

# Anti-Bribery and Anti-Corruption Policy

## **Applies to the following entities**

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## Acceptance and Sign-off

The signatures below signify acceptance and approval of the content stated in this document.

**Accepted by:**

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Name:

Designation:

Date:

Company Name:

Company Stamp:

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Name:

Designation:

Date:

Company Name

Company Stamp

CONFIDENTIAL

## 1. COMMITMENT

1. **Fard Solutions Sdn Bhd (1005401-D)** (Principal Supplier) and **Fard Technology Corp. (BC1199956)** ("Principal Supplier") are committed to conducting their business dealings ethically, with integrity and in compliance with all applicable laws and regulations in the countries where they do business. These laws include but are not limited to the Malaysian Penal Code (revised 1977), the Malaysian Anti-Corruption Commission Act 2009 (revised 2018), the Malaysian Companies Act 2016, Canada's Corruption of Foreign Public Officials Act ("CFPOA"), US Foreign Corrupt Practices Act ("FCPA"), UK Bribery Act ("UKBA") and local laws pertaining to bribery and corruption. There are laws throughout the world combating bribery and corruption, particularly with respect to government officials, including laws that apply to Bluestone's international activities. Three such laws are the CFPOA, FCPA and UKBA. Although the CFPOA, FCPA and UKBA are laws of Canada, the United States and the United Kingdom, respectively, such laws can apply to Principal Supplier anywhere in the world. Additionally, Principal Supplier's international activities may be subject to local anti-bribery and anti-corruption laws. Principal Supplier is committed to compliance with anti-bribery and anti-corruption laws, even if there may be a perception that local authorities do not enforce such standards.

## 2. BACKGROUND

1. Principal Supplier adopts a zero-tolerance approach against all forms of bribery and corruption within the organization and takes a strong stance against such acts. Employees who refuse to pay or receive bribes or participate in acts of corruption will not be penalized even if such refusal may result in Principal Supplier losing its business or not meeting the targets.
2. The scenarios provided within Principal Supplier's Anti-Bribery and Anti-Corruption Policy ("this Policy") does not limit the boundaries of this Policy which may be extended to cover all circumstances relating to bribery. Compliance with this Policy is mandatory and will be monitored with a principle-based approach.

## 3. SCOPE

1. This Policy is applicable to anyone who is employed by or work at Principal Supplier (whether in Malaysia or outside Malaysia and whether permanent, fixed-term or temporary basis), directors (executive and non-executive), company secretaries and committee members of Principal Supplier (collectively "Personnel"). It is also applicable to dealers, contractors, sub-contractors, consultants, agents, representatives and service providers of any kind performing work or services, for or on behalf of Principal Supplier (collectively "**Business Partners**").
2. Higher level personnel have additional responsibilities under this Policy and are held to a higher standard of compliance. They are required to create and maintain an open environment that is comfortable for employees to ask questions, raise concerns and report misconduct.

#### 4. IMPLICATIONS

1. This Policy is applicable globally. If you are travelling outside of Malaysia, Canada, UK, and United States, you are subject to the laws of the country you are in but the principles of this Policy must be adhered to regardless of whether or not that country has specific anti-bribery or anti-corruption laws. In cases where there is a conflict between the specific anti-bribery and anti-corruption laws and the principles contained in this Policy, the stricter provision shall prevail.
2. Any employee of Principal Supplier that breaches any of the provision of this Policy may fall within the scope of serious misconduct and may be subjected to disciplinary action, up to and including dismissal, depending on the facts and circumstances of each case.
3. A commercial organization commits an offence if an associated person corruptly gives or receives any gratification with intent to obtain or retain business or an advantage in the conduct of business, for the commercial organization. Principal Supplier **STRICTLY PROHIBITS** the giving and receiving of gratification to influence business decisions.

#### 5. DEFINITIONS

1. **“Benefits”** refers to anything believe to be a value to the recipient, or that might be perceived by a reasonable person to be of benefit to the recipient. A benefit may include to access to events, functions and information; club membership; discount in shops.
2. **“Bribery”** means any action which would be considered as an offence of giving or receiving ‘gratification’. In practice, this means offering, giving, receiving or soliciting something of value in an attempt to illicitly influence the decisions or actions of a person who is in a position of trust within an organization. Bribery may be ‘outbound’, where someone acting on behalf of Principal Supplier attempts to influence the actions of someone external, such as a government official or client decision-maker. It may also be ‘inbound’, where an external party is attempting to influence someone within Principal Supplier such as a senior decision-maker or someone with access to confidential information. Bribery and corruption are closely related. However, corruption has a wider remit.
3. **“Corruption”** means any action which would be considered as an offence of giving or receiving ‘gratification’. In addition, corruption may also include acts of extortion, collusion, breach of trust, abuse of power, trading under influence, embezzlement, fraud or money laundering.
4. **“Conflict of Interest”** means when a person’s own interests either influence, have the potential to influence, or are perceived to influence their decision making at Principal Supplier.
5. **“Corporate Gift”** or **“Token Gift”** means something given from one organization to another, with the appointed representatives of each organization giving and accepting the gift. Corporate gifts may also be promotional items given out equally to the general public at events, trade shows and exhibitions as a part of building Principal Supplier’s brand. The gifts are given transparently and openly, with the implicit or explicit approval of all parties involved. Corporate

gifts normally bear Principal Supplier's name and logo. Examples of corporate gifts include items such as diaries, table calendars, pens, notepads and plaques.

Corporate gifts, festive or ceremonial gifts may be given to our Business Partners or other parties provided it fulfils all of the following conditions:

- I. made for the right reason – it should be clearly given as an act of appreciation or common courtesy associated with festive seasons or other ceremonial occasions;
- II. no obligation – it must not be used to cause or induce the receiver to improperly or illegally influence any business action or inaction or cause others to perceive an improper influence;
- III. no expectation – there must not be any expectation of any favor or improper advantages from the receiver;
- IV. made openly – if made secretly and undocumented then the purpose will be open to question;
- V. reasonable value – the type of gift and its value must be commensurate with the occasion and in accordance with general business practice;
- VI. legal – it complies with applicable laws; and
- VII. documented – the expense must be approved in accordance with and complies with Principal Supplier's standard operating procedures.

All offers of gifts and/or appreciation token must be reported to an employee's manager/Human Resource within 24 hours of the offers.

6. **“Donation and Sponsorship”** means charitable contributions and sponsorship payments made to support the community. Examples include sponsorship of educational events, supporting NGOs, and other social causes;
7. **“Entertainment”** refers to paying or participating in any activities which are exorbitant, illegal and immoral such as lavish/extravagant social functions not related to Principal Supplier's business activities or entertainment during the procurement process which may cause Principal Supplier to be perceived in an unfavorable or negative manner.
8. **“Exposed Position”** refers to a staff position identified as vulnerable to bribery through a risk assessment. Such positions may include any role involving: procurement or contract management, financial approvals, human resource, relations with government officials or government departments, sales, positions where negotiation with an external party is required, or other positions which Principal Supplier has identified as vulnerable to bribery;
9. **“Gratification”** shall have the meaning defined in the Acts listed in section 1.1 which includes but is not limited to anything of monetary and non-monetary value or benefit to the person. Gratification does not have to be directly given or received by an employee, but it can also be given or received by anyone related to the employee that is beneficial, of value or advantageous to the employee.

Gratification can be subdivided into the following categories (without limitation to): -

MONETARY

- I. Money
- II. Donation
- III. Gift
- IV. Loan
- V. Fee
- VI. Reward
- VII. Financial benefit
- VIII. Valuable security

OF MONETARY VALUE

- IX. Property – can be movable or immovable. Examples:
- X. Immovable property: house, land
- XI. Movable property: car, shares in a company

EMPLOYMENT

- XII. Office or position in an organization that is lucrative.
- XIII. Dignity or title.
- XIV. Employment
- XV. Contract for services
- XVI. Agreement to give employment or render services

NON-MONETARY VALUE

- XVII. Undertaking or promise to do or not to do something (whether orally or in writing, with conditions or without);
- XVIII. Favors

- 10. **“Gift of appreciation”** refers to gifts that are generally given to express gratitude or thanks, such as flowers, chocolates and the like, in appreciation of performing a specific task or for performing duties in an exemplary manner.
- 11. **“Nominal value”** refers to the amount set by Principal Supplier to guide employees in terms of what would be considered a minor amount. This amount can be reviewed annually by the Management.
- 12. **“Official Gift”** refers to gifts that are presented to Principal Supplier usually from another organization in recognition of its service/achievement and/or gifts presented to Principal Supplier at office/ceremonial functions
- 13. **“Solicitation”** refers to the act of asking another party for something such as gift, benefits or to commit or to aid in a crime

## 6. ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

- 1. All forms of bribery and corruption are prohibited. Principal Supplier upholds a zero-tolerance approach. In addition to bribery, employees must not participate in any corrupt activity, such as extortion, collusion, breach of trust, abuse of power, trading under influence, embezzlement, fraud or money laundering.

2. Bribery may take the form of an exchange of money, goods, services, property, privilege, employment position or preferential treatment. Employees shall not therefore, whether directly or indirectly, offer, give, receive or solicit any item of value, in the attempt to illicitly influence the decisions or actions of a person in a position of trust within an organization, either for the intended benefit Principal Supplier or the persons involved in the transaction.
3. This Policy applies equally to Principal Supplier's business dealings with commercial ('private sector') and government ('public sector') entities, and includes interactions with their directors, employees, agents and other appointed representatives at all levels. Even the perception of bribery is to be avoided
4. This Policy applies to all countries worldwide, without exception and without regard to regional customs, local practices or competitive conditions
5. No employee will suffer demotion, penalty or other adverse consequences for refusing to pay or receive bribes or other illicit behavior, even if such refusal may result in Principal Supplier losing business or experiencing a delay in business operations.
6. Principal Supplier recognizes the value of integrity in its employees and directors. Principal Supplier's recruitment, training, performance evaluation, remuneration, recognition and promotion for all employees, shall be designed to recognize integrity. Principal Supplier conducts due diligence on employees who holds or may be holding, Exposed Positions
7. Principal Supplier does not offer employment to prospective employees in return for previous favor/in exchange of improper favor.

## **7. RECOGNITION OF LOCAL AND INTERNATIONAL LEGISLATION**

1. Principal Supplier is committed to conducting its business ethically and in compliance with all applicable laws and regulations, including but not limited to Act listed in section 1.1, Malaysian Penal Code (revised 1977) (and its amendments), the Companies Act 2016 (Malaysia), the US Foreign Corrupt Practices Act 1977 (amended 1998), and the UK Bribery Act 2010. These laws prohibit bribery and corruption. Organizations are mandated to establish and maintain accurate books and records as well as adequate measures to prevent corrupt practices.

## **8. FACILITATION PAYMENTS**

1. Facilitation payments are form of payments made personally to an individual in control of a process or decision to secure or expedite the performance of a routine or administrative duty or function (e.g., influencing the timing of process or issuing of permits). In Malaysia, facilitation payments are classified as acts of bribery and corruption under the Act listed in section 1.1 and are illegal. It is seen as a form of corruption. Regardless of whether it is legal in any other country, facilitation payment is strictly prohibited under this Policy.
2. Our Personnel and Business Associates must not directly or indirectly offer, promise or give any form of facilitation payment to any public officials for any purposes.

3. There may be occasions where you are forced to make facilitation payments in order to protect your life, limb or liberty. On such occasions, you must immediately report the incident to Chief Financial Officer (CFO) for the necessary action to be taken.

#### **9. MONETARY GIFTS**

1. The acceptance of monetary gifts such as cash, cheques, money orders, travelers' cheques, direct deposits, gift card and the like are strictly **FORBIDDEN**.
2. Employees cannot accept a gift of this nature under any circumstances. Any external party wishing to make a legitimate donation to Principal Supplier must contact Human Resources Department.

#### **10. FAILURE TO COMPLY**

1. Employees who violate this Policy will be subject to legal action, including but not limited to disciplinary action up to and including termination of their employment or contractual relationship.

#### **11. TENDER PROCESSES**

1. Any tender processes participated by any company under Principal Supplier should be done in a transparent manner in the bidding process.

#### **12. RECORD KEEPING & TRAINING**

1. All employees of Principal Supplier are required to complete and undertake all relevant documentations and processes particularly where it relates to anti-bribery and anti-corruption initiatives. Principal Supplier shall keep detailed and accurate financial and/or other records, including but not limited to gifts, hospitality and entertainment received, and shall have appropriate internal controls in place as evidence of all that were made and/or received.
2. Any failure to do so will impact the individual employee's performance review and, where it is a severe non-compliance, an employee may be subject to further disciplinary action(s). Where the facts and circumstances require, repeated failure to undertake proper record keeping or undergoing compulsory trainings may warrant the dismissal of an employee from Principal Supplier.

#### **13. THIRD PARTIES AND AGENCIES**

1. Principal Supplier requires that all its employees conduct the requisite due diligence on third parties that Principal Supplier contracts with or hires to carry out any external functions on behalf of Principal Supplier, which includes without limitation to agents, consultants, contractors, subcontractors, resellers, customs brokers, business contacts, professional advisors,

joint venture partners and any other parties supplying goods and services to Principal Supplier (collectively "Other Applicable Person(s)").

2. The extent of the due diligence should be risk-based and shall include a bribery risk assessment. Due diligence may include a search through relevant databases, checking for relationships with public officials, and documenting the reasons for choosing one particular Business Associate over another.
3. Where reimbursements are paid to Other Applicable Persons, employees of Principal Supplier are to ensure that such payments made are for proper reimbursements and not for reimbursements that can be tied to giving any form of gratification for improper purposes.
4. Principal Supplier expects all Other Applicable Persons to have anti-bribery and anti-corruption policies in place within their organization or part of their work ethos which are consistent with this Policy.
5. Principal Supplier has zero-tolerance of Other Applicable Persons who do not conduct themselves in accordance with the principles of this Policy where it brings disrepute or legal implications to Principal Supplier. Any non-compliance with the principles of this Policy by Other Applicable Persons may lead to the review and/or termination of any agreement with such parties.
6. Principal Supplier shall endeavor to include clauses in all contracts enabling Principal Supplier to terminate any contract in which bribery or corruption has been observed.

#### **14. COMPLIANCE WITH THE LAW**

1. All employees of Principal Supplier and its affiliates are responsible in ensuring that they always comply with all laws and regulations, in particular, to the Act listed in section 1.1. No excuses or exceptions will be acceptable for non-compliance of any domiciled laws and regulations where Principal Supplier conducts its businesses.

#### **15. REPORTING FOR VIOLATIONS OF POLICY & WHISTLEBLOWER RIGHTS**

1. Where there are reasonable grounds and genuine reasons to suspect that there is a violation of this Policy, employees of Principal Supplier and Other Applicable Persons are required to report the particulars of such suspicions to Principal Supplier's dedicated channel for reporting. Any such reports will be read and addressed by a dedicated compliance team in Principal Supplier.
2. Any concerns, questions or reports should be addressed to firstly, the employee's immediate supervisor or Head of Department, or where that is not possible, to other functions such as the Human Resource Department and Legal Department.
3. Any reports made for violation of this Policy will be treated very seriously and accordingly, employees are responsible to ensure that:
  - A. They exercise sound judgment that it is a genuine threat and violation of this Policy;

- B. They have evidence to support their allegations of any violations of this Policy;
  - C. They are available to provide evidence in any inquiry of such violations; and
  - D. They are not frivolous reports with the motive to scandalize.
4. Principal Supplier provides assurance that there will be no retaliation or repercussions on the employee for making genuine reports on violation of this Policy even if further investigation reveals that the employee is mistaken regarding the facts, rules and procedures involved. Any genuine reports made will be kept strictly confidential and only informed to persons on a need-to-know basis to safeguard the interests of Principal Supplier and also to ensure that any processes undertaken will not be compromised.

#### **16. REGULAR MONITORING AND REVIEW**

- 1. Principal Supplier is committed to making the anti-bribery and anti-corruption effort as a continuous effort to maintain the reputation and standards of Principal Supplier.
- 2. Regular audits shall be conducted to monitor the adequacy and operating effectiveness of this Policy and Principal Supplier shall review its implementation on a regular basis, including assessing its suitability and effectiveness. Such audits may be conducted internally by Principal Supplier or by an external party. The results of any audit, risk assessment, review of control measures and performance shall be reported to the Risk Management Committee and acted upon accordingly.
- 3. Our Personnel is encouraged to raise any concerns or inadequacies in the anti-corruption compliance programme to the Integrity Team.

#### **17. CONFLICT OF INTEREST**

- 1. Conflicts of interest arise in situations 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 Principal Supplier. Employees should avoid or deal appropriately with situations in which personal interest could conflict obligations or duties. Employees must not use their position, official working hours, Principal Supplier's resources and assets for personal gain or to Principal Supplier's disadvantage.

#### **18. TRAINING AND COMMUNICATIONS**

- 1. This Policy is a public document which shall be communicated to all our Personnel and Business Partners. Our Personnel and Business Partners must read and understand Principal Supplier's position on anti-bribery and anti-corruption.
- 2. Adequate training on Principal Supplier's anti-bribery and anti-corruption approach shall be provided to our Personnel on a regular basis.

### **19. CONTINUOUS IMPROVEMENT**

1. Principal Supplier is committed to continually improving its policies and procedures relating to anti-bribery and anti-corruption.

### **20. GENERAL ENQUIRIES AND REPORTING**

1. In the event of any queries, you may contact Principal Supplier Human Resource Team at ([Jany@fard-solutions.com](mailto:Jany@fard-solutions.com)); or the global Audit Department at +1778-373-4894

### **21. REVISIONS**

1. This Policy will be updated, amended or revised from time to time to ensure its adequacy in implementation and enforcements.

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