



PJBUMI BERHAD

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**ANTI-BRIBERY &
ANTI-CORRUPTION POLICY**

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ANTI-BRIBERY & ANTI-CORRUPTION POLICY

1. STATEMENT OF COMMITMENT

1.1. Commitment to Best Practices

PJBumi Berhad and its subsidiaries (“PJBUMI”) are fully committed to conducting its business with integrity, transparency and based upon ethical best practices and principles.

PJBUMI is also committed to acting professionally, fairly, and in compliance with anti-bribery and anti-corruption standards within Malaysia and in all jurisdictions in which PJBUMI operates or conducts its business.

1.2. Zero Tolerance

This Anti-Bribery and Anti-Corruption Policy (the “Policy”) is intended to assist PJBUMI in achieving a zero tolerance approach towards bribery and corrupt activities regardless of the circumstances. PJBUMI recognises the need to follow the law, including maintaining its corporate reputation and retaining the confidence of customers and outside parties with whom PJBUMI does business.

PJBUMI continues to improve, implement and enforce systems to counter bribery and corruption in its business dealings and relationships.

2. APPLICABILITY OF POLICY

2.1. Scope of Policy

This Policy is applicable to PJBumi Berhad and its subsidiaries (“PJBUMI” or “Company” or “Group”) and the following:

- (a) all individuals working at all levels and grades whether permanent, fixed-term or temporary (the “Employees”);
- (b) all directors, including independent and non-independent directors, executive and non-executive directors of the Group and shall also include alternate or substitute directors of the Group (the “Board of Directors” or “Directors”); and
- (c) intermediaries working in the capacity of customers, vendors, agents, consultants, representatives, contractors, or other associated persons working with or acting on behalf of PJBUMI (“Third Party(s)”).

[collectively all of the above referred to as the “Representatives”].

2.2. Purpose of Policy

The purpose of this Policy is to, generally provide principles and guidance with respect to anti-bribery and corruption matters and specifically to:

- (a) set out the detailed responsibilities of PJBUMI and all those working for and under PJBUMI to understand, observe and uphold the PJBUMI's zero tolerance position on bribery and corruption;
- (b) ensure that PJBUMI has adequate procedures in place to prevent and detect bribery and corruption;
- (c) provide information and guidance to those working for and with PJBUMI on how to recognise, address, and resolve potential bribery and corruption issues; and
- (d) protect PJBUMI against the possible penalties and repercussions resulting from acts of bribery and corruption or being associated with such behaviour.

This Policy is supplemental to, and shall be read in conjunction with the entirety of PJBUMI's policies and procedures that include PJBUMI's Code of Business Ethics and other supporting internal policies and procedures.

3. DEFINITIONS

3.1. The following concepts are essential to understanding the scope of the prohibition on bribery and corrupt conduct:

(a) **Bribery**

Bribery is defined in different ways under the laws of different countries. In general, and for the purposes of this Policy, it is anything offered, given, promised, requested or received to gain or derive any commercial, contractual, regulatory or personal advantage. This may include the following:

- (i) Undocumented cash payment received or given to an individual or government official;
- (ii) Unrecorded travel or accommodation expenses;
- (iii) A contribution to a public official's chosen charity;
- (iv) Uncompensated use of PJBUMI's facilities, services or property;
- (v) A promise of future employment or business;

- (vi) A gift, meal or hospitality may constitute a bribe if this is exceptionally costly or if given for the purpose of gaining advantage

(b) Corruption.

Corruption is broadly defined. It includes the direct and indirect offer, promise, acceptance or solicitation in the conduct of PJBUMI's business of anything of value or advantage as an inducement for an action which is illegal or a breach of trust.

4. OPERATING GUIDELINES

This Policy covers the following areas:-

- A. Corporate Social Responsibility;
- B. Gifts, Entertainment and Hospitality
- C. Donations and Sponsorship;
- D. Political Contributions; and
- E. Facilitation Payment and kickbacks.

4.1. Corporate Social Responsibility

- 4.1.1. As a socially responsible company, PJBUMI Group is passionately involved in Corporate Social Responsibility ("CSR") activities which unavoidably may involve contribution whether in the form of cash and/or goods and/or services.
- 4.1.2. In an effort to prevent any corrupt activities, PJBUMI Group undertakes the following measures:

Screening on Potential Recipients/Risk assessment

- a) Whether the Potential Recipient is a legitimate body;
- b) Whether the Potential Recipient is associated/affiliated to any Public Official;
- c) Proper due diligence on the background of the Potential Recipient must be carried out;
- d) Take note of any negative rumours pertaining to the integrity of the Potential Recipient.

The Value or Form of CSR

- a) The type of CSR activities must be stated clearly and any value that exceed the cap value stated in the guidelines is only allowed provided necessary internal approval has been obtained;
- b) The Potential Recipient shall not state their expectation on the contribution made by PJBUMI Group.

The Purpose of CSR

The intention of CSR must be genuine and must not in any way capable of being interpreted as to obtain unmerited favour/advantage.

- 4.1.3. All PJBUMI Group's Directors and employees must be meticulous in assessing potential recipients and exercise sound judgment in detecting any potential forms of corruption. All red flags must be brought to Top Management's attention and adequately justified and concurrence must be obtained before proceeding with CSR activities.
- 4.1.4. Reasonable effort shall be exercised to ensure CSR contribution (whether services/goods) reach the intended recipients.
- 4.1.5. All Directors and Employees are urged to seek clarification and/or clearance from PJBUMI Group Corporate Service Department when in doubt to minimize risk/appearance of corruption when making CSR contribution.

4.2. Gifts, Entertainment and Hospitality

When giving or accepting gifts or entertainment or gestures of hospitality (collectively the "Benefits") in business settings, the policy and practice of PJBUMI is to encourage the use of good judgment, discretion, and moderation.

Benefits given or received must be in compliance with law, must not violate the giver's and/or receiver's policies on the matter, and be consistent with local custom and practice.

All Benefits must be :

- (a) Reasonable and for a genuine purpose;
- (b) Proportionate in value (not above the value of Ringgit Malaysia One Thousand [RM 1,000.00]), as pre-determined by the Board of Directors;
- (c) Infrequent in nature;
- (d) Transparent and open;

(e) Not given to influence or obtain an unfair advantage; and

(f) In compliance with this Policy.

Any question of uncertainty related to this matter, must be disclosed and referred to the immediate supervisor, or head of department or division to obtain advice and also, where applicable, obtain approval before proceeding. Where there is still uncertainty or concerns, it should be directed to Human Resource Department or Legal Department.

The relevant forms relating to Benefits are set out in Appendix 3.

4.3. Donations and Sponsorship

4.3.1. **Donation:** shall refer to charitable contribution/humanitarian aid whether in the form of cash/cash equivalent/goods made out of care and concern for social causes.

4.3.2. Donations must not:

- a) be made to individuals; or
- b) be made at the request of a public official as an inducement to or reward for acting improperly.

4.3.3. **Sponsorship:** shall refer to contribution of any kind in the form of services, monies, goods to support an event or organisation made to promote/enhance/strengthen business relationships.

4.3.4. Sponsorship may only be given to recognised non-profit charitable organisations from PJBUMI's funds. All such contributions must be:

- a) subject to due diligence and care to verify that the recipient is legitimate;
- b) subject to receipt of approvals specified in internal policies;
- c) transparent and properly recorded in PJBUMI's books and records;
- d) receipted or have a letter of acknowledgement from the recipient to ensure that the donations/sponsorship receive the proper tax treatment; and
- e) be compliant with local laws and regulations.

4.4. Political Contributions

Under PJBUMI policy it is never permissible to make political contribution or donation on its behalf to political organisations or independent candidates. Directors and Employees may choose to make political donations from their own resources, but not with a view to influence a third party for the benefit of PJBUMI or in any way that might give the impression that such influence was intended.

4.5. Facilitation Payment and kickbacks

- 4.5.1. Facilitation payments are unofficial payments made to public officials in order to secure or expedite the performance/ non-performance of a routine or necessary action. They are sometimes referred to as 'speed' money or 'grease' payments or 'good-will money'. The payer of the facilitation payment usually already has a legal or other entitlement to the relevant action.
- 4.5.2. Kickbacks are typically payments made in return for a business favour or advantage.
- 4.5.3. All facilitation payments and kickbacks are corrupt payments, and any such payment in the course of PJBUMI's business is strictly forbidden.
- 4.5.4. Any suspicions, concerns or queries regarding such payments should be raised with immediate supervisor, or head of department or division to obtain advice and also, where applicable, obtain approval before proceeding. Where there is still further doubt, all queries or concerns should be directed to Human Resource Department.

5. RESPONSIBILITIES

5.1. Compliance with Policy and Laws

- 5.1.1. The Board of Directors of PJBUMI is ultimately responsible for this Policy and shall monitor overall compliance with the Policy, through its delegation to the relevant committee(s) and respective officer(s) (the "Committee").
- 5.1.2. The Committee is tasked with the implementation, supervision and administration of this Policy in terms of ensuring that this Policy complies with PJBUMI's legal and ethical obligations.
- 5.1.3. The Committee is also responsible for monitoring the use and effectiveness of this Policy and dealing with any queries related to interpretation of this Policy.

- 5.1.4. The Committee may delegate the administrative tasks to the Compliance Officer or other officers, as may be necessary for carrying out the purposes of this Policy. The Committee will report regularly to the Board of Directors on compliance with this Policy.
- 5.1.5. The programs under the Policy are drawn up by the Committee, whose role is to carry out the responsibilities connected with upholding PJBUMI's objective to work against bribery and corruption in all forms.

5.2. Adherence to Policy and Laws

- 5.2.1. All Representatives have the responsibility to take whatever steps are necessary to become aware and ensure adherence to and compliance with the standards set under this Policy.
- 5.2.2. It must be ensured that all Third Parties retained by PJBUMI understand that they are responsible for complying with this Policy when acting on behalf of PJBUMI in its business interactions.
- 5.2.3. PJBUMI's senior management have the responsibility for ensuring PJBUMI's standard anti-bribery and corruption legal clauses are incorporated into any contract entered into with a counter-party.
- 5.2.4. The prohibitions against bribery and corrupt conduct apply regardless of whether it takes place in the public sector or in the private sector. PJBUMI's Representatives must not engage in bribery (as defined below) in connection with any of PJBUMI's dealings or activities involving private or public companies, organizations or individuals. Particular care should be taken in dealings or activities involving government and public officials, but it is just as important to remember that private entities and individuals may also be the subject of bribery.

5.3. Reporting Procedure and Whistle blower Rights

- 5.3.1. The prevention, detection and reporting of bribery and other forms of corruption is the responsibility of all Representatives of PJBUMI.
- 5.3.2. PJBUMI encourages all of its Representatives to be vigilant and to report any unlawful conduct, suspicions or concerns of any potential violations of this Policy or any applicable anti-bribery and corruption laws promptly and without undue delay so that a fair and effective investigation may proceed and any action can be taken expeditiously.
- 5.3.3. PJBUMI assures that confidentiality will be maintained during the investigation to the extent that this is practical and appropriate in the circumstances to safeguard the interests of PJBUMI and also to ensure that any processes undertaken will not be compromised.

- 5.3.4. PJBUMI is committed to taking appropriate action against bribery and corruption. This could include either reporting the matter to an appropriate external government department, regulatory agency or the police.
- 5.3.5. PJBUMI will support anyone who raises genuine concerns in good faith under this Policy, even if they turn out to be mistaken. It is also committed to ensuring nobody suffers any harassment, retaliation or adverse work-related consequences, provided his/her actions are not improper.
- 5.3.6. Where there are reasonable grounds and genuine reasons to suspect that there is a violation of this Policy, Representatives of PJBUMI are required to report the particulars of such suspicions to PJBUMI's dedicated channel for reporting. Any concerns, questions or reports should be addressed to firstly, their immediate supervisor or Head of Department, or where that is not possible, to other functions such as the Human Resource Department.

5.4. Record Keeping

- 5.4.1. All Representatives of PJBUMI are required to complete and undertake all relevant documentations and processes particularly where it relates to anti-bribery and corruption initiatives.
- 5.4.2. All Representatives shall keep and maintain books, records and accounts in reasonable detail that accurately and fairly reflect transactions in or related to PJBUMI's business, including, but not limited to, accurately and fairly recording the purpose of any payment received or made.

5.5. Tender or Procurement Process

- 5.5.1. Any tender or procurement processes participated by PJBUMI should be done in a transparent manner in the bidding process.
- 5.5.2. Representatives of PJBUMI involved in tender or procurement processes must adhere to the current system of internal controls. When the tender or procurement processes are formal and structured, it is most important that a proper supportive documentation system is maintained in compliance with PJBUMI's current internal controls. All PJBUMI's Representatives involved, directly or indirectly, with tender or procurement processes must familiarise themselves with PJBUMI's related processes and must adhere to the same.

5.6. Use of Third Parties

- 5.6.1. All dealings with Third Parties shall be carried out with the highest standards of integrity and in compliance with all relevant laws and regulations.
- 5.6.2. In engaging a Third Party, the following must be observed:
- a) appropriate due diligence is conducted and properly documented;
 - b) formal commitment (in writing) is sought from the Third Party to ensure compliance to this Policy;
 - c) appropriate anti-bribery and anti-corruption provisions are incorporated in the contracts with Third Parties, including the right to audit, as well as a clause on termination, if the Third Party fails to abide by the terms of this Policy.

5.7. Breach

5.7.1. Instances

The following are examples that may suggest potential breaches of this Policy or represent common areas of corruption compliance risks. The following list is not exhaustive:

- a) Gifts, Entertainment and Hospitality:
- extravagant business entertainment, especially involving a government or public official;
 - cash and cash equivalents, which include vouchers, and gift cards;
 - gifts and entertainment during contract negotiations or government tender processes;
 - excessive or lavish entertainment;
 - gifts and entertainment to family members and friends;
 - entertainment or hospitality where the host is not present; or
 - giving and accepting of gifts, entertainment and gestures of hospitality on a frequent basis with the same third party.

b) Potential Conflicts of Interest:

- having a direct or indirect commercial relationship with PJBUMI;
- using PJBUMI assets to advance private interests;
- making employment decisions based on a personal, rather than a business basis;
- holding an office or directorship in a business entity or firm that is in competition with PJBUMI, in which PJBUMI has a commercial interest or which receives donations or sponsorships from PJBUMI.

5.7.2. Sanctions

- a) A failure to comply with this Policy may result in significant civil and criminal penalties against PJBUMI and the entity involved;
- b) Any Employee or Director who falls short of the expectations in this Policy can expect to be subject to PJBUMI's internal disciplinary action, up to and including termination of relationship for gross misconduct;
- c) As far as Third Parties are concerned, a breach of this Policy could lead to the suspension or termination of any relevant contract, sub-contract or other agreement.

5.8. Communication, Certification and Training

- 5.8.1. PJBUMI has, through relevant departments and/or committees, the responsibility of ensuring that all of its existing and new Employees (including Directors) are made aware of this Policy.
- 5.8.2. As part of PJBUMI's ongoing compliance commitment, all Representatives will be given the opportunity to read and understand this Policy. All Representatives must then certify in writing using the certification attached at Appendix 2.
- 5.8.3. Training on this Policy forms part of the induction process for all new Employees. All existing Employees will receive, and are required to attend and complete, all relevant training modules on how to implement and adhere to this Policy and to keep themselves up-to-date with the latest policies and processes, in particular, this Policy and to ensure that the highest standards of compliance are followed.

5.8.4. This Policy and its zero-tolerance approach to bribery and corruption must be communicated to all Third Parties with whom PJBUMI conducts business at the outset of its business relationship with them and as appropriate thereafter. PJBUMI may also extend training programs to Third Parties, if it is envisaged that the work profile allocated to them carries a significant risk as per this Policy.

5.8.5. Any Representative of PJBUMI, is encouraged to ask questions regarding uncertainties or matters of impropriety about the Policy and other compliance related issues. These questions may be directed to the immediate supervisor, or head of department or division.

6. PERIODIC MONITORING AND REVIEW

6.1. There will a regular system of monitoring and reviewing the effectiveness and implementation of this Policy, always considering its suitability and adequacy. Any improvements identified will be made as soon as possible.

6.2. Internal control systems and procedures may be subject to regular audits to provide further assurance that they are effective in countering bribery and corruption.

6.3. Non-compliance of this Policy is equated to violation of the MACC Act 2009. PJBUMI Group adopt a stringent approach towards any misconduct in view of the seriousness of this matter. Any misconduct shall have the following consequences (whichever applicable):-

- | | | | |
|-----|-------------------|---|--|
| (a) | Employees | : | immediate suspension pending investigation, if found guilty, outright dismissal. |
| (b) | Directors | : | immediate suspension pending investigation at Group level, if found guilty, termination of directorship. |
| (c) | Business Partners | : | immediate suspension of all obligations under the contract. If found true, termination of contract. |

7. FURTHER INFORMATION

This Policy is not intended to be an explanation of all specific provisions of anti-bribery or anti-corruption laws or an exhaustive list of activities or practices which could affect the reputation and goodwill of PJBUMI's business.

8. LEGAL OBLIGATIONS

- 8.1.** The requirement is for the observance and compliance with all local laws relating to anti-bribery and anti-corruption in Malaysia, in particular, the Malaysia Anti-Corruption Commission Act 2009, Malaysian Penal Code (revised 1977) (and its amendments) and the Companies Act 2016 (Malaysia).
- 8.2.** PJBUMI will abide by all the laws countering bribery and corruption in all of the jurisdictions, outside Malaysia, in which PJBUMI operates or conducts its business.