

**HARPS GLOBAL PTE. LTD.**

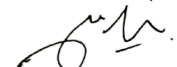

**ANTI-CORRUPTION POLICIES AND PROCEDURES (WEBSITE VERSION)**



**HARPS**  
G L O B A L

**HARPS GLOBAL PTE. LTD.**

**ORIGINATION**

<b>Internal Review Date</b>	<b>Name</b>	<b>Designation</b>	<b>Signature</b>	<b>Date</b>
28-Oct-2021	Lim Ka-Tsung Joachim	Head of Legal & Compliance		28-Oct-2021
30-Aug-2023	Veronica How	Group Chief Financial Officer		30-Aug-2023

**REVISION HISTORY**

<b>Revision Code</b>	<b>Revision Description</b>	<b>Person in Charge</b>	<b>Effective Date</b>
00	New Procedure in-place	NTH	01 <sup>st</sup> Jan 2021
01	Revision to reflect the company status change from S/B to Bhd	NTH	04 <sup>th</sup> Feb 2021
02	Reviewed by Legal & Compliance	NTH, JL	1 <sup>st</sup> Nov 2021
03	Revision to reflect the company name change from HARPS Holdings Berhad to HARPS Global Pte. Ltd. Reviewed and approved by Board.	VH	1 <sup>st</sup> Sep 2023

# **HARPS GLOBAL PTE. LTD.**

## **ANTI-CORRUPTION POLICIES AND PROCEDURES (WEBSITE VERSION)**

### **PREAMBLE**

#### **Policy Statement**

HARPS GLOBAL PTE. LTD. (“HARPS”) and its subsidiaries (collectively referred as “HARPS Group” or “the Group”) is committed to conduct its businesses and operations in an ethical, honourable and upright manner, and in compliance with applicable laws and regulatory requirements with regard to anti-corruption. In so doing, the Group has adopted this Anti-Corruption Policies and Procedures (“this AC Policy”) which is aimed to apply universally to the Directors, Group Executive Committee members, Employees and Stakeholders of HARPS Group (collectively referred to as “**Staff**” hereon).

For avoidance of doubt, this AC Policy is reviewed by Group Executive Committee member on periodic basis in consultation with Human Resource Department and Group Legal Representative (where necessary).

HARPS Group has adopted a zero tolerance approach towards all forms of bribery and corruption and have committed to implement and enforce effective systems to combat bribery and corruption through an effective and viable framework in accordance with the pre-requisite anti-corruption laws and standards.

#### **Introduction**

This AC Policy is guided by the following legislations and requirements that advocate anti-bribery and anti-corruption principles and standards in HARPS Group’s business management and approach:

- i. Singapore - Prevention of Corruption Act 1960;
- ii. Malaysia - Malaysian Anti-Corruption Commission Act 2009 (Act 694) (“MACC Act 2009”) and Malaysian Anti-Corruption Commission (Amendment) Act 2018 (“MACC Amendment Act 2018”);
- iii. United Kingdom (“UK”) – Bribery Act 2010;
- iv. Europe (“EU”) – 1997 Convention on fighting corruption involving officials of the EU or officials of EU countries & 2003 Council Framework Decision on combating corruption in the private sector; and
- v. United States (“US”) – 18 U.S.C. § 201, Section 201, §§ 1341, 1343 and 1346 & Foreign Corrupt Practices Act.
- vi. People’s Republic of China (“PRC”) – PRC Criminal Code; PRC Anti-Unfair Competition Law; and Supervision Law of the PRC.

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#### **Objectives**

This AC Policy sets out the initiatives that support HARPS Group's aspirations in the prevention of corrupt practices in its day to day operations, especially in the deterrence of corruption, bribery and malpractices or illegal activities that may occur in HARPS Group, and to regulate its anti-corruption compliance initiatives pursuant to its current operating environment.

This AC Policy shall serve as a guidance to the respective senior management personnel and all employees in addressing issues relating to corruption, improper solicitation, bribery and other corrupt practices and activities that may arise in the ordinary course of business. It is the responsibility of every party associated with HARPS Group to strictly adhere to HARPS Group's anti-corruption policies and standards. In the event where there is ambiguity over any policies or practices which relate to this AC Policy, employees must always seek the advice of their immediate supervisor or head of department or head of company. If any ambiguity persist, such concern should be directed to the relevant Human Resource Department or Director for clarification and direction.

#### **Coverage**

This AC Policy applies to all individuals working with the Group, at all levels and grades, including senior managers, managers, officers, directors, employees (whether full-time, part-time, contract or temporary), consultants, contractors, trainees, seconded staffs, interns, agents, sponsors, clients, suppliers, any third party and any other person associated with HARPS Group.

#### **Infringement**

Any infringement of this AC Policy shall constitute a serious misconduct or offence warranting disciplinary action against the offender. Offender participating in bribery and corruption shall be subject to penalties of the relevant local regulations.

### **GUIDANCE ON COMMON FORMS OF BRIBERY AND CORRUPTION**

#### **Facilitation Payment**

Facilitation payment is unofficial payment or gratification made to secure or expedite the performance of a routine or administrative duty or function (also known as grease payment). This may be seen as a form of corruption.

HARPS Group adopts a strict policy of disallowing the use of facilitation payment in its business. Our personnel and associated persons must NOT directly or indirectly offer, promise, give, request, accept or receive anything which might reasonably be regarded as facilitation payment. Any request for facilitation payment should be reported immediately to the immediate superior or Head of Department ("HOD"). Alternatively, such act can be reported through the Group's established whistle blowing Channel.

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#### **Kickback**

Kickback is typically payment or gratification made in return for a business favour or advantage. All employees and personnel at HARPS Group are prohibited from engaging in kickback. A kickback is any payment or gratification, not reflected on the face of a business contract that is required to be made to government agency, government official or private individual in order to conclude the business agreement or to secure an advantage.

Where the kickback is being extorted and/or any employee of HARPS Group is being coerced to pay and their safety or liberty is under serious threat and they have no alternative but to make the kickback in order to protect their life, limb or liberty, the affected personnel must immediately report such matter to his/her superior or the Human Resource (“HR”) Department or relevant director. In the event such reporting is not possible, a report to the head of entity or Chairman of the Group should be made as soon as possible.

For purposes of compliance and safeguarding the interests of HARPS Group and its employees, every department is to maintain a log to record any interaction with parties (namely government agency, government official or a private individual).

#### **Gifts**

HARPS Group adopts a **“No-Gift Policy”** whereby all employees shall not solicit or accept any external **“gift”**, **“grant or receive a meal”**, **“provide a token of appreciation”** or **“accord gestures of gratitude”** from any third party (collectively **“Gift”**) that may have direct or indirect business interest with HARPS Group. However, HARPS Group recognises that the exchange of a Gift may be a central part of business etiquette in certain cultures. HARPS Group also recognises that it is a legitimate way of building business relationships and may be a common practice within the business environment to foster good business relationship with stakeholders or clients.

As such, HARPS Group requires all employees to abide by this AC Policy to avoid any conflict of interest between HARPS Group and external parties - as a Gift can be seen as a bribe that may tarnish HARPS’s reputation or be in violation of laws and regulations. Therefore, in the event a Gift is extended (vice versa) under such circumstances, all giving and receiving of a Gift must observe and comply with the No-Gift Policy.

Cultural Gifts during festive occasions may be permitted so long as the recipient declares the Cultural Gift to his/her HOD. Upon obtaining the necessary approval from the relevant HOD, such Cultural Gift is to be registered with the Human Resource Department. Cultural Gifts must be shared amongst colleagues of HARPS Group at the office location.

If at all there is a possibility for the incurrence of Gift (particularly meals), recipient has to, in addition to registering with the Human Resource Department, notify specifically on the value of the Gift (including Cultural Gift) by way of a specific declaration in terms of the amount. The guidance to be adopted are -

- i. For any amount below the prescribed limits as set out in the relevant jurisdiction’s policies, the recipient is still required to register with Human Resource Department to record the purpose and also to describe the reason for such Gift.

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- ii. For any amount above the prescribed limits as set out in the relevant jurisdiction's policies, the first course of action will be to decline the Gift or choose to pay for the Gift by providing an explanation in accordance with this AC Policy, notwithstanding registering it with Human Resource Department. However, if the stakeholder or client insists on proceeding with the Gift, the recipient will have to seek an exceptional approval from Group Executive Committee member of HARPS Group by providing a valid reason.

#### **Corporate Hospitality**

HARPS Group recognises that providing corporate hospitality to stakeholders or clients be it through corporate events, sporting events or other public events, is a legitimate way to network and build goodwill in business relationships.

However, it must not be given or give rise to the perception that it is given to obtain business or advantage of any kind or unduly influence on the outcome of a business decision. Employees must exercise proper care and good judgement to protect HARPS Group's reputation against any allegation that could influence or be perceived to influence the outcome of a business decision.

#### **Entertainment**

It is a common practice within the business environment to provide entertainment to foster business relationship. HARPS Group recognises the need to provide reasonable and proportionate entertainment under appropriate circumstances. As such, authorised employees are allowed to offer appropriate and proportionate entertainment that is legal and reasonable within the scope of their work as part of business networking as well as a measure of goodwill towards the recipients. Any form of entertainment shall observe and comply with the amount stipulated in the **No Gift Policy** which applies across all employees of HARPS Group.

Employees are strictly prohibited from either paying for or participating in any activity which is exorbitant, illegal and immoral, such as lavish/extravagant social functions not related to HARPS Group's business activities or entertainment from a business associate during a procurement process which may cause HARPS to be perceived as engaging in unfavourable or negative activities.

#### **Political Donations**

HARPS Group does not make or offer monetary or in-kind political contribution or gratification to any political party, political party official or candidate running for political office.

Employees and associated personnel of HARPS Group are not restricted to make any personal political donation or contribution in their own personal capacity. However as matter of clarity, each individual's political views and actions are personal and shall not be associated with any intention to obtain or retain business or an advantage for the benefit of HARPS Group.

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### **Charitable Contributions**

HARPS Group allows charitable donation for legitimate reason, and as permitted by current laws and regulations. However, HARPS Group strictly prohibits the giving and receiving of donation to influence business decision.

Contributions/donations must be transparent and must not be made to individual or in cash or be made at a request or as an inducement to or reward for acting improperly or to favour the Group.

In accordance with HARPS Group's commitment to contribute to the community coupled with its values of Integrity and Transparency, all donations must comply with the following:

- Donations are made in accordance with all legal requirements;
- All request for donations must require approval from the relevant board of directors in the relevant jurisdiction;
- Donations are not made to secure any improper business or other advantage;
- Donations are accurately stated in the company's accounting books and records; and
- Not to be used as a means to cover or act as conduit for undue payment or bribery.

### **Conflicts of Interest**

Conflicts of interest may arise in a situation where there is a personal interest that might be considered to interfere with that person's objectivity when performing duties or exercising judgement on behalf of HARPS Group. Employees and associated personnel of HARPS Group are responsible to avoid or deal appropriately with situations in which personal interest could conflict with the obligations of HARPS Group, and is responsible to declare their conflict of interest, both on a scheduled basis, and ad hoc basis as soon as such conflict arises.

In order to ensure conflicts of interests are avoided, senior management personnel are required to observe the Related Party Transaction Policy ("RPTP") – and to disclose and/or confirm any arising related party transactions which may result in a conflict of interest in their execution of their duties. An annual declaration will be required to be made pursuant to the RPTP or any other policy in the relevant jurisdiction.

### **Regular Monitoring and Review**

Regular review shall be conducted by Compliance team to monitor, review, improve and assess performance, efficiency and effectiveness of the adequate systems and procedures in place in HARPS Group. Such review may be conducted internally by Compliance team or externally by an external party appointed to such review. Results of any review should be reported to the relevant directors or the Group's Board of Directors on a periodic basis.

### **Communication and Training**

Training is fundamental to ensure the commitment of all personnel working with HARPS Group to participate in or to comply with the Group's anti-bribery and corruption initiatives, and to equipped such personnel with skills and awareness needed to deal with and manage any conflict situations that they may encounter.

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Group Executive Committee member with the assistance of Human Resource Department will identify the information and instructions the Group wishes to communicate internally and externally on anti-bribery and corruption and determine the appropriate communications channels and methods (by way of annual refresher training) that will be most effective in view of the above- mentioned objectives. Communication will be modified and adapted in content and languages to cater for the different audiences, localities and language requirements.

In executing the annual refresher training, Human Resource Department will establish a training calendar to conduct such training, where attendance is taken to record participation in the training. All training materials and disseminated information as well as the attendance records of training sessions are kept by the Human Resource Department to meet audit requirements.

#### **Record Keeping**

It is important that proper and complete records and documentation of all transactions made by the Group and matters involving any entity within the Group be properly maintained as these would serve as evidence that transactions made were bona fide and were not made with corrupt or unethical intent.

All relevant documentation required to be maintained or is in relation to this AC Policy or any other policies or guidelines of HARPS Group shall cover information such as the details of gifts, entertainments and hospitality as well as donations, sponsorships and facilitation payments - shall be submitted to the Head of Human Resource Department or Finance Department on a quarterly basis for review and retention.

The relevant human resource department or finance department shall maintain written records substantiating that due diligence has taken place and that any risks identified have been carefully considered and mitigated as practicably as possible.

All relevant documentation mentioned in this AC Policy shall be retained.

#### **AC Policy Review**

This AC Policy shall be reviewed by the relevant entity's board of directors at least once every 3 years or as and when deemed necessary by the Group's Board of Directors. Any material changes required shall be proposed to the Group's Board of Directors for approval so as to ensure the AC Policy's continued relevance and effectiveness pursuant to the Group's observance and adoption of zero tolerance approach towards all forms of bribery and corruption, and to comply with applicable laws, regulations and requirements.

## Anti-Bribery and Anti-Corruption Policy - Essentials

### Benefits (Gifts, Hospitality, Events)

1. Never offer, pay, make, seek or accept a Benefit (not even a minor one) in exchange for the performance or omission of an act, a favorable treatment or personal gain.

2. It is strictly prohibited to offer, pay, make, seek or accept cash payments (incl. facilitation payments).

3. You may offer or accept minor Benefits consistent with local custom.

4. Consider the following factors when assessing whether a Benefit could be perceived as a bribe:

**Reason:** Benefits for special occasions e.g. birthdays, a company's anniversary, weddings are less likely to be perceived as a bribe.

**Recipient:** Pay special attention when dealing with Public Officials. Even a small Benefit may be perceived as a bribe.

**Value:** The value of Benefits must be proportionate to the business engagement, occasion and seniority of the individuals involved.

**Transparency:** If the Benefit is offered in a transparent way (**documentation of who/when/what/value/business reason**), it is less likely to be perceived as an attempt to influence.

**Frequency:** While one Benefit may not be considered sufficient to influence a person, the sum of multiple Benefits may.

5. The term Public Official is applied broadly, and includes officials holding a legislative, administrative or judicial position of any kind and any political party official, or any candidate for public office. It also covers certain individuals who work for businesses which are wholly or partly owned or controlled by governments (e.g. public health care, public energy sector).

**Supporting documentation is key and has to show that granted/accepted Benefits were not intended as a bribe but work-related.**

### Granting Benefits (values per person)

Gifts		Hospitality		Events	
Private	Public Official	Private	Public Official	Private	Public Official
Recommended limit	Maximum value	Recommended limit	Maximum value	Recommended limit	Maximum value
50 €	25 €	100 €	50 €	100 €	50 €
Documentation in the expense report				Documentation in Compliance SharePoint Tool	

### Accepting Benefits (values per person)

Gifts	Hospitality	Events
Third party	Third party	Third party
Maximum value	Recommended limit	Recommended limit
50 €	100 €	100 €

### Donation and Sponsoring

<b>Sponsoring limit</b>	1. Sponsoring below the limit: Approval in advance by the Group Chief Business Officer.
1.000 €	2. Sponsoring exceeding the limit: Approval in advance by the Group Chief Executive Officer.
<b>Donation limit</b>	1. Donations below the limit: Approval in advance by the responsible site manager.
100 €	2. Donations <b>exceeding</b> 100 EUR: Approval in advance by the Group Chief Business Officer.
	3. Donations <b>exceeding</b> 10 kEUR: Approval in advance by the Group Chief Executive Officer.

If you need advice, contact the Group Compliance Email at [compliance@harpsglobal.com](mailto:compliance@harpsglobal.com)

- END OF POLICY -