



## SOUTHERN ACIDS (M) BERHAD

(64577-K)

### **Anti-Bribery & Anti-Corruption Policy & Guidelines**

The Board of Director (“BOD” or “Board”) and Management of **Southern Acids (M) Berhad** (“SAB” or “the Company”) and its subsidiary companies (collectively known as the “SAB Group” or “the Group”) strives to uphold its commitment to prohibit bribery and corruption in the business conduct within the Group.

In line with good corporate governance practices, the BOD of SAB, encourage its employees, directors and associates to commit to the highest possible standards of ethical, moral, and legal conduct. Consistent with this commitment, the Anti-Bribery & Anti-Corruption Policy & Guidelines (“Policy & Guidelines”) aims to support good management practices and sound corporate governance practices within the Group.

This Policy & Guidelines aims to provide a structured guideline for its employees, directors and associates (“associated person”) to elaborate upon those principles, providing guidance to employees concerning how to deal with improper solicitation, bribery and other corrupt activities and issues that may arise in the course of business. It is also intended to apply to every director (executive and non-executive) except as otherwise stated in this Policy and Guidelines.

This Policy & Guidelines are not intended to provide definitive answers to all questions regarding bribery and corruption. Rather, the Policy & Guidelines are intended to provide employees with a basic introduction to how the BOD combats bribery and corruption in furtherance of the Group’s commitment to lawful and ethical behavior at all times.

For the purpose of this Policy & Guidelines, the wrongful activities or wrongdoings refers to any potential violations or concerns relating to any laws, rules, regulations, acts, ethics, integrity and business conduct, including any violations or concerns relating to malpractice, illegal, immoral, embezzlement and fraudulent activities which will affect the business and image of SAB.

The BOD of SAB has a stewardship responsibility to communicate the requirements of this Policy & Guidelines and to guide the Group in dealing with concerns arising from wrongful activities or wrongdoings.



The main objectives of the Policy & Guidelines are as follows:

**1. To ensure Top-Level Commitment**

Establish, maintain, and periodically review an anti-corruption compliance programme which includes clear policies and objectives that adequately address corruption risks. Encourage the use of any **reporting whistleblowing channel** in relation to any suspected and/or real corruption incidents or inadequacies in the anti- corruption compliance programme.

**2. To ensure Risk Assessments are carried out**

A corruption risk assessment is done at minimum once every three years, with intermittent assessments conducted when necessary covering the following:

- a. Opportunities for corruption and fraud activities resulting from weaknesses in the Company's risk management framework and internal control system;
- b. Financial transactions that may disguise corrupt payments;
- c. Business activities in countries or sectors that pose a higher corruption risk; and
- d. Non-compliance of external parties acting on behalf of the Group regarding legal and regulatory requirements related to anti-corruption.

**3. To undertake control measures**

Establish key considerations or criteria for conducting due diligence on any relevant parties or personnel (such as Board members, employees, agents, vendors, contractors, suppliers, consultants and senior public officials) prior to entering into any formalised relationships.

**4. To ensure systematic review, monitoring and enforcement**

Plan, establish, implement and maintain a monitoring programme, which covers the scope, frequency, and methods for review; Identify the competent person(s) and/or establish a compliance function to perform an internal audit, in relation to the Group's anti-corruption measures; Conduct continual evaluations and improvements on the Group's policies and procedures in relation to corruption.

**5. To ensure adequate training, awareness and communication**

The Group's Policy & Guidelines should be made publicly available, and should also be appropriately communicated to all personnel and business associates.