

	Anti-Bribery and Anti-Corruption Policy	Reference:	Public Document
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REVISION HISTORY

Version	Effective Date	Reason for Change
0	1 November 2023	Initial Release

Prepared by	Evelyn Lim Chen Chen	HR Manager	
Approved by	Mok Yong Yaw	CEO	

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1 PURPOSE AND OBJECTIVES

The **purposes** of Anti-Bribery and Anti-Corruption Policy (“ABAC”):

- a. To establish GPHS Management Sdn. Bhd. and its subsidiaries (“**20dB**”) standards on the prevention of bribery and corruption. However, any local laws or regulations that impose stricter requirements will supersede the requirements stated in this ABAC Policy.
- b. To fulfil the requirements set forth in The Guidelines on Adequate Procedures pursuant to Section 17A (5) of the Malaysian Anti-Corruption Commission Act 2009 (“MACC Act 2009”).

The **objectives** of ABAC code of conduct:

- a. To elaborate on the principles, by providing guidance to all 20dB personnel and business associates on how to deal with any improper solicitation, bribery and other corrupt activities and issues that may arise in the course of doing business.
- b. For all intents and purposes, all 20dB personnel and business associates shall always observe and ensure compliance with all applicable laws, rules and regulations to which they are bound to observe in the performance of their duties.

2 SCOPE

The **scope** of ABAC:

- a. All 20dB Personnel, which includes Directors (executive and non-executive), its employees (permanent or contract)
- b. 20dB Business Associates and Third Parties, which include dealers, vendors, suppliers, contractors, sub-contractors, consultants, agents, representatives and any other party who perform work and/or services, for and on behalf of 20dB or intend to have any relationship with 20dB in the future.

3 DEFINITION

Bribery

For the purposes of this Policy, bribery comprises, but is not limited to, offering, promising, granting, requesting, or receiving benefits in cash or in the equivalent of cash to an individual with the intention of influencing that individual in order to wrongfully obtain business or rewards or to obtain any improper commercial, contractual, regulatory, or personal advantage. It is the offering, promising, granting, requesting, demanding, or accepting of a benefit in exchange for a wrongdoing that violates the law, is immoral, or betrays confidence. The most evident type of incentive including but not limited to the provision of cash, presents, loans, fees, prizes, merchandise, or other benefits; nevertheless, future favors may also be promised.

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Corruption

Transparency International defined corruption as the act of abusing of entrusted power for personal gain and benefit. Conflict of interest may arise in situations where personal interest either interfere, has the potential to interference, or is perceived to interfere with :-

- a. Professional's objectivity in carrying out obligations and duties;
- b. The use of judgment in carrying out tasks and responsibilities and making decisions.

The individual's official position, company's working hours, resources and assets or information accessible to him or her may be misused for personal interest or to the company's disadvantage.

Gratification:

Definition under section 3 of Malaysian Anti-Corruption Commission Act 2009

- 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).

4 OFFENSES

The provision under the MACC Act 2009 stated that the punishment for committing bribery and corruption is imprisonment up to 20 years and/or a fine of not less than 10 times the sum or value of the relevant bribe or RM1,000,000.00 whichever is higher.

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5 APPLICATION

The purpose of this policy is not to prohibit practices that are reasonable, duly documented, and allowed in the jurisdiction in which they are implemented. 20 dB merchandise products and/or services must be promoted, and practices that aim to build or strengthen relationships with suppliers, clients, customers and patients must be moderated, transparent, and done without expecting anything in return, such as the recipient's performance of another task or lack thereof.

6 GUIDELINES ON COMMON FORMS OF BRIBERY AND CORRUPTION

6.1 GIFTS AND HOSPITALITY

This Policy does not prohibit normal business hospitality, so long as it is reasonable, appropriate, modest and bona fide corporate hospitality.

Some examples of **acceptable** gifts and/or benefits below **Ringgit Malaysia Two Hundreds (RM200.00)** are as follows:-

- a. Token gifts offered in business situations or to all participants and attendees for example, work related seminars, conferences, trade and business events;
- b. Gifts presented at work-related conferences, seminars and/or business events;
- c. Gifts given in gratitude for hosting business events, conferences and/or seminars;
- d. Refreshments or meals during meetings or as participants of work-related conferences and/or seminars;
- e. Meals for business purposes.
- f. Gifts in accordance to ABAC code.
- g. Declare to the Compliance Committee if the amount exceeds **Ringgit Malaysia Two Hundreds (RM200.00)**

It is completely **prohibited** to accept or give any of the following:

- a. Gifts of gratuities or other items requested by staff members or any third parties that would benefit them personally, regardless of its value;
- b. Gifts received or given during a tender process involving the giver or recipient;
- c. Gifts of cash or cash equivalent (such as gift cards or certificates, lavish or unreasonable gifts, hospitality loans, fees, rewards, commissions, coupons, discounts or any other related forms)
- d. Gifts prohibited by local law
- e. Gifts that the recipient knows the giver is not permitted to give; and
- f. Gifts otherwise denied or previously denied by the Company.

20dB personnel are expected to exercise sound judgement when accepting gifts or hospitality and are required to obtain advice from their immediate superior, head of department if they are in any doubt whatsoever.

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6.2 TRAVEL

Occasionally, 20 dB deems it appropriate for third parties to pay for travel-related expenses for its staff. However, the said offer of travel must be approved by the staff's Manager, who should take into serious consideration the following:

- a. The primary purpose of the travel must be business related
- b. Itinerary minimizes side trips and avoids tourist destinations
- c. Travel offered for family members or friends are not allowed
- d. It is reasonable given the guest's level or seniority

20dB personnel are expected to exercise sound judgement when receiving/accepting travel offers and are required to obtain advice from their managers or HR department if they are in any doubt whatsoever.

6.3 ENTERTAINMENT

20dB is committed to undertaking and performing business with ethical and excellent quality. The company appreciates the occasional offer of gifts and/or invitations for meals or social events while preventing suspicion of corruption or misuse of the company's assets.

To ensure that gifts and invitations are only accepted appropriately, the following guidance is always to be adhered to by 20dB staff:

Invitations to meal(s) and/or social events offered by third parties

- a. Must be reasonable, proportionate, and made in good faith in order to promote the image of the organization or build friendly connections.
- b. The receiver should never appear to be getting a bribe, a payment, gaining and maintaining business, or securing a biased and unfair advantage.
- c. The giver should not be considered as entitled to preferential treatment or an inappropriate or unfair benefit as a result of the invitation
- d. Is reasonable and suitable in the context of the business occasion

Acceptance or giving of the following is strictly prohibited:

- a. Any events that would undermine or harm the reputation of the company. Eg., adult entertainment, gambling, lewd behavior
- b. Invitations that the recipient is aware he or she cannot accept
- c. Invitations that are otherwise refused or have already been denied by Management
- d. Invitations sent during a tender procedure in which the sender or receiver is involved

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6.4 DONATIONS AND SPONSORSHIPS

Donations and sponsorships are authorized as long as they do not create a conflict of interest and are done only for genuine purposes permitted by applicable laws and regulations. Particular care must be taken to ensure that any payments and sponsorships offered to any party (if any), including political parties (if any), are not interpreted as an inducement or reward for performing or refraining from doing any act.

Prior to such gifts and sponsorships, management approval must be obtained, and the appropriate paperwork must be preserved and kept by the Finance Department.

6.5 DISCOUNT, REBATE AND PROMOTIONAL FEES

Discounts, rebates, and promotional fees must be approved by authorized personnel in compliance with the authority approval procedures of 20dB.

However, it is not permissible to provide money to an individual rather than a business partner (for example, paying a sum equivalent to the discount amount into a personal bank account belonging to an officer of the business partner). Such conduct is forbidden because it risks being a distribution of advantages for an inappropriate purpose rather than a standard discount, etc. supplied to the business partner.

The person in charge of providing discounts, rebates and promotional fees must follow the procedures to issue such discounts, rebates and promotional fees and submit an application to the authorized personnel for approval. Moreover, a record of approval by the authorized personnel (written approval) shall be retain and kept by each outlet/department respectively.

6.6 RECRUITMENT

20dB is committed to conducting transparent and fair recruiting, training, performance reviews, compensation, recognition, and promotion in best interest for all 20dB staff.

All hiring and promotion must be done in compliance with HR regulations and procedures.

6.7 FINANCIAL AND NON-FINANCIAL CONTROL

20dB follows a strict division of roles for all employment activities, whether financial or non-financial in nature.

Jobs involving non-financial activity must have at least two-layers of verification and approval. For jobs involving financial operations, 20dB has subsequently implemented at least three-layers of verification, which include requestor, verifier, and approval.

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Furthermore, 20dB strongly enforces multiple or paired signatures for financial transactions (such as disbursement and payment activities) to further limit any corruption risk.

7 DUE DILIGENCE

20dB will conduct due diligence on all 20dB personnel, business associates, third party service providers and suppliers and whenever necessary major business activities and projects.

Due Diligence methods may include background checks on the person or entity, a document verification process, or conducting interviews with the person to be appointed to a major activity or key role where corruption risk has been identified.

8 DECLARATION

All 20dB personnel must sign a Staff Declaration in Appendix 1 to declare that they have read, understood, and will abide by the ABAC Policy. The declaration form shall be safeguarded by HR department.

All business associates and third parties must sign a declaration as set out in Appendix 2: Business Partner Compliance and Declaration Form.

9 REPORTING AND INVESTIGATION

Any 20dB personnel who knows of, or suspects, a violation of the Policy, is encouraged to report the concerns through the mechanism set out under the 20dB website and/or Compliance Committee.

No individual will be discriminated against or suffer any sort or manner of retaliation for raising genuine concerns or reporting in good faith on violations or suspected violations of the Policy. The Company will investigate all reported violations promptly and thoroughly. All reports will be treated as confidential.

10 REVIEWING, MONITORING AND ENFORCEMENT POLICY

20dB has established Compliance Committee to design, review, manage, monitor, maintain, implement and audit the Anti-Bribery and Anti-Corruption compliance system in 20 dB as a whole and also administration of this ABAC Code. Compliance Committee will be the responsible team to report the compliance of this ABAC Code to the Board of Directors of 20dB and Shareholders (whenever required).

20dB reserves the right to amend this ABAC Code from time to time in whole or in part, at any time without assigning any reason whatsoever.

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11 AWARENESS AND TRAINING

This policy is a public document that is published on the 20dB website and must be distributed to all 20dB personnel, business associates, and third parties. Everyone must understand the Company's stance on anti-bribery and anti-corruption.

All 20 dB personnel, especially new recruits, must get adequate training on this policy. This policy must be conveyed to all new business associates at the beginning of our commercial engagement with them and as needed subsequently. Whenever feasible, all business associates should be issued a copy of this policy at the start of the business partnership or should constantly refer to this policy published on our 20dB website.

12 COMPLIANCE WITH LAWS AND REGULATIONS

20 dB will comply with all applicable laws, rules and regulations of the governments, commissions and exchanges in jurisdictions within which the Company operates. All 20 dB personnel are expected to understand and comply with the Malaysian Anti-Corruption Commission Act 2009 (including any amendment thereof). The Management reserves the right to report any actions or activities suspected of being criminal in nature to the police or other relevant authorities.



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Appendix 1 - Staff Declaration

I, _____, IC. No. _____, hereby certify that I have read and comprehended the 20dB Anti-Bribery and Corruption Policy ("Policy"), as well as the obligations and responsibilities imposed on me by the Policy.

I will always follow the rules and conditions outlined in the Policy, which must be read in conjunction with and forms part of my employment with 20dB.

I confirm that during my time with 20dB, I will:

- a) Take a zero-tolerance approach to bribery and corruption practices and adhere to ethical standards in my company's/my employment's business activities and agree that neither it/I nor any associated person will offer, promise, give, solicit, demand, or accept any payments or gifts (as outlined in the Policy) to or from any person (directly or indirectly) for personal interest, favour, benefit, or advantage or to influence a business decision.
- b) Engage in no activity, practice, or behavior that would constitute an offense under the Malaysian Anti-Corruption Commission Act 2009 ("Act") or comparable legislation.
- c) Comply with all applicable anti-bribery and corruption laws, regulations, and sanctions, including but not limited to the Act, the Malaysian Anti-Corruption Commission (Amendment) Act 2018, or any equivalent laws to which my company/I is subject; and comply with relevant policies and procedures designed to promote and achieve compliance with applicable anti-bribery and corruption laws. I accept that if I am a party to any violation of the stated Policy during the course of my employment, it will be considered a major misconduct and will result in disciplinary action, up to and including dismissal.

.....

Name:

IC. No.:

Designation:

Outlet/Department :

Date:

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Appendix 2 - Business Partner Compliance and Declaration Form

Part 1 - Company Information

Company Name : _____

Registration No.: _____

Address : _____

Contact Person : _____
 Phone Number : _____ Email Address : _____
 Website : _____

Part 2 - Compliance and Declaration

- a. We understand and will comply with all applicable laws and regulations to code of conduct, spirit of fairness, justice, integrity and good faith cooperation in order to resist commercial bribery and unfair competition, against commercial fraud, trust, honestly on the basis of frankness and integrity.
- b. We understand during the business engagement, we shall not do any act or commit any omission which may arise to a conflict of interest and integrity in the discharge of business engagement entered into with 20 dB.
- c. We acknowledge that the provision set out in the declaration form shall form part of the terms and conditions of our appointment and/or contract of service.

Authorized Signature

.....

Name:

IC. No.:

Designation:

Company Stamp :

Date: