



HARTANAH KENYALANG GROUP OF COMPANIES

ANTI-BRIBERY & CORRUPTION POLICY

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1. Introduction

- 1.1 This anti-bribery policy exists to set out the responsibilities of **Hartanah Kenyalang Group of Companies (Hartanah)** and those who work for the Company in regards to observing and upholding our zero-tolerance position on bribery and corruption.
- 1.2 It also exists to act as a source of information and guidance for those working for the Company. It helps them recognise and deal with bribery and corruption issues, as well as understand their responsibilities.

2. Policy statement

- 2.1 Hartanah is committed to conducting business in an ethical and honest manner, and is committed to implementing and enforcing systems that ensure bribery is prevented. Hartanah has zero-tolerance for bribery and corrupt activities. We are committed to acting professionally, fairly, and with integrity in all business dealings and relationships.
- 2.2 Hartanah will constantly uphold all laws relating to anti-bribery and corruption in all the locations in which we operate. We are bound by the laws of Malaysia, including the Malaysian Anti-Corruption Commission Act (“MACCA”) 2009.

3. Who is covered by the policy

- 3.1 This anti-bribery policy applies to all employees (whether temporary, fixed-term, or permanent), consultants, contractors, trainees, seconded staff, casual workers, interns, agents, or any other person or persons associated with us (including third parties), or any of our subsidiaries or their employees, no matter where they are located. The policy also applies to Board members at any level.
- 3.2 In the context of this policy, third-party refers to any individual or organisation our company meets and works with. It refers to actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies – this includes their advisors, representatives and officials, politicians, and public parties.

4. Definition of bribery

- 4.1 Bribery refers to the act of offering, giving, promising, asking, agreeing, receiving, accepting, or soliciting something of value or of an advantage so to induce or influence an action or decision.
- 4.2 A bribe refers to any inducement, reward, or object/item of value offered to another individual in order to gain commercial, contractual, regulatory, or personal advantage.
- 4.3 Bribery is not limited to the act of offering a bribe. If an individual is on the receiving end of a bribe and they accept it, they are also breaking the law.

4.4 Bribery is illegal. Employees must not engage in any form of bribery, whether it be directly, passively (as described above), or through a third party (such as an 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 Compliance Audit Manager.

5. What is and what is NOT acceptable

5.1 This section of the policy refers to 4 areas:

5.1.1 Gifts and hospitality.

Employees must not offer or give or accept any gifts, hospitality, donations and other similar benefits:

- Anything illegal;
- Cash or cash equivalents, such as gift vouchers, shares, or other items redeemable for cash, regardless of the amount involved;
- Anything that is extravagant or not commensurate with the occasion;
- Anything that could affect or appear to affect the recipient's business judgment;
- Anything that is counter to the Corporation's principles and ethical business practices (e.g., sexual favours, and events at sexually oriented clubs);
- Anything offered to someone who is about to make a business decision for the Corporation, for example the award of a contract;
- Which could be reasonably perceived as corruption tools, regarded as illegal or improper, or which violates the recipient's policies;
- Anything that would damage the Company's reputation if publicly reported, either locally or internationally;
- Anything that contravenes the recipient's internal rules and standards, including government officials who are themselves subject to particularly stringent regulation;
- Any gift or benefit that has to be kept secret from other colleagues, an employee's immediate manager or any other relevant parties.
- Which exceeds RM100 in value for each individual gift or RM500 in value for each hospitality event, unless approved in writing by the employee's manager with proper record keeping and justification.

The benefits could include, for example:

- a) gifts, entertainment and hospitality;
- b) political or charitable donations;
- c) client representative or public official travel;
- d) promotional expenses;
- e) sponsorship;
- f) community benefits;
- g) training;

- h) club memberships;
- i) personal favours;
- j) confidential and privileged information.

In the event the employee is unable to decline a gift with an approximate/actual value of RM100 and more, the employee must declare and surrender such gift to Human Resource.

Human Resource will in turn seek the Managing Director's (MD) direction on what is the best way to dispose the gift. The MD, subject to his due considerations, will have the right to decide based on the following:

- a) Donate the gift to charity; or
- b) surrender it to Corporate Affairs to be used for the team's activities; or
- c) register it as a company property to be used publicly by all employees; or
- d) designate it as a display item; or
- e) share it with other employees; or
- f) retain all the gifts and consume later as lucky draw items during company's event etc.; or
- g) permit it to be retained by the employee.

Management of gifts, hospitality, donations and other similar benefits is performed according to the Hartanah code of ethics and employee to declare by completing **Gifts & Entertainment Declaration Form**.

Normally Acceptable

The following are normally acceptable when given to private third parties:

- Token seasonal gifts, where such gifts are a common cultural feature and the value of the modest gift is within the Company's financial limits;
- Modest, occasional meals with a business partner that fall within the Company's financial limits;
- Small corporate, promotional gifts, for example pens marked with the company logo and similar items.

Gifts and Hospitality – Appropriateness Test	
Bona Fide	Made for the right reason: if a gifts or hospitality, it should be given clearly as an act of appreciation, if travel expenses then for a bona fide business purpose
No Obligation	The activity will not create any obligation or expectation on the recipient
No Undue Influence	The expenditure will not be seen as intended for, or capable of, achieving undue influence in relation to a business transaction or public policy engagement

Made Openly	It will not be performed in secret and be undocumented – if it is, then the purpose becomes questionable
Legality	It is compliant with relevant laws
Accords With Stakeholder Perception	The activity would not be viewed unfavorably by stakeholders were it made known to them
Proportionate	The value and nature of the expenditure is not disproportionate to the occasion

5.1.2 Political donations.

Hartanah will not make donations, whether in cash, kind, or by any other means, to support any political parties or candidates. We recognise this may be perceived as an attempt to gain an improper business advantage.

5.1.3 Facilitation payments

Facilitation payment is defined as payments made to secure or expedite the performance by a person performing a routine or administrative duty or function. Offering, promising or requesting facilitation payments is just as prohibited as actually paying or receiving facilitation payments. Facilitation payments need not involve cash or other financial asset; it can be any sort of advantage with the intention to influence them in their duties.

Hartanah prohibits accepting or obtaining, either directly or indirectly, facilitation payments from any person for the benefit of the employee himself or for any other person. The reason underlying this prohibition is that facilitation payment is seen as a form of bribery and corruption.

All persons must not offer, promise, give, request, accept or receive anything which might reasonably be regarded as a facilitation payment. If the staff receive a request or offered facilitation payments, he/she must immediately report to HOD/Managing Director (or as provided under Hartanah's Whistleblowing Policy & Procedures).

5.1.4 Charitable contributions (CSR, Donations and Sponsorships)

Any CSR, donations and sponsorship activities conducted must not be used as a conduit to circumvent, avoid, or evade the laws or regulatory requirements. More importantly, it shall not be used to facilitate corruption activities.

All CSR, donations and sponsorship requests must be carefully examined for legitimacy and not be made to improperly influence a business outcome.

The proposed recipient must be a legitimate organization and appropriate due diligence must be conducted in particular to ascertain that the benefits reach their intended recipients whilst the programmes meet the intended objectives.

No CSR, donation and sponsorship shall be made to any beneficiary who is controlled or influenced by any political officials.

All CSR, donations and sponsorship shall be made in accordance with the approval limits/ budget and must obtain approval from the Managing Director.

All employees to use good judgment and common sense in assessing the requests. When in doubt, employees should seek further advice from HOD and Managing Director.

6. Key Roles and Responsibilities

6.1 Managing Director

- Foster an anti-bribery and corruption culture through regular communication to Heads of department and Senior Management.
- Review and approve the Anti-Bribery & Corruption policy.
- Provide ongoing oversight of the ABC Program

6.2 Anti-bribery Function / Compliance Audit Manager

- Develop the Anti-bribery policies and procedures manual to be cascaded down to all concerned.
- In coordination with Head of departments, conduct a risk assessment exercise (gap analysis exercise) of the concerned standard procedures, systems and controls against the defined principles of the manual. Depending on findings; categorization, define a mitigation/action plan respectively.
- Analyse, and take appropriate actions with regards to whistle-blowing reports (related to bribery matters).
- Submit regular reporting to the MD with the risk assessment report and mitigation/action plan proposed.

6.3 Head of Department / Project Manager

- Model the way and ensure that all activities are conducted with integrity; promote ABC culture to direct employees to act with integrity and in compliance with ABC principles.
- Understand bribery and corruption risks faced by the subordinates, the materiality of the risks, and the extent to which existing ABC Policy and controls are adequate and effective.
- Stay fully abreast of bribery and corruption matters.

6.4 Employees

- Comply with Hartanah policies and procedures, as well as the Code of Conduct and report any misconduct or policy violations or breaches.

7. Raising Concerns / Notifications on Suspicions

- 7.1 All personnel are reminded they have an ethical duty to report any concerns of attempted, suspected or actual; bribery, or any breach of or weakness in the ABC Policy and are encouraged to report. Personnel should report their concerns to an appropriate person within the organization (either directly or through an appropriate third party).
- 7.2 **Appropriate Person**
The appropriate person can depend on who the employee considers to be the most appropriate person to report their concerns to it could be one of the following:
1. Managing Director
 2. Deputy Managing Director
 3. Executive Director
 4. Head of Department
 5. Immediate Superior
 6. Compliance Audit Manager
- 7.3 If requested by the employee the organization will keep their identity confidential (unless the organization is required by law to disclose this information).
- 7.4 Personnel are permitted to make reports anonymously.
- 7.5 The organization will protect personnel from retaliation after raising in good faith a concern about actual; or suspected bribery or the implementation of the ABC Policy. All reports will investigate, and will be acted upon where appropriate, and feedback will be given where appropriate.
- 7.6 Personnel are reminded that it is a disciplinary offence to retaliate against someone who in good faith raises a concern about actual or suspected bribery or the implementation of the ABC Policy.

8. Bribery Investigations and Management

Hartanah shall implement procedures for the investigation and handling of bribery incidents, ensuring an effective investigation, appropriate actions, empowerment of investigators, cooperation from relevant personnel, reporting status and findings to the compliance function/MR, maintaining confidentiality throughout the investigation process, and keeping the results confidential. The investigations will be carried out by independent personnel and that reports the results to personnel who are not part of the role or function being investigated.

The Top Management receives information from the Compliance Audit, which gathers all reports related bribery incidents.

Reference:**Investigation Process****8.1 Anti-bribery and induction training**

All personnel receive advice from an appropriate person on what to do if faced with a concern or situation which could involve bribery during their induction and anti-bribery training. This training ensures that all personnel:

- a) Are aware of the reporting procedures
- b) Encourage the use by personnel of the reporting procedures
- c) How to raise a concern about attempted, suspected or actual; bribery or the implementation of the ABC Policy.
- d) Informed that reports will be investigated, and will act upon where appropriate, and that feedback will be given where appropriate
- e) That it is a disciplinary offence to retaliate against someone who in good faith raises a concern about actual or suspected bribery or the implementation of the ABC Policy.
- f) They have an ethical responsibility to report their suspicions.

9. Record keeping

- 9.1 Hartanah will keep detailed and accurate financial records, and will have appropriate internal controls in place to act as evidence for all payments made. We will declare and keep a written record of the amount and reason for hospitality or gifts accepted and given, and understand that gifts and acts of hospitality are subject to managerial review.

10. Monitoring and reviewing

- 10.1 Hartanah's Compliance Audit Manager is responsible for monitoring the effectiveness of this policy and will review the implementation of it on a regular basis. They will assess its suitability, adequacy, and effectiveness.
- 10.2 Internal control systems and procedures designed to prevent bribery and corruption are subject to regular audits to ensure that they are effective in practice.
- 10.3 Any need for improvements will be applied as soon as possible. Employees are encouraged to offer their feedback on this policy if they have any suggestions for how it may be improved. Feedback of this nature should be addressed to the Compliance Audit Manager.