



WATTA GROUP OF COMPANIES

ANTI-CORRUPTION & ANTI-BRIBERY POLICY

1. OBJECTIVE

To define the policy and guidelines for anti-corruption & anti-bribery for Watta Group of Companies (“Watta Group”).

This Anti-Corruption & Anti Bribery Policy (“AC&AB Policy” or “Policy”) has been established to comply and in line with Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (“MACC Act”), which was enacted under the Malaysian Anti-Corruption Commission (Amendment) Act 2018; to take effect from 1 June 2020. Section 17A of the MACC Act provides that a commercial organization commits an offence if any person associated with the commercial organization commits a corrupt act in order to obtain or retain business or an advantage in the conduct of business for the commercial organization.

Corruption is defined as any abuse of common resources or authority for personal gain. This includes the offering, promising, giving, authorizing or accepting of any undue financial kickback or any advantage to, by or for any third parties in order to obtain personal advantage in any form. Each transaction involves minimum 2 parties, that is a supply side (the Briber) and a demand side (the Recipient).

Bribery is commonly described as offering, promising, requesting, accepting, transferring or soliciting an advantage for oneself or another, in order to improperly induce, influence, obtain or reward the performance of a function or an activity or to improperly prevent such a performance (consideration or reward). A bribe for the purpose of this AC& AB Policy may be any financial or other improper advantage given directly or through an intermediary.

2. SCOPE

This AC&AB Policy applies to all companies within the Watta Group. This includes individuals working at all levels and grade, including directors, all level of managers, officers, employees (consist of full-time, part-time, contract and temporary), consultants, contractors, seconded staff, trainees, interns, agents, sponsors, suppliers, customers, volunteers, any third parties and any other person associated with Watta Group (“a person connected”). This Policy sets out the practice of upholding high levels of personal and professional values in Watta Group’s business transactions, interactions and decisions.

For clarity and transparency, “Exposed Positions” have been identified as being vulnerable to bribery through a corruption risk assessment. Such positions may include any role involving: procurement or contract management; financial approvals; human resource; relations with government officials or government departments; sales positions where negotiation with an external party is required; or other positions which can be identified as vulnerable to bribery.

3. PURPOSE

The purpose of this AC&AB Policy is to:

- i) Set out the principles and procedures to facilitate on the prevention of corruption by, on behalf, or against the organization,
- ii) set out the responsibilities of Watta Group and of those working for Watta Group, in observing and upholding Watta Group's position on bribery and corruption; and
- iii) provide information, guidance and procedures to those working for Watta group on how to recognize, and to detect; report and to deal with bribery and corruption issues.

4. PROCEDURES

4.1 GUARDING AGAINST BRIBERY AND CORRUPTION

Watta Group takes a zero-tolerance approach towards corruption and bribery, and is committed to behaving professionally, fairly and with integrity in all our business dealings and relationships wherever Watta Group operates, and implementing and enforcing effective systems to counter corruption and bribery.

The consequences of corruption and bribery can be severe, and may lead to imprisonment for individuals, hefty fines, debarment from tendering for public contracts, and damage the reputation of Watta Group. We therefore take our legal responsibilities to a serious extent.

As a person connected to Watta Group, you must not influence others or be influenced, either directly or indirectly, by paying or receiving bribes or kickbacks or any other forms of gratification that are deemed unethical or may tarnish the reputation of Watta Group.

Directors and Employees must avoid any conflict of interest with the Group and must not use their positions, influence or knowledge gained directly in the course of their duties or employment for private or personal advantage.

4.2 STRICT PROHIBITION

You must comply with all applicable anti-bribery and corruption laws and regulations in all regions in which Watta Group operates. You must not directly or indirectly promise, offer, grant or authorize the giving of money or anything else of value, to government officials, officers of private enterprises and their connected persons to obtain or retain a business or an advantage in the conduct of business.

These include:

- Commissions - that you have reason to suspect will be perceived as bribes or have reason to suspect will be used by the recipient to pay bribes or for other corrupt purposes;
- Facilitation payments ('grease payments') - which are regarded as payments to government officials to gain access, secure or expedite the performance of a routine function they are in any event obligated to perform. Watta Group does not allow facilitation

- payments to be made. You must inform the appropriate compliance personnel when encountering with any request for a facilitation payment. If you have made any payment which could possibly be misconstrued as a facilitation payment, the appropriate compliance personnel must immediately be notified and the payment recorded accordingly;
- Bribe – Anything of value given in an attempt to affect a person’s actions or decision in order to gain or retain a business advantage. Anything of value includes cash, entertainment or others gifts or courtesies;
 - Corruption – The misuse of a public office or power for private gain or the misuse of private power in relation to business outside the realm of government; or
 - Kickbacks – The return of a sum already paid or due as a reward for awarding of further business.
 - Political Contribution – that you may act in your personal capacity as a citizen who is not restricted to make any personal political donations. However, Watta Group will not make any reimbursement for these personal political contributions back to you;
 - Charitable Contributions, sponsorships or donations – these social corporate responsibility activities to society are made by Watta Group to community projects or charities in good faith and compliance with the Watta Group’s Code of Ethics and Conduct. Any charitable contributions, sponsorships or donations made on behalf of Watta Group must be approved in accordance with the Limits of Authority of Watta Group.
 - Gifts, hospitality and entertainment – these exchange of business courtesies may be offered to or received from you but only where it is appropriate to do so in the circumstances that do not influence business decisions. Any such business courtesies offered or received that transacted on behalf of Watta Group must be approved in accordance with the Limits of Authority of Watta Group.
 - Record-Keeping - all financial transactions shall be properly kept, substantiated and justified that business reason for making payments to, and receiving payments from, third parties accurately as part of the admissibility document evidence.

4.3 STRICT CONDUCT

Watta Group has taken pride in its core value of integrity and professionalism in conducting business across the board. The followings are to be observed and stressed on:

- You must not directly or indirectly involve in any corrupt conduct, which include but not limited to the abuse of position/ authority and falsification of documents.
- You must also refrain from any activity or behavior that could give rise to the perception or suspicion of any corrupt conduct or the attempt thereof. Promising, offering, giving or receiving any improper advantage in order to influence the decision of the recipient or to be so influenced may not only result in disciplinary action but also criminal charges.
- You will not suffer demotion, penalty or other adverse consequences for refusing to pay or receive bribes even if such refusal may result in the company losing its business or not being able to achieve targets.
- All counterparties are under a duty not to promise, offer or give any improper advantage on behalf of Watta Group. The Board of Directors and employees must endeavor to ensure that these counterparties do not promise, offer or give any such improper advantage on behalf of Watta Group.
- You have to ensure that your personal financial circumstances and transactions do not jeopardise your independent judgement or adversely affect your job performance. You

must not have any direct or indirect involvement in other employment (remunerated or otherwise) except otherwise agreed by the Management. In situations where conflict does occur, employees are required to declare such conflicts.

4.4 REVIEW OF POLICY

This AC&AB Policy shall be reviewed, at least every three years or as and when appropriate, to ensure its effectiveness. The updated version shall apply and supersede any and all previous version and will be updated to our website from time to time.

5. ROLES AND RESPONSIBILITIES

Apart from understanding and complying with this policy, as a director, senior management or an employee, you are also responsible to:

- provide awareness training and retraining to those reporting to you;
- ensure those reporting to you understand and comply with the AC&AB Policy;
- promote compliance and good ethical values via leadership by example; and
- provide guidance to others who have raised concerns or questions regarding the AC&AB Policy.

6. REPORTING OF POLICY VIOLATIONS

Any individual and employee with any suspicions, concerns, or beliefs regarding a breach of the MACC Act as may be imposed by the relevant authorities and/or Watta Group's internal policies, are encouraged to raise, notify and make a report via the channel outlined in our Whistleblowing Policy (by completing the Watta Whistle-Blower Report Form; "WWBR-Form"); and sending an email to ac@watta.com.my, detailing the case of violations. All informers are reassured that their identity(ies) would be protected.

All directors and employees of Watta Group must read and declare compliance with the Policy. Violation of the Policy will be subject to disciplinary actions of those found in breach or non-compliance of the Policy. Violation of the Policy that is related to criminal acts may result in prosecution after referral to the appropriate authorities.

Business associates, partners and stakeholders are encouraged to adopt similar principles and standards of behavior.

This AC&AB Policy is revised, approved and adopted by the Board on 29 August 2023