



# GRAND HOOVER BERHAD

## Anti-Corruption and Bribery Policy

Version: 1.0

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## **1. INTRODUCTION**

The Board of Directors (the “Board”) of Grand Hoover Berhad (“Company”) and its subsidiaries (“Group”) has established and adopted this Anti-Corruption and Bribery Policy (“Policy”). The Group is committed to conduct the business ethically, as well as complying with all applicable laws, which include compliance with the Malaysian Anti-Corruption Commission (MACC) Act 2009, the MACC (Amendment) Act 2018 and on any of its amendments or re- enactments that may be made by the relevant authority from time to time.

This Policy provides principles, guidelines, and the requirements on how to deal with bribery and corruption practices that may arise in the course of daily business and operation activities within the Group.

## **2. OBJECTIVE**

The objective of this Policy is to set out Group responsibilities by complying with laws against bribery and corruption in all its forms. The Policy further intended to provide information and guidance to those working for Group on how to recognize and deal with corruption and bribery issues. The Personnel of the Group are expected to adhere and to observe by complying with the Policy and all applicable laws, rules, and regulations in performing his or her duties.

## **3. SCOPE**

This Policy is applicable to Personnel of the Group all levels and grades. This Policy may further be extended to relevant Stakeholders when discharging their business dealing with the Group

The Policy is extended to Stakeholders and shall refer to any individual or organization that may come into contact with the Group during the course of his/her engagement or business transactions, which may include but not limited to suppliers, contractors, agents, consultants, outsourced services, advisers, government and public bodies including their advisors, representatives and officials.

## 4. DEFINITIONS

The terms listed below represent its respective definitions:

- i. **Bribery and Corruption**”: Any action within the Group will be considered as an offence of giving or receiving “gratification or bribe” under the MACC Act 2009. In practice, this means offering, giving, receiving, or soliciting something of value in an attempt to illicitly influence the decisions or actions of a person who is in a position of trust within an organization.

The **Bribery** may be ‘outbound’, where Personnel acting on behalf of GHB Group attempted to influence the actions of someone external, such as a government official or client decision-maker. It may also be ‘inbound’, where an external party is attempting to influence Personnel within Group with the objective to obtain benefits, favors or access to confidential information of the Group.

- ii. The meaning of “**Bribe**” used in this Policy will include the followings:
  - a. money, donation & sponsorship, 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 favor 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 the exercise of any right or any official power or 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).
  
- iii. **Stakeholders:** an external party with whom Group has relationship or plan to have some form of business relationship. The stakeholders may include but not limited to clients, customers, suppliers, vendors, joint venture partners, outsourcing providers, contractors, subcontractors, consultants, agents, and distributors
  
- iv. **Personnel:** The Board, directors of subsidiaries and all individuals directly employed or contracted to the Group on an employment basis including those on permanent or temporary employees.

## 5. PRINCIPLES

- 5.1 The Group is committed to conduct its business ethically and to compliance with all the applicable laws and regulation and will take zero-tolerance approach to Bribery and Corruption.
  
- 5.2 The Group will conduct all its business in an honest and ethical manner.
  
- 5.3 The Group is committed to acting professionally, fairly and with integrity with business Stakeholders, and to implement and enforce effective system to counter bribery.
  
- 5.4 The Group will uphold all laws relevant to countering Bribery and Corruption and committed to adhere and remain bound by the laws of Malaysia, including the MACC Act 2009 and the MACC(Amendment) Act 2018 and any of its amendments or re-enactments that may be made by the relevant authority from time to time in respect of our conduct both at home and abroad.

5.5 The Group is committed to address bribery and corruption risks and will implement this Policy of the Group.

## **6. BRIBE, GIFTS, HOSPITALITY AND ENTERTAINMENT**

6.1 The Personnel of the Group are to comply to this Policy and shall NOT engage with the following:

- i offer, give, or promise to give any bribe or anything which may be viewed as bribe to secure or award an improper business advantage;
- ii. offer, give, or promise to give bribe or anything which may be viewed as bribe to a government official, agent or representative to facilitate, expedite, or reward any action or procedure;
- iii request or receive bribe or anything which may be viewed as bribe from a third party knowing or suspecting it is offered with the expectation that it will obtain a business advantage for them; and
- iv. that engage in any activity that might lead to a breach of this Policy.

6.2 Personnel are to comply with this Policy and prevent from accepting or receiving bribe (includes gifts and entertainment) from a third party or from Stakeholders that might create a sense of obligation and compromise their professional judgement or create appearance of doing so.

6.3 Personnel are subject to this Policy shall NOT accept or receive any bribe (includes gifts and entertainment) from a third party or from Stakeholders except if it is made from gestures that are construed to be legitimate contribution and provided that the gifts and/or entertainment are presented in good faith, which may be directly or indirectly offered as a result of or in anticipation of the Board's, in performing his/her duties to cultivate good business relationship.

6.4 However, due to nature of our businesses, the Group accepts usual practices and encourages the Personnel to use his/her good judgement and within the approval of the Board when giving gift and entertainment. The approval be subject to the following

conditions:

- i. reasonable in value and within the approval of the Board that form part of business hospitality and / or entertainment;
- ii. infrequent in nature;
- iii. transparent and open; and
- iv. not given to influence or obtain an unfair advantage.

## **7. FACILITATION PAYMENT AND KICKBACKS**

- 7.1 The Group does not make and will not accept Facilitation Payments or Kickbacks of any kind and take necessary actions to avoid any activity that may lead to Facilitation Payments or Kickbacks being made or accepted.
- 7.2 Any individual with any suspicious, concerns or queries regarding a payment made on our behalf or with use of improper business practices, he / she should raise this issue by making appropriate report to Board or Group as outlined in the Whistleblowing Policy at Company's website [www.hoover.com.my](http://www.hoover.com.my)

## **8. POLITICAL CONTRIBUTIONS**

- 8.1 The Group does not make or offer monetary or in-kind political contributions to political parties, political party officials or candidates for political office.
- 8.2 If any contribution is made, it must be permissible under applicable laws and must not be made with any promise or expectation of favorable treatment in return and must be accurately reflected in the Group accounting records.
- 8.3 The Group will not reimburse or compensate to any Personnel for making a personal political contribution.

## **9. RESPONSIBILITIES**

- 9.1 The Board has oversight of this Policy. The Managing Director (“MD”) and Executive Director (“ED”) are responsible for ensuring the compliance with this Policy by Personnel. The Personnel of the Group is required to be familiar with and comply with this Policy and this Policy shall form part of the employee staff handbook.
- 9.2 The Company will ensure appropriate resource to be provided for effective operation of this Policy that the MD/ED is equip with persons or independent consultants with appropriate competence, authority and independent in discharging his/her duties.
- 9.3 The Company, the MD and the ED are committed and will conduct regular risk assessment to identify the Bribery and Corruption risks that affecting the business and to assess the effectiveness control in complying this Policy.
- 9.4 The Group has a zero-tolerance approach to Bribery and Corruption. Any violation of this Policy will be regarded as serious matter and will result in disciplinary action, including dismissal and termination in accordance with local law.
- 9.5 Any Personnel with any suspicious, concerns or believes regarding a violation with this Policy has occurred or may occur in future, should raise up, notify and shall make report to the Company via the channel outlined in our Whistleblowing Policy.
- 9.6 Any Personnel shall be accountable individually when he or she engage in a bribe himself or herself, or whether he or she authorized, assists or conspires with someone else to violate this Policy and/or an anti-corruption or anti-bribery. Punishment for violating the law by relevant authorities against him/her as an individual and may include imprisonment, probation, mandated community service and monetary fines and others which will not be paid by the Company.

## **10. RECORD KEEPING**

- 10.1 The Group will keep all financial records and have appropriate internal controls in place which will evidence and justify that business reason for making payments to, and receiving payments from, third parties or Stakeholders.

- 10.2 The Group will ensure all expenses claims relating to gifts or entertainment made to third parties are submitted in accordance with the Company's reimbursement procedures and/or applicable policy and specifically record the reason for such expenditure.
- 10.3 The Group will keep all documents, accounts and records relating to dealings with third parties, such as customers, suppliers and business contracts and should be prepared and maintained with strict accuracy and completeness. No accounts should be kept "off-book" to facilitate or conceal improper payments.

## **11. REPORTING OF POLICY VIOLATIONS**

- 11.1 The Company has established and maintain a reporting channel for receiving information pertaining to the violations of this Policy.
- 11.2 Personnel in their course of his/ her activities during employment at the Company, encounter actual or suspected violations of this Policy are required to report their concerns using the reporting channels stated in the Whistleblowing Policy, available at the Company's website [www.hoover.com.my](http://www.hoover.com.my)
- 11.3 Any Personnel of the Company who fails to report known or suspected violations may be subject to disciplinary action including termination of employment. In Malaysia, any person who knows and fails to report an act of giving and offering of bribes is committing an offence under Section 25 (1) and (2) of the MACC Act 2009.

## **12. TRAINING AND AWARENESS**

- 12.1 The Company will on a continuing basis provide specific and regular training on this Policy, and on anti-corruption and bribery laws and on how to implement and comply with this Policy, for all new and existing Employees.
- 12.2 The Company will communicate with Stakeholder on this Policy and with the objective to instill awareness and to prevent Bribery and Corruption in business relationship.

12.3 The Company will record the training, education and communication programmes carried out by the Company and such records will be maintained by the Human Resource Department for reference

### **13 EFFECTIVE DATE**

13.1 This Policy is approved by the Board of Directors and effective as of 10 June 2020.