-kind contribution.

Grants and donations can only be given if the Company does not receive, and is not perceived to receive, any tangible consideration in return. For instance, grants or donations must not be given to obtain a marketing authorisation or any other approval, or to directly increase the sales of the Company product in return (e.g. to request the grant recipient or some other person to order or prescribe the Company product).

Requests for grants or donations must be handled with special caution, in particular, those requests received from individuals who are able to affect the sales of the Company or may benefit personally, if the request is granted.

It is the policy of the Duopharma Biotech not to make contributions to political candidates or parties.

### **3.2 Contributions and Donations (Con't)**

For donations, the authorization limits are defined in the Limit of Authority (LOA).

*For further details, please refer the Political Sponsorship Policy and Charitable Donation Policy.*

### **3.3 Facilitation Payments**

Facilitation payments are payments made with the purpose of expediting or facilitating the performance by a public official of a routine governmental action, and not to obtain or retain business or any other undue advantage. These payments are intended to influence only the timing of the public officials' actions (e.g. the registration of land dealings, police protection, processing of visas payments to expedite visa issue or clearing goods through customs), but not their outcome.

The Company prohibits facilitation payments, which can violate the anti-corruption/bribery laws.

### **3.4 Dealing with Third Parties**

A Third Party is any person, including a legal entity, with whom the Company interacts and that is not a subsidiary or associate company.

The Company must only engage with Third Parties if there is a legitimate need for the services or the goods that they provide; if the services and goods are priced at a reasonable market value; if there is a written contract; and if the receipt of such services or goods is documented.

Engagement of an agent to facilitate payment of bribes or alike on behalf of the Company is prohibited, as this will place a liability on the Company based on the acts of the agents. Duopharma Biotech Directors, Officers and Employees have an obligation to carefully select every Business Partner that acts on Duopharma Biotech's behalf. Business Partners must comply with all applicable anti-bribery laws and this Policy.

### **3.5 Recruitment of Employees**

The recruitment of an employee should undergo the processes and procedures set by the Company to ensure that there is no perception of bribery, corruption and/or conflict of interest. These include screenings to ensure that selected individuals have the claimed qualifications, experience required for their positions and have no records of crimes or bankruptcy. This will also ensure that no hidden information is found which would preclude the individual's employment.

In selecting new employees, there should not be any circumvention of guidelines, rules or procedures.

### **3.5 Recruitment of Employees (Con't)**

All information relating to conflict of interest should be obtained at the point of recruitment.

### **3.6 Money Laundering**

Money laundering is a process of converting cash or property derived from criminal activities to give it a legitimate appearance. Terrorism financing is the act of providing financial support, funded from either legitimate or illegitimate source, to terrorist or terrorist organisations to enable them to carry out terrorists acts or will benefit any terrorist organisation.

Duopharma Biotech is required to comply with the requirement under Anti-Money Laundering, Anti-Terrorism Financing Proceeds of Unlawful Activities Act 2001 (AMLATFPUAA 2001) that is governed by Bank Negara Malaysia. Duopharma Biotech recognizes the importance of preventing money laundering, and therefore will comply with international and domestic laws and establish appropriate procedures.

*For further details, please refer the Anti-Money Laundering and Counter Financing Terrorism Policy*

### **3.7 Management of Letter of Support**

Duopharma Biotech adopts a policy of not providing any support letters/recommendation letters to external business or individuals in order to obtain a financial benefit either from the Government, Suppliers or any stakeholders of Duopharma Biotech.

## **4.0 IMPLEMENTATION**

### **4.1 Training**

Directors, Officers and Employees must familiarize themselves with this Policy and participate in the anti-bribery training sessions that will be periodically held.

## 4.2 Document

Documents include accounts, invoices, correspondence, papers, CDs, tapes, memoranda and any other document or transcribed information of any type.

### The guidelines:

- The Company must prepare and maintain books and records that accurately and in reasonable detail document the source of the revenues and the use that has been made of the Company's assets.
- 'Off-the-books' accounts and false or deceptive entries in the Company's books and records are strictly prohibited. All financial transactions must be documented, regularly reviewed and properly accounted for in the books and records of the relevant entity.
- All relevant financial controls and approval procedures must be followed.
- The retention and archive of the Company's records must be consistent with the Company's standards, taxation regulations, and other applicable laws and regulations.
- No documentation shall be concealed, altered, destroyed or otherwise modified.

The failure to maintain adequate books and financial records violates many countries' laws, including the U.S. FCPA, even where no bribery takes place. Every Duopharma Biotech Director, Officer and Employee must comply with Duopharma Biotech's Internal Controls, principles of Financial Reporting, Document Retention, and Auditing to ensure that Duopharma Biotech can demonstrate its compliance with anti-bribery laws and regulations.

## 4.3 Breach of this Policy

Failure to comply with the anti-bribery and gift laws could lead to criminal and civil penalties for Duopharma Biotech and for Duopharma Biotech Directors, Officers and/or Employees personally, significant business disruptions, and harm to Duopharma Biotech's reputation.

Breaches of this Policy will not be tolerated and can lead to disciplinary and other actions up to and including termination of employment.

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