	Document Title	ANTI BRIBERY & ANTI CORRUPTION POLICY
	Version	1.0
	Effective Date	1 st November 2024
	Process Owner	HUMAN RESOURCE DEPARTMENT

INTRODUCTION

It is our policy to conduct all of our business in an honest and ethical manner. Company is committed to complying with all laws and regulations which govern our operations to act professionally, fairly and with integrity in all our business dealings and relationships, wherever we operate, and to implementing and enforcing effective systems to counter corruption. This Anti-Corruption Policy explains our individual responsibility to comply with anti-bribery and anti-corruption laws and to ensure that any third parties that we engage to act on our behalf, do the same. This includes a prohibition against both direct bribery and indirect bribery, including payments through third parties.

We therefore take our legal responsibilities very seriously. We will uphold all laws relevant to countering bribery and corruption. The purpose of this policy is to:

- a) set out our responsibilities to comply with laws against bribery and corruption; and
- b) provide guidance on how to recognise and deal with bribery and corruption issues.

Therefore, this policy underpins the standards of conduct expected from employees mostly in offering or giving gifts, whereas Gifts Policy focuses more on gifts receiving.

SCOPE

This policy applies to all persons working for us or on our behalf in any capacity, including employees at all levels: directors, officers, managers, employees (whether regular, fixed-term or temporary), agency workers, seconded staff, home-workers, casual workers, volunteers, interns, agents, sponsors, contractors, consultants, third-party representatives, business partners or any other person associated with us, wherever located (collectively referred to as "associates" in this policy).

In this policy, third party means any individual or organisation that an associate may come into contact with during the course of his/her engagement with the Company, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, business associates (including rainmakers etc.) and government and public bodies including their advisors, representatives and officials, politicians and political parties.

ELEMENTS

What is bribery or corruption?

Bribery or corruption means a financial or other inducement or reward for action which is illegal, unethical, a breach of trust or improper in any way. Bribes can take the form of money, gifts, loans, fees, hospitality, services, discounts, the award of a contract or any other advantage or benefit.



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Bribery includes offering, promising, giving, accepting or seeking a bribe.

All forms of bribery are strictly prohibited. If you are unsure about whether a particular act constitutes bribery, raise it with HODs or Top Management.

Specifically, you must not:

- a. give or offer any payment, gift, hospitality or other benefit in the expectation that a business advantage will be received in return, or to reward any business received;
- b. give or offer any payment (sometimes called a facilitation payment) to a government official in any country to facilitate or speed up a routine or necessary procedure;
- c. threaten or retaliate against another person who has refused to offer or accept a bribe or who has raised concerns about possible bribery or corruption.

Bribery includes not only direct payments, but also authorising or permitting an associate or third party to commit any of the acts or take any part in the actions identified in (a) to (d) above.

GIFTS AND HOSPITALITY

This policy does not prohibit normal business hospitality, so long as it is reasonable, appropriate, modest, and bona fide corporate hospitality, and if its purpose is to improve our company image, present our products and services, or establish cordial relations. Thus, our Gifts and Hospitality outlines the following:

- **Must be duly approved.** Normal business hospitality must always be approved at the appropriate level of Company management.
- **Must not be intended to improperly influence.** We should always assess the purpose behind any hospitality or entertainment. Hospitality or entertainment with the intention of improperly influencing anyone's decision-making or objectivity, or making the recipient feel unduly obligated in any way, should never be offered or received. We should always consider how the recipient is likely to view the hospitality. Similarly we must also decline any invitation or offer of hospitality or entertainment when made with the actual or apparent intent to influence their decisions.
- **Must not have the appearance of improper influence.** Gifts can in some cases influence, or appear to influence, decision-making, for example by persuading the recipient to favour the person who made the gift over his own employer. We should think very carefully before making, or receiving gifts. Gifts can occasionally be offered to celebrate special occasions and are occasional, appropriate, totally unconditional, and in-fitting with local business practices. No gift should be given or accepted if it could reasonably be seen improperly to influence the decision-making of the recipient.
- **Certain gifts are always prohibited.** Some types of gifts are never acceptable including gifts that are illegal or unethical, or involve cash or cash equivalent (e.g. loans, stock options, holidays, etc).



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- **Modest promotional gifts are permitted.** It is acceptable to offer modest promotional materials to contacts e.g. low value company corporate gifts with company logo imprinted. Use of one's position with the Company to solicit a gift of any kind is not acceptable.
- **Personal payment does not cure.** Employees may never pay on their personal account for gifts or hospitality in order to avoid this policy.

FACILITATION PAYMENTS AND KICKBACKS

The Company prohibits making or accepting, facilitation payments or "kickbacks" of any kind. Facilitation payments are typically small, unofficial payments made to secure or expedite a routine action by an employee whereas kickbacks are typically payments made in return for a business favour or advantage.

All employees must avoid any activity that might lead to a facilitation payment or kickback being made or accepted. As a representative of the Company, you must not make any facilitation payments unless you or your companions are at personal physical risk if you fail to do so, after which, you are required to report to Top Management immediately of the incident for next course of action.

THIRD PARTY REPRESENTATIVES

Third party representatives include, but not limited to distributor, agent, contractor, supplier, joint venture partner and others acting on our behalf. As such, care must be taken to ensure that those third parties do not engage or attempt to engage in bribery.


POLITICAL DONATIONS

Company is not a political organisation. It does not support political parties or contribute funds to groups whose activities are calculated to promote party interests or the election of a specific candidate. In very limited instances, if permitted by local law and regulation and with specific approval from the Executive Director, the Company may contribute funds toward organisations or entities that engage in the political process to address an issue that directly affects the Company and its business activity. Any request for approval for such payments and the permission must be documented in writing and the payments properly recorded.

CHARITABLE CONTRIBUTIONS

Charitable contributions may only be given to recognised non-profit charitable organisations. All donations must be:

- transparent and properly recorded in our books and records; and
- receipted or have a letter of acknowledgement from the charity to ensure that the donations receive the proper tax treatment.
- be compliant with local law, regulations or local or Business Unit internal policies.

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Donations must not:

- be made to individuals or in cash; or
- be made at the request of a public official as an inducement to or reward for acting improperly.

ANTI-MONEY LAUNDERING

Money laundering occurs when the criminal origin or nature of money or assets is hidden in legitimate business dealings or when legitimate funds are used to support criminal activities, including financing terrorism. VSD AUTOMATION SDN BHD strongly objects to practices related to money laundering, including dealing in the proceeds of criminal activities. To avoid violating anti-money laundering laws, employees are expected to always conduct counterparty due diligence to understand the business and background of our prospective business counterparties and to determine the origin and destination of money, property and services. Counterparty means any party that VSD AUTOMATION SDN BHD is currently in relationship with or intends to do business with in the future, either on a regular or once-off basis. Counterparties include but are not limited to customers, contractors, suppliers, consultants, agents, JV partners and any other business partners. Money laundering is a very serious crime and the laws governing this type of crime can have extra territorial effect, i.e. the application of the law is extended beyond local borders. The penalties for breaching anti-money laundering legislation are severe and can include extradition and incarceration in foreign jurisdictions.

DISCIPLINARY ACTION

The penalties for violating these laws can be severe, both for the Company and for the individuals involved, including significant corporate and individual fines, and imprisonment.

Any violation of this Policy may result in disciplinary action, up to and including dismissal in appropriate circumstances. It is therefore extremely important that you familiarise yourself with this Policy and strictly adhere to it. If you have any questions, please consult your HODs or Top Management.

Any changes to this Policy shall be submitted for deliberation and approval.