



1. Introduction

At Panda, we are committed to maintaining the highest standards of integrity, transparency, and ethical conduct in all our business activities, including our relationships with subcontractors. This Anti-Bribery Subcontractor Evaluation Process Policy outlines our procedures for evaluating and selecting subcontractors to ensure they align with our anti-bribery principles and meet the necessary ethical standards.

2. Policy Objectives

- a. To prevent any engagement with subcontractors who are involved in bribery, corruption, or unethical practices.
- b. To assess the risk of potential bribery and corruption in our subcontractor relationships.
- c. To promote transparency and due diligence in our subcontractor evaluation process.

3. Subcontractor Evaluation Process

Step 1: Prequalification

- a. Prior to engaging with a new subcontractor, Panda will conduct a prequalification process to gather essential information about the subcontractor's business practices and ethics.

- b. The prequalification questionnaire will include inquiries about the subcontractor's compliance with anti-bribery and anti-corruption laws and their commitment to upholding ethical standards.

Step 2: Risk Assessment

- a. Panda will perform a risk assessment to evaluate the potential risks associated with engaging the subcontractor.
- b. Factors considered during the risk assessment may include the subcontractor's geographical location, past history of bribery and corruption, reputation, financial stability, and any known connections to high-risk industries or regions.

Step 3: Due Diligence

- a. Based on the risk assessment, selected subcontractors may be subject to a more comprehensive due diligence process.
- b. Due diligence may involve interviews, reference checks, reviewing past business transactions, and assessing the subcontractor's internal controls related to anti-bribery and corruption measures.

Step 4: Anti-Bribery Commitments

- a. Prior to formalizing the subcontractor relationship, Panda will require subcontractors to sign an Anti-Bribery Commitment statement.



b. The Anti-Bribery Commitment statement will reaffirm the subcontractor's understanding of our anti-bribery policy and their commitment to complying with applicable anti-bribery laws and ethical standards.

Step 5: Ongoing Monitoring

a. PandA will establish an ongoing monitoring process to review the performance and conduct of subcontractors periodically.

b. Any indication of unethical behavior, bribery, or corruption will be thoroughly investigated, and appropriate actions will be taken, which may include termination of the subcontractor relationship.

4. Reporting Mechanisms

Employees and representatives of PandA are encouraged to report any concerns or suspicions related to bribery, corruption, or unethical conduct involving subcontractors through a confidential reporting channel. Whistleblowers will be protected, and confidentiality will be maintained to the extent allowed by law.

5. Compliance and Consequences

Non-compliance with this Anti-Bribery Subcontractor Evaluation Process Policy may result in disciplinary action, up to and including termination of employment or business relationships.

8. Policy Reviews and Updates

This policy will be reviewed periodically to ensure its effectiveness and alignment with changing laws, regulations, and best practices.

By adhering to this Anti-Bribery Subcontractor Evaluation Process Policy, PandA demonstrates its commitment to fostering a culture of integrity, transparency, and ethical conduct in all subcontractor engagements.

This policy is effective from 20 July 2023.

