HARTALEGA HOLDINGS BERHAD
(741883-X)

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

1.0 PURPOSE

1.1 Hartalega Holdings Berhad and its subsidiaries ("The Group") are committed to maintain high standards of corporate governance and integrity and maintains a zero-tolerance approach towards all forms of bribery and corruption.

1.2 The Anti-Bribery and Anti-Corruption Policy ("This Policy") is part of our efforts to inculcate corporate accountability at the individual level and enable the Group to consistently reach high standards of corporate governance, corporate social responsibility and professionalism.

1.3 This Policy sets out the Group's position on bribery in all its forms and matters of corruption that might confront the Group in its day-to-day operations. This Policy also provides guidance on how to act when subjected to potential acts of bribery and matters of corruption.

2.0 SCOPE

2.1 This Policy is applicable to Hartalega Holdings Berhad and its subsidiaries (the 'Group'), which encompasses all its Directors, officers, employees and persons associated with the Group. It also extends, where applicable, to business associates engaged by the Group pursuant to contractual arrangements or agreed terms governing compliance with anti-bribery and anti-corruption requirements. Compliance to the Policy is mandatory.

2.2 The nature of the Group businesses requires employees to engage in business with a wide range of parties, both internal and external. This Policy establishes the boundaries on interactions with all parties.

2.3 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 and corruption.

3.0 GENERAL PRINCIPLES

3.1 This Policy is guided by the Malaysian Anti-Corruption Commission Act 2009, Malaysian Anti-Corruption Commission (Amendment) Act 2018 (collectively, "MACCA"), Malaysian Penal Code (revised 1977), Companies Act 2016 (Malaysia), and any other anti-bribery or anti-corruption laws that may be applicable to the country. These laws prohibit bribery and corruption and mandate the Group to establish and maintain accurate books and records and adequate measures to prevent corrupt practices.

3.2 The Group is committed to taking all necessary measures to ensure that its businesses do not participate in corrupt activities and to implement adequate procedures as required under Section 17A of the MACCA. In line with the Ministerial Guidelines on Adequate Procedures issued pursuant to Section 17A(5), the Group adopts the T.R.U.S.T. principles (Top Level Commitment, Risk Assessment, Undertake Control Measures, Systematic Review, Monitoring and Enforcement, and Training and Communication) as the framework for its anti-bribery and anti-corruption programme.

3.3 This Policy leverages on the core principles set out in Code of Conduct and Ethics for Employees. Each employee shall uphold high levels of personal and professional values in all business interactions and decisions.

3.4 This Policy shall be read in conjunction with the Group's Code of Conduct and Ethics for Employees, Social Compliance Policy, Whistleblowing Policy and Procedure, Conflict of Interest Policy and Supplier Code of Conduct (if applicable).

3.5 The Group have adopted a zero-tolerance approach against all forms of bribery, corruption and politicking and takes a strong stance against such acts. This means avoiding practices of bribery and corruption of all forms in the Group's daily operations, including giving or receiving such bribes or kickbacks.

3.6 Employees who refuse to pay or receive bribes or participate in acts of corruption will not be penalised even if such refusal may result in the Group losing business or not meeting targets.

3.7 In cases of conflict between mandatory law and the principles contained in this Policy, the law shall prevail.

4.0 DEFINITIONS

4.1 "Bribery" is defined as offering, promising, giving, accepting or soliciting of gratification or an undue advantage of any value (which could be financial or non-financial), directly or indirectly, and irrespective of location(s), in violation of applicable law, as an inducement or reward for a person acting or refraining from acting in relation to the performance of that person's duties.

4.2 "Corruption" is defined as abuse of entrusted power for personal gain, as defined by the Transparency International, an independent, non-governmental and non-partisan organisation committed to fight against corruption. Examples of corruption includes bribery, kickbacks, extortion, collusion, breach of trust, abuse of power, facilitation payments, trading under influence, embezzlement, fraud or money laundering.

4.3 "Gratification" means money, donation, gift, loan, fee, reward, valuable security, property or interest in property, office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity; any payment, release, discharge or liquidation of any loan, obligation or other liability; any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage; any forbearance to demand any money or money's worth; any other service or favour of any description, including protection from any penalty or disability incurred or apprehended; and any offer, undertaking or promise of any of the foregoing.

4.4 "Gift" refers to money, fee and benefits of various kinds (including objects, gratuities, rewards, favors, or other incentives) directly or indirectly given to or received from anyone who has or may have facilitated, or who may facilitate the creation or maintenance of a business and/or regulatory relationship with the Group.

4.5 "Hospitality" refers to accommodation, travel, any form of business events and ticketing directly or indirectly given to or received from anyone who has or may have facilitated, or who may facilitate the creation or maintenance of a business and/or regulatory relationship with the Group.

4.6 "Facilitation Payment" means a payment or other gratification made to a public official or person in a position of trust to secure or expedite the performance of a routine or necessary action to which the payer has legal or other entitlement.

4.7 "Conflicts of interest" arise in situations where there is personal interest that might interfere with a person's objectivity when performing duties or exercising judgment on behalf of the Group.

4.8 "Political Contribution" means any contribution, direct or indirect, in cash or in kind, made to a political cause, including gifts, services, political advertising, or the purchase of fundraising event tickets, made to gain improper business advantage.

4.9 "Director" is defined as Director of Hartalega Holdings Berhad ("the Company") and its subsidiaries ("the Group")

4.10 "Key Senior Management" is defined as Senior Management member of Hartalega Holdings Berhad ("the Company") and its subsidiaries ("the Group") with job grade EG15 and above.

4.11 "Family Member" is defined as the individual's spouse, parents, children, brothers, sisters and spouse of child, brother or sister.

4.12 "Business associate" is defined as an external party, in terms of a person or entity with whom the organization has on-going or potential business dealings, some form of business relationship. The term "Business Associates" includes, but is not limited to, suppliers, consultants, vendors, contractors, service providers, advisers, distributors, prospective acquisition targets or sellers and counterparties involved in mergers and acquisitions, joint venture partners, consortia parties, and any other third party acting for or on behalf of the Group.

5.0 GOVERNANCE AND OVERSIGHT

5.1 BOARD AND SENIOR MANAGEMENT RESPONSIBILITIES

5.1.1 The Board maintains overall responsibility for overseeing the adequacy and effectiveness of the Group's Anti-Bribery and Anti-Corruption framework. The Group's Senior Management is responsible for implementing the Policy and the supporting procedures, controls and programmes throughout the Group.

5.2 EMPLOYEE RESPONSIBILITIES

5.2.1 As a whole, employees are responsible to understand and comply to this Policy, including:

a. Being familiar with applicable requirements and directives of the Policy and communicate them to their subordinates;
b. Promptly recording all transactions and payments accurately and in reasonable detail;
c. Always raising suspicious transactions to immediate superiors for guidance on next course of action;
d. Promptly reporting violations or suspected violations through appropriate channels; and
e. Promptly completing related trainings, assessments and declarations as required according to position.

5.2.2 Employees with different levels of influence and/ or authority to related processes will have differing levels of responsibilities related to this Policy. For example, a senior employee, e.g. Manager is expected to have a more comprehensive understanding and compliance to the principles of this Policy in comparison to a junior employee, e.g. a Clerk.

6.0 ANTI-BRIBERY AND ANTI-CORRUPTION

6.1 The Group have zero tolerance of and strictly prohibits all forms of corruption, including bribery.

6.2 Employees must not participate in any corrupt activity such as bribery, kickbacks, extortion, collusion, breach of trust, abuse of power, trading under influence, embezzlement, fraud or money laundering.

6.3 Bribery may take the form of exchange of money, goods, services, property, privilege, employment position or preferential treatment. Employees shall not therefore, whether directly or indirectly, offer, give, receive, or solicit any item of value, in the attempt to illicitly influence the decisions or actions of a person in a position of trust within an organisation, either to benefit the Group or the persons involved in the transaction.

6.4 This Policy applies equally to all business dealings in all countries worldwide, without exception or regard to regional customs, practices or competitive conditions and include interactions with their directors, employees, agents, and other appointed representatives at all levels. Even the perception of bribery is to be avoided.

6.5 The Group recognise the value of integrity in its workforce. No employee will suffer demotion, penalty, or other adverse consequences for refusing to pay or receive bribes or other illicit behaviour, even if such refusal may result in the Group losing business or experiencing a delay in business operations.

6.6 The Group award contracts and employee positions purely based on merits. Support letters in all forms shall not be recognised as part of the business decision making process. The Group do not offer employment to prospective employees in return for previous favour/in exchange of improper favour.

6.7 The Group conduct due diligence on employees who hold or may be holding a position identified as vulnerable to bribery through risk assessments. Such positions may include but is not limited to any role involving procurement or contract management, financial approvals, human resource, relations with government officials or government departments, sales, positions where negotiation with an external party is required, or other positions which the Group have identified as vulnerable to bribery.

6.8 This section also appears in the Code of Conduct and Ethics for Employees (Section 8). If there any discrepancies, the most recent version shall prevail.

7.0 DEALING WITH BUSINESS ASSOCIATES

7.1 As part of the Group's commitment to combat corruption, the Group expect all Business Associates to abstain from bribery and corruption in their practices and to adhere to the minimum standards stated in the Supplier Code of Conduct.

7.2 The Group shall conduct risk-based due diligence on parties involved in existing or proposed joint ventures, mergers and acquisitions, who are identified through risk assessments as holding positions or performing activities that are vulnerable to bribery and corruption. Such due diligence shall be conducted in accordance with the Group's Mergers & Acquisitions Policy, where applicable.

7.3 The Group may periodically review and reassess selected business associates based on their profile and performance to ensure continued compliance with applicable anti-bribery and anti-corruption expectations

7.4 The Group shall endeavour to include anti-bribery and anti-corruption clauses in all material contracts enabling the Group to terminate any contract in which bribery or corruption breaches have been observed.

7.5 If the Group are not satisfied that bribery and corruption prevention has been upheld or if suspicion of bribery and corruption arises, the Group may seek an alternative provider of the services or goods.

7.6 Employees are expected to immediately report the situation for any Business Associate had attempted bribery, coercion or other corrupt practices.

8.0 FACILITATION PAYMENTS

8.1 The Group adopt a strict stance that disallows facilitation payments as it falls within the interpretation of gratification under the MACCA. Unknowingly approving facilitation payments can be construed as bribery if there was no due diligence performed and/ or it was not immediately reported.

8.2 Employees are expected to notify their immediate superior when encountered with any requests for a facilitation payment. In addition, if a payment has been made and employees are unsure of the nature, their immediate superior must be immediately notified and consulted. They must also ensure that the payment has been recorded transparently.

8.3 The Group equally uphold the safety of all employees as priority. In the event that an employee's safety is at stake, a facilitation payment to protect the employee is permitted if that is the immediate available recourse to protect safety of the employee. However, after receiving the payment request, the employee shall raise and lodge report in the centralised Gift and Hospitality Log accessible via Hartalega SharePoint to obtain approval from Chief Executive Officer or Chairman via the system. The Governance, Risk & Compliance Department (GRC) and Human Resources Department shall be jointly responsible for the maintenance, governance, and oversight of the Gift and Hospitality Log.

9.0 CONFLICT OF INTEREST

9.1 Employees must not use their position, official working hours, Group's resources and assets for personal gain or to the Group's disadvantage and should avoid or deal appropriately with situations in which personal interest could conflict obligations or duties.

9.2 All Directors, key Senior Management and employees are responsible for identifying and managing conflicts of interest on an ongoing basis and are required to perform annual conflict of interest declaration or when conflict arises immediately in accordance with Conflict of Interest Policy.

9.3 Conflict of interest may include, but are not limited to the following categories:

a. Equity ownership in entities having a business relationship with the Group;
b. Other employment, business appointment or undertakings where Director, key Senior Management or employee holds other part-time employment or has other business appointments or undertakings; or
c. A conflict of interest would also arise if a Director, key Senior Management or employee has a family member with an interest (e.g. in the form of ownership, directorships, partnerships, employment) in entities which have a contractual arrangement with the Group.

9.4 Without the express written consent of the employer, the employee shall not directly or indirectly engage or participate in any other business activities or employment, which, whether or not the employer, in its reasonable discretion, determines to be in conflict with the best interests of the employer.

9.5 This section shall be read in conjunction with Section 12 of the Code of Conduct and Ethics for Employees and the Conflict of Interest Policy for further details and relevant definitions.

10.0 GIFT AND HOSPITALITY

Gifts Received

10.1 The Group prohibits both giving and receiving gifts and hospitality to influence its business decisions. Employees are to decline gifts or hospitality of any value from current or potential suppliers, customers or other business associates if it would create the appearance of a conflict of interest.

10.2 The exchange of gifts or hospitality to express gratitude and build relationships is traditional in many countries. However, this can pressure the recipient to return the favour and so create a conflict of interest or perception of a conflict of interest.

10.3 Employees are never to personally offer or request for gifts or hospitality to or from customers, suppliers and other business partners. If it is not possible to decline a gift or hospitality (e.g. if the gift was delivered via courier or declining would cause embarrassment), the employee may accept it on Group's behalf and immediately notify his/ her Deputy General Manager and above (EG13 and above), who will determine whether to donate or distribute the item among a group of employees. All gifts, meals, entertainment or hospitality received valued at RM100.00 or more per recipient, must be approved by Deputy General Manager and above (EG13 and above).

10.4 Employees may accept the occasional hospitality treatment such as a meal or accepting an invitation to attend annual dinner from customers, suppliers and other business partners if they also attend and the costs are reasonable and customary.

Provision of Gifts

10.5 Giving of gifts shall be avoided in all circumstances unless there is a legitimate, customary and justifiable business purpose. If it is necessary for an employee to provide gifts and hospitality to a business associate, the employee must ensure that it supports a legitimate and justifiable business purpose and is reasonable and appropriate under the circumstances. For example, a simple goodie bag may be given to visitors coming for an educational visit, customary gifts of local produce of reasonable value or a corporate gift given from one organisation to another, with the appointed representatives of each organisation giving and accepting the gift.

10.6 The Group prohibits offering or giving of any gifts, regardless of value to individual persons involved in political parties, political office holders, elected representatives, political candidates or their representatives.

10.7 Where provision of a customary gift (i.e. local produce such as batik, dried mangoes, or mooncakes) is considered necessary and valued at below RM250.00 per event, approval from Deputy General Manager or above (EG13 or above) is required. Any customary gift with value above RM250.00 given out shall require approval from the Chief Human Resources Officer (CHRO) or the Chief Executive Officer (CEO).

10.8 For local business associates, the value of the gift given out, excluding approved corporate merchandise shall not exceed RM1,000 per event. Where international business associates are involved, the value of gift given out, excluding approved corporate merchandise shall not exceed USD $1,000 or equivalent in value. Gifts given out shall be limited to customary, bona fide appreciation, recognition or commemorative purposes, including retirement, farewell or similar occasions. Such gifts must not be given with the intention of influencing any business decision, obtaining or retaining business, securing an improper advantage, or otherwise deriving any business benefit. Any gift given out shall require prior approval from the Chief Human Resources Officer (CHRO) or the Chief Executive Officer (CEO).

10.9 All gifts and hospitality received and given out, regardless of value shall be declared in the centralised Gift and Hospitality Log accessible via Hartalega SharePoint. The Governance, Risk & Compliance Department (GRC) and Human Resources Department shall be jointly responsible for the maintenance, governance, and oversight of the Gift and Hospitality Log.

10.10 This section also appears in the Code of Conduct and Ethics for Employees (Section 13). If there any discrepancies, the most recent version shall prevail.

11.0 DONATION AND SPONSORSHIP

11.1 All donation and sponsorship, whether monetary, goods or services must not be for political or unethical intentions. The Group shall not make or facilitate any donation, contribution or sponsorship, whether direct or indirect, monetary or in-kind, and regardless of local law permissibility to any political party, politician, or election campaign, in any jurisdiction.

11.2 Donations and sponsorship should be made directly to an official entity and be able to be disclosed publicly when required to ensure these actions are not misused by certain parties for bribery and corruption. Reasonable due diligence shall be performed, where appropriate, to verify the legitimacy of the recipient official entity and to ensure that the donation or sponsorship is of legitimate intended purpose.

11.3 All donations and sponsorships given or received shall be reviewed and approved by the Chief Human Resource Officer or Chief Executive Officer, and recorded with recipient, purpose and approval details in a centralised Gift and Hospitality Log. The Governance, Risk & Compliance Department (GRC) and Human Resources Department shall be jointly responsible for the maintenance, governance, and oversight of the centralised Gift and Hospitality Log.

12.0 RECRUITMENT OF EMPLOYEES

12.1 The Group provides equal opportunity for any field of qualification and competent individuals to be employed by organization from various multicultural and multiracial backgrounds, sourced locally and internationally.

12.2 Individuals who are employed were based on the Group’s approved selection criteria to ensure that only the most qualified and suitable. In line with this, the processes will be undertaken in accordance with appropriate background checks, personal documentation verification, and conducting proper interviews. It is essential in promoting good practice, generating better work quality and no elements of corruption have been involved in the hiring of employees.

13.0 COMPLIANCE AND TRAINING

13.1 Awareness and training programs for all employees will be conducted at least once annually. Successful completion of trainings and assessments may be set as a condition for an employee's confirmation of employment with the Group.

14.0 RISK ASSESSMENT AND ASSURANCE

14.1 The Group shall conduct bribery and corruption risk assessments on a periodic basis in accordance with the Group's Enterprise Risk Management framework and reassess following any relevant developments in legislations and standards, business circumstance or corruption incident.

14.2 Material bribery and corruption risks, control deficiencies and incidents shall be promptly reported to Senior Management and the Board to facilitate effective oversight, timely remedial action and continuous improvement of the Group's anti-bribery and anti-corruption framework.

14.3 The Group shall conduct periodic audits to ensure compliance to this Policy. The internal control systems and measures established for the prevention of Anti-Bribery & Anti-Corruption shall be audited either independently by the Internal Audit Department and/or conducted by external auditors to ensure the effectiveness, adequacy, and compliances with this Policy.

14.4 Any non-compliance or control deficiencies identified through audits shall be subject to appropriate remedial action and reported to the relevant oversight bodies to promote accountability and transparency.

15.0 RECORD KEEPING

15.1 Any information collected, handled, used and/ or retained by the Group for whatsoever purpose will be done in a manner following the Records Management Policy and standard operating procedures (SOP) of the respective departments. This includes storage, retention, access, security, disposal and other aspects of managing the records.

15.2 SOPs shall incorporate Good Documentation Practices and adherence to related laws and regulations such as the Personal Data Protection Act, or any personal data protection legislation in other jurisdiction where the subsidiaries are present, where relevant.

16.0 FINANCIAL AND NON-FINANCIAL CONTROL MEASURES

16.1 Respective departments shall incorporate safeguards into their SOPs where relevant and feasible to prevent corrupt acts, help facilitate detection and investigation of corrupt acts by provision of information.

16.2 Some examples of safeguards which may be used include multiple approval levels, check and balance within the teams and internal and/ or external auditing.

17.0 REPORTING POLICY VIOLATIONS

17.1 Employees who encounter actual or suspected violations of this Policy are required to report their concerns promptly. The Group practice an open-door Policy and encourages all employees to share concerns and suggestions with superiors and colleagues who are able to address them in an appropriate manner.

17.2 Employees may also utilize the secured whistleblowing channel through 'Hartalega Speak Up' by contacting the independent third-party outsourced service provider. More information can be obtained in the Whistleblowing Policy & Procedure.

17.3 Reports made in good faith shall be protected under Whistleblower Protection Act 2010 (Malaysia), or any whistleblower protection legislation in other jurisdiction where the subsidiaries are present and addressed in a timely manner and without incurring fear of reprisal regardless of the outcome of any investigation. Any employee who reports a violation in good faith, refuses to participate in bribery, or assists in an investigation shall not be subject to any form of retaliation (including dismissal, demotion, harassment, isolation, disciplinary actions, or victimization). All reported concerns through the whistleblowing channel shall be assessed and investigated in accordance with the Whistleblowing Policy and Procedure. Whistleblowing reports are reported to the Audit Committee Chaiman (AC) and CEO and subsequent investigation with the support of internal resources or a third party independent forensic service.

18.0 CONSEQUENCES OF CORRUPT PRACTICE

18.1 The Group regard bribery and corruption as a serious matter. Non-compliance may lead to disciplinary action, up to and including termination of employment. Further legal action may also be taken in the event that the Group's interests have been harmed as a result of non-compliance.

18.2 The Group shall notify the relevant regulatory authorities of any identified bribery or corruption incident have been proven beyond reasonable doubt.

18.3 Where notification to the relevant regulatory authorities have been done, the Group shall provide full cooperation to the said authorities, including further action that such regulatory authority may decide to take against convicted employees. For example, a fine of not less than 10 times the sum or value of the gratification involved, or RM1 million, whichever is higher, and may also be liable to imprisonment for a term not exceeding 20 years, or both in Malaysia.

19.0 REVIEW

19.1 The Governance, Risk & Compliance Department (GRC) within the Group shall be responsible for the design, administration, management and continuous improvement of the Anti-Bribery & Anti-Corruption ("ABAC") Policy.

19.2 The Group reserves the right to update and amend this Policy from time to time, and any material amendment shall require prior approval of the Hartalega Holdings Berhad's Board of Directors.

20.0 RECORDS

20.1 Forms applicable for this Policy include: Centralised Gift and Hospitality Declaration Form

This Policy was adopted by the Board on 12 November 2026.