

ANTI-CORRUPTION

SUPPLIERS CODE OF CONDUCT

OBJECTIVE

Hovid Berhad, its subsidiaries and affiliate companies (collectively “the Company”) is committed to conducting business transparently, honestly and with integrity. The Company will abide by the laws countering corruption in all the jurisdictions in which the Company operates or conduct its businesses and shall strive to put in place appropriate measures to ensure its business associates do not participate in corrupt activities for their own benefit, or for the benefit of the Company.

This Code of Conduct is aligned with the Company’s corporate values to *Be Ethical and Honest* as the way it conducts businesses.

The purpose of this Code of Conduct is to set out the responsibilities of those working for and with the Company in upholding the Company’s position on corruption.

WHAT DO WE EXPECT FROM SUPPLIERS

This Code of Conduct sets forth a non-negotiable standard that suppliers are required to adhere wherever they provide and perform services for the Company. Suppliers are expected to comply with the laws on corruption in Malaysia which is governed by the Malaysian Anti-Corruption Commission Act 2009 (“MACC Act”) and the laws of the country in which goods are produced and/or delivered and/or services are to be performed. The provision of the MACC Act can be viewed in the Company’s official website at <https://www.hovid.com>.

Suppliers shall take reasonable steps to ensure that its employees, representatives, agents (“Associated Parties”) and subcontractors that are providing goods and services in connection with the supplier’s provision of good and services to the Company are made aware and comply with the contents of this Code of Conduct

PROHIBITIONS

1. All suppliers of the Company are not permitted to give, offer or receive Gratification in any form in the course of doing business for the Company. Gratification is defined as:
 - (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;
 - (b) any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;
 - (c) any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;
 - (d) any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;
 - (e) any forbearance to demand any money or money’s worth or valuable thing;
 - (f) any other service or favour of any description, including protection from any 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 or the forbearance from the exercise of any right or any official power or duty; and
 - (g) any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding paragraphs (a) to (f);
2. Suppliers shall not corruptly influence or attempt to influence the employees of the Company, Public Official, Associated Parties and sub-contractors to give, offer or receive Gratification to the advantage of the suppliers or for the benefit of the Company in the course of doing business for the Company. Public Official means any person exercising a public function on behalf of government.
3. Suppliers should not liaise with or sub-contract their work for the Company to any party who they have reason to suspect will commit corruption.

4. Supplier is prohibited from arranging, requesting, promising or receiving any forms of benefits or advantage that can be reasonably be regarded as Facilitation payment. Facilitation payments are payments made to facilitate or expedite a routine procedure and process. If payments are to be made on the Company's behalf, receipt which details the payee and purpose of the payment must be obtained as evidences for the provision of goods and services.
4. No gifting – Any acts of presenting and receiving gift is prohibited if it is given with an intention to obtain personal gain or business advantage for or on behalf of the Company.

TRANSACTION RECORDS

Suppliers must keep detailed up to date books, accounts and records that accurately reflect its transaction relating to the works or services performed for or on behalf of the Company to ensure compliance to MACC Act, this Code of Conduct and other laws of bribery or corruption in other jurisdiction in the course of doing business with the Company.

REPORTING OF CORRUPTION ACTIVITY

If suppliers are aware of any actual or suspected commission of corruption by Associated Parties, Public Official or sub-contractor in the course of dealing with them, supplier should report to the Company via the Company's whistleblower helpline. Any reports made to whistleblower helpline shall be treated as confidential where the whistle-blower's identity shall be protected unless the disclosure is required by the law pursuant to an investigation or legislation. The Company shall treat whistle blower's report seriously and shall commit to conduct further investigation to gather evidence and proof to convict the culprit.

Any act of making fake calls to whistleblowing channel or an act of retaliation directed against any whistle-blower will be investigated and serious disciplinary action will be taken including prosecution in court. Suppliers shall give assistance and cooperation to the Company in relation to any police, judicial or regulatory investigation or enquiry pertaining to any actual or suspected commission of corruption.

CONSEQUENCES FOR NON-COMPLIANCE OF THIS CODE OF CONDUCT

The Company will not tolerate on any acts of corruption by any of its suppliers. If suppliers are caught involved in the commission of corruption, the Company shall terminate any commercial dealings or agreements with the suppliers and file legal action in court in the event the Company's reputation and interests have been harmed as a result of the suppliers' commission of corruption.