



NORTHERN SOLAR HOLDINGS BERHAD

Registration No. 202401001236 (1547087-X)
(Incorporated in Malaysia)

ANTI-BRIBERY & CORRUPTION POLICY

1.0 POLICY STATEMENT

- 1.1 **NORTHERN SOLAR HOLDINGS BERHAD** (“**NS**” or the “**Company**”) and its subsidiaries and associate company (collectively known as “**NS Group**” or the “**Group**”) upholds the highest standards of professional integrity and ethical manner in conducting its business in accordance with all applicable laws, rules and regulations, which include compliance with the Malaysian Anti-Corruption Commission (“**MACC**”) Act 2009 and the MACC (Amendment) Act 2018 and any other local anti-bribery or anti-corruption laws that may be applicable.
- 1.2 This Anti-Bribery & Corruption Policy (this “**Policy**”) sets out the principles and standards on anti-bribery and corruption practices and is intended to re-affirm the Company’s firm zero tolerance on bribery and corruption for the Directors, Employees as well as all Business Associates of NS Group. Please contact NS’s Human Resources (“**HR**”) department immediately if you need clarifications about the scope of applicable laws or the application of NS’s policies concerning the fight against Bribery and Corruption.
- 1.3 This Policy further aims to ensure that all Directors, Employees and Business Associates (defined below) of NS are aware of their obligation to disclose any corruptions, briberies, conflicts of interest or similar unethical acts that they may have, and to comply with this Policy to follow highest standards of ethical conduct of business.

2.0 SCOPE AND COVERAGE

- 2.1 This Policy applies to Directors, Employees, persons connected to and Business Associates of NS Group as well as Public officials, Trustees, Board of any regulated body.
- 2.2 “**Business Associates**” include clients, consultant, contractors, sub-contractors, suppliers, casual workers, agency staff, agents, sponsors, joint-venture partners, investors, business partners and any other person or persons who associate with NS Group and “**Business Associate**” shall mean any of them.

“**Directors**” include all independent and non-independent Directors, executives and non-executive Directors of NS Group and shall also include alternate or substitute Directors and “**Director**” shall mean any of them.

“**Employees**” mean all employees whether temporary, fixed-term, permanent or trainees and “**Employee**” shall mean any of them.

“**Public officials, Trustees, Board**” include officials of any governments, government’s agencies or any regulatory, statutory or administrative bodies, whether local or foreign.
- 2.3 Any business dealings NS Group makes with Business Associates are subject to clear contractual terms, including specific provisions that require the business associates to comply with bribery and corruption practices relating to the MACC Act 2009.
- 2.4 This Policy is supplemental to, and shall be read in conjunction with NS Group’s Code of Conduct & Ethics, Whistleblowing Policy and the MACC Act 2009. If you have any questions about any of these conflicts, please consult the HR department.
- 2.5 This Policy sets out the minimum standards to which all Directors, Employees and Business Associates of NS must adhere to at all times. Complete and strict compliance with this Policy is mandatory. If any part of this Policy is breached, the Director, Employee and/or the Business Associate acting in breach of this Policy shall be liable to face the consequences prescribed by this Policy or where applicable, the terms of his or her employment with the Company and by any penal and non-penal consequences prescribed by the relevant and applicable laws.

3.0 DEFINITIONS AND INTERPRETATION

For purposes of this Policy, the following expressions shall bear the meaning ascribed thereto, in addition to, where applicable, any meaning ascribed by law:

“Bribery” while being a subset of corruption, shall mean the act of offering, promising or giving, asking, agreeing, receiving, accepting, or soliciting something of value or an advantage so as to induce or influence an action or decision, which shall include without limitation the following:

- (a) payments to get a faster or better service;
- (b) payments made to gain an advantage in public procurement processes;
- (c) offering, providing or receiving gifts, entertainment and hospitality or other items of value such as donations, sponsorships and internships; and
- (d) levels of hospitality disproportionate to a business transaction.

“Gifts” shall mean any tangible or intangible items, which includes cash or cash value gifts (e.g. vouchers, coupons, commissions).

“Gratification” shall mean:

- (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;
- (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); and
- (h) shall include any other meaning as may be ascribed by law from time to time.

“Facilitation Payment” shall mean a payment made personally to an individual in order to obtain or expedite the performance of a routine or administrative function, including payment to an administrative staff in a government agency to speed up a process to secure a license or permit or approval from that agency.

“Public Official” shall mean:

- (a) an employee or a servant of a public body, including a member of the administration; a member of Parliament; a member of a State Legislative Assembly; a judge of the High Court, Court of Appeal or Federal Court;

- (b) any person receiving any remuneration from public funds;
- (c) a member, an officer, an employee or a servant of any of the Government of Malaysia or the governments of any State, including any department, service and undertaking thereof;
- (d) a member, an officer, an employee or a servant of any local authority or any statutory body;
- (e) an elected political representative, or member of any political party;
- (f) a member of the police force, military and immigration; and
- (g) a family member of any of the above.

In this Policy, unless otherwise specified, reference to:

- (a) "includes" and "including" shall mean including without limitation;
- (b) a "person" includes any person, individual, company, firm, corporation, government, state or agency of a state or any undertaking (whether or not having separate legal personality and irrespective of the jurisdiction in or under the law of which it was incorporated or exists);
- (c) a "statute" or "statutory instrument" or "accounting standard" or any of their provisions is to be construed as a reference to that statute or statutory instrument or accounting standard or such provision as the same may have been amended or re-enacted before the date of this Policy;
- (d) "Clauses", "Paragraphs" or "Schedules" are and refer to clauses and paragraphs of and schedules to this Agreement;
- (e) "writing" includes any methods of representing words in a legible form (other than writing on an electronic or visual display screen) or other writing in non-transitory form;
- (f) words denoting the singular shall include the plural and vice versa and words denoting any gender shall include all genders;
- (g) the time of day is reference to time in Kuala Lumpur, Malaysia;
- (h) all references to "RM" refer to Ringgit Malaysia, being the lawful currency of Malaysia under this Policy;
- (i) all references to "law" refer to all laws of Malaysia at the material time of application and interpretation of this Policy.

4.0 WHAT IS AND WHAT IS NOT ACCEPTABLE

4.1 General Prohibition

All forms of corruption activities are strictly prohibited. No Directors and Employees and Business Associates dealing with and acting on behalf of the Company shall carry out, indulge, plan, participate (directly or otherwise) or be involved in any degree or in any capacity howsoever in any form of corruption activity, whether it be directly, passively, or through a third party (such as agent or distributor). They must not accept bribes in any degree and if they are uncertain about whether something is a bribe or a gift or act of hospitality, they must seek further advice from the Company's HR department.

In amplification of the foregoing, the following activities are strictly prohibited:

- (a) Any form of solicitation or receipt of gratification;
- (b) Any form of offer or giving of gratification;

- (c) Any form of deception; and
- (d) Any abuse of position or office held for purposes of any of the activities prohibited under sub-paragraphs (a) to (c) above.

4.2 Gifts – Giving of Gifts

Save as otherwise provided below, persons bound by this Policy are strictly prohibited from directly or indirectly giving and receiving gifts to or engaging in hospitality and entertainment with a public official, business partner or any other person including without limitation to family members, spouses or partners of any intended recipient. This Policy helps the persons bound by this Policy to avoid conflict of interest or appearance of conflict of interest.

The following provision of gifts may be permitted with the prior written approval of the senior management:

- (a) The giving of gifts is for the purposes of establishing and maintaining good business relations or for the purposes of better presenting the Company's products and services;
- (b) The giving of cultural gifts as a token of appreciation to valued business partners such as festive gifts consisting of food, fruit or flower products/hampers of appropriate and predetermined value.
- (c) The gifts are given with pre-approved budgetary limits and in compliance with the guidelines and procedures laid out by the Board of Directors;
- (d) All gifts are given in an open and transparent manner;
- (e) All gifts should not have the effect or be perceived as having the effect of influencing the receiver's independence or decision-making authority in any way;
- (f) All gifts must be modest and of an appropriate and reasonable value, taking into account all surrounding circumstances, should be in compliance with all applicable laws and regulations and should not be frequently given to the same recipient.

4.3 Gifts - Receipt of Gifts

The Company adopts a "No Gift" policy whereby all Directors, officers and employees of the Company shall not solicit or accept any gifts (with the exception of corporate gifts) from any business partner or any other third party that have direct or indirect business dealings with the Company, regardless whether such receipt of gifts can potentially be perceived as bribes and tarnish the reputation of the Company.

It is the duty of all Directors and Employees to inform all third parties about the Company's No Gift Policy.

As a general rule, senior management must exercise proper judgement in approving the acceptance of gifts provided the following guidelines have been adhered to:

- (a) acceptance subject to an explanation about the "No Gift Policy";
- (b) the Directors and Employees receiving such gift is to immediately inform and seek directions from their immediate superior or the senior management;
- (c) if the acceptance of the gift may give rise to a conflict of interest, or if the gift is of a value or nature that may be deemed extravagant, illegal, excessive or inappropriate, the immediate superior or the senior management shall not approve the acceptance of the gift;
- (d) for gifts which are approved to be accepted, a decision will be whether:
 - (i) Gift is donated to charity;
 - (ii) Gift is shared with other employees of the Company;
 - (iii) Gift is designated as a display item for the Company;
 - (iv) Gift is retained by the receiving Director or Employee;
 - (v) Gift is exchanged at the company-to-company level;
 - (vi) Gift from the Company to Employees or external party at an official function or a company's event;
 - (vii) Gift to the Company in the form of sponsorship; or

(viii) Gift is given as part of the Group's corporate social responsibility programme.

All gifts received must also be reported to the HR Department and a register kept recording the details of the same.

4.4 Provision of Corporate Hospitality and Entertainment

Generally, the provision of corporate hospitality and entertainment for purposes of or which may be perceived to be improperly causing undue influence on any party in exchange for some future benefit is strictly prohibited.

Notwithstanding the general prohibition, Directors and Employees are allowed to entertain third parties through a reasonable act of hospitality but only as part of legitimate and accepted business networking after due exercise of proper care and judgment. All Directors and Employees must at all times give serious consideration as to how their actions may be perceived, and accordingly exercise proper care to prevent unnecessary and damaging allegations being made against it.

All entertainment and hospitality expenses must be carried out within pre-approved budgetary limits and in compliance with the guidelines and procedures laid out by the senior management.

The Company strictly prohibits all Directors and Employees from soliciting or accepting entertainment and corporate hospitality in anticipation of obtaining business, or to influence favourable business decisions.

All Directors and Employees are permitted to accept meals at business related events or any entertainment offered by external parties provided it is of an appropriate value after due exercise of proper care and judgment. During such events, all Directors and Employees are required to conduct themselves with integrity at all times. If there is any doubt at all on the legitimacy of the offered hospitality, it shall be refused and a report shall be made to the senior management.

Frequent acceptance of hospitality and entertainment from the same party is prohibited.

4.5 Corporate Social Responsibility ("CSR")

Any CSR contributions, sponsorships and donations must be carried out within pre-approved budgetary limits and in compliance with the following guidelines and procedures:

- (a) the proposed recipient must be a legitimate organization and lawfully incorporated, such as those registered with the Registrar of Society or the Companies Commission of Malaysia;
- (b) the proposed recipient must have fundamentals or objectives that are in line with the Company's own CSR objectives;
- (c) all proposed activities for CSR must be carefully assessed before a proposal is submitted to the Board of Directors for approval. The appropriate and necessary due diligence must be conducted prior to making any proposal, to ascertain the legitimacy of the recipient organization and to ensure that the benefits of the proposed activities for CSR will reach the intended objectives and recipients;
- (d) all documents and reports relating to any activities for CSR approved and carried out must be recorded and filed accordingly.

All Directors and Employees are required to politely decline any third party's request for activities for CSR which do not meet the aforementioned pre-requisites or which do not garner the necessary approvals.

Activities for CSR with any external parties who is associated with, controlled or influenced by any Public Official is prohibited.

All contributions, sponsorships and donations for CSR must not:

- (a) be used as a conduit to circumvent the law;
- (b) be used to facilitate corruption, illegal and money laundering activities; or
- (c) be driven by any intent to improperly influence a business outcome.

4.6 Facilitation Payment

The Group does not accept and will not make any form of facilitation payments of any nature. Facilitation payments are a form of payment made to secure or expedite the performance of a routine or administrative duty or function. A facilitation payment is seen as a form of bribery and corruption.

There may be occasions where you are forced to make facilitation payment to avoid you or your family's personal security at risk. Under these circumstances, you must immediately report the incident to your reporting senior management for the necessary action to be taken.

4.7 Business associates

The Group expects all business associates to refrain from bribery and taking any action which would result in the violation of any applicable anti-bribery and corruption laws in relation to all dealings by them for, on behalf of, or involving the Group.

5.0 CONDUCT OF AUDIT

The Company may conduct an audit on business partners and third parties prior to any formation or establishment of business relationships with a view of ensuring all parties dealing with the Company's stance and commitment on anti-corruption.

Directors and Employees of the Company must exercise the following:

- (a) conduct an audit to assess the integrity of the Company's clients, business partners and third parties that intends to deal with the Company, and such audit shall include the legitimacy of the entity, necessary licenses, qualifications required, any history of bribery, fraud, dishonesty or similar misconduct;
- (b) do not enter into any form of dealings with any client or business partner or any third party reasonably suspected of engaging in bribery and improper business practices unless those suspicions are investigated and cleared from any criminal charge or conviction;
- (c) ensure all clients, business partners and third parties dealing with the Company are aware of this Policy; and
- (d) require all clients, business partners and third parties dealing with the Company to sign a declaration in the form set out by the senior management from time to time.

6.0 POLITICAL CONTRIBUTION

NS Group does not allow donations, whether in cash, kind, or by any others, to support any political parties or candidates. In very limited circumstances, if any contribution is to be made, it must be approved by any of the executive directors of the Company, permissible under applicable laws and must not be made with any promise or expectation of favourable treatment in return and must be accurately reflected in the contributor's accounting books and records.

7.0 RESPONSIBILITIES OF DIRECTORS AND EMPLOYEES

Directors and employees of NS Group are responsible for complying with this Policy, including the following:

- to be familiar with applicable requirements of directions of this Policy and to communicate them to subordinates;
- promptly record all transactions and payments which may be covered under this Policy in NS Group's books and record accurately and with reasonable details;
- ask the HR department if any questions arise about this Policy or if there is a lack of clarity about the required action in a particular situation;
- always raise suspicious transactions and other “**red flags**” (indicators of bribery or corruption) to immediate superiors for guidance in the next course of action;
- be alert to indications or evidence of possible violations of this Policy;
- promptly report violations or suspected violations through appropriate channels;
- attend anti-bribery and corruption training as required according to position; and
- Not to misuse their position or NS's name for personal advantage.

8.0 STAFF DECLARATION

All Employees of NS Group must read, understand and comply with the information contained within this Policy. A copy of their declaration by the Employees shall be documented and retained by the HR Department for the duration of the employees' employment.

If any Employee breaches this Policy or is implicated in any Bribery and corruption-related incident, NS Group reserves the right to impose disciplinary action including termination of employment contract and dismissal.

9.0 PROTECTION

The Group will ensure Directors or Employees who refuse to accept or offer a bribe, or report a concern relating to potential act(s) of bribery or corruption do not suffer any detrimental treatment. Detrimental treatment refers to dismissal, disciplinary action, treats, or unfavourable treatment in relation to the concern the individual raised.

If you have reason to believe or suspect that an instance of bribery or corruption has occurred or will occur in the future that breaches this policy, you must notify your reporting senior management, email your concern to HR Department or raise your concern using the channel as described in our Whistle-Blowing policy.

10.0 PERIODIC REVIEWS

This Policy will be reviewed as and when required to ensure the effectiveness and compliances with the governing legislation and regulatory requirement.

11.0 BOARD APPROVAL

This Policy was approved by the Board of Directors on 26 December 2024.

EMPLOYEE DECLARATION FORM

I, _____ (NRIC No. _____), hereby declare that I have read and understood NS Group's Anti-Bribery & Corruption Policy ("this Policy") and the responsibilities required of me in relation to this Policy. I will abide by the requirements and provisions set out in this Policy which shall be read together and forms part of my employment contract with NS Group.

I also understand my responsibility to immediately report any actual or suspected violation of this Policy.

I acknowledge that any failure by me to comply with this Policy may result in disciplinary action, up to and including termination of employment to be taken against me.

Signature: _____

Date: _____