

CROPMATE BERHAD

# ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

## Version Control

Issue Date	Summary of Key Changes	Review Date
2023	Initial Document	2023



# ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

## INTRODUCTION

Cropmate Berhad (“**Cropmate**” or “**Company**”) is committed to the highest standards of integrity, trustworthiness, and accountability. Cropmate adopts a ZERO-TOLERANCE policy against all forms of bribery and corruption in its actions and decisions, both internally and externally. In line with Cropmate’s core value on “Integrity”, the Anti-Bribery and Anti-Corruption Policy (“**Policy**”) has been established and adopted to promote the growth of Cropmate’s business activities to be free from bribery and corrupt practices.

## OBJECTIVE

The Policy is formulated with the intention of achieving the following aims:

1. To foster the growth of a business environment that is free from corruption;
2. To ensure all Cropmate’s employees and anyone representing Cropmate take reasonable measures to ensure their daily activities do not involve corrupt activities;
3. To provide guidance on how to recognise and deal with bribery and corruption issues; and
4. To avoid penalties from the relevant authorities due to non-compliance of any laws related to integrity and anti-corruption.

## BACKGROUND

The Policy has been established 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 with effect from 1 June 2020. Section 17A of the MACC Act provides that a commercial organisation commits an offence if any person associated with the commercial organisation commits a corrupt act in order to obtain or retain business or an advantage in the conduct of business for the commercial organisation.

## GIFTS, ENTERTAINMENT AND HOSPITALITY

Cropmate does not prohibit personnel from receiving and giving gifts, entertainment, and hospitality, as in certain situations these acts are a central part of business etiquette. However, the gift, hospitality or entertainment is subject to the following rules:

- i) They must not exceed RM500;
- ii) They must not be seen as intended for or capable of achieving undue influence in relation to a business transaction;
- iii) They are for the purpose of establishing or maintaining good and ethical business relationships;
- iv) They must be made in good faith without any corrupt intent;
- v) They must not create any obligation or expectation on the recipient;
- vi) They must be carried out in an open and transparent manner; and



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- vii) They must not create a conflict of interest or compromise the integrity of the personnel or Cropmate.

Cropmate has procedures for accepting or providing gifts, hospitality or entertainment. In general, the gifts, hospitality or entertainment should be given or accepted with full and open knowledge of your superior and, where possible, in advance. The expenses system should be used to record any such spending or arrangements. If you answer yes to any of the following questions about any exchanges, you must discuss the issue with your head of department:-

- i) Is it intended to influence a third party, gain or retain an advantage?;
- ii) Is the gift/hospitality in your individual name rather than Cropmate's name?;
- iii) If any part of gifts is cash or cash equivalent?;
- iv) Is any part of the transaction secretive?; and
- v) Will such gifts, hospitality and/or entertainment breach any local law(s)?

Report to your head of department any suspected or actual bribery, or any concerns that other employees or associated persons may be linked with bribery. Cropmate will investigate any allegations or suspected bribery, this includes the use of disciplinary processes and the referral of information/investigations to relevant enforcing authorities.

### **POLITICAL CONTRIBUTION**

As a matter of general policy, Cropmate does not make or offer monetary or in-kind political contributions to political parties, political party officials or candidates for political office.

### **DONATION**

Social corporate responsibility activities to society, community projects or charities shall be in good faith and compliance with Cropmate's Code of Ethics and Conduct.

### **FACILITATION PAYMENT**

Facilitation payment is defined as payment made to secure or expedite the performance of a personnel performing a routine or administrative duty or function.

Offering, promising, or requesting facilitation payments is prohibited. A facilitation payment will only be permitted if it is necessary to protect a life, a person's health or safety of employee. Facilitation payments need not involve cash or other financial assets, they can be any sort of advantage with the intention to influence the personnel in their duties.

Cropmate prohibits accepting or obtaining, either directly or indirectly, facilitation payments from any person for the benefit of the personnel himself/herself or for any other person. The reason underlying this prohibition is that facilitation payment is seen as a form of bribery and corruption.



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All personnel must not offer, promise, give, request, accept, or receive anything which might reasonably be regarded as a facilitation payment. If the personnel receive a request or offer facilitation payments, he/she must immediately report to the relevant authority.

## RECRUITMENT, PROMOTION AND SUPPORT OF PERSONNEL

Cropmate recognises the value of integrity in its personnel and business associates (including but not limited to agents, representatives, suppliers, vendors and service providers). Cropmate's recruitment, training, performance evaluation, remuneration, recognition and promotion for all Cropmate's personnel, including management, shall be designed and regularly updated to recognise integrity.

The recruitment of personnel should be based on approved selection criteria to ensure that only the most qualified and suitable individuals are employed. This is crucial to ensure that no element of corruption is involved in the hiring of personnel. In line with this, proper background checks should be conducted in order to ensure the potential personnel has not been convicted in any bribery or corruption cases nationally or internationally. More detailed background checks should be taken when hiring personnel that would be responsible in management positions, as they would be tasked with decision making obligations.

## CONFLICT OF INTEREST

Conflicts of interest arise in situations where there is a personal interest that could be considered to have potential interference with objectivity in performing duties or exercising judgment on behalf of the Company. All personnel should avoid situations in which personal interest could conflict with their professional obligations or duties. Personnel must not use their position, official working hours, Company's resources and assets, or information available to them for personal gain or to the Company's disadvantage. In situations where conflict does occur, personnel is required to declare the matter as per the employee handbook.

## REPORT OF POLICY VIOLATION

Any personnel who knows of, or suspects, a violation of the Policy, is encouraged to whistleblow or report the concerns through the mechanism set out under Cropmate's Whistle Blowing Policy. The provision, protection, and procedure of the Whistle Blowing Policy for reporting of the violation of the Policy are available on the Cropmate's website at [whistleblower@cropmate.com.my](mailto:whistleblower@cropmate.com.my)

## REVIEW OF THIS POLICY

The Board of Directors of Cropmate will monitor compliance with the Policy and review the Policy at least once every 3 years to ensure that it remain relevant and is effective in accordance with the laws.