



POLICY ON ANTI-BRIBERY & ANTI-CORRUPTION (ABAC)

1. INTRODUCTION

- 1.1 Agrobank takes a zero-tolerance approach towards bribery and corruption. The Bank is committed to acting professionally, fairly and with integrity in all business dealings and relationships in all jurisdictions in which it operates. The Bank is committed in implementing and enforcing effective measures to counter bribery and corruption.
- 1.2 The BOD, employees and business associates shall comply with all laws and regulations that relate to countering bribery and corruption in the Bank's business dealings.
- 1.3 The Bank reserves the right to terminate its contractual relationship with any of its' business associates that breach this policy requirement.

2. OBJECTIVE

- 2.1 This policy is designed to protect the reputation of the Bank by detecting and/or preventing bribery and corruption risks and;
- 2.2 To ensure the BOD, employees and business associates understand their responsibilities in ensuring compliance with this Policy, the consequences of non-compliance with this policy and the relevant laws and regulations relating to bribery and corruption in Malaysia.

3. SCOPE

- 3.1 This policy applies to Directors, employees and business associates.
- 3.2 For employees, compliance with this policy constitutes conditions of employment and for business associates, compliance with this policy constitutes conditions of providing services to the Bank.

4. GENERAL DEFINITION

- 4.1 Bribery
 - A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage.
- 4.2 Corruption
 - Corruption is an abuse of power for personal gain. Corruption may also include acts of extortion, collusion, breach of trust, abuse of power, trading under influence, embezzlement, fraud or money laundering.
- 4.2 Entertainment
 - Any social event which might include business meals, receptions, parties, entertaining guests in resorts, restaurants, convention centers, concerts/theatres or at sporting events,



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golfing events and other special occasions. A social event provided by a donor who is not attending the event is considered to be a gift. Examples include dining vouchers and tickets to theatrical and sporting events that the recipients attend unaccompanied by the donor.

4.3 Gift

- Includes all gift of products, services, cash or cash equivalents (cheques, gift cards, gift certificates, vouchers, loans/financing and shares) and all business courtesies, gratuities, discounts, favors and other things of value for which the recipient does not pay the fair value.

4.4 Gratification

- Benefits or advantages that can be given or received in exchange for corrupt practices, and it is not limited solely to monetary forms but also includes non-monetary benefits and advantages (Money, donation, gift, loan, fee, reward, valuable security, property, interest in property, or anything that can be monetarily evaluated)

4.5 Kickback

- Form of negotiated bribery whereby an omission is paid to the bribe recipient in exchange for services rendered

4.6 Third party / business associates

- A third party or a business associate is an external party with whom the Bank has or plans to establish some form of business relationship. This primarily includes counterparties, business partners, joint venture partners, outsourcing providers, contractors, consultants, subcontractors, suppliers, vendors, advisers, agents, distributors, representatives, intermediaries and investors.

5. GIFTS, ENTERTAINMENT AND HOSPITALITY

5.1 The Bank generally practices a No Gift Policy.

5.2 The BOD and employees are strictly prohibited from giving or accepting favor or preferential treatment to or from third parties for the purpose of inducing, gaining and unfair or unethical business advantage or for personal gain.

5.3 The Bank's BOD and employees, family members or agents acting for or on behalf of the Bank's BOD and employees or their family members are prohibited from, directly or indirectly, receiving or providing gifts.

5.4 The Bank strictly forbids its' BOD and employees from accepting cash, cash equivalents, gifts, or entertainment from third party / business associate or entities participating in a tender or competitive bidding exercise. This prohibition extends to any gifts or entertainment that



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would violate local, foreign, or applicable bribery and corruption laws. Extravagant, lavish, or excessive gifts or entertainment, exceeding the Bank's prescribed maximum threshold are also strictly prohibited.

- 5.5 The acceptance and provision of the gift and entertainment are permitted in certain circumstances such as reciprocal meal or entertainment exchanges that serve as legitimate business interest or token gifts bearing company logo, charity basis and during festivals.

6. FACILITATION PAYMENT AND KICKBACK

- 6.1 The Bank does not make and will not accept facilitation payment or kickbacks of any kind by any of its BOD, employees and business associates.

7. SPONSORSHIPS, COMMUNITY INVESTMENTS AND POLITICAL CONTRIBUTIONS

- 7.1 The Bank engages in charitable donations, zakat, corporate sponsorships, and community investments, aligned with local laws and ethical standards. These contributions must not be made with the expectation of receiving special treatment in return and must be documented according to the Bank's Policy on Sponsorship.
- 7.2 The Bank strictly prohibits making monetary or in-kind political contributions to political parties, party officials, or political candidates.

8. MANAGEMENT OF THIRD PARTIES / BUSINESS ASSOCIATES

- 8.1 The Bank will engage in business interactions with third parties, including public officials, regulators, and other entities, and this Policy shall govern matters related to bribery and corruption.
- 8.2 The Bank's business dealings with the third parties / business associates shall be carried out in compliance with all relevant laws and consistent with the values and principles of the Bank.
- 8.3 The Bank shall ensure the following:
- 8.3.1 The Bank shall not enter into any business dealings with any third party / business associate reasonably suspected of engaging in bribery and improper business practices unless those suspicions are investigated and resolved.
 - 8.3.2 Due diligence process is conducted on third parties / business associates.
 - 8.3.3 Third parties / business associates must be made aware of this policy, by way of notifying key requirements outlined in this policy to third parties / business associates.



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- 8.3.4 Regularly assess the performance and business practices of third parties and business associates to ensure continuous compliance of applicable anti-corruption laws and regulations.
- 8.3.5 All commercial contracts include clauses pertaining to business ethics, conflict of interest, and the prevention of bribery and corruption.
- 8.3.6 Third parties / business associate shall adhere to the Vendor Code of Conduct.

9. REPORTING OF BRIBERY AND CORRUPTION

- 9.1 All BOD, employees and third parties / business associates shall raise concerns about any issue or suspicion of bribery, corruption or other misconduct at the earliest possible stage or if he believes or suspects a breach of this policy will occur in the future.
- 9.2 Business associate shall notify the Bank through the Bank's Whistleblowing Channel as follows:

Secured P.O Box	KPMG Management & Risk Consulting Sdn Bhd, Peti Surat 8190, Kelana Jaya, 46784 Selangor.
Secured email	agrobank_ethicsline@kpmg.com.my
Secured facsimile line	03-77217818
Secured Hotline	1800 88 5500

- 9.3 The Bank is committed in ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or for reporting in good faith their suspicion that an actual or potential bribery, corruption or other misconduct has taken place or may take place in the future.