

1.0 INTRODUCTION

Cepatwawasan Group Berhad and its subsidiaries (“The Group”) have adopted a zero tolerance policy against all forms of bribery and corruption. The Group’s Anti-Bribery and Corruption Policy elaborate upon those principles, providing guidance to employees concerning how to deal with improper solicitation, bribery and other corrupt activities and issues that may arise in the course of business.

2.0 POLICY OVERVIEW

The Group strictly prohibits bribery or other improper payments in any of its business operations. This prohibition applies to all business activities, anywhere in the world, whether involving government officials or other commercial enterprises. A bribe or other improper payment to secure a business advantage is never acceptable and can expose individuals and The Group to possible criminal prosecution, reputational harm or other serious consequences.

The prohibition on bribery and other improper payments applies to all business activities, but is particularly important when dealing with government officials. The Malaysian Anti-Corruption Commission Act 2009 (MACCA 2009) and similar laws in other countries strictly prohibit improper payments to gain a business advantage and impose severe penalties for violations.

One of the key amendments resulting from the passing of the Malaysian Anti-Corruption Commission (Amendment) Bill 2018 is the insertion of S.17A into the MACCA 2009, which generally imposes a new corporate liability on commercial organisations for their failure to prevent corruption. It was recently announced that the corporate liability provisions are expected to take effect early 2020 or latest by 1 June 2020. Hence, all commercial organisations in Malaysia would have approximately 6 months to comply with this new installation.

It is important to note that S.17A imposes a criminal liability on the commercial organisation if a person associated to it gives any gratification with the intention of obtaining or retaining business or an advantage for the commercial organisation.

Where the offence falls under S.17A, the commercial organisation faces a **strict criminal liability**. This means that the commercial organisation would be held liable regardless of whether it has actual knowledge of the corrupt act of its associated persons.

Additionally, the senior personnel of the commercial organisation, which includes its directors or any person who is concerned in the management of the affair, is presumed guilty of the same offence unless proven otherwise. Hence, individuals in **top level management also face personal liability** under this section.

3.0 SCOPE

This Policy applies to all employees (whether temporary, contract-basis or permanent), consultants, contractors, trainees, seconded staff, casual workers, agency staff, volunteers, interns, agents, sponsors or any other person or persons associated with the Group (including third parties), or any of our subsidiaries or their employees, no matter where they are located (within or outside of Malaysia). The definition of persons associated with the Group accords with Section 17A (2) of the MACC Act 2009. The Policy also applies to Officers, Trustees, Board, and/or Committee members of companies in the Group at any level.

Under the new provision, A "person associated to the commercial organisation" includes directors and employees, and could extend to third party service providers as well.

A "commercial organisation", on the other hand, generally refers to any company or partnership that is either (i) incorporated in Malaysia or (ii) carries on business or part of its business in Malaysia.

Each officer and employee of The Group has a personal responsibility and obligation to conduct The Group's business activities ethically and in compliance with all applicable laws based on the countries wherein The Group does business.

Failure to do so may result in disciplinary action, up to and including dismissal.

Where found guilty, S.17A imposes a heavy penalty of (i) a fine not less than 10 times the value of the bribe or MYR 1 million, whichever is higher, (ii) imprisonment of term not exceeding 20 years, or (iii) a combination of both.

The sole defense available for a S.17A offence is that commercial organisation must prove there are in place adequate procedures designed to prevent persons associated with the commercial organisation from committing the corrupt acts.

4.0 DEFINITION OF BRIBERY

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.

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.

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.

Corruption is the abuse of entrusted power for private gain.

Bribery and corruption are illegal. Employees must not engage in any form of bribery or corruption, whether it be directly, passively (as described above), or through a third party (such as an agent or distributor). They must not bribe a foreign public official anywhere in the world. 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 Group's Managing Director.

5.0 WHAT IS AND WHAT IS NOT ACCEPTABLE

This section of the policy refers to 4 areas:

- Gifts and hospitality;
- Facilitation payments;
- Political contributions; and
- Charitable contributions.

5.1 Gifts and Hospitality

The Group does not prohibit normal business hospitality and goodwill (whether given to/received from third parties) so long as the giving or receiving of gifts meets the following requirements:

- It is not made with the intention of influencing the party to whom it is being given, to obtain or reward the retention of a business or a business advantage, or as an explicit or implicit exchange for favours or benefits.
- It is not made with the suggestion that a return favour is expected.
- It is in compliance with local law.
- It is given in the name of the Group, not in an individual's name.
- It does not include cash or a cash equivalent (e.g. a voucher or gift certificate).
- It is appropriate for the circumstances (e.g. giving small gifts around Christmas or as a small thank you to a company for helping with a large project upon completion).
- It is of an appropriate type and value and given at an appropriate time, taking into account the reason for the gift.
- It is given/received openly, not secretly.
- It is not selectively given to a key influential person clearly with the intention of directly influencing them.
- It is not above a certain excessive value.
- It is not offered to, or accepted from, a government official or representative or politician or political party, without the prior approval of the Group's Managing Director.

Where it is inappropriate to decline the offer of a gift (i.e. when meeting with an individual of a certain religion/culture who may take offence), the gift may be accepted so long as it is declared to the Group Managing Director, who will assess the circumstances.

The Group recognises that the practice of giving and receiving business gifts varies between countries, regions, cultures, and religions, so definitions of what is acceptable and not acceptable will inevitably differ for each.

As good practice, gifts given and received should always be disclosed to the Group Managing Director. Gifts from suppliers should always be disclosed.

The intention behind a gift being given/received should always be considered. If there is any uncertainty, the advice of the Group Managing Director should be sought.

5.2 Facilitation Payments and Kickbacks

Facilitation payments are unofficial payments or other advantages made to secure or expedite the performance of a routine action by an officer of public body (N1). The Group does not accept and will not make any form of facilitation payments of any nature. We recognise that facilitation payments are a form of bribery that involves expediting or facilitating the performance of a public official for a routine governmental action. We recognise that they tend to be made by low level officials with the intention of securing or speeding up the performance of a certain duty or action.

The Group does not allow kickbacks to be made or accepted. We recognise that kickbacks are typically made in exchange for a business favour or advantage.

The Group recognises that, despite our strict policy on facilitation payments and kickbacks, employees may face a situation where avoiding a facilitation payment or kickback may put their/their family's personal security at risk. Under these circumstances, the following steps must be taken:

- Keep any amount to the minimum.
- Ask for a receipt, detailing the amount and reason for the payment.
- Create a record concerning the payment.
- Report this incident to your line manager.

Note N1 (Public Body as defined in Section 3 of Malaysian Anti-Corruption Commission Act 2009)

5.3 Political contributions

The Group 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.

5.4 Charitable contributions

The Group accepts (and indeed encourages) the act of donating to charities – whether through services, knowledge, time, or direct financial contributions (cash or otherwise) – and agrees to disclose all charitable contributions it makes.

Employees must be careful to ensure that charitable contributions are not used to facilitate and conceal acts of bribery.

We will ensure that all charitable donations made are legal and ethical under local laws and practices, and that donation are not offered/made without the approval of the Group Managing Director.

6.0 EMPLOYEE RESPONSIBILITIES

As an employee of the Group, you must ensure that you read, understand, and comply with the information contained within this policy, and with any training or other anti-bribery and corruption information you are given.

All employees and those under our control are equally responsible for the prevention, detection, and reporting of bribery and other forms of corruption. They are required to avoid any activities that could lead to, or imply, a breach of this anti-bribery policy.

If you have reason to believe or suspect that an instance of bribery or corruption has occurred or will occur in the future that breaches this policy, you must notify the Group Managing Director.

If any employee breaches this policy, they will face disciplinary action and could face dismissal for gross misconduct. The Group has the right to terminate a contractual relationship with an employee if they breach this anti-bribery policy.

7.0 PROTECTION

Any Employee who knows of, or suspects, a violation of the Policy, is encouraged to whistle blow or report the concerns through the mechanism set out under the Group's Whistle Blowing Policy. The Group is committed to ensuring that all employees have a safe, reliable and confidential way of reporting any suspicious activity. The provision, protection and procedure of the Whistle Blowing Policy for reporting of the violations of the Policy are available on the Group's website at www.cepatgroup.com. All reports will be treated confidentially.

8. TRAINING AND COMMUNICATION

The Group will provide relevant anti-bribery and corruption training to employees, etc., where we feel their knowledge of how to comply with the MACC Act 2009 on anti-bribery and corruption needs to be enhanced.

The Group's Anti-bribery & Corruption Policy and zero-tolerance attitude will be clearly communicated to all suppliers, contractors, business partners and any third parties at the outset of business relations, and as appropriate thereafter.

9.0 RECORDS

The Group shall keep detailed and accurate financial records, and shall have appropriate internal controls in place to act as evidence for all payments made. We shall declare and keep a written record of the amount and reason for gifts, entertainment, hospitality and travel accepted and given, and understand that such expenses are subject to managerial review.

10.0 REVIEW OF POLICY

The Board will monitor compliance with the Policy and review the Policy regularly to ensure that it continues to remain relevant and appropriate.

The policy is made available for reference in the Group's website at www.cepatgroup.com