

## Anti-Bribery and Anti-Corruption (ABAC)

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## 1. Introduction

DKSH is committed to fair and equitable business practices and expects compliant and ethical behavior by all its employees and associated parties (whether natural persons or incorporated) acting for and on behalf of DKSH, as outlined in our Code of Conduct. DKSH prohibits any form of bribery. Bribery in short refers to giving or receiving a financial or other advantage in connection with the improper performance of a position of trust or a function that is expected to be performed impartially or in good faith. This policy (“Policy”) is intended to outline clear principles and rules for the prevention of bribery and corruption, thereby providing employees with guidance on proper standards of behavior.

## 2. Scope

This Policy applies to all legal entities forming DKSH Holdings (Malaysia) Berhad and its subsidiary (DKSH), including joint ventures, as well as minority ownerships managed or otherwise controlled by DKSH, and correspondingly to all directors and employees of such entities (collectively herein referred to as “Employees”). It furthermore applies to all **associated parties**, i.e. any person or organization that provides services for or on behalf of DKSH.

This Policy is aligned with applicable laws and regulations and, in certain parts of our business, industry codes of practice. Where local laws and regulations are more stringent than this Policy, then the more stringent rules shall apply.

## 3. Policy

DKSH has zero tolerance for any form of bribery. Employees shall not, directly, for or through an external party, promise, offer, make, authorize, solicit or accept any financial or other advantage, to obtain or retain business or secure an improper advantage in the conduct of business.

The prohibition of bribery applies to both the public sector (Public Officials) as well as private sector businesses.

DKSH applies a range of procedures for the prevention of bribery and corruption. These include risk assessment, implementation of risk mitigation measures and appropriate controls, managing of third-party risks, training and communication, as well as monitoring and reviews.

DKSH restricts hiring and ongoing employment to individuals who demonstrate their commitment to highest standards of integrity and prohibits the offering of employment as a favor to facilitate business. It is the responsibility of every Employee to comply with this Policy, to prevent any instances of bribery and corruption and to report any corresponding concerns or suspicions. DKSH commits to protecting employees who in good faith raise genuine bribery concerns or suspicions.

All reports of bribery and corruption concerns or suspicions shall be investigated. Employees found to have violated this Policy (through committing an act of bribery or through failure to report acts of bribery) shall be subjected to disciplinary or other actions, up to and including dismissal, and legal action where appropriate.

## 4. Specific principles and rules

This section addresses risk areas where bribery and corruption may be more likely to occur.

### 4.1 Gifts, Hospitality and/or Entertainment (“GHE”)

- **Gifts** are benefits of various kinds (including objects, gratuities, rewards, favors, or other incentives) offered or given to Public Officials or people who have or may have facilitated, or who may facilitate the creation or maintenance of a business and/or regulatory relationship with DKSH
- **Hospitality** refers to meals, drinks, as well as lodging and travel expenses (such as air tickets, etc.) given to or received from Public Officials or people who have or may have facilitated, or who may facilitate the creation or maintenance of a business and/or regulatory relationship with DKSH
- **Entertainment** refers to attendance at social, cultural, or sporting events or similar with Public Officials or people who have or may have facilitated, or who may facilitate the creation or maintenance of a business and/or regulatory relationship with DKSH

GHE – whether offered separately, as part of an activity, or in combination with other benefits – shall never be offered or provided with the intention of influencing a beneficiary into granting a favor or a business advantage to DKSH in return. GHE shall always be of a modest, appropriate value in line with cautious social habits. No such benefits shall be provided or accepted during or close to any tendering or bidding process.

Entertainment shall not be offered to participants in any events, such as business meetings, conferences or similar unless reasonable and an incidental part of an event. Furthermore, DKSH prohibits the provision of any benefits to persons not directly related to the purpose of such events.

Cash or cash equivalents (such as vouchers, coupons, etc.) shall never be offered, given or accepted.

GHE offered to DKSH Employees exceeding a certain monetary threshold require reporting and where meaningful and feasible pre-approval before acceptance.

### 4.2 Promotional activities and incentives

- **Promotional Activities** in our business generally refer to the marketing (e.g. advertising, demonstrating, sampling) of our products or services offering to potential buyers
- **Incentives** generally refer to benefits provided conditional on certain outcomes, e.g. a bonus for meeting of a sales target

DKSH promotes its products and services in a proportionate, transparent, fair, equitable and ethical manner and only permits reasonable expenditure relating to demonstrating products and services, including related Hospitality expenses, or promotional expenses in relation to performance of a contractual obligation, such as training.

DKSH does not allow the offering of incentives or incentive schemes to external parties unless done in a legal, ethical, commercially justifiable and fully transparent manner and permissible under our rules. Equally, DKSH employees shall not accept any incentives from external parties.

DKSH prohibits any forms of Promotional Activities and Incentives which are unethical and may give rise to suspicions of bribery, such as excessive discounting or similar, or personalized incentives in the form of GHE, kickbacks or others.

### 4.3 Sponsorships, grants and donations

- **Sponsoring** in the context of our business means the provision of monetary funds or in-kind contributions for specific projects, events or activities in exchange for recognition
- **Grants** generally refers to the provision of monetary benefits to an eligible person, typically in combination with restrictions for their usage or application
- **Donations** refers to the provisions of monies or in-kind contributions to a specific cause or for a specific purpose, generally related to charity or humanitarian needs, but also social investment or sustainability

Sponsorships, grants, donations or similar contributions shall never be provided with the intent of recipients or beneficiaries obtaining favors or improper advantages, or for retaining or obtaining business.

### 4.4 Political contributions

DKSH as a matter of principle does not make contributions to political parties.

### 4.5 Benefits to Public Officials

**Public Official** means an individual who holds a legislative, administrative or judicial position of any kind, exercises a public function or is an official of a public international organization, or is an employee or manager at a state-owned or controlled enterprise or agency.

Under this Policy which prohibits any form of bribery, DKSH does not distinguish between Public Officials and the private sector but recognizes that specific rules or restrictions may apply to Public Officials. Relationships with and benefits including GHE provided to Public Officials must always be in strict compliance with applicable laws and regulations. Benefits including GHE provided to Public Officials are not allowed unless legally permissible and must always be fully transparent, authorized by the appropriate level of management.

DKSH prohibits facilitation payments. Facilitation payments typically refer to small benefits in cash or in-kind provided to Public Officials to expedite, effect or abstain from routine, non-discretionary actions.

### 4.6 Third party intermediaries (TPI)

All TPI providing services for and on behalf of DKSH are subject to risk-based due diligence prior to the formation of any relationship (when applicable), to ensure that they are suitable and comply with DKSH's Supplier Code of Conduct and this Policy.

TPI shall only be engaged if there is a legitimate business reason to do so, but never with the purpose of making use of a TPI to circumvent this Policy and create an improper advantage for DKSH. All engagements of TPI must be based on written contracts and prices agreed for goods and services shall not be higher than market value. Performance by TPI under such contracts needs to be properly documented. In addition, contracts entered with such TPI shall contain appropriate representations and warranties regarding compliance with DKSH's regulations and relevant anti-corruption laws.

## 5. Implementation, communication and training

Each DKSH employee is responsible and accountable for adhering to this Policy. Each DKSH manager is responsible to ensure compliance with this Policy in his/her area of responsibility. Each manager shall ensure that all their Employees are aware of the significance and the critical role of this Policy and the principles and standards contained therein.

Management is responsible for introducing and maintaining adequate processes and procedures, including controls, to ensure compliance with this Policy by all their Employees and associated parties (TPI and Vendors). Also, the Country Management Team shall ensure that mandatory ABAC training for Employees is regularly provided, including specific training to groups of Employees and associated parties in view of their roles and responsibilities and specific risks they face.

## **6. Financial records and documentation**

DKSH must maintain accurate books and records, in line with applicable laws, regulations as well as accounting and reporting principles. Employees must ensure that all financial transactions are properly recorded in a complete, true and fair manner. No accounts must be kept "off-book" to facilitate or conceal improper payments, and false or deceptive entries into books and records are strictly prohibited.

All transactions must be properly reviewed, approved and documented, and all relevant internal controls procedures must be followed, to ensure that all payments DKSH makes or receives are properly accounted for in reasonable detail, including the amount of the payment, the recipient, and the purpose for the expenditure.

All claims by Employees for expenses incurred to third parties are to be submitted in accordance with DKSH expense claim policies. DKSH will only reimburse employees for goods, services and other expenditures that are fully and properly supported by genuine documentation, such as original invoices or receipts.

## **7. Reporting and investigation**

### **7.1 Internal reporting and investigation**

All concerns or suspicions of bribery and corruption shall immediately be reported through DKSH Integrity Hotline (<https://dksh.integrityline.org/>) or to the GRC team by sending an e-mail to [my.compliance@dksh.com](mailto:my.compliance@dksh.com).

### **7.2 External reporting** (to parties outside DKSH)

Depending on the nature of incidents of bribery and corruption, reporting to authorities or regulatory bodies may be required. Such reporting shall be coordinated by GRC through DKSH Legal. By contractual obligation we may have to report incidents to our business partners.

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