



ANTI-CORRUPTION POLICY

1. Introduction

Eastern & Oriental Berhad (“E&O” or the “Company”) and its subsidiaries (the “Group”) is committed to conducting its business in a lawful and ethical manner.

E&O has established this Anti-Corruption Policy (this “Policy”) to set out the Group’s expectations for internal and external parties working with and for the Group in upholding the Group’s zero-tolerance stance against corruption.

This policy which may be amended from time to time by E&O, can be found on our website <https://www.easternandoriental.com/>.

Should there be any conflicts between this policy and applicable laws, the law shall prevail.

2. Scope

This Policy is applicable to the Group’s Directors, Employees, Suppliers, Service Providers, Business Associates, and any third parties acting on the Group’s behalf (e.g. agents).

This Policy shall be applicable in all countries in which the Group has business activities.

3. What is Corruption?

“Corruption” or “Bribery” refers to the act of corruptly giving, agreeing to give, promising, offering, soliciting, receiving, or agreeing to receive any gratification. Gratification can take various forms, including monetary, non-monetary, services, favours, or any form of benefit or advantage. For the purpose of this Policy, the term “bribery” can be used interchangeably with “corruption” as specified in Paragraph 15.29 of the Main Market Listing Requirements issued by Bursa Malaysia Securities Berhad.

A gratification that is given or received with a corrupt intent, including to induce or reward the improper performance of a party, or to obtain or retain an undue advantage, is considered a bribe.

The MACC Act 2009 prohibits a person or a commercial organisation from giving and receiving bribes, including via agents or associates.

[Refer to **Section 16**, **Section 17**, and **Section 17A** of the *MACC Act 2009*]

4. Our Anti-Corruption Stance

- I. E&O Group adopts a zero-tolerance approach towards corruption and will not pay or solicit bribes to or from anyone for any purpose.
- II. The Group takes the upholding of its anti-corruption stance across the Group’s businesses seriously and expects the same from stakeholders internal and external to the Group’s businesses, extending to all the Group’s business dealings and transactions in all countries in which it operates.
- III. Directors, Employees, Suppliers, Service Providers, Business Associates as well as their directors and Employees, and any third parties working with or for the Group shall adhere to and observe the Group’s anti-corruption stance and relevant provisions of the Group’s Anti-Corruption Policy.
- IV. The Group treats any violation of this Policy seriously and will undertake necessary actions, including, but not limited to, review of employment or appointment, disciplinary actions, dismissal, and reporting to the authorities, consistent with the relevant laws and regulations.

5. Definitions

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The following definitions and interpretations shall apply in this Policy:

- (i) "corruption" or "bribery" refers to the act of corruptly authorising, giving, agreeing to give, promising, offering, soliciting, receiving, or agreeing to receive any gratification;
- (ii) "gratification" shall have the meaning as defined in the MACC Act 2009, i.e.:
 - (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 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) "person associated" refers to a director, partner or an employee of the commercial organisation (E&O included) or a person who performs services for or on behalf of the commercial organisation;
- (iv) where this Policy refers to the act of "giving" or "paying" a bribe it also refers to actions amounting to the act of agreeing to give, promising, or offering a bribe;
- (v) where this Policy refers to the act of "receiving" a bribe it also refers to actions amounting to the act of soliciting or agreeing to receive a bribe;
- (vi) "facilitation payments" shall have the definition consistent with that provided by Transparency International, which is: a small bribe, also called a 'facilitating', 'speed', or 'grease' payment, made to secure or expedite the performance of a routine or necessary action to which the payer has legal or other entitlement;
- (vii) "Directors" include Executive Directors, Non-Independent Non-Executive Directors and Independent Non-Independent Directors of E&O and its subsidiaries;
- (viii) "Employees" include full-time, part-time, probationary, contract and temporary employees;
- (ix) "Suppliers" are companies/ organisations/ entities that supply goods to E&O Group. A supplier can be a manufacturer or a distributor company;
- (x) "Service Providers" include the Group's contractors, sub-contractors, consultants, agents, or any parties performing work or services for or on behalf of the Group;
- (xi) "Business Associates" include the Group's joint-venture entities (excluding subsidiary), joint-venture partners, business partners, as well as associate companies;
- (xii) "Subsidiary" shall have the definition as provided in the Companies Act 2016;
- (xiii) "Officer of a Public Body" shall have the definition as provided in the MACC Act 2009; and
- (xiv) "Foreign Public Official" shall have the definition as provided in the MACC Act 2009.

6. Bribing of an Officer of a Public Body or a Foreign Public Official



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The bribing of an Officer of a Public Body or a Foreign Public Official is an offence under the MACC Act 2009 and is likely to be an offence under the local laws of the Group's countries of operations. Directors, Employees, Suppliers, Service Providers, and Business Associates of the Group who has dealings with any Officer of a Public Body or Foreign Public Official shall exercise extra care to not engage, directly or through a third party, in any activity or transaction that may constitute, or perceived to constitute, an attempt to bribe an Officer of a Public Body or Foreign Public Official.

7. Gifts, Entertainment and Hospitality

While the giving and receiving of gifts, entertainment, and hospitality is not prohibited, they must not be made with the intention to, or perceived to be able to, influence any business-related decisions or outcome.

Gifts, entertainment, or hospitality which may influence, or perceived to be able to influence, any business-related decisions or outcome may be construed as a bribe. Directors, Employees, Suppliers, Service Providers, and Business Associates of the Group must avoid giving or receiving gifts, entertainment, or hospitality which may be construed as a bribe.

E&O Group's business dealings, such as purchase orders, sales, and contracts, shall be conducted on the basis of business merits, such as price competitiveness, quality of goods and services, and track record. Apart from a corporate gift that has the Group's logo of nominal value or a simple meal, gifts, entertainment, and hospitality shall not be given to any auditors, regulators, government department, agency, department, authority, or entities, or their officers, if:

- the Group is expecting to be audited by, or to apply, obtain, or renew a licence, permit, approval, or any other types of clearance from, the abovementioned entities in the coming three months; or
- the Group has applied, obtained, or renewed a licence, permit, approval, or any other types of clearance from, or an audit report on the Group's businesses has been issued by, the abovementioned entities in the past three months.

In relation to the Group's business activities, a non-business-related travel, which is in substance a vacation, tour, holiday, or anything to that effect, shall not be given to any third-party by the Group, its Directors, or Employees, or accepted by the Group, its Directors, or Employees which is given by any third-party.

All gifts, entertainment, and hospitality provided or received, either in personal capacity or the Group's capacity, shall be authorised, processed, and recorded.

8. Third-Party Travel

Third-Party Travel refers to travelling-related expenditures, such as transportation tickets, meals, or accommodations, incurred for legitimate business activities, such as an audit or site visit, which is incurred by a third-party but reimbursed or paid for by the Group or person associated with the Group and vice versa. Inappropriate, excessive, or unnecessary Third-Party Travel poses a corruption risk, especially when the business activity in question involves a material interest of a specific party, e.g. an audit, and shall not be provided or received.

9. Facilitation payments

The Group, its Directors, Employees, Suppliers, Service Providers, and Business Associates are prohibited from, directly or through a third party, giving or receiving facilitation payments. Facilitation payments include unofficial and improper payments or benefits provided to secure or expedite a business-related outcome or decision for the Group. Facilitation payments are bribes and they could be small in value and solicited by both the public and private sectors.

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10. Donations and Sponsorships

Donations (including charitable contributions) and sponsorships made by the Group and person associated are philanthropic in nature or for the purpose of promoting E&O and must never be made with the intention to, or perceived to be able to, influence any business-related decisions or outcome.

Suppliers, Service Providers, Business Associates, and any third parties acting on E&O's behalf shall not donate to or sponsor an event with the intention to obtain or retain a business-related decision or an advantage in the conduct of business on behalf or for E&O. Suppliers, Service Providers, Business Associates, and any third parties acting on E&O's behalf shall comply with the following policies pertaining to donations and sponsorships:

- donations and sponsorships shall never be made to, or for the benefit of, any specific individual;
- due diligence and conflict of interest checks shall be performed prior to the donation and sponsorship, to avoid potential corruption or perceived as corrupt situations;
- donations and sponsorships given shall be recorded and monitored; and
- donations and sponsorship shall never be made if there are any current bids or pending decisions, where these donation or sponsorship could influence a current bid or decision, such as approval of a licence or resolution of an issue such as a tax dispute or investigation;

unless:

- the contribution or donation is ringfenced specifically for a clear environmental or social cause; or
- the sponsorship event has a clear environmental or social cause.

11. Business Rewards, Rebates, Commissions, or Other Incentives

Doing business or establishing new business opportunities may involve the use of various promotional and marketing tools such as business rewards, rebates, discounts, or other incentives. That said, certain business rewards or incentives may be of questionable nature or worse, they may constitute a bribe formulated with the intention to obtain or retain an undue business advantage.

- The Group does not provide business rewards, rebates, commissions, or other incentives which are questionable in nature or are contradictory with anti-corruption laws and regulations.
- Business-related incentives of the Group must fulfil the following conditions:
 - is formally documented as part of the provider's (of the business incentive) incentive program or contract (e.g. rewards program or credit policy); and
 - is applicable to all or its applicability is based on business-based parameters (e.g. applicable to all customers or applicable to customers exceeding certain order amount).

Suppliers, Service Providers, Business Associates, and any third parties acting on E&O's behalf shall uphold the above policy in the conduct of business on behalf or for E&O.

12. Business Dealings with Integrity

The Group, in selecting its Directors, Employees, Suppliers, Service Providers and Business Associates, places great emphasis on integrity and ethical business practices. The Group has established internal procedures which require due diligence checks to be performed on Directors, Employees, Suppliers, Service Providers and Business Associates before appointment or engagement.

Suppliers, Service Providers and Business Associates are highly encouraged to have in place adequate procedures to prevent the conduct of corruption activity, especially when performing work or service on behalf of the Group.



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For the business arrangement or conduct of business activity which bears a higher corruption risk, as assessed and determined by the Group from time to time, the Group may require the Supplier, Service Provider or Business Associate involved to have in place policies and procedures to prevent the conduct of corruption activities.

13. Reporting and Recording

It is important that proper and complete records and documentation of all transactions made by the Group, its Suppliers, Service Providers and Business Associates be maintained as these would serve as evidence that the transactions made were bona fide, and were not made with a corrupt or unethical intent.

All accounts, invoices, documents, and records shall be prepared and maintained with accuracy and completeness.

14. Compliance and Support

Compliance with this Policy by the Group, its Employees, Suppliers, Service Providers and Business Associates is mandatory. Any violation of this Policy will be dealt with seriously by the Group and may lead to, but not limited to, review of contract, employment or appointment, disciplinary actions, dismissal, cessation of business relationship and/or reporting to the authorities, consistent with relevant laws and regulations.

Directors, Employees, Suppliers, Service Providers and Business Associates of the Group are expected to refuse to give or receive a bribe when solicited or offered one. The Group is committed to ensuring that no one suffers any detrimental treatment for refusing to give or accept a bribe.

Directors, Employees, Suppliers, Service Providers and Business Associates with any concerns or queries or requiring support and advice pertaining to compliance with this Policy shall consult or seek assistance from the Group's Anti-Corruption Compliance Support Function Officer via e-mail at compliance@easternandoriental.com.

15. Training

The Directors, Employees, Suppliers, Service Providers, and Business Associates of the Group will be required to undertake any relevant anti-corruption training which E&O Group reasonably required. Suppliers, Service Providers and Business Associates will be responsible for the costs of any such training (with the exception of Directors and Employees, of which the costs will be bear by E&O Group).

16. Reporting of violations of the policy

Any person, including the general public, who knows of, or suspects of, a violation or potential violation of this Policy is to report the concerns through the whistleblowing mechanism (available on our Corporate Website) set out under the Group's **Whistle Blowing Policy**.

No individual will be discriminated against or suffer any sort of retaliation for raising genuine concerns or reporting in good faith on violations or suspected violations of the Policy. All reports will be treated confidentially.

17. Audit

E&O Suppliers, Service Providers and Business Associates are required to maintain complete and accurate books and records in relation to the scope of work provided to E&O Group. These will include corporate records, time sheets, work records, supply records, bank statements, accounts, receipts, invoices and other supporting documentation. The Supplier, Service Provider or Business Associate shall retain these books and records for at least seven years following the period to which they relate.



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During the term of the agreement and for a period of two years after termination, E&O Group may at any time appoint an auditor (who may be an employee of E&O Group or a third party) to conduct an audit of the books and records of the Supplier, Service Provider and Business Associate relevant to the scope of work provided to E&O Group. E&O Group may choose that this audit is undertaken:

- from E&O's office, in which the Supplier, Service Provider or Business Associate will be required to send by e-mail, courier or post any copy documentation reasonably requested by E&O; and/or
- at the Supplier, Service Provider or Business Associate's office, in which the Supplier, Service Provider or Business Associate will be required to make the books and records available to E&O's auditor at the office, and will provide any copy documentation reasonably requested by E&O.

The Supplier, Service Provider or Business Associate will, for the purpose of such audit, provide all reasonable assistance to E&O's auditors.

The purpose of the audit will be for E&O's auditor to confirm, as far as practicable, that any payments made by E&O to the Supplier, Service Provider or Business Associate under the agreed scope of work have not been used corruptly.

The Supplier or Business Associate shall upon E&O's request, if required, to provide E&O with a copy of its annual financial statements as soon as they are finalised.

18. Investigation

In the event of breach of any term of agreement by any Supplier, Service Provider or Business Associate, or of any suspected or actual corruption, E&O may institute an investigation.

The Supplier, Service Provider or Business Associate shall provide all reasonable assistance, information and documentation to E&O during the course of the investigation.

19. Review of this Policy

This Policy is approved by the Board of Directors of E&O on 20 May 2020.

This Policy shall be reviewed by the Company periodically or at least once in three years.