

## **Southland Rubber Anti-Bribery Policy 20220101**

### **1) PURPOSE**

- a) This document sets out Southland Rubber Anti-Bribery Policy comprising compliance framework, management systems and standards, such that our Group Companies conduct business and operations ethically and in full alignment with our Southland Rubber Code of Conduct.
- b) We shall always conduct our business with integrity, in an ethical and proper manner, and be in strict compliance with all applicable international, national and local laws, including all anti-bribery laws, company regulations and ISO 37001 Anti- Bribery Standards.
- c) We shall strive to continually improve our anti-bribery management systems, towards achieving our vision and mission, while satisfying all requirements.
- d) All stakeholders, including but not limited to Employees and business associates, are encouraged to report violations of this Policy in good faith in accordance with the procedure set out in the Southland Rubber Whistle-Blower Policy.
- e) No Employee shall suffer retaliation, discrimination, reprisal or disciplinary action for making such report in good faith or for refusing to participate in any activity where there is real risk of bribery.
- f) Violation of this Policy and the rules of conduct constitutes misconduct, and may result in disciplinary action or termination.
- g) A designated Director of each Group Company and/or the Head of a branch unit/factory shall be responsible for the collective implementation of and compliance with this Policy.

### **2) SCOPE**

- a) Southland Rubber Anti-Bribery Policy extends to and covers a comprehensive framework of policies, systems and processes.
- b) The anti-bribery policies, rules of conduct and measures set out below are necessary to protect the business, resources and reputation of Southland Rubber and Group Companies.
- c) Any bribe received by an Employee is a conflict of interest where the personal interest and decisions of the Employee may have adverse effects on the common interest of the Group Company.
- d) **Government Officials and Other Persons**
  - i) We must be particularly mindful and exercise care when dealing with

government officials.

- ii) Under no circumstances should we offer, promise, give or authorise the giving, directly, indirectly or through third parties, of any bribe, kickback, illicit payment, benefit in kind or any other advantage to a Government Official or Government Entity, private sector customer, supplier, contractor, or any other person or entity, as an inducement or reward for an improper performance or non-performance of a function or activity.
  - iii) Our policy prohibits the making of any facilitation payments, that is, small payments to hasten processing approvals of any kind.
  - iv) On the other hand, we must not under any circumstances solicit or accept, directly or indirectly, any bribe, kickback, illicit payment, benefit in kind or any other advantage from any government official or government entity, customer, supplier, contractor, or any other person or entity that is intended to induce or reward an improper performance or non-performance of a function or activity.
- e) **Gifts and Hospitality**
- i) Good judgment must always be exercised in the giving or receiving of gifts and hospitality.
  - ii) The offer and receipt of gifts or hospitality must be avoided whenever they could affect or be perceived to affect the outcome of business transactions or dealings, or are not ethical.
  - iii) Employees should avoid giving or receiving gifts or hospitality (including entertainment, meals, business travel, tickets to social, entertainment or sports events etc.) which is excessive in value, that is not more than the equivalent of US\$100 for each item, is given too often, or will leave the Employee or the other person in a position of obligation or perceived obligation.
  - iv) Offers for meetings, training, seminars and business visits using the budget of a counter-party, may be accepted if it is in accordance with the terms of the contract or, in the absence of a relevant contract term, must not have an implied characteristic of tourism but will be of benefit to the Group Company.
  - v) Gifts or hospitality in the form of cash or cash equivalent are prohibited and must be avoided.
  - vi) Gifts and souvenirs such as calendars, diaries, mugs, pens and mementos may be offered or received as corporate promotion items or in connection with CSR (corporate social responsibility) activities.
  - vii) Valuable gifts may be given or received on important business occasions or events but must be approved by the Group Company Director and the gift received shall be recorded as belonging to the Group Company.
  - viii) Gifts or other benefits indirectly offered to or received by a spouse, child or related person of an Employee or a government officer, customer, business partner are prohibited.

**f) Donations and Contributions**

- i) Donations, sponsorships and contributions, including charitable contributions, made on behalf of any Group Company must adhere to an underlying principle to avoid any risk of actual or perceived bribery and be made only for legitimate purposes.
- ii) When making any donation or contribution, the following must be adhered to:
  - (1) donations and contributions must always take place in a transparent manner and be documented;
  - (2) documentation must include recipient identity, purpose, reasons for donation / contribution;
  - (3) donations / contributions must comply with the laws of the country in which the donation is to be made;
  - (4) donations / contributions should be made to an organization, instead of any particular person;
  - (5) anonymous donations are prohibited;
  - (6) payments into any private or personal bank accounts are prohibited; and
  - (7) the requisite approval must be obtained from a Director of the Group Company concerned.

**g) Political donations and participation**

- i) No donations or sponsorships may be made to any political party or politicians for any campaign and/or related purposes.
- ii) For other legitimate purposes, where local law permits, donations or sponsorships may be made only with the prior written approval by a Director of the Group Company.
- iii) Any of our Group Company does not support any political parties, politicians, or political candidates, while any Employee has the right to participate in political activities under the provisions of the constitution, but not on behalf of the company.
- iv) Employees cannot use any assets, equipment, and tools owned by any Group Company for political activities and must avoid any actions suggesting that the company supports a political party.

**h) Dealing with agents and other associated parties**

- i) When an Employee introduces a business or employment contact, such an introduction must not affect the company's benefits or violate existing procurement procedures and must not serve the personal benefit or interest of the Employee.
- ii) Agents and other associated parties should be made aware of and, adhere to Southland Rubber Code of Conduct, and acknowledge acceptance and receipt in writing of the same.

- iii) All and any payment to agents or associates must be comparable to industry/market rates, commercially reasonable and commensurate with the services they provide.
- iv) Payment must be properly approved in accordance with prescribed authority levels, made in the country where services are provided or where the agent has its primary place of business and made to the bank account in the name of the agent who is on the agency agreement.
- v) Each agent or associate should be carefully selected and evaluated based on merit and clear rationale for engagement, before being retained by a Group Company.
- vi) It is the responsibility of each Employee to know the agent or associate with whom the Employee transacts business for or on behalf of a Group Company, and to understand the services and manner each performs for the Group Company.

### **3) ACCOUNTING RECORDS**

- i) To comply with anti-bribery laws and policies, all transactions must be properly authorized and recorded.
- ii) For purposes of financial audits and to prevent improper payments being made, it is important that the books and records of each Group Company contain full and accurate information about all transactions and expenditures incurred by each Group Company.
- iii) The information documented should be such that it is possible to see exactly what was paid, to whom, the reason why it was paid, where it was paid (for example, from or to which accounts) and when.
- iv) Attempts to create false or misleading records constitutes misconduct, and may result in disciplinary action or termination.

### **4) REPORTING**

- i) Except to the extent prohibited by applicable law, all stakeholders are encouraged to report violations of this Policy and related policies or applicable laws in accordance with the procedures set out in Southland Rubber Whistle-Blower Policy.

### **5) TRAINING**

- i) Compliance training for Employees will be periodically provided by the Group Company to enhance understanding and reinforce the importance of complying with this Policy covered under this document as well as other Southland Rubber policies.

**6) REVIEW**

- a) Southland Rubber Compliance Committee will review this Policy annually to ensure it remains updated, relevant and in line with best practices and the laws.

**Issued by the Management of Southland Rubber  
1 January 2022**