

DPI HOLDINGS BERHAD
(Company No.: 201701035607 (1249778-M))
(Incorporated in Malaysia)

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ABBREVIATIONS

TERMS	DESCRIPTION
ABAC	Anti-Bribery and Anti-Corruption
Board of Directors/BOD	Means the Board of Directors of DPI Holdings Berhad, unless specifically stated otherwise.
Business Associate(s) / Third party	Means any individual or organization that an employee shall come in contact with in the course of work or engagement with the Group and includes existing clients, potential clients, suppliers, distributors, third party vendors, service providers, agents, advisers, business associates and government /public officials/ regulatory bodies including their advisors, representatives and officials, politicians and political parties.
Core Team	Group's top level business management working team
Group/ DPI Group/ We	All entities DPI Holdings Berhad and its subsidiaries whether at HQ or at any Branches or subsidiaries and affiliates (if any).
Employee(s)	All individuals directly contracted to the Group on an employment basis, including permanent and temporary employees and Directors.
HODs	DPI's Head of Departments / Head of Group
Managers	Head of Team within a department/business unit
MACC	Malaysia Anti-Corruption Commission.
MACCA	Malaysia Anti-Corruption Commission (Amendment) Act 2018.
Policy	The Group's Anti-Corruption & Anti-Bribery Policy
RMWG	Risk Management Working Group is a committee formed to manage risk related matters of DPI. It currently comprises DPI's Core Team members.

PART 1 - INTRODUCTION

DPI Holdings and its subsidiaries (“the Group”) are committed to conduct our business with integrity, trustworthiness, and accountability. The Management continually promotes a culture of integrity within DPI and stresses the importance of a **zero-tolerance approach to bribery and corruption** in our actions and decisions, both internally and externally.

The Group’s Anti-Bribery and Anti-Corruption Policy (“the Policy”) leverages the core principles set out in the Group’s Code of Conduct & Ethics (“Code”). The scenarios provided within this Policy do not limit the boundaries of the Policy which may be extended to cover all circumstances relating to bribery. Compliance to the Policy is mandatory and will be monitored with a principle-based approach.

The Policy shall be read in conjunction with other related or applicable standards/ policies/ frameworks/ procedures/ guidelines/ manuals (including but not limited to the Code , Whistleblowing Policy & Procedures, Employee Handbook and other Strategic Management and Business Policies and SOPs) and/or external policies/frameworks/ procedures/ guidelines/ manuals issued by the governing authorities.

DPI GROUP’S POSITION ON BRIBERY AND CORRUPTION

The Board of Directors of the Group holds a zero-tolerance position against all forms of bribery and corruption. The Group is committed to conducting business dealings with integrity and consistently with this Policy and all applicable laws, rules and regulations. This means avoiding practices of bribery and corruption of all forms in the Group’s daily operations.

All employees and business associates should embrace the Group’s **integrity code “Do The Right Things”**: *it is being incorruptible, honest, and above all, doing all these things when no one is around to see it.*

In principle:

1. The Group has a **zero-tolerance position against all forms of bribery and corruption**.
2. We are committed to deal with business associates in a fair, transparent and ethical manner.

3. We prohibit any receiving, giving or promising of facilitation payments.
4. We shall conduct due diligence on the Group's associates and other third parties, projects and business activities, in particular where there is significant exposure to bribery and corruption risk.
5. We shall declare conflicts of interest where actual, potential or perceived conflicts arise.
6. We adopt a "**No Gifts**" policy, subject to the Group's RMWG approval or certain limited circumstances.
7. We prohibit offering or accepting hospitality subject to the Group's RMWG approval or certain limited circumstances.
8. We allow charitable donations and sponsorships for legitimate reasons subject to the Group's RMWG approval.
9. We strongly encourage reporting (whistleblowing) of real or suspected cases of bribery and corruption without fear of retaliation or reprisal.

All employees and business associates are expected to **read, understand and comply** with the requirements set out in this Policy. No waivers or exemptions will be granted for practices that deviate from the Group's ABAC principles. For further information, please refer to our Policy in the Group's corporate website <www.dpiaerosol.com>.

If you have any questions or concerns, please consult **Risk Management Working Group (RMWG)**:

Hotline	03-5131 8218
Email	whistleblowing@dpiaerosol.com (General)
Corresponding Address	DPI Holdings Berhad K69, Jalan Perindustrian 6, Kawasan Perindustrian Tanjung Agas, 84000 Kesang, Tangkak, Johor Darul Takzim, Malaysia.

PART 2 - ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

1. Policy Statement

This Policy is intended to apply to every employee, including BOD of DPI Group, and associated companies (if any). DPI Group expects that business associates will comply with it when engaging with the Group for work or services.

This policy aims to set out the Group's responsibilities to comply with the laws against bribery and corruption and to provide guidance and information on how to identify and deal with issues relating to bribery and corruption.

2. Definition of Bribery and Corruption

In line with MACCA and the Guidelines of Adequate Procedures by the Prime Minister's Officer, the Group has developed and implemented a comprehensive set of measures to combat bribery and corruption of all forms related to DPI's operations.

Bribery

Under the MACCA, 'gratification' or what most people call 'bribery' means offering, giving, receiving or soliciting something of value (for example money or information) in an attempt to illicitly influence or actions of a person with a position of trust within an organization.

Corruption

According to 'Transparency International' means the abuse of entrusted power for personal gain. However, corruption has a broader definition than bribery.

This Policy therefore refers to 'bribery and corruption' as a standard term to cover all types of gratification.

3. Applicable Scope

All Employees

- This Policy applies to both **Board of Directors** (executive and non-executive) and its **employees** (permanent and on contract), regardless of their positions or roles in all companies within the Group.
- All employees must comply with the Policy, DPI's policies and procedures and all applicable laws in the course of employment.
- Core Team / HODs / Managers are responsible to communicate and ensure

compliance to this Policy within their respective business functions/ units.

Business Associates

- This Policy applies to DPI's business associates,
- All employees, regardless of their positions or roles, are responsible to communicate this Policy to their business associates.
- The Group will use its influence in good faith to require the business associates to understand and implement policies and procedures similar to that of DPI's.

4. Unacceptable Practices

It is **NOT** acceptable to:

- Give, promise to give, offer a payment, gift or hospitality to secure or award an improper business advantage;
- Give, promise to give, offer a payment, gift or hospitality to a government official, agent or representative to facilitate, expedite or reward any action or procedure;
- Accept payment from a business associate knowing or suspecting it is offered with the expectation that it will obtain a business advantage from them;
- Induce another individual or associate to indulge in any prohibited acts;
- Give or accept any gift which could be reasonably perceived as contravening to this Policy or applicable laws and regulations; or
- Engage in any activity that may lead to the breach of this Policy.

5. Facilitation Payments and Kickbacks

The Group prohibits making or accepting any facilitation payments or kickbacks of any kind. Small payments made to secure or expedite a routine action is considered a facilitation payment whilst payments made in return for a business favor or advantage would constitute a kickback.

6. Donations/ Sponsorships/ Corporate Social Responsibility (CSR)

The Group may make donations/sponsorships so long as it does not contravene any applicable laws. All donations/sponsorships are to be approved by RMWG and must be accurately documented.

The Group shall collectively avoid making any business decisions that would cause negative consequences to the Group's reputation or create the appearance of impropriety.

As part of the Group's commitment to CSR as a general matter, DPI Group provides such assistance in appropriate circumstances and manner. However, such requests are to be carefully examined for legitimacy and not be made to improperly influence a business outcome. The proposed recipient must be a legitimate organisation and appropriate due diligence is to be conducted where any red flags must be resolved before committing any funds to the programme.

7. Dealing with Third Parties

a. Business Associates

The Group takes care in its dealing with business associates and requires all business associates to be ethical and comply with MACCA. Business associates shall not offer or provide, either directly or indirectly any bribe, gift, reward, consideration, favor or any advantage (material or otherwise) to any of our employees for the purpose of influencing them to act in contrary of this policy or obtain any rewarding treatment with respect of any terms, conditions or price of a contract

Appropriate due diligence to be conducted based on the Due Diligence Checklist when dealing with business associates to avoid the Group from being exposed to risks of third parties not following ethical business practices. The Group to have in place adequate procedures to vet business associates within the specific / relevant Departments. If any red flags are raised, these issues must be resolved before any further engagement. Should it become likely during the course of a relationship that a business associate is engaging in inappropriate actions, then the RMWG must be contacted for guidance.

Failure for business associates to comply with this Policy may result in the termination of the business relationship with DPI.

b. Mergers, Acquisitions and Investments

DPI Group must undertake due diligence in evaluating Mergers and Acquisition transactions and investments to ensure compliance with anti-bribery and corruption laws. Transparency International has provided a guide for companies on undertaking anti-bribery and corruption due diligence in the course of mergers, acquisitions and investments. The Group will make reference to this in our due diligence process.

8. Gifts and Hospitality

The Group shall conform to the general practice of common business decorum when accepting any type of business reception or arranging any activities, and must avoid accepting any form of payments, gift, favours and hospitality that may compromise the integrity, professional judgment or are likely to be seen to conflict with any duties owed to our Business associates. Hospitality here includes meals, travel or transportation, accommodation, entertainment and recreation (leisure activities).

Any gift or hospitality must be unsolicited and not affect, or be perceived as affecting, business judgment. Gifts should only be offered to and received in connection with a customary business or cultural occasion, subject to HODs/ Head of Operations' endorsement and RMWG's / Executive Directors' approval.

In these limited circumstances (as per below if exceed threshold limit determined internally), employees are expected to immediately record the gift in the Gift Register (Gift Activity Reporting Form) for submission to your HODs/ Head of Operations and onward forwarding to RMWG/ Executive Directors for approval on whether to accept the gift or require it to be returned.

Even if it may appear disrespectful to refuse a gift from an external party, nevertheless, if there is a conflict of interest situation then clearly the RMWG/Executive Directors cannot approve the acceptance of said gift (in the case of directors, the RMWG would advise the same). In this situation, the gift must be politely returned with a note of explanation about the Company's "No Gift" policy.

In the event the RMWG/Executive Directors approve the acceptance of the gift, they must also determine the treatment of the gift whether to:

- a) Donate the gift to charity; or
- b) Hold it for departmental display; or
- c) Share with other employees in the department; or
- d) Permit it to be retained by the employee.

In determining the above, RMWG/Executive Directors are expected to exercise proper care and judgment in each case.

Limited circumstances (exceptions to "No Gifts" policy)

There are certain exceptions to the general rule whereby the receiving and provision of gifts are permitted in the following situations:-

- Exchange of gifts at the company-to-company level (e.g. gifts exchanged between companies as part of an official company visit/ courtesy call and thereafter said gift is treated as company property);
- Gifts from DPI Group to external institutions or individuals in relation to the company's official functions, events and celebrations (e.g. commemorative gifts or door gifts offered to all guests attending the event);
- Gifts from DPI Group to employees and directors and/ or their family members in relation to an internal or externally recognised Company function, event and celebration (e.g. in recognition of an employee's/director's service to the Company);
- Token gifts of nominal value normally bearing the DPI or company's logo or (e.g. t-shirts, pens, diaries, calendars and other small promotional items) that are given out equally to members of the public, delegates, customers, partners and key stakeholders attending events such as conferences, exhibitions, training, trade shows etc. and deemed as part of the company's brand building or promotional activities; and
- Gifts to external parties who have no business dealings with DPI Group (e.g. monetary gifts or gifts in-kind to charitable organisations).

Even in the above exceptional circumstances, employees and directors are expected to exercise proper judgment in handling gift activities and behave in a manner consistent with the general principles set out in the Code

10. Employees' Responsibilities

It is not acceptable to offer, give, solicit, or receive any forms of bribe, kickback or gratuities. This applies to all Group transactions, even where the practice is widely considered as "a way of doing business".

Read and Declare

- All employees must read, understand, comply and declare their acceptance and compliance with this Policy.

Lead by Example

- HODs/Core Team and Managers must communicate this Policy to their team members, business associates and any other parties they may engage with.
- HODs/Core Team and Managers must show respect and maintain open, honest

and constructive two-way communication with their team members. This means encouraging them to ask questions, make suggestions and report concerns or possible violations of the Policy.

- We must also encourage our business associates and other parties to report any concerns or possible violations of this policy and procedures via the whistleblowing channels.

Understand the Consequences

- Failure for employees to comply with this Policy, including non-completion of training relating to anti-bribery and corruption, will result in disciplinary action, up to and including termination of employment or dismissal.
- Since the Group's ABAC principles are based on legal requirements, violating them could subject DPI and its employees to penalties including fines, imprisonment and other criminal or civil sanctions. These violations may also result in high costs, personal reputational damage or loss of professional accreditation and severely damage the reputation of DPI.
- Failure for business associates to comply with this Policy may result in the termination of the business relationship with DPI.

11. Record Keeping

The Group to maintain proper and complete financial records and have in place sufficient internal controls to evidence payments made to or received from third parties.

12. Recruitment of Employees

The recruitment of potential employees should be based on approved selection criteria to ensure that the most suitable individuals are employed. This is crucial to ensure that no element of corruption is involved in the hiring of employees.

In line with this, proper background checks should be conducted in order to ensure that the potential employee has not been convicted in any bribery or corruption cases nationally or internationally. More detailed background checks should be taken when hiring employees that would be responsible in management positions, as they would be tasked with decision-making obligations.

If it is found or suspected that another person subject to this policy has violated or about to violate this policy or applicable law, whether deliberately or inadvertently, you must report the same to your Head of Operations or your Human Resource Department.

13. Raising Concern and Protection for Raising Concern

13.1 Raising Concern

Employees are encouraged to raise concerns of potential or current suspicion of malpractices to their immediate superior or in the event of uncertainty of chain of reporting, to the Human Resource Department immediately. Please refer to **Schedule 1** for the potential risk scenarios as a reference.

13.2 Protection for Raising Concern

We take responsibility to ensure we act with integrity and encourage openness and will support anyone who raises a genuine concern in good faith. The Group assures that we are committed to ensuring no unfair or detrimental treatment for reporting in good faith.

14. On Going Training

Communication / dissemination of this Policy shall be made available to everyone within the Group. The Group's stand on zero policy toward bribery and corruption should be communicated to all and to this end continued on-going training will be conducted. Adequate training and mandatory periodic compliance program should be conducted to ensure Employees' thorough understanding and compliance to the Group's anti-corruption and anti-bribery position.

15. Monitoring and Review

The Risk Management Working Group (RMWG) shall monitor the effectiveness and review the implementation of this Policy. Regular checks on the effectiveness of this Policy including but not limited to reporting and escalation should be reviewed from time to time and where necessary make the necessary changes to be inclusive. HR & Administration Group shall assist in the implementation of this Policy.

16. Stakeholder of Policies & Procedures and Prevailing Law

The Board of Directors shall be overall responsible to ensure the Policy is adequate and effective and is in line with prevailing rules and regulations i.e. the MACCA.

SCHEDULE 1

Potential Risk Scenarios – “RED FLAGS”

This Schedule contains a list of possible risk scenarios which may arise during the course of business.

This is not an exhaustive list and is for illustrative purpose only

Please report immediately (per Whistleblowing Policies & Procedures) should you encounter any of the possible risk scenarios below:

- (a) Being aware that a third party is engaged in or has been accused of engaging in improper business activities / practices;
- (b) Discovering that a third party pays bribes or requires bribes to be paid to them for business dealings with them;
- (c) A third party insists on receiving commission or fee for payment before committing to sign up to a contract with us or carrying out a government function with us;
- (d) A third party requests payment in cash or refuses to sign a formal agreement or to provide an invoice or receipt for a payment made;
- (e) Requests from a third party to make payments to a country or jurisdiction different from where the third party resides or conducts its business;
- (f) A third party requests unexpected additional fees or commission to facilitate a service;
- (g) Demands of lavish gifts or hospitality before commencing or continuing with the contractual agreement or provision of service;
- (h) Requests from third party to overlook potential legal / regulatory violations;
- (i) Requests to provide employment or some advantage to the third party's friend or relative;
- (j) Receiving an invoice from a third party which appears to be not customized to company standards;
- (k) Refusal by the third party to put terms in writing;
- (l) Invoice not reflecting the service provided;
- (m) Requests to use the services of an agent, intermediary, consultant or supplier not typically known or used by the Company; and/or
- (n) The offer of an unusual generous gift or lavish hospitality by a third party.