



ANTI-BRIBERY AND CORRUPTION POLICY

1. INTRODUCTION & STATEMENT OF POLICY

- 1.1 DXN Holdings Bhd and its subsidiaries (collectively “**DXN**” or “**the Company**”) have established this Anti-Bribery and Corruption Policy (“**this Policy**”). This Policy shall be read together with DXN’s other internal policies/ procedures/ guidelines/ manuals including but not limited to DXN’s Employee Handbook. DXN reserve its absolute rights to make any amendments, deletions, or additions to this Policy from time to time as it deemed fit.
- 1.2 DXN takes zero tolerance approach to all forms of bribery and corruption and takes a strong stance against such acts. DXN is committed to conduct its business in honest and ethical manner, and in compliance with all applicable laws and regulations which includes any amendments or re-enactments that may be made by the relevant authority from time to time.
- 1.3 This Policy applies to all DXN’s Directors, Employees, Associates and any other person associated with DXN, unless stated otherwise in specific policies. This Policy is also applicable to all of DXN’s business dealings with commercial (private sector) and government (public sector) entities.

2. WHAT IS BRIBERY AND CORRUPTION?

- 2.1 Corruption refers to act of abuse of position for personal gain or misuse of position to help others to improperly enrich themselves.
- 2.2 Bribery is the most common form of corruption and it 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. Bribes can be direct (e.g: giving a bribe to someone) or indirect (e.g: getting someone else to give a bribe to another person).

3. COMPLIANCE AND RESPONSIBILITIES

- 3.1 The Directors, Employees and Associates shall not directly or indirectly make, promise, approve, authorize, solicit or offer to give anyone anything of value for the purpose of improperly inducing recipient to take or refrain from taking action that would benefit DXN or intended to induce/reward improper performance of one’s duties/responsibilities or to gain improper advantage.

- 3.2 The Directors, Employees and Associates are expected to refuse to give or receive a bribe when solicited or offered one even if such refusal to give or receive a bribe will lead to monetary loss to the Company. The Company is committed to ensuring that no one including any of the Employees suffers from any detrimental treatment (demotion of position or penalty) for refusing to give or accept bribe.
- 3.3 Compliance of the Directors, Employees and Associates with this Policy is mandatory. Any violation of this Policy shall constitute a serious misconduct or offence that warrants an action which may lead to, but not limited to, disciplinary action, dismissal of employment, review of contract, cessation of business relationship, termination of service (whichever applicable) against the offender and/or reporting to the authorities consistent with relevant laws and regulations.

4. GIFTS, ENTERTAINMENT AND HOSPITALITY

- 4.1 DXN adopts a strict “No Gift” policy, subject to few exceptions. The Directors and Employees shall not solicit or accept or give or offer any gifts, entertainment and hospitality (which shall include but not limited to meals, tickets to entertainment, social or sports events) from or to Associates or any Third Parties that may have direct or indirect business interest or relationship (including any potential interest or relationship) with the Company, and at all times shall observe the following guiding principles: -
- i. **Transparency.** The Directors or Employees should be comfortable to disclose to his colleagues the gifts, entertainment or hospitality offered/ received.
 - ii. **Recipients.** The Directors or Employees should only offer or accept gifts, entertainment or hospitality from those who will not put the Directors or Employees in position of conflict.
 - iii. **Ability to influence.** The gifts, entertainment or hospitality must not be offered or accepted when there is any pending business decision related to the offeror or recipient of such gifts, entertainment or hospitality.
 - iv. **Value.** The gifts, entertainment or hospitality must be modest and not so frequent as to place the recipient under any obligation.
 - v. **Purpose.** The intention behind the gifts, entertainment or hospitality must not be interpreted or be perceived as to gain any unmerited advantage for the Company.
- 4.2 If the Directors or Employees were offered or have received a gift, the Directors or Employees are required to politely return the gift with a note explaining the Company’s “No Gift” policy.
- 4.3 The Directors and Employees are not allowed to offer or give any gifts to Associates or Third Parties if offering any gifts shall be unsolicited and affecting or be perceived as affecting business judgment. Gifts to Associates or Third Parties shall only be given after the Directors and Employees obtain prior consent from management of the Company.

- 4.4 If the Directors or Employees have received the gift including gift that were received anonymously, or where it is not possible to refuse or return the gift from Associates or Third Parties, or the Directors or Employees are offering gifts, then such receipt of or offering the gift shall be reported to management of the Company and detailing the following: -
- i. The details of the gift;
 - ii. The estimate value of the gift;
 - iii. The occasion such gift was received/ given;
 - iv. The details of recipient of the gift including but not limited to (a) name, position and department or (b) name, position and nature of past/ current/ future dealing with the Company (whichever applicable); and
 - v. The details of giver of the gift including but not limited to (a) name, position and department or (b) name, position and nature of past/ current/ future dealing with the Company (whichever applicable).
- 4.5 If the Directors or Employees are unsure or doubtful on the appropriateness of the gift offered or given by Associates or Third Parties, the Directors and Employees should either decline the offer or consult the management of the Company.

5. POLITICAL DONATIONS, CHARITABLE CONTRIBUTIONS AND SPONSORSHIPS

- 5.1 Any political donations or sponsorships (in any form including monetary or goods) to any political party may be made by or on behalf the Company but such is not encouraged in all circumstances, and such political donations or sponsorships may be done only with prior approval from management of the Company. The Directors and Employees in their personal capacity are not prohibited from making personal political donations or sponsorships (in any form including monetary or goods) to any political parties in their personal capacity and shall expressly make clear that such political donations or sponsorships are made under the personal capacity of the Directors and Employees, and in no way associated with DXN.
- 5.2 As general principle, to avoid any situations where there could be actual or perceived conflict of interest, DXN shall not make any charitable contributions or sponsorships (in any form including monetary or goods) to Associates, Third Parties, government authority or any entities directly related to government authority or for any events of Associates, Third Parties, government authority or any entities directly related to government authority if: -
- i. DXN is expecting to apply, obtain or renew any licenses/permits from the government authority in the near future; or
 - ii. DXN has just applied, obtained, renewed any licenses/permits from the government authority for DXN's business activities in the recent past; or
 - iii. DXN is expecting or recently dealings with the Associates, Third Parties or entities directly related to government authority.
- 5.3 However, such political donations, charitable contributions or sponsorships should never

be made in exchange for any business implications to the Company, whether it is to obtain a business, or to obtain some form of advantage to the business of the Company. Any political donations, charitable donations or sponsorships made are subject always to compliance with the prevailing laws, bylaw, and regulations.

6. DEALINGS WITH ASSOCIATES

- 6.1 The Company could be liable for acts of Associates, as such, the Company is committed to promoting compliance of the Associates with this Policy.
- 6.2 DXN requires that all Directors and Employees to conduct the requisite due diligence of any dealing with Associates that DXN engage, appoint, contracts with or hires to carry out any external functions on behalf of the Company, which includes without limitation to agents, consultants, contractors, subcontractors, resellers, customs brokers, business contacts, professional advisors, joint venture partners, any other parties supplying goods and services to DXN, any other entity within the definition of “*Associate*” in the relevant laws and regulations. Some high risk transaction will require further due diligence which may require additional investigation.
- 6.3 The Company are to ensure that any payments made are for actual service provided or contractual obligations performed and not for payments that can be tied to giving any form of gratification for improper purposes.
- 6.4 DXN has zero tolerance of Associates who do not conduct themselves in accordance to the principles of this Policy where it brings disrepute or legal implications to DXN. Any non-compliance with the principles of this Policy by the Associates may lead to the review and/or termination of any agreements and contract with such parties.

7. DEALINGS WITH GOVERNMENT OFFICIALS/ FOREIGN OFFICIALS

- 7.1 DXN recognises that the practice of offering and receiving gifts varies between countries, regions, cultures, and religions, so the definitions of what is acceptable and not acceptable will inevitably differ for each situation.
- 7.2 When dealing with public officials, the Directors and Employees should ensure that any giving or receiving of gifts, entertainment or hospitality do not relate to, in any form whatsoever, the public official's official dealings or public duty. At all material times, the Directors and Employees are to ensure compliance with relevant laws and regulations.
- 7.3 Any offering or giving gifts, entertainment or hospitality by the Directors or Employees to public officials is only limited to the circumstances where it is to reasonably facilitate genuine promotional, business or educational meetings and such offering shall be made in compliance with this Policy.

8. FACILITATIONS PAYMENTS AND KICKBACKS

- 8.1 DXN adopts a strict policy of disallowing the use of facilitation payments or kickbacks

of any kind in its business. Facilitation payments are typically small, unofficial payments made to secure or expedite a routine action by an official. Kickbacks are typically payments made in return for a business favour or advantage.

- 8.2 The Directors, Employees and Associates must not offer, promise, give, request, accept or receive anything that may be regarded as facilitation of payments. Any Directors, Employees or Associates who receive or is requested to made such facilitation payments or kickbacks must immediately report to management of the Company for further investigation and determination of next course of action.
- 8.3 The Directors, Employees and Associates shall insist on receipt or an official record of payment for every monetary transaction.

9. CONFLICT OF INTEREST

- 9.1 Conflict of interest refers to situation whether is actual, potential or perceived that may give rise to a risk of corruption. The Directors, Employees or Associates should be transparent and shall declare if there is or potential to be any conflict of interest.
- 9.2 A person with conflict of interest should abstain from being involved in decision making within the Company where that conflict of interest arises.

10. REPORTING

- 10.1 The Directors, Employees, Associates or Third Parties should report immediately any suspected or actual violation of this Policy or any relevant anti- bribery laws. Complaints shall be made in accordance with Company's reporting policy.

11. RECORD KEEPING

- 11.1 The Company must keep the financial records and have appropriate internal controls in place including financial and organisational checks and balances over the Company's accounting and record keeping practices which will evidence the business reason for payments made to Associates or Third Parties.
- 11.2 The Directors and Employees must ensure that all expenses relating to gifts, entertainment and hospitality incurred are properly recorded in accordance with the Company's expense policy.
- 11.3 All accounts, invoices and records relating to dealing with Associates or Third Parties must be maintained with strict accuracy. No accounts shall be kept "off-book" to facilitate or conceal improper payments.

12. WHISTLEBLOWING AND REPORTING CHANNELS

- 12.1 Whistleblowing is to inform by an employee, to those with authority within the organization of any act of mismanagement, corruption, illegality or any other wrongdoing carried out by an individual or group within the organization.

12.2 The complainant is protected against adverse labor actions such as degradation, suspension, harassment, or other forms of discrimination. The report can be sent by email to whistleblowing_abc@dxn2u.com The report either in the predefined form (**Appendix A**) or in open format, must be presented in a sealed envelope if you want to deliver it and there is a possibility, according to the following table:

Regarding employees	Report to Head of GHR
Regarding head of GHR, HOD, Key Management	Report to CFO
Regarding CFO or Directors	Report to any of BOD
Regarding Associates, Third Parties, DXN Distributors or Service Center	Report to GHR

Appendix A. WHISTLEBLOWING FORM



**DXN GROUP
HR038V1
WHISTLEBLOWING FORM**

PRIVATE AND CONFIDENTIAL

(*) Denotes mandatory field.

1. Please identify yourself by complete the following details*:

Are you employee of DXN Group?	Yes		No	
Name:				
Staff ID (For Employee Only):				
NRIC Number:				
Contact Number:				
Email Address:				
Position and Department(For Employee Only):				
What is the best time to communicate with you?*				
Are you willing to participate in the investigation process?*				

2. Details of Disclosure*

Please include details of the person(s) involved, nature of allegation, where and when the alleged improper conduct took place. (Use additional sheets if necessary)

3. Any other information (Use additional sheets if necessary)

4. Supporting Documents

Please state the supporting documents, evidences or witnesses to substantiate your disclosure (if any) to facilitate investigation. You may also attach the relevant documents to this form. (Use additional sheets if necessary)

5. Declaration*

I hereby declare that all the information furnished herein is provided voluntarily, and the report is made in good faith and is true to the best of my knowledge. I hereby understood that if this report is made maliciously, then I will be subjected to further action by the Company.

I do understand that DXN will use the information and materials provided strictly for the purpose of investigation process. I hereby acknowledge that by filing this form, I might be requested by the Company to assist in investigation.

Reported by:

(Signature)

Name :
Date :

Notes:

1. You are required to submit this form in a sealed envelope to Head of Department Group Human Resource.
2. You may email this form/ complaint to hr_whistleblowing@dxn2u.com.