



# **Amway (Malaysia) Holdings Berhad**

Registration No: 199501011153  
(340354-U)

## **Anti-Bribery and Corruption Policy**

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## **1. ANTI-BRIBERY AND CORRUPTION COMMITMENT**

The Board of Directors (“the Board”) of Amway (Malaysia) Holdings Berhad (“Amway” or the “Company”) and its subsidiaries (collectively “the Group”) have established this Anti-Bribery and Corruption Policy (“this Policy”).

The Group takes a zero-tolerance approach to all forms of bribery and corruption and takes a strong stance against such acts. The Group is committed to conducting business in an honest and ethical manner, as well as complying with all applicable laws and regulations in all jurisdictions in which it operates, which includes compliance with the Malaysian Anti-Corruption Commission Act 2009 (“MACC Act”), the Malaysian Anti-Corruption Commission (Amendment) Act 2018 and any amendments or re-enactments that may be made by the relevant authority from time to time.

## **2. PURPOSE**

This Policy sets out the Group’s position on bribery and corruption in all its forms and provides principles, guidelines, and requirements on how to deal with bribery and corrupt practices that may occur within the Group as well as in its interactions with its Business Associates (as defined in Section 7 below).

This Policy shall be read in conjunction with the Group’s Code of Ethics and Whistleblower Policy, Global Code of Conduct, and the MACC Act and the Malaysian Anti-Corruption Commission (Amendment) Act 2018 and any amendments or re-enactments that may be made by the relevant authority from time to time.

## **3. SCOPE**

This Policy applies to the Board of Directors and employees of the Group (collectively known as “Personnel”) and Business Associates of the Group.

This Policy shall be communicated to all Personnel and Business Associates and is also available at [www.amway.my](http://www.amway.my). Personnel and Business Associates must read, understand, and comply with this Policy.

This Policy applies equally to the Group’s business dealings with commercial (private sector) and government (public sector) entities, and includes interaction with the directors, employees, agents, appointed representatives of such entities, and Business Associates. The Group seeks to avoid even the possible appearance of corruption and places particular emphasis on strict lawful and compliant conduct when dealing with government officials.

#### **4. ANTI-BRIBERY AND CORRUPTION COMPLIANCE FUNCTION**

The Group's Risk Management Committee ("RMC") shall have the oversight of the implementation of compliance controls related to this Policy. The Group's RMC shall conduct regular risk assessments to identify the bribery and corruption risks potentially affecting the Group.

#### **5. SANCTIONS FOR NON-COMPLIANCE**

Failure of Personnel to comply with this Policy will result in disciplinary action, up to and including termination of employment. Further legal action may also be taken in the event that the Group's interests have been harmed as a result of non-compliance by any Personnel. Failure of Business Associates to comply with this Policy may result in the suspension or termination of their business relationship with the Group, which is without prejudice to the Group's right to seek damages and other further recourse against the Business Associates.

The Group shall notify the relevant regulatory authority (i) if any identified bribery or corruption incidents have been established; or (ii) if the Group has reasonable grounds to believe a criminal offence under the Criminal Procedure Code may have taken place in connection with the identified bribery or corruption incident.

Where notification to the relevant regulatory authorities has occurred, the Group shall provide full co-operation to the said regulatory authorities, including cooperation in actions that such regulatory authority may decide to take against involved Personnel.

#### **6. OFFENCES**

Under Section 24 of the MACC Act, a person who commits bribery or corruption shall on conviction be liable to:-

- (a) imprisonment for a term not exceeding twenty years; and
- (b) a fine of not less than five times the sum or value of the gratification (as defined in Section 7 below), where such gratification is capable of being valued or is of a pecuniary nature, or ten thousand ringgit, whichever is the higher.

Under Section 17A of the MACC Act, a commercial organisation commits an offence if a person associated with the commercial organisation offers gratification to a third party to obtain or retain business or an advantage for the commercial organisation.

A person is associated with a commercial organisation if he is a director, partner or an employee of the commercial organisation or he is a person who performs services for or on behalf of the commercial organisation.

The commercial organisation shall, on conviction, be liable to:

- (a) a fine of not less than ten times the sum or value of the gratification which is the subject matter of the offence, where such gratification is capable of being valued or is of pecuniary nature, or one million ringgit, whichever is the higher; or
- (b) imprisonment for a term not exceeding twenty years; or
- (c) both.

If a commercial organisation is found to have committed an offence under Section 17A of the MACC Act, a person:

- (a) who is its director, controller, officer, or partner; or
- (b) who is concerned in the management of its affairs,

at the time of the commission of the offence, is deemed to have committed that offence unless that person proves that the offence was committed without his consent and that he exercised due diligence to prevent the commission of the offence.

**7. DEFINITIONS**

For the purpose of this Policy, the following terms have the following definitions:

|         |  |
|---------|--|
| Bribery | <p>Bribery is defined as any action which would be considered as an offence of giving or receiving “gratification” under the MACC Act.</p> <p>In practice, this means offering, promising, giving, accepting or soliciting of an undue advantage of any value (which could be financial or non-financial), directly or indirectly in violation of applicable law, as an inducement or reward for a person acting or refrain from acting in relation to the performance of that person’s duties.</p> <p>“Gratification” is defined in the MACC Act to mean the following:<br/>                 (a) money, donation, gift, loan, fee, reward, valuable security, property or interest in property of any description whether</p> |
|---------|--|

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|                            | <p>movable or immovable, financial benefit, or any other similar advantage;</p> <p>(b) any office, employment, contract of employment or services, and agreement to give employment or render services in any capacity;</p> <p>(c) any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;</p> <p>(d) any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;</p> <p>(e) any forbearance to demand any money or valuable thing;</p> <p>(f) any other service or favour of any description, including protection from any penalty or liability incurred 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</p> <p>(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).</p> |
| Business Associate         | An external party with whom the Group has, or plans to, establish some form of business relationship. This includes Amway Business Owners (“ABO”), vendors, suppliers, contractors, sub-contractors, consultants, agents, outsourcing providers, representatives and other intermediaries who are performing work or services, for or on behalf of the Group.   |
| Board of Directors         | Directors include independent and non-independent directors and executive and non-executive directors.  |
| Conflict of Interest       | When a personal, familial or financial interest could impact an individual’s ability to execute work duties efficiently and/or in the Group’s best interests.   |
| Corruption                 | Abuse of entrusted power for personal gain.   |
| Donations and Sponsorships | Contributions and sponsorship payments made to support the community. Examples include sponsorship of educational events and support of Non-Governmental Organisation and other social causes.  |
| Employees                  | All individuals directly contracted with the Group on a temporary or permanent employment basis.  |
| Facilitation Payments      | A payment is made to expedite or secure the performance of routine non-discretionary government action, such as government action to obtain licenses or permits, process government papers such as visas and work orders, or obtain government provided services.   |
| Gifts and Hospitality      | Gifts include goods, services, cash or cash equivalents, or any other monetary or non-monetary offering.  |

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| Gifts and Hospitality (contd.) | Hospitality includes meals, travel or transportation, accommodation, entertainment (golf, movies, etc.) and recreation (leisure activities).  |
| Government Officials           | Officers of the Government of Malaysia, the Government of a State in Malaysia, local authority, statutory authority, or any person receiving remuneration from the aforementioned governments and authorities.<br><br>(Note: An individual does not cease to be a Government Official by simply purporting to act in a private capacity.) |
| Personnel                      | Board of Directors and employees of the Group.  |

## 8. GIFTS AND HOSPITALITY

The Group generally adopts a “No-Gift Policy” whereby all Personnel shall not solicit or accept any gifts from any third parties that may have a direct or indirect business interest with the Group. All Personnel are also prohibited from providing gifts to third parties.

The Group requires all Personnel to abide by this “No-Gift Policy” to avoid conflict of interest between the Group and the external parties as a gift can be seen as a bribe that may tarnish the Group’s reputation or be in violation of anti-bribery and corruption laws.

### Providing Gifts and Hospitality

All Personnel are not allowed to provide gifts or hospitality to third parties except where the value is less than RM500. A record must be logged on the Group’s gift register, documenting the providing of the gift. For gifts and hospitality to ABOs, Personnel are required to comply with the relevant Standard Practice Bulletins.

### Receiving Gifts and Hospitality

Any gift of cash or cash equivalent, including vouchers, discounts, coupons, shares, or commissions is strictly prohibited at all times.

Non-cash gifts such as fruits, flowers, and token gifts/promotional items (such as diaries, pens, umbrellas, shirts, etc.) and hampers with an approximate/actual value of less than RM500 are allowed. The Personnel will, however, need to declare the gift received in the Group’s gift register.

Any gift which violates the terms of the “No-Gift Policy” must be declined/returned with an explanation note from the Personnel thanking the third party for the gift, and explain about the Group’s “No-Gift Policy.” A record must be logged on the Group’s gift register, documenting the rejection of the gift.

The Group prohibits all Personnel from soliciting corporate hospitality or entertainment. Personnel are also not allowed to accept hospitality or entertainment that is excessive, inappropriate, illegal, or given in response to, in anticipation of, or to influence, a favourable business decision. However, the Group recognises that the occasional acceptance of an appropriate level of hospitality and entertainment given in the normal course of business is usually a legitimate contribution to building good business relationships. It is important for all Personnel to exercise proper care and judgment before accepting the hospitality and entertainment. This is not only to safeguard the Group's reputation, but also to protect all Personnel from allegations of impropriety or undue influence. The approximate/actual value of the hospitality or entertainment received shall be less than RM500.

No gifts, hospitality, or entertainment may be received in connection with any tender or competitive bidding exercise. In the event a third party offers any Personnel such hospitality or entertainment, such Personnel must report the same to their respective Heads of Department ("HOD") or Managing Director ("MD").

Please see the DOs and DON'Ts below concerning gifts, entertainment, and hospitality.

#### DOs

- All Personnel must inform third parties involved in business dealings with the Group that the Group practises a strict "No-Gift Policy" and to request that such third parties respect and adhere to the policy.
- All Personnel are prohibited from accepting or providing gifts to third parties unless it falls within the exceptions provided above.
- All HODs or MD must exercise proper care and judgment when handling hospitality or entertainment-related activities, especially where dealings with Government Officials are in question. Any such activity involving Government Officials requires prior written approval of the MD and/or Global Legal Counsel.
- All Personnel must ensure that hospitality or entertainment offered are legitimate and not lavish or excessive. If in doubt, please consult your HODs or MD (for members of the Board, to consult the Board Chairperson).

#### DON'Ts

Notwithstanding the limits stated above, all Personnel must immediately refuse any gift which involves the following:

- any gift of cash or cash equivalent, including vouchers, discounts, coupons, shares, or commissions;
- any gift accompanied by a direct or indirect suggestion, hint, or implication that there is a desirable outcome in exchange for the gift; or
- gifts that may adversely affect the Group's reputation.

Such gifts must be politely declined and immediately returned.



## 9. DONATIONS AND SPONSORSHIPS

Donations and sponsorships will be assessed on a case-by-case basis, based on the context of charity, legitimacy, and permissibility by the laws and regulations.

The Group does not make any donations and/or offer any sponsorships that are political and/or political party related.

Donations and sponsorships are to be deliberated and approved by the Head of Corporate and Government Affairs and/or MD in accordance with this Policy and the Global Code of Conduct.

All donations and/or sponsorships must also adhere to the U.S. Foreign Corrupt Practices Act of 1977 (“FCPA”)(as the Group is a subsidiary of Alticor Inc., a company incorporated in the United States of America), which includes but is not limited to:

- i. the prohibition of payments/sponsorships that are intended to influence a tender or other decision in favour of the organisation; and
- ii. due diligence on charity or other recipients, to determine legitimacy and reduce risk of being used/assumed as a channel for bribery.

Please refer to the DOs and DON'Ts below concerning donations and sponsorships.

### DOs

- Ensure that the request for a donation or sponsorship has been carefully examined for legitimacy and that an appropriate level of due diligence has been conducted on the requesting party.
- Ensure that the proposed recipient is a legitimate organisation and the funding of the activity is in compliance with the applicable laws and not made to improperly influence a business outcome or perceived to provide an improper advantage to the Group.
- If the proposed recipient is Government-owned or involves a Government Official or their family members, the request must undergo a more stringent due diligence process to determine whether there are any red flags raised and the prior approval of the MD and/or Global Legal Counsel must be obtained.

### DON'Ts

- Do not commit any funds without first undergoing the proper processes and procedures to evaluate the legitimacy of the request.
- Do not try to circumvent any guidelines, rules, or procedures that are in place by making charitable contributions as a subterfuge for illegal payments.
- If in doubt, please consult the Head of Corporate and Government Affairs and/or MD.

## 10. FACILITATION PAYMENTS

The Group adopts a strict policy of disallowing the use of facilitation payments in its business.

Personnel and Business Associates acting on behalf of the Group shall decline to make any facilitation payment.

Any request for or accession to such a facilitation payment must be reported to the MD and/or Group Legal Counsel immediately, for further investigation and determination of the next course of action.

Personnel and Business Associates acting on behalf of the Group shall insist on a receipt or an official record of payment for every monetary transaction.

## 11. DEALINGS WITH GOVERNMENT OFFICIALS

Dealings with Government Officials shall be managed in an open, transparent, and professional manner.

The Group will comply with all laws and regulations in Malaysia in dealing with Government officials, all anti-corruption guidelines incorporated in the Global Code of Conduct (including the Alticor Guidelines on the U.S. Foreign Corrupt Practices Act (“FCPA”). The FCPA prohibits the offer or making of payments or giving anything of value, either directly or indirectly, to any Non-U.S. Government Official, political party or political candidate, or public international organisation to obtain or maintain business, or any other improper advantage, when the offer, payment or gift is intended to:

- i. Influence a desired action;
- ii. Induce an act in violation of a lawful duty;
- iii. Cause a person to refrain from acting in violation of a lawful duty;
- iv. Secure any improper advantage; or
- v. Influence the decision of a Government or instrumentality.

Please refer to the DOs and DON'Ts below for further guidance on dealings with Government Officials.

DOs

- Do ensure that proper care and judgment is exercised to confirm there is no conflict of interest. It is illegal to offer or provide entertainment or hospitality in exchange for some future benefit or business advantage.
- Do ensure that all documentation (including invoices and receipts) are properly recorded and kept for at least 7 years.

DON'Ts

- Do not try to circumvent any laws or policies with regards to gifts, entertainment, or hospitality, even if it means that the Group might lose out on business opportunities as a result. You will not be penalised for rejecting dealings with Government Officials if it would circumvent any laws or policies mentioned above.
- Do not approve any requests by the Government Official to transfer any gifts, entertainment, or hospitality to him / her or his / her family members. You must politely inform the Government Official that transfer of gifts, entertainment, or hospitality is against the Group's policy.
- Do not offer to provide any gifts or hospitality that are illegal, dangerous, indecent, or disrespectful.
- Do not act on your own accord when providing gifts or hospitality to Government Officials. Always consult the Head of Corporate and Government Affairs and/or MD.

**12. CONFLICTS OF INTEREST**

A conflict of interest exists when a personal, familial or financial interest could impact an individual's ability to execute work duties efficiently and/or in the Group's best interests. All employees should avoid situations in which such an interest could conflict with their professional obligations or duties. Employees must not use their position, official working hours, the Group's resources or assets, or information available to them as a result of their employment for personal gain or to the Group's disadvantage.

In situations where a conflict does occur, employees are required to declare the matter under the Global Code of Conduct and the Group's Code of Ethics in the Group's intranet.

**13. CONDUCTING DUE DILIGENCE**

The Group shall conduct due diligence checks on Personnel and Business Associates prior to entering into any formalised relationships to reasonably assess if there are known bribery or corruption risks posed by these parties. This includes background checks and declaration forms.

**14. REPORTING OF VIOLATIONS/WHISTLEBLOWING**

Any Personnel who knows of, or suspects, a violation of this Policy, is required to report the concerns through the mechanism set out under the Group's Whistleblower Policy and the Global Code of Conduct. The provision, protection, and procedures for reporting of the violations are available in the EthicsPoint Global Compliance Reporting Programme ([amway.ethicspoint.com](http://amway.ethicspoint.com)).

No Personnel will be discriminated against or suffer any manner of retaliation for raising or reporting in good faith violations or suspected violations of this Policy. All reports will be treated confidentially, and reports made through EthicsPoint Global Compliance Reporting Programme can be made anonymously.

**15. PERSONNEL DECLARATIONS**

All new Personnel shall acknowledge that they have read and understood this Policy and the Group's Code of Ethics and have completed the Global Code of Conduct online training, which includes information on the EthicsPoint Global Compliance Reporting Programme available to all Personnel. New Personnel are expected to pass the assessment at the end of the online training and attest that they will comply with this Policy, the Group's Code of Ethics, and the Global Code of Conduct at all times in the course of his/her employment.

All Personnel are required to acknowledge on an annual basis that they have read and fully understood this Policy, the Group's Code of Ethics, and the Global Code of Conduct as well as to declare that they have complied with, and agree to continue to comply with, all such policies and codes.

Failure to comply with any part of the above shall subject Personnel to appropriate disciplinary action up to and including termination of employment and referral to authorities for potential criminal prosecution.

**16. AWARENESS AND TRAINING**

The Group shall conduct an awareness campaign for its Personnel to refresh awareness of anti-bribery and anti-corruption measures on a regular basis and train new Personnel on this and other related policies.

**17. AUDIT AND COMPLIANCE**

The Group's RMC shall conduct regular risk assessments to identify potential bribery and corruption risks faced by the Group and undertake a comprehensive risk assessment at least once every three years.

Regular reviews will be performed by the Group's internal auditors to assess the performance, efficiency, and effectiveness of the anti-bribery and anti-corruption efforts and compliance with this Policy. The internal auditors shall report their findings and recommendations for improvements directly to the Audit Committee of the Board.

**18. CONTINUOUS IMPROVEMENT**

The Group is committed to continually improve its policies and procedures relating to anti-bribery and corruption. The Group shall review the suitability of this Policy from time to time, taking into account relevant legal developments and evolving industry standards.