

ANTI-BRIBERY & ANTI-CORRUPTION POLICY

1. INTRODUCTION

NOVA WELLNESS GROUP BERHAD and its subsidiary (the “Group”) conduct its business in a legal and ethical manner. The Group requires all Employees (including full time, probationary, contract and temporary staff) (“Employees”) and Directors of the Group to be committed to act professionally and with integrity in their business dealings.

The Group will take reasonable and appropriate measures to ensure that its businesses do not participate in corrupt activities for its advantage or benefit. This Anti-Bribery and Corruption Policy (“Policy”) sets out the parameters to prevent the occurrence of bribery and corrupt practices in relation to the businesses of the Group. This Policy is supplemental to, and shall be read in conjunction with the Code of Conduct of the Group.

2. DEFINITION OF BRIBERY AND CORRUPTION

Bribery is the offering, promising, giving, accepting or soliciting of an advantage as an inducement for action which is illegal, unethical or a breach of trust. A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage and can take the form of gifts, loans, fees, rewards or other advantages.

Corruption is the abuse of entrusted power for private gain.

3. OBJECTIVE

The objective of the Policy is to provide information and guidance to the Directors and Employees on standards of behaviour to which they must adhere to and how to recognise as well as deal with bribery and corruption.

The Policy is not intended to be exhaustive, and there may be additional obligations that Directors and Employees are expected to adhere to or comply with when performing their duties. For all intents and purposes, the Directors and Employees 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.

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4. SCOPE OF THE POLICY

The Policy is applicable to all Directors and Employees of the Group.

Each Employee has a duty to read and understand the Policy. Violation of any of the Policy's provisions may result in disciplinary action, including termination of employment.

If a Director requires further clarification on the Policy, the Director may liaise with the Chairman of the Board or the Managing Director, whereas for an Employee, the Employee may refer or highlight any concerns to the Head of Division/Department or the Chief Compliance Officer.

5. GUIDANCE ON COMMON FORMS OF BRIBERY AND CORRUPTION

5.1 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 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; and
- (e) meals for business purposes.

As a general principle, the Directors and Employees should not accept or give a gift to a third party if it is made with the intention of influencing the third party to obtain or retain business, or in exchange for favours or benefits. In addition, lavish or unreasonable gifts or hospitality should not be accepted as such gifts or hospitality may be perceived or interpreted as attempts by the Directors or Employees to obtain or receive favourable business treatment for personal benefits.

The Directors and Employees should be mindful in giving or receiving gifts or hospitality as it could be perceived as a way of improperly influencing the decision making of the recipient.

Hence, the intention behind the gifts or hospitality should always be considered.

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5.2 Facilitation Payments to Officer of Public Body^{N1}

Facilitation payments are unofficial payments or other advantages made to secure or expedite the performance of a routine action by an officer of public body. Directors or Employees shall not promise or offer, or agree to give or offer, facilitation payments to an officer of any public body.

However, there could arise circumstances in which the Directors or Employees have no alternative but to make a facilitation payment in order to protect themselves from injury, loss of life or liberty. Any request for facilitation payment under such circumstances should be reported immediately to the Head of Division/Department/Chief Compliance Officer/Managing Director/Chairman of the Board.

N1: Public Body as defined in Section 3 of Malaysian Anti-Corruption Commission Act 2009

5.3 Third Parties and Agencies

All third parties, including agents, suppliers and joint venture partners should be made aware of this Policy and the arrangements with them shall be subject to clear contractual terms, including specific provisions requiring them to comply with minimum standards and procedures relating to bribery and corruption.

5.4 Political Contribution

Subject to any prevailing law that govern political contribution, the Group may make contribution to political parties or candidates. All political contributions require approval from the Chairman or Managing Director.

5.5 Charitable Contribution

Charitable support and donations are acceptable, whether of in-kind services, knowledge, time, or direct financial contributions. However, Directors and Employees must be careful to ensure that charitable contributions are not used as a scheme to conceal bribery. No donation can be offered or made without the prior approval of the Chairman or Managing Director.

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6. RECORD-KEEPING

It is important that proper and complete records be maintained of all payments made to third parties in the usual course of business as these would serve as evidence that such payments were bona fide, and not linked to corrupt and/or unethical conduct. All accounts, invoices, documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with accuracy and completeness.

Employees must declare all hospitality or gifts accepted or offered, and submit details to the person in-charge who is assigned by the respective Division/Department for recording into a register which will be subject to internal audit review. Employees must also ensure that all expense claims relating to hospitality, gifts or expenses incurred to third parties are approved by the Head of Division/Department and Managing Director, and must be specifically recorded the reason for such expenditure.

7. COMPLIANCE TO THE LAW

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

8. REPORTING OF VIOLATIONS OF THE POLICY

Any Employee who knows of, or suspects, a violation of the Policy, is encouraged to whistle blow or report the concerns through the mechanism set out under the Group's Whistle Blowing Policy. The provision, protection and procedure of the Whistle Blowing Policy for reporting of the violations of the Policy are clearly stated in the Group's Whistle Blowing Policy and is available at www.nova.my. 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. All reports will be treated confidentially.

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9. REVIEW OF THE POLICY

The Board will monitor compliance with the Policy and review the Policy regularly to ensure that it continues to remain relevant and appropriate.

10. DISCLAIMER

The Group reserves the right to amend this policy from time to time.

This Policy has been approved by the Board of Directors for adoption with effect from 27th November 2019.