



# CRITICAL HOLDINGS BERHAD

(Registration No. 202201031781 (1477478-K))  
(Incorporated in Malaysia)

## ANTI BRIBERY AND ANTI-CORRUPTION POLICY

### 1.0 POLICY STATEMENT

The Board of Directors (the “Board”) of Critical Holdings Berhad and its subsidiaries (collectively referred to as the “Group”) has established and adopted this Anti –Bribery and Anti-Corruption Policy for conducting the business ethically, as well as complying with all applicable laws, which include compliance with the Malaysian AntiCorruption Commission (“MACC”) Act 2009 and the Malaysian Anti-Corruption Commission (Amendment) Act 2018, the Companies Act, 2016 and any of its amendments or re-enactments that may be made by the relevant authority from time to time.

### 2.0. OBJECTIVE OF THE POLICY

The objectives of this Policy are to ensure that the Board, all employees, and officers of the Group discharge their duties in complying with the anti-bribery and corruption procedures and at the same time promote ethical, responsible, integrity, efficient, transparency within the Group’s principles of good corporate governance and also to enhance the trust and confidence of the Company’s stakeholders.

### 3.0 SCOPE

- a) This policy applies to all directors and employees (whether temporary, fixed term, or permanent), stakeholders, consultants, contractors, trainees, casual workers, agency staff, volunteers, interns, agents, sponsors, or any other person or persons associated with us (including third parties), or any of our subsidiaries or their directors and employees, no matter where they are located (within or outside of the Malaysia).
- b) In the context of this policy, third-party refers to any individual or organization our company meets and works with. It refers to actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies – this includes their advisors, representatives and officials, politicians, and public parties.
- c) Any arrangements our company makes with a third party is subject to clear contractual terms, including specific provisions that require the third party to comply with minimum standards and procedures relating to anti-bribery and corruption.

### 4.0 DIRECTOR AND EMPLOYEE RESPONSIBILITIES

- a) All directors and employees must read, understand, and comply with the information contained within this policy, and with any training or other anti-bribery and corruption information given.
- b) All directors and employees are equally responsible for the prevention, detection, and reporting of bribery and other forms of corruption and are required to avoid any activities that could lead to, or imply, a breach of this anti-bribery policy.

- c) If any Director or employee breaches this policy, he/she will face disciplinary action and could face dismissal for gross misconduct. Critical Group of Companies has the right to terminate a contractual relationship with a director /an employee if he/she breaches this anti-bribery policy.

## **5.0 CORRUPTION**

### **a) Bribery and Corruption**

Directors, Employees and any parties dealing with the Company shall not accept or obtain or attempting to accept or obtain, solicit, offer, promise or give any bribe or gratification directly or indirectly as an inducement or reward to or from any party for doing or forbearing to do any act.

### **b) Gratification**

Gratification stated under Section 3 Malaysian Anti-Corruption Commission Act 2009 means:

- i. money, donation, gift, loan, fee, reward, valuable security, property or interest in the property is a property of any description whether moveable or immovable, financial benefit, or any other similar advantage;
- ii. any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;
- iii. any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;
- iv. any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;
- v. any forbearance to demand any money or money's worth or valuable thing;
- vi. any other service or favour of any description, including protection from any penalty or disability incurred or apprehended or from any action 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
- vii. any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding paragraphs i to vi.

### **c) Facilitation payments**

The Group does not allow facilitation payments, namely payments to government officials or authorised agents to illegally secure or expedite the performance of a routine function or duty, to secure or expedite the performance of the employee's duty.

### **d) Government or Political Donations and Contribution**

The Directors and employees are prohibited from using any of the organisation's funds or resources to make any direct or indirect any charitable donations or contributions given to political parties on Company's behalf. The Directors and employees must avoid even having the appearance of making such contributions to any political party, candidate or campaign.

### **e) Sponsorships, Donations, and Contribution to Charity or Social Projects**

Donations, sponsorships and contribution in the forms of Charitable Contributions or Corporate Social Responsibilities (CSR) to community projects or charities may be allowed depending on the circumstances but it should be made directly to an official entity and to be disclosed publicly when required. The Directors and employees must ensure that the charitable contributions are in good faith and compliance with the Company's Code of Business Conduct and Ethics and must be approved by the Directors or authorised personnel.

**f) Account for Secret Profits or Gains**

The Directors and employees shall immediately disclose or report to the Directors or authorised personnel on the receipt of any discount, rebate, commission, service, interest, consideration for value or other benefit or payments of any kind (whether in cash or in-kind).

**g) Conflict of Interest**

- a) Conflicts of interest arise in situations where there is a personal interest that might be considered to interfere with that person's objectivity when performing duties or exercising judgement on behalf of the organisation.
- b) Directors and employees should avoid or deal appropriately with situations in which personal interest could conflict obligations or duties. Directors and employees must not use their position, official working hours, company's resources, and assets for personal gain or to company's disadvantage.
- c) There are certain circumstances where Directors and employees are strictly prohibited from directly or indirectly soliciting, offering, or accepting any gift, entertainment, or hospitality, to avoid the perception or appearance of potential conflicts of interest.
- e) Directors and employees are advised to adopt a more prudent approach when it comes to the above circumstances to avoid potential conflicts of interest.

**h) Giving to Third Parties**

In line with the "No Gift" policy Directors and employees are generally prohibited from involving with the commission or gifts from a third part .

**i) Disclosure of Payments to Third Parties**

The Directors and Employees shall disclose all commissions and expenses or payment paid to the third parties in any official dealings with the Company.

**j) Gift Policy**

Critical Group of Companies prohibits the corrupt use of gifts, entertainment, hospitality or travel, directly or indirectly, to unduly influence business or regulatory decisions, gain an unfair advantage or to retain or win business. The Directors and employees are strictly prohibited from soliciting gifts, entertainment, hospitality or travel from any third party. They are particularly disallowed from giving or accepting gifts, entertainment or travel from parties engaged in a tender or competitive bidding exercise (e.g. vendors or consultants)

**k) Receiving Gifts**

- i. However, employees are allowed to receive gifts of the following nature:
  - a. small items or gifts of promotional nature (i.e. pens, low value or promotional material);
  - b. gifts as a door gift, token during training, seminar, product launching, exhibition and others.

## **l) Giving Gifts**

In line with the “No Gift” policy, the Directors and Employees are not allowed to give or receive any gifts of whatever nature either directly or indirectly, regardless of value to any officer / staff and / or his immediate family of any agency whom the employee is dealing with except:-

- i. A corporate gift (bearing the corporate logo) of a nominal value worth not more than RM500 and is equally offered to all persons from the same category. For item value than RM500, please seek approval from Financial Controller.
- ii. A perishable item (Example; fruits, festive cookies or delicacies offered during festive seasons).

## **6.0 IMPLEMENTATION**

### **a) Awareness and Training**

The Group conducts awareness and training programmes for Directors and all employees to refresh awareness of anti-bribery and anti-corruption measures, and to continuously promulgate integrity and ethics. Our authorised personnel may at any time recommend that certain trainings be repeated to any Director or Employee if deemed necessary based on circumstantial requirements. In addition, the organisation provides anti-bribery and anti-corruption training to:

- i. New recruits/ new appointments or redesignation.
- ii. Employees promoted / transferred to Exposed Positions.
- iii. Human Resources shall maintain all records of trainings.

### **b) Compliance to Laws, Policies and Procedures Relating to Corruption**

- i. All Directors and Employees shall observe all laws, policies and procedures relating to corruption.
- ii. The Group will set-up an Integrity Team in order to handle non-compliance on integrity matters. The functions and duties shall be specified as follows:
  - a. strengthening the integrity of the Company;
  - b. setting-up complaint mechanism and managing of complaints;
  - c. detecting and investigating cases of misconduct;
  - d. ensuring compliance to code of conduct, regulations and relevant laws in force relating to integrity; and
  - e. ensuring good governance in integrity issues is implemented and carried out effectively.
- f. Employees are encouraged to report any act of bribery and corruption directly to the Finance Controller.

### **c) Policy Violation**

- i. The Directors and Employees who are found violating this policy may be subjected to disciplinary action as well as potential criminal investigation and prosecution; and
- ii. Official dealings between the Company and third parties shall be terminated or discontinued if they are found offering, promising, giving or soliciting any bribe or gratification to the Company's employees.

#### **d) Duty to Report**

- i. It is the duty of employees and parties dealing with the Company to report any gratification given, promised, offered, solicited, obtained or accepted or attempted to obtain or accept to MACC. Failure to report is an offence under Section 25 Malaysian Anti- Corruption Commission Act 2009.
- ii. It is the duty of all employees and parties dealing with the Company to report on suspected violations of all laws, policies and procedures relating to integrity and corruption to the Integrity Team.
- iii. The report may also be made under Whistle Blower Policy by writing to the Board Committee of the Company.
- iv. Employees and parties making such reports are protected under the MACC Act 2009, Witness Protection Act 2010, Whistle-Blower Act 2010 and Whistle Blower Policy.
- v. No malicious, vindictive or baseless accusations shall be made by any employee against another employee(s). Appropriate action shall be taken against any employee making such malicious, vindictive or baseless accusations.

#### **e) Record Keeping**

The Group will keep detailed and accurate financial records and will have appropriate internal controls in place to act as evidence for all payments made. Company also will declare and keep a written record of the amount and reason for hospitality or gifts accepted and given, and understand that gifts and acts of hospitality are subject to managerial review.

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. All the parties shall further ensure that all expense claims shall comply with the terms and conditions of this Policy.

#### **f) Monitoring and Review**

The Company's authorised personnel is responsible for monitoring the effectiveness of this policy and will review the implementation of it on a regular basis based on its suitability, adequacy, and effectiveness. Internal control systems and procedures designed to prevent bribery and corruption are subject to regular audits to ensure that they are compliance. Non-compliance identified by the validation or identified through other risk assessments undertaken shall be reported to the company's Board of Directors. This policy does not form part of a Director or an employee's contract of employment and may amend it at any time so to improve its effectiveness at combatting bribery and corruption.

#### **g) Protection**

We encourage openness and will support anyone who raises genuine concerns in good faith under this Policy, even if they turn out to be mistaken.

We are committed to ensuring that no one suffers any detrimental treatment as a result of refusing to take part in corruption, or because of reporting concerns under this Policy in good faith. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern.

## **7.0. REVIEW OF THE POLICY**

This Policy shall be reviewed by the Board to ensure it remains consistent with the Company's objectives and Board's responsibilities and in line with the applicable laws and legislations.