

Anti-Bribery and Anti-Corruption Policy Manual

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Purpose

Scicom (MSC) Berhad and its subsidiaries (“SCICOM” or the “Group”) are committed to maintaining a workplace culture with strong ethics and integrity which is fundamental to sustain a business environment that is fair, transparent, and free from Bribery and Corruption.

This Anti-Bribery and Anti-Corruption Policy (hereinafter referred to as the “ABAC Policy” or the “Policy”) outlines the Group’s stance on Bribery and Corruption in its course of business.

Scope

The ABAC Policy applies to SCICOM and its Directors and Employees.

In addition, SCICOM requires all its Business Associates to comply with the applicable requirements in the ABAC Policy when performing work or services for or on behalf of SCICOM.

Legal entities where SCICOM holds a non-Controlling Interest are encouraged to adopt this Policy or equivalent standards.

Definitions

Terms	Description
ABAC Review Panel	A management review panel comprising of the Head of Legal Department (the chairperson of the panel), Head of HR Department, Head of IRC Department and the Chief Financial Officer of the Group.
AC	Audit Committee of the Board
Beneficial Owner	An individual who is entitled to exercise control or has control of 25% or more of the shares/voting rights of a company directly or indirectly through a chain of ownership or by means of control other than direct control.
Board	The Board of Directors of Scicom (MSC) Berhad.
Bribery	An act of authorising, giving, agreeing to give, promising, offering, soliciting, receiving, or agreeing to receive any Gratification, directly or indirectly, as an inducement or reward to or not to do an act.
Business Associate	An external party with whom SCICOM has or plans to establish some form of business relationship. This primarily includes vendors, suppliers, contractors, sub-contractors, agents, representatives, intermediaries, consultants, advisers, joint venture partners, business partners, consortium partners and investors.
Conflict of Interest	A situation where a person’s own interests either influence, have the potential to influence or are perceived to influence their objectivity when performing duties or exercising judgment on behalf of the Group.
Controlling Interest	Owns more than 50% of a company's voting shares and/or exercise control or decision making over the company.
Corporate Hospitality and Entertainment	An event organised by the Group for its Directors, Employees or other Third Parties to promote the company image and/or to establish or

Terms	Description
	strengthen business relationships. This includes meals, drinks, lodging, travel, or other expenses as well as entertainment in the context of conventional, cultural, and sporting events.
Corruption	An act of giving or receiving of any Gratification or reward in the form of cash or in-kind of high value for performing a task in relation to his/her job description. In addition, corruption may also include acts of extortion, patronage, collusion, breach of trust, abuse of power, trading under influence, embezzlement, tax evasion, fraud or Money Laundering.
Customer	An individual or a legal entity that is, or intends to become, a SCICOM client. It includes customers of SCICOM clients.
Director	A member of the Board of Directors of Scicom (MSC) Berhad or its subsidiaries.
Employee	A person employed by SCICOM (whether temporary, fixed term or permanent), trainees, seconded staff, casual workers, volunteers and interns of SCICOM. For the purposes of this Policy, it also includes the Directors of SCICOM.
Exposed Position	A staff position identified as vulnerable to Bribery and Corruption through a risk assessment. Such positions may include but not limited to any role involving procurement, financial approvals, human resource, relations with Public Officials or Foreign Public Officials, positions where negotiation with an external party is required or other positions which the SCICOM has identified as vulnerable to risks of Bribery and Corruption.
Facilitation Payment	An illegal or unofficial payment or other provision made to an individual in control of a process or decision that the Group is legally entitled to without making such payment or other provision. It is given to secure or expedite a routine or administrative duty or function.
Family Members	Family members of a person shall include spouse(s), children (including stepchildren and adopted children), parents, stepparents, siblings, step-siblings, grandparents, grandchildren, in-laws, uncles, aunts, nieces, nephews, and first cousins, any lineal ascendant or descendant of that person.
Foreign Public Officials	Includes a person who satisfies one of the following criteria: <ul style="list-style-type: none"> • Any person who holds a legislative, executive, administrative or judicial office of a foreign country whether appointed or elected. • Any person who exercises a public function for a foreign country, including a person employed by a board, corporation, commission or other body or authority that is established to perform a duty or function on behalf of the foreign country. • Any person who is authorised by a public international organisation to act on behalf of that organisation.
Gratification	Anything in value which can be offered, given, requested or received to illicitly influence the actions of a person in a position of trust within an organisation. Examples include:

Terms	Description
	<p>(a) Money, donation, gift, loan, fee, reward, valuable security, property or interest in property being property of any description whether movable or immovable, financial benefit or any other similar advantage or value;</p> <p>(b) any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;</p> <p>(c) any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;</p> <p>(d) any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;</p> <p>(e) any forbearance to demand any money or money's worth or valuable thing;</p> <p>(f) any other service or favour of any description, including protection from penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted, and including the exercise of the forbearance from the exercise of any right or any official power or duty; or</p> <p>(g) any offer, undertaking or promise, whether conditional or unconditional, of any of the above.</p>
CEO	Chief Executive Officer of the Group.
HR Department	Human Resource Department of the Group.
IRC Department	Internal Audit, Risk and Compliance Department of the Group.
LOA	SCKL/BOD/PL/013 – Limits of Authority Manual of the Group.
Money Laundering	Process of introducing money, property or other assets derived from illegal and criminal activities into the legal financial and business cycle to give it a legitimate appearance. It is a process to clean 'dirty' money in order to disguise its criminal origin.
Personal Gain	Includes an advantage or benefit for that person or another person from acts of Bribery and Corruption.
Public Officials	Includes members of the administration, civil servants, members of the police and armed forces, judicial and legal services, educationists, politicians, political secretaries, members of Parliament, officers to Public Bodies, candidates for public office, officials of any political parties and officials of any state-owned enterprises.
Public Bodies	Includes the Government of Malaysia, State Governments, any local and statutory authorities, national or state departments, registered societies, registered sports bodies, company or subsidiary of any public bodies.
RSC	Risk and Sustainability Committee of the Board
Third Party ('3 rd Party')	A person, business or organisation that is independent of SCICOM.

Policy

1. Policy Statement

- (a) SCICOM adopts a ZERO tolerance policy against all forms of bribery and corruption and takes a strong stance against such acts.
- (b) This Policy has been developed to safeguard the integrity and credibility of the Group in upholding the principles of good conduct and professionalism in all business interactions and decisions as outlined in SCICOM's Code of Business Conduct and Ethics (the "CODE").
- (c) The key guiding principles for SCICOM to address and manage bribery and corruption risks in all dealings within and outside of the Group are as follows:
 - (i) All forms of Bribery and Corruption are prohibited. The Group upholds a zero-tolerance approach in this regard on all business dealings.
 - (ii) The engagement of Customers and Business Associates as well as dealings with Third Parties shall not be for the purpose of inducing or obtaining or retaining business, gaining an unfair advantage or influencing a government or regulatory decision for SCICOM or for Personal Gain.
 - (iii) We adopt a "No Gift" policy, subject to certain limited exceptions.
 - (iv) The Group prohibits both the giving and receiving of Corporate Hospitality and Entertainment, donation and sponsorship to influence business decisions.
 - (v) The Group prohibits any receiving, giving or promise of Facilitation Payments.
 - (vi) Actual or potential Conflict of Interest which could result in actual or potential Bribery and Corruption risk to SCICOM is prohibited.
 - (vii) Directors and Employees of the Group are prohibited to engage in any activity that might lead to a breach of this Policy.
 - (viii) Internal and external parties are encouraged to report any concerns in relation to real or suspected cases on non-compliance to this Policy without fear of retaliation or reprisal.
- (d) While the Policy is not intended to be exhaustive, SCICOM's Directors and Employees shall always observe and ensure compliance with all applicable laws, rules and regulations, policies and procedures to which they are bound to observe in the performance of their duties and obligations.
- (e) SCICOM requires all Business Associates to comply with the applicable requirements in the ABAC Policy.
- (f) The Policy shall be read in conjunction with the Code, SCICOM's Whistleblowing Policy and Procedure, the Malaysian Anti-Corruption Commission Act 2009 and the Vendor Code of Conduct, where applicable.

2. Bribery and Corruption Risk Management

2.1. Risk Assessment

- (a) SCICOM applies a range of procedures for the prevention of Bribery and Corruption in its course of business. These include the conduct of risk assessment, implementation of risk mitigation measures and appropriate controls, training and communication and on-going monitoring and reviews.
- (b) Bribery and Corruption risk assessment of the Group is governed by the SCICOM Enterprise Risk Management Framework.

A comprehensive Bribery and Corruption risk assessment for the Group shall be conducted at least once every three (3) years to identify, analyse and assess the internal and external Bribery and Corruption risks within the Group. The risk assessment results shall determine the appropriate controls and processes to mitigate the risks identified.

In addition, additional risk assessment shall be required whenever there is a material trigger event such as:

- (i) Changes in regulatory requirements;
- (ii) Significant changes to products and/or service offerings;
- (iii) Significant changes in business activities, structure and/or operations;
- (iv) Significant increase in ABAC breaches reported; or
- (v) Ad-hoc request from the AC, RSC or the Board to perform intermittent risk assessment.

2.2. Review, Monitoring and Enforcement

- (a) The oversight of the ABAC policy lies with the Board.
- (b) The Group CEO shall be responsible to oversee the Group's ABAC compliance programme.
- (c) The Heads of Department shall be responsible for the following:
 - (i) conduct Bribery and Corruption risk assessment and ensure that appropriate measures are put in place to mitigate the risks identified;
 - (ii) put in place and maintain the ABAC related policies and procedures; and
 - (iii) monitor the day-to-day compliance efforts as well as the control effectiveness of the procedures and measures put in place.
- (d) The ABAC Review Panel shall be responsible for the following:
 - (i) respond to queries, reports and/or complaints on adherence to the Policy, in consultation with the Group CEO and/or the Board as appropriate;
 - (ii) lead the investigation of any actual or alleged violations to applicable anti-Bribery and anti-Corruption laws and regulations or the ABAC Policy, except where the Board determines that an independent third-party investigation is warranted; and
 - (iii) report to the Board of any violations of applicable anti-Bribery and anti-Corruption laws and regulations or the ABAC Policy, including evaluating and recommending to the Board of possible amendments to the Policy.

- (e) SCICOM shall engage qualified and suitable independent external party to conduct periodic audits to ensure that the control measures put in place in mitigating the Bribery and Corruption risks remain relevant and are operating effectively.

3. “No Gift” Policy

- (a) As a general principle, the Group adopts a “No Gift” policy.

Directors and Employees, including their Family Members, and Business Associates acting for or on behalf of SCICOM, are prohibited from directly or indirectly, giving and receiving gifts that may influence business decisions, subject to certain limited exceptions.

- (b) SCICOM requires its Directors and Employees to abide by this Policy to avoid actual or perceived Conflict of Interest for either party in on-going or potential business dealing between SCICOM and external parties as a gift may be deemed as a bribe that may tarnish SCICOM’s reputation and/or be in violation of anti-bribery and anti-corruption laws.

It is the responsibility of the Directors and Employees to inform Customers and Business Associates involved in any business dealings directly or indirectly with SCICOM that the Group practices a “No Gift” policy and to request their understanding for and adherence with this Policy.

- (c) The provision or receiving of gift in a purely personal capacity is not within the scope of this Policy but Directors and Employees shall observe the following guiding principles:
- (i) the act is not connected to the person’s directorship or employment with SCICOM;
 - (ii) the act is purely social and not related to SCICOM’s business; and
 - (iii) the act will not give rise to any actual, potential or perceived Conflicts of Interest.

3.1. Giving Gifts

- (a) Directors and Employees, including their Family Members, are not allowed to offer or give gifts to Customers and Business Associates engaging with the Group, with the exception of the Group CEO and to be approved in accordance with the LOA.
- (b) All approved outbound gifts which are substantiated by duly approved SCKL/FIN/FR/006 – Purchase Requisition in accordance with the LOA and shall be recorded in **SCKL/FIN/FR/019 – Outbound Gift, Corporate Hospitality and Entertainment Register** maintained by the Finance Department.

3.2. Receiving Gifts

- (a) Directors and Employees, including their Family Members, shall not solicit or accept gifts from Customers and Business Associates engaging with the Group. The general principle is to politely refuse or return the gift immediately and inform or reiterate the Group’s “No Gift” policy to the giver.
- (b) Accepting a gift on behalf of SCICOM shall only be allowed in very limited circumstances whereby refusing or returning the gift is likely to seriously offend and may sever SCICOM’s business relationship with the giver. In these limited circumstances, Directors and Employees shall immediately complete the gift declaration procedures outlined in **Clause 3.5**.

However, under no circumstances may a Director or an Employee or his/her Family Member accept gifts in the form of cash or cash equivalent (e.g. tickets, discounts, coupons, gift cards, vouchers, etc).

3.3. Gifts Received Offsite

- (a) If a Director, an Employee or his/her Family Member has received a gift outside of SCICOM office premises from an external party who has or is going to have business dealings with the Group, the gift shall be declined.

In the event that the decline of the gift is not possible, the Director or the Employee shall complete the gift declaration procedures outlined in **Clause 3.5**.

3.4. Exceptions to the “No Gift” Policy

- (a) Although generally SCICOM practices a “No Gift” policy, there are certain exceptions to the general rule whereby the receiving and provision of gift are permitted in the following situations:

- (i) Gift from company to external parties in relation to the company’s official functions, events and celebrations (e.g. commemorative gifts or door gifts) which is generally offered to all attending guests.
- (ii) Gifts from SCICOM to Directors, Employees and/or their Family Members in relation to an organised company function, event, celebration, or any other occasion in recognition of a Director’s or an Employee’s service to SCICOM.
- (iii) Exchange of gifts at the company-to-company level (e.g. for official events or launches) and the said gift is treated as company property thereafter.
- (iv) Corporate gifts (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 other stakeholders attending organised events (e.g. conferences, exhibitions, training, trade show, etc) and deemed as part of the company’s brand building or promotional activities.
- (v) Gifts to external parties who do not and will not have business dealings with SCICOM (e.g. monetary gifts or gifts in kind to charitable organisations).
- (vi) Gift in the form of perishable items (e.g. fruits, festive cookies or delicacies) offered during festive seasons.

- (b) Even in the above exceptional circumstances, Directors and Employees are expected to exercise proper judgment in handling gift activities and act in a manner consistent with the following general principles set out in the Code:

- Conscientiously maintain the highest degree of **integrity**.
- Always exercise **proper care and judgment**.
- **Avoid Conflicts of Interest**.
- **Refrain** from taking advantage of your position or exercising your authority to further your own personal interest at the expense of SCICOM.
- **Comply** with applicable laws, regulations and SCICOM policies and procedures.

- (c) The provision and receipt of gifts in the above exceptional circumstances shall remain to be subject to the reporting and approval requirements as stipulated in Clauses 3.1 to 3.3.

3.5. Gift Activity Reporting and Approval

- (a) Directors and Employees shall declare the gift received by completing **SCKL/FIN/FR/020 – Inbound Gift, Corporate Hospitality and Entertainment Declaration Form** and submit the duly completed declaration form to the IRC Department by hand or via email.
- (b) The IRC Department shall record the declaration received in the **SCKL/FIN/FR/021 – Inbound Gift, Corporate Hospitality and Entertainment Register** and ascertain the appropriate treatment of the gift, in consultation with the Group CEO.

The treatment of gift may include:

- (i) politely return the gift with a note of explanation about the Group’s “No Gift” policy in the event that there is a real, potential or perceived Conflict of Interest;
- (ii) donate the gift to charity;
- (iii) allow the gift to be fairly distributed or shared among the employees in the department; or
- (iv) allow the gift to be retained by the Director or the Employee.

4. Corporate Hospitality and Entertainment

4.1. General Guiding Principles

- (a) This Policy does not prohibit normal Corporate Hospitality and Entertainment. However, the provision or acceptance of Corporate Hospitality and Entertainment by the Group shall comply with the following applicable principles:

- (i) **Valid Purpose**

The provision or acceptance of Corporate Hospitality and Entertainment shall be for a legitimate business purpose which would not create any undue or perceived influence on the outcome of a business or regulatory decision, influence or appear to influence the performance of duties of the recipients in any aspect or create any Conflict of Interest.

- (ii) **Frequency**

The frequency of providing or acceptance Corporate Hospitality and Entertainment to or from the same party shall not be so frequent as to place the recipient under an obligation.

- (iii) **Approval**

The provision of Corporate Hospitality and Entertainment is approved in accordance with the LOA.

4.2. Provision of Corporate Hospitality and Entertainment

- (a) The provision of Corporate Hospitality and Entertainment by Directors and Employees to Customers, Business Associates or third parties shall always be substantiated by a duly approved SCKL/FIN/FR/006 – Purchase Requisition in accordance with the LOA.
- (b) The expense claims in connection to the provision of Corporate Hospitality and/or Entertainment to Employees shall always be made by the Employee who is holding the most senior position amongst the recipients.
- (c) The Finance Department shall record all the approved Corporate Hospitality and Entertainment requests in the **SCKL/FIN/FR/019 – Outbound Gift, Corporate Hospitality and Entertainment Register** maintained.

4.3. Receipt of Corporate Hospitality and Entertainment

- (a) Directors and Employees shall not accept Corporate Hospitality or Entertainment from Customers, Business Associates or third parties unless prior approval has been sought from the Chairman or the CEO respectively using **SCKL/FIN/FR/020 – Inbound Gift, Corporate Hospitality and Entertainment Form** (the “Form”).
- (b) The duly completed and approved Form shall be submitted to the IRC Department by hand or via email for recording purposes in the **SCKL/FIN/FR/021 – Inbound Gift, Corporate Hospitality and Entertainment Register** maintained.

5. Charitable Donations and Sponsorships

- (a) Charitable donations and sponsorships are acceptable, whether of in-kind services, knowledge, time, or direct financial contributions. However, Directors and Employees shall be careful to ensure that the charitable donations and sponsorships are not used to conceal Bribery or Corruption. All charitable donations and sponsorships shall be made in a transparent manner and be guided by the following principles:
 - (i) is made to a legitimate person or organisation;
 - (ii) is supported by a legitimate reason and permitted by existing laws and regulations;
 - (iii) is not made to improperly influence a business or regulatory outcome or to create any Conflict of Interest;
 - (iv) is approved in accordance with the LOA.
 - (v) approved donations and sponsorships are recorded in the **SCKL/FIN/FR/023 - Donations and Sponsorship Register** maintained by the Finance Department and be substantiated by proof of payment or proof of receipt.
- (b) Political donations are strictly prohibited.

5.1. Assessing Request for Donations and Sponsorships

- (a) A request for donation or sponsorship may be initiated internally through a purchase requisition request or externally via a formal written request to SCICOM.
- (b) All donation and sponsorship requests shall be escalated to Finance Department for review, in line with the procedures defined below before such requests can be approved in accordance the LOA.

- (c) The Finance Department shall ensure that appropriate due diligence have been conducted on the beneficiary and the requestor (if different from the beneficiary) which may include:
- Background checks (e.g. identity, Beneficial Owners, adverse media, etc);
 - Purpose of the donation or sponsorship;
 - Planned usage of the donation or sponsorship and the ultimate beneficiary(ies);
 - Existing relationship with SCICOM, Directors and Employees; and
 - Other potential relationships that may cause a Conflict of Interest.
- (d) The following events or red flags shall be escalated to the ABAC Review Panel for review and comments:
- (i) Request originates from an existing or prospective Customer or Business Associate;
 - (ii) Request originates from or involves Public Officials or Foreign Public Officials;
 - (iii) Request for the donation or sponsorship be directed to a bank account not in the name of the beneficiary;
 - (iv) The beneficiary (and the requestor if different from the beneficiary) refuses to provide adequate documentation or suggests that the donation or sponsorship be made anonymously; or
 - (v) There is a risk that the donation or sponsorship can be regarded as an act of Bribery or Corruption.

5.2. The Award of Donations and Sponsorships

- (a) SCICOM shall issue a donation or sponsorship award letter in support of the donation or sponsorship to be made and the award letter shall contain at least the following provisions:
- (i) the provision of funds will not result in actual or potential improper advantage to SCICOM;
 - (ii) the provision of funds will not act as an inducement or reward and will not influence the outcomes of SCICOM's business transactions with others.
 - (iii) the beneficiary shall only use the funds for intended lawful purpose as specified in the purchase requisition, the award letter or the formal written request received from the beneficiary; and
 - (iv) the beneficiary has adequate processes and controls to ensure the funds is properly administered for.

6. Facilitation Payments

- (a) Directors and Employees shall not offer, promise, give, request, accept or receive anything which might reasonably be regarded as a facilitation payment.
- (b) SCICOM adopts a strict stance that prohibits facilitation payments. All demand or offer of facilitation payments shall be handled in accordance with procedures outlined in **Clause 6.1**.
- (c) However, SCICOM recognises that there could be circumstances where a payment may be necessary to avoid injury, loss of life or liberty. Any such payment to be made should obtain prior approval of the Group CEO where practicable, or if prior approval is not practicable, to be immediately reported to the Group CEO.

6.1. Identification and Dealing

- (a) Facilitation payments may be in the form of cash or cash equivalent. Some of the facilitation payment indicators include:
- (i) Official receipt is not available to substantiate the payment.
 - (ii) Payer is under pressure to make such payment.
- (b) All demand or offer of facilitation payment incidents encountered in the business dealings of the Group shall be handled as follows:
- (i) Politely decline the payment request or offer.
 - (ii) Immediately report the incident to the ABAC Review Panel via Legal Department using SCKL/LGL/FR/014 – Facilitation Payment Incident Reporting, upon which the Group CEO shall be notified. The incident report shall contain at least the following details:
 - date of the incident;
 - the identity details of the requestor or the offeror;
 - the amount involved;
 - circumstances surrounding the payment, including the reason for it;
 - action taken in responding to the request or offer; and
 - any other facts that may be relevant to the incident.

7. Dealings with Third Party

- (a) SCICOM expects that all Business Associates acting for or on behalf to share the Group's values and ethical standards as their actions may or can implicate the Group legally and tarnish the Group's reputation. The Group adopts a risk-based approach in ascertaining the extent of due diligence to be conducted before entering into any contractual business arrangements with a Third Party ('3rd Party').
- (b) All prospective Business Associates and Customers of the Group, with the exception of those who are engaging only in preliminary or preparatory discussions on potential working relationships, as evidenced by contracting only in the form of a non-disclosure or confidentiality agreement with no commercial agreement to work together ("for NDA purposes only"), shall be subject to the screening procedures set out in **Clause 7.1**.
- (c) A 3rd Party shall be classified as "High Risk" if one or more of the following red flags has been identified during the conduct of initial screening procedures outlined in **Clause 7.1**:
- (i) The 3rd Party has no capability or experience in providing the required products or services;
 - (ii) Inadequate credentials for the nature of the engagement or lack of an office or an established place of business;
 - (iii) The 3rd Party requires to remain anonymous in the business transaction;
 - (iv) Convoluted payment arrangements requested by the 3rd Party such as payment in cash, payment to a third party or to bank accounts in other countries or requests for upfront payment for expenses or other fees;
 - (v) The 3rd Party has indicated or expressed objection to anti-Bribery and anti-Corruption representations and/or warranties in commercial contracts or negative response when told of such requirements;
 - (vi) The projected contract value is significant, i.e. above RM2 million; or
 - (vii) Presence of adverse media and/or negative publicity about or linked to the 3rd Party.

- (c) Should additional or new information become available after SCICOM has entered into a contractual business relationship with a 3rd Party which may increase the Bribery and Corruption risk level on dealings with the 3rd Party, the extended due diligence procedures outlined in **Clause 7.1** shall be completed by the relevant Head of Department ('HOD').

Based on the outcome of the enhanced due diligence, the HOD shall ascertain the appropriate next course of action, in consultation with the ABAC Review Panel and the Group CEO.

- (d) SCICOM requires its Directors and Employees to use good judgment and common sense in assessing the integrity and ethical business practices of prospective and existing Business Associates and Customers.

7.1. Screening and Due Diligence on Third Parties

- (a) A prospective Employee shall be subject to the screening procedures as outlined in **Clause 8.2**.

- (b) All prospective Business Associates and Customers of the Group, with the exception of those contracting for NDA purposes only, shall be subject to the following background screening procedures as part of the Group's Know Your Customer ('KYC') process:

- (i) Corporate profile;
- (ii) Company search (via Third Party corporate website and/or SSM or equivalent authorities in the respective country of operation where practicable);
- (iii) Nature of business;
- (iv) Experience and capabilities;
- (v) Financial background;
- (vi) Business justification for the relationship between SCICOM and 3rd Party; and
- (vii) Adverse media and/or negative publicity on or linked to the 3rd Party;

- (c) A prospective Business Associate or a Customer who has been rated as High Risk shall be subject to the following extended due diligence procedures:

- (i) Directorship;
- (ii) Shareholder(s) and Beneficiary Owner(s);
- (iii) Ongoing investigations/pending charges related to Bribery or Corruption;
- (iv) Potential Conflict of Interest with existing Directors or Employees of the Group; and
- (v) Mandatory submission of SCKL/FIN/FR/025 – Third Party ABAC Compliance Declaration confirming compliance to the Group's ABAC Policy.

- (d) All High Risk Third Parties shall be escalated to ABAC Review Panel for review and clearance before any contractual arrangement is established with these Third Parties.

7.2. Joint Ventures and Joint Venture Partners

- (a) In view of the possibility that the Group may be held responsible for the illegal activities of its co-venturers, therefore all Joint Ventures ("JV") in which SCICOM has a Controlling Interest shall adopt this Policy.

- (b) In the event that the Group neither controls nor operates the JV or where the Group holds a minority interest in the JV, SCICOM shall:

- (i) make reasonable efforts to influence the JV Partner to adopt this Policy (or substantially equivalent standards and principles) for the JV and/or to establish

controls substantially similar to SCICOM standards to prevent Bribery and Corruption; and

- (ii) observe any warning signs which may arise in the conduct of the JV business. Any such warning signs shall be reported to the ABAC Review Panel and when necessary, appropriate action shall be taken, in consultation with the Group CEO.

- (c) All JV contracts shall include the contractual safeguards as outlined in **Clause 7.4.**

7.3. Public Officials and Foreign Public Officials

- (a) In the normal course of business, SCICOM may have business dealings with Public Officials and/or Foreign Public Officials and other parties which this Policy may be extended to cover in circumstances relating to Bribery and Corruption.

- (b) The risk of Bribery and Corruption is typically higher when dealing with Public Officials and Foreign Public Officials due to:

- their ability to exercise influence over government policies and procedures;
- their ability to abuse their position of power for Personal Gain; or
- their access to public funds.

Public Officials and Foreign Public Officials may engage others to conceal funds or assets resulting from the abuse of their official positions. As such, SCICOM shall exercise extra caution when dealing with Public Officials and Foreign Public Officials.

- (c) Directors and Employees should be aware of the risks particular to dealings with Public Officials and Foreign Public Officials.

7.4. Contractual Safeguards

- (a) Contracts between SCICOM and Business Associates other than Customers shall include the following contractual safeguards:

- (i) a requirement to have appropriate ABAC policies, processes and controls (or equivalent) in place. If this is not available, there must be a requirement on the part of the Business Associates to maintain adequate internal controls and procedures to ensure compliance with this Policy and the laws and regulations concerning Bribery and Corruption;

- (ii) a prohibition on the Business Associate committing Bribery and Corruption in the course of performing the agreed services or carrying out the strategic or collaborative activities with SCICOM;

- (iii) a termination clause allowing SCICOM to immediately terminate the contract with the Business Associate, where acts of Bribery and Corruption have been identified; and

- (iv) a requirement for the Business Associate to indemnify SCICOM against losses, costs, claims, demands, expenses (including reasonable legal fees) and liabilities of nature arising from or relating to acts of Bribery or Corruption committed by the Business Associate ("Indemnity"). This requirement should survive tenure of the contract with SCICOM.

Any deviation to this Indemnity requirement must be approved by the Head of Department that is the contracting party in consultation with Legal Department.

- (b) In addition to the requirements stated above, Contracts with High-Risk Business Associates shall include the following:
 - (i) a right to audit the records of the Business Associates; and
 - (ii) a requirement to provide a written declaration to comply with the SCICOM's ABAC Policy.
- (c) A standard ABAC clause shall, wherever possible, be included in the contract / agreement entered into with Customers to enable SCICOM to terminate the contract / agreement in the event of any proven Bribery or Corruption activities engaged by the Customers.

7.5. Continuous Screening and Due Diligence

- (a) The screening and due diligence procedures outlined in Clause 7.1 shall remain applicable as part of the continuous assessment on Business Associates and Customers, to be conducted in accordance with the following frequencies:
 - (i) High Risk Business Associates and Customers – annually; and
 - (ii) Non-High Risk Business Associates and Customers – at least once every three (3) years.
- (b) In addition to the continuous screening and due diligence requirements stated in Clause 7.5 (a), there may be known trigger events that warrant a review of a Business Associate or a Customer such as:
 - (i) contract renewal or significant amendment to the commercial terms and conditions of an existing contract;
 - (ii) changes in the nature of products;
 - (iii) significant changes in the ownership or engagement structure of a Business Associate or a Customer;
 - (iv) investigation or charges on Bribery and Corruption involving a Business Associate or a Customer, its directors, senior management or any equivalent positions or roles or Beneficial Owners; or
 - (v) concerns surrounding the effectiveness of a Business Associate's or a Customer's ABAC compliance programme and/or compliance to the Group's ABAC Policy.
- (c) The outcome of the continuous evaluation shall be considered when determining whether to maintain, renew or terminate the business relationship with a Business Associates or a Customer.

8. Director Appointment and Employee Hiring

- (a) SCICOM, its Directors and Employees shall not provide directorships, employment opportunities, or similar offers to any person including to a Customer, Business Associate or to any person related to a Customer or Business Associate as an inducement to obtain or retain business, to gain an unfair business advantage or for Personal Gain.
- (b) The offering of directorships, employment opportunities or similar offers shall be based on the following employment and hiring principles:
 - (i) the offer is supported by a genuine and legitimate business need;
 - (ii) candidate selection is merit-based; and
 - (iii) candidates are subject to the same selection process and checks regardless of sourcing channel (e.g. internal applications, referrals, external applications, etc).
- (c) Referrals from Directors and Employees are permissible. However, the Director or Employee involved shall not participate in the recruitment and selection process.
- (d) Hiring decisions which could give rise to actual or potential Conflict of Interest shall be avoided.

8.1. General Screenings on Directors

- (a) The Group has put in place screening procedures in accordance with SCKL/BOD/PL/017– Directors' Fit and Proper Policy prior to the appointment of a new Director and the re-election of Directors.

8.2. General Screenings on Employee Selection

- (a) The Group has put in place the following procedures as part of its recruitment and selection process:
 - (i) Conduct due diligence to ensure that a shortlisted candidate is the suitable person for the role / position based on eligibility criteria and other prerequisites in accordance with the HR recruitment process.
 - (ii) Obtain Conflict of Interest declaration from a candidate which shall cover the following:
 - Family Members and/or close relatives who are an existing Director or Employee.
 - Existing relationship with any Directors and Employees.
 - Connections to Public Officials or Foreign Public Officials, if any, which may give rise to increased risk of Bribery and Corruption.
 - Other reasons which may give rise to Conflict of Interest in his/her employment with SCICOM (e.g. relationship with a key Customer or Business Associate of the Group).
 - (iii) Obtain SCKL/HRD/FR/002 – ABAC Policy Compliance Declaration embedded in the mandatory ABAC training programme conducted periodically.

8.3. Additional Procedures Applicable for Exposed Positions

- (a) Employees who hold an Exposed Position or candidates who are shortlisted to fill an Exposed Position shall be subject to the following additional screenings:
 - (i) Criminal charges, convictions and allegations;
 - (ii) Bankruptcy;
 - (iii) Litigation and disputes; and
 - (iv) Other potential Bribery and Corruption indicators as may be required at the material time.
- (b) In the event that there is/are red flag(s) arising, the HR Department shall escalate the matter to the ABAC Review Panel for advice and thereafter to the hiring decision maker(s).
- (c) The disposal of red flag(s) and the justification thereof shall be accordingly documented by the HR Department and the record of which shall be kept in the personnel files of the affected Employees.
- (d) Employees who hold an Exposed Position shall be mandated to complete and submit SCKL/HRD/FR/003- Conflict of Interest Declaration annually.

9. Conflict of Interest

- (a) Actual or potential Conflict of Interest shall be avoided at all times.
- (b) Directors and Employees shall:
 - (i) Avoid or deal appropriately with situations in which personal interest could conflict obligations or duties.
 - (ii) Not use their position or role or employment, official working hours, the Group resources and assets for Personal Gain or to the Group's disadvantage.
 - (iii) Not handle matters on behalf of SCICOM in situations where they have an interest that conflict with the Group.

9.1. Conflict of Interest Declaration

- (a) Conflict of interest involving a Director shall be disclosed and handled in accordance with the requirements as outlined in SCKL/BOD/PL/001 – Board Charter. In addition, Directors shall submit their fit and proper declaration which encompasses conflict of interest and related party transaction disclosures annually in accordance with SCKL/BOD/PL/014 – Directors' Assessment.
- (b) Employees shall:
 - (i) Declare in writing to HR Department of any actual or potential Conflict of Interest they are or potentially be exposed to using SCKL/HRD/FR/003 – Conflict of Interest Declaration Form, in accordance with the procedures outlined in SCKL/HRD/QP/002 – Conflict of Interest Handling Process.
 - (ii) Notify HR Department in writing of any interests and situations that they know of, which could give rise to actual of potential Conflict of Interest involving other internal

or external parties, even if the knowledge arises after these parties have been engaged by SCICOM.

- (iii) Consult HR Department if in doubt of whether they are exposed to an actual or potential Conflict of Interest.
- (c) HR Department shall maintain SCKL/HRD/FR/004 – Conflict of Interest Register to record details of all Conflicts of Interest received, including the action(s) taken to manage the Conflicts of Interest, in accordance with the procedures outlined in SCKL/HRD/QP/002 – Conflict of Interest Handling Process.

9.2. Managing Conflict of Interest

- (a) In the event that there is a Conflict of Interest, appropriate action shall be taken, and this may include:
 - (i) The Director or Employee shall be removed from the situation which gives rise to the Conflict of Interest.
 - (ii) The Group shall not engage or shall terminate engagement with the affected (prospective) Customer or Business Associate in the event that the Conflict of Interest cannot be satisfactorily addressed.
 - (iii) Disclose the Conflict of Interest to the parties involved if deemed required.

10. Communication and Training

- (a) The Policy shall be published on the Group's intranet and SCICOM's website for access by all internal and external parties.
- (b) SCICOM conducts online anti-Bribery and anti-Corruption training, which is made mandatory for all its existing and new Employees, on a periodic basis. Employees are required to repeat the training programme within a reasonable time until they successfully pass the assessment at the end of the training session. Employees who fail to comply with the training requirements may be subjected to disciplinary action.
- (c) Heads of Department shall conduct face-to-face / virtual ABAC Policy briefings or provide ABAC Policy briefing materials to Customers and Business Associates.
- (d) Management and Employees of the Group shall:
 - (i) communicate this Policy to all Customers and Business Associates at the outset of their engagement with SCICOM and at suitable intervals;
 - (ii) communicate any changes to this Policy to all Customers and Business Associates and Third Parties timely within a reasonable period; and
 - (iii) ensure that the engagement of Customers and Business Associates shall be subject to the acceptance and compliance of this Policy.

11. Record Keeping

- (a) It is important that proper and complete records be maintained of all payments made to Third Parties in the normal course of business as these would serve as evidence that such payments were bona fide, and not linked to Bribery, Corruption and/or unethical conduct.
- (b) All accounts, invoices, documents and records relating to dealings with Third Parties should be prepared and maintained with accuracy and completeness.

12. Reporting of Policy Violations

- (a) Internal and external parties are encouraged to raise concerns in relation to real or suspected Bribery or Corruption incidents at the earliest opportunity.
- (b) Reports of such incident or knowledge of such incident may be lodged in accordance with the process outlined in SCKL/FIN/QP/009 - Whistleblowing Procedure published on the Group's intranet or the Whistleblowing Policy and Procedures published on SCICOM's website at <https://scicom-intl.com/>.
- (c) SCICOM, under its practice of respecting and recognising human rights, shall not discriminate or retaliate against any individual for raising genuine concerns or reporting in good faith on breach or suspected breach of this Policy. All reports shall be treated confidentially.

13. Consequences of Breach and Non-Compliance Reporting

- (a) SCICOM views any breach of this Policy as a serious matter. Non-compliance committed by Employees may lead to disciplinary action, up to and including termination of employment.

In the event that a wrongdoing is established, Directors and Employees may also be subject to civil proceedings and/or may be prosecuted for a criminal offence.
- (b) Non-compliance to this Policy and other applicable policies which include SCKL/HRD/PL/001 – HR Policy, SCKL/FIN/PL/004 - Vendor Code of Conduct and SCKL/FIN/PL/007 – Scicom Code of Conduct and Ethics committed by Customers or Business Associates may lead to suspension and/or contract termination.
- (c) The ABAC Review Panel shall report any ABAC related breaches or non-compliance incidents to the Board on a quarterly basis, along with the remediation plan to mitigate the recurrence of such breaches or non-compliances.
- (d) In accordance with applicable laws and regulations, SCICOM shall notify the relevant regulatory authority if any identified Bribery or Corruption incidents have been proven.

14. Review of the Policy

This Policy shall be subject to periodic review by the Board to ensure that it continues to remain relevant and appropriate.