

**SARAWAK PLANTATION BERHAD**  
**REGISTRATION NO. 199701035877 (451377-P)**  
**ANTI BRIBERY AND ANTI CORRUPTION POLICY**

## **INTRODUCTION**

As a sign of the Company's commitment towards doing business with integrity, this Anti Bribery and Anti Corruption Policy (ABAC Policy) has been formulated to deal with issues of bribery and corruption. It is recognised that the ABAC Policy cannot prevent and detect all forms of bribery and corruption but it is a step forward towards better management and internal control of the Group.

The Group has adopted a zero tolerance approach towards all forms of bribery and corruption hence compliance with the ABAC Policy is mandatory. Any non adherence entails severe consequences including dismissal. This is aside from fines and imprisonment, financial and reputational damage and other negative effects if convicted under the Malaysian Anti Corruption Commission Act (MACC Act) and or any other relevant statutes.

## **POLICY STATEMENT**

1. All forms of bribery and corruption are prohibited. 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 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 organisation, either for the intended benefit of the Group or the persons involved in the transaction.
3. The ABAC Policy applies to both 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. The ABAC 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 behaviour, even if such refusal may result in the Group losing business or experiencing a delay in business operations.
6. The Group recognises the value of integrity in its Employees and Directors. The Group's recruitment, training, performance evaluation, remuneration, recognition and promotion for all Employees shall be designed to recognise integrity. The Group conducts due diligence on employees who holds or may be holding, Vulnerable Positions.
7. The Group does not offer employment to prospective employees in return for previous favour or in exchange for improper favour.
8. The Group awards contracts and employee positions purely based on merits. Support letters in all forms shall not be recognised as part of the business decision making process.



## DEFINITION

1. **Bribery is the act of offering, giving, promising, asking, agreeing, receiving, accepting or soliciting something of value or of an advantage so as to induce or influence an action or decision.**
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 business or advantage.**
3. **Bribery is not limited to the act of offering a bribe. An individual who receives and accepts a bribe is also breaking the law.**
4. **Bribery and corruption are illegal. Employees must not engage in any form of bribery or corruption whether directly 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, a gift or act of hospitality, they must seek further advice from the Group's Human Resource, Legal and Secretarial Manager (HRLSM).**
5. **Business Associates are external parties with whom the Group has or plans to establish some form of business relationship.**
6. **A situation of conflict of interest arise when 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 the Group.**
7. **Under the ABAC Policy, corruption means any action which would be considered as an offence of giving or receiving "gratification". For this purpose "gratification" is defined in the same manner as that under the MACC Act 2009.**

In addition, corruption may also include acts of extortion, collusion, breach of trust, abuse of power, trading under influence, embezzlement, fraud or money laundering.

"Gratification" is defined under the MACC Act 2009 to mean :

- (a) **money, donation, gift, loan, fee, reward, valuable security, property or interest in property being property of any description whether movable or immovable, financial benefit, or any other similar advantage;**
  - (b) **any office, dignity, employment, contract of employment or services and agreement to give employment or render services in any capacity;**
  - (c) **any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;**
  - (d) **any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;**
  - (e) **any forbearance to demand any money or money's worth or valuable thing;**
  - (f) **any other service or favour of any description, including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted, and including the exercise or the forbearance from the exercise of any right or any official power or duty; and**
  - (g) **any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding paragraphs (a) to (f).**
8. **Facilitation Payment or Kickbacks are payments or other provision made personally to an employee in control of a process or decision. It is given to secure or expedite a routine or administrative duty or function.**
  9. **Vulnerable Positions are defined as position which have a higher exposure to bribery risk. Such positions may include but is not limited to staff involved in procurement or contract management, financial approvals, human resource, relations with government officials or government departments, marketing, positions where negotiation with an**



external party is required or other positions which the Group has identified as having a higher exposure to bribery risk.

## **SCOPE**

The ABAC Policy applies to :

1. All Directors of the Group, whether independent, non independent, executive, non executive and shall also include alternate or substitute directors;
2. All Employees of the Group regardless whether permanent, temporary, on contract, seconded staff or casual workers;
3. Consultants, contractors, trainees, interns, agents/staff of agents, volunteers, sponsors or any other persons associated with the Group (including third parties);

no matter where they are located (within or outside of Malaysia).

4. Officers in the Group at any level.

Any arrangements the Group makes with a third party is subject to clear contractual terms, including specific terms that require the third party to comply with the ABAC Policy.

## **GIFTS, ENTERTAINMENT, HOSPITALITY AND TRAVEL**

The giving or receiving of gifts, entertainment, hospitality and travel is accepted as normal gestures of goodwill if :

1. 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;
2. It is not made with the suggestion that a return favour is expected;
3. It is in compliance with local laws;
4. It is given in the name of the Group and not in the individual Director's / Employee's name;
5. It does not include cash or a cash equivalent (e.g. a voucher or gift certificate) unless it has received prior sanction based on the Group's approval mandate;
6. It is appropriate in the circumstances (small gifts / hampers around festive seasons);
7. It is of an appropriate type and value and given at an appropriate time, taking into account the reason for the gift, entertainment, hospitality and travel;
8. It is given or received openly and not secretly;
9. It is not selectively given to a key or influential person within the Group with a clear intention to directly influencing him/her;
10. It accords with the limits of thresholds, frequency and approval mandate as pre-determined by the Group; and
11. It is not offered to, or accepted from, a government official or representative, politician or political party, without the prior sanction based on the Group's approval mandate.



## **FACILITATION PAYMENT AND KICKBACKS**

- 1. The Group does not accept nor give facilitation payment and kickbacks of any nature.**
- 2. Employees are expected to notify their immediate superior when encountered with any requests for a facilitation payment or kickbacks. In addition, if a payment has been made and the employee is unsure of the nature, his/her immediate superior must be immediately notified and consulted. He/She must also ensure that the payment has been recorded transparently.**
- 3. The Group recognises that despite its strict policy on facilitation payments and kickbacks, employees may face a situation where avoiding a facilitation payment or kickback may put his/her family's personal security at risk. Under these circumstances, the following steps must be taken:**
  - (a) Keep any amount to the minimum;**
  - (b) Ask for a receipt, detailing the amount and reason for the payment;**
  - (c) Create a record concerning the payment; and**
  - (d) Report the incident to the Employee's immediate superior, HRLSM and the Executive Director.**

## **POLITICAL CONTRIBUTIONS**

**The Group will not make donations, whether in cash, kind or by any other means, to support any political parties or candidates as this may be perceived as an attempt to gain an improper business advantage unless the same has been approved by the Executive Director.**

## **CHARITABLE CONTRIBUTIONS**

- 1. The Group accepts and encourages the act of donating to charities as part of its corporate social responsibility initiatives, whether through services, knowledge, time or direct financial contributions (cash or otherwise).**
- 2. Employees must be careful to ensure that charitable contributions are not used to facilitate and conceal acts of bribery.**
- 3. The Group will ensure that all charitable donations made are legal and ethical under local laws and practices and that donations are offered or made in accordance with the Group's approval mandate.**

## **RESPONSIBILITIES OF THE EMPLOYEES**

- 1. All Employees must ensure that they read, understand and comply with the requirements of the ABAC Policy and with any training or other anti-bribery and corruption information they are given. All Employees will be required to sign an annual declaration of commitment the ABAC Policy.**
- 2. All Employees must keep detailed and accurate written records of the amount and reason for gifts, entertainment, hospitality and travel accepted and/or given.**
- 3. All Employees and those under their control are equally responsible for the prevention, detection and reporting of bribery and other forms of corruption. All employees are required to avoid any activities that could lead to or imply a breach of the ABAC Policy.**
- 4. If any Employee have reasons to believe or suspect that an instance of bribery or corruption has occurred or will occur in the future that breaches the ABAC Policy, he/she must notify his/her immediate superior, HRLSM or the Executive Director.**
- 5. In addition, under circumstances of suspicious behaviour, allegations and/or**



investigations relating to bribery or corruption, the Group reserves all rights to request the relevant Employee to declare information regarding assets owned as deemed necessary.

6. If any Employee breaches the ABAC Policy, the Employee 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 the Employee breaches the ABAC Policy.

## **BUSINESS ASSOCIATES**

1. To further the Group's commitment towards conducting business in an ethical and honest manner, Business Associates of the Group are expected to refrain from bribery.
2. If suspicion of bribery and corruption arises in the dealings with any Business Associate, the Group shall seek an alternative provider of the services / goods.
3. The Group expects all Business Associates acting on behalf of the Group to contractually agree to refrain from bribery and corruption.
4. Contract between the Group and the Business Associate shall contain a clause allowing the Group to terminate any contract in the event bribery or corruption has been observed.

## **CONFLICT OF INTEREST**

1. Directors and Employees should avoid or deal appropriately with situations in which personal interest could conflict with obligations or duties. Directors and Employees must not use their position, official working hours, Group's resources and assets for personal gain or to the Group's disadvantage.
2. When confronted with conflict of interest situations, Employees are required to inform his/her immediate superior immediately and refrain from all discussion, evaluation or considerations relating to the subject matter.
3. Directors must disclose details regarding any actual or potential conflict of interest to the Board of Directors. The Directors with the actual or potential conflict of interest shall leave the meeting and not participate in the Board and the Board Committee's deliberation of the matter. In the event the Chair of the Board or Board Audit Committee has the actual or potential conflict of interest, the remaining disinterested members of the Board or Board Audit Committee shall designate a member of the Board or Board Audit Committee to lead the Board or Board Audit Committee's deliberation of the matter.

## **TRAINING AND COMMUNICATION**

1. The Group will provide training on this Policy as part of the induction process for all new Employees. Employees will also receive regular, relevant training on how to adhere to this Policy and will be asked annually to formally accept in writing that they will comply with this Policy.
2. The Group's ABAC 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.
3. The Group will provide relevant anti-bribery and corruption training to Employees, etc., when the knowledge of how to comply with the MACC Act 2009 on anti-bribery and anti corruption needs to be enhanced. As good practice, all departments in the Group shall provide their Employees with anti bribery training where there is a potential risk of facing bribery or corruption when handling work activities.



## **REPORTING ABAC POLICY VIOLATION**

- 1. Any Employee who, in good faith, suspects that there is an instance of bribery or corrupt activity occurring in relation to the Group, is encouraged to raise his/her concerns at as early a stage as possible. If the Employee is uncertain about whether a certain action or behaviour could be considered bribery or corruption, he/she should speak to his/her immediate Superior, HRLSM or the Executive Director.**
- 2. The Group shall familiarise all Employees with its whistleblowing procedures so that Employees can vocalise their concerns swiftly and confidentially. The Group also practices an open door policy and encourages all Employees to share their concerns and suggestions with their superiors and colleagues who are able to address them in an appropriate manner.**
- 3. If any Employee becomes a victim of bribery or corruption, he/she must inform the HRLSM as soon as possible if he/she is offered a bribe by anyone, if he/she is asked to make one, if he/she suspects that he/she may be bribed or asked to make a bribe in the near future, or if he/she has reason to believe that he/she is a victim of another corrupt activity.**
- 4. Reports made in good faith, either anonymously or otherwise, shall be addressed in a timely manner and without incurring fear of reprisal regardless of the outcome of any investigation.**

## **PROTECTION**

- 1. If any Employee refuses to accept or offer a bribe or he/she reports a concern relating to potential act(s) of bribery or corruption, the Group understands that the Employee may feel worried about potential repercussions. The Group will support any Employee who raises concerns in good faith under the ABAC Policy, even if investigation finds that he/she was mistaken.**
- 2. The Group will ensure that no one suffers any detrimental treatment as a result of refusing to accept or offer a bribe or other corrupt activities or because they reported a concern relating to potential act(s) of bribery or corruption.**
- 3. Detrimental treatment refers to dismissal, disciplinary action or unfavourable treatment in relation to the concern the individual Employee raised.**
- 4. If any Employee has reason to believe that he/she has been subjected to unjust treatment as a result of a concern or refusal to accept a bribe, he/she should inform his/her immediate superior or HRLSM or the Executive Director immediately.**

## **TRANSPARENT RECORD KEEPING**

**The Group shall keep detailed and accurate written records of the amount and reason for gifts, entertainment, hospitality and travel accepted and given and shall have appropriate internal controls in place to act as evidence for all payments made.**

## **NON COMPLIANCE AND SANCTIONS FOR NON COMPLIANCE**

- (1) Compliance on adherence to the ABAC Policy will be conducted regularly by the Sustainability and Risk Officer. The Internal Audit Department will audit the same periodically. Non compliance will be reported to the Board Audit Committee.**
- (2) The Group regards bribery and corruption as a serious matter. Non-compliance may**



lead to disciplinary action and if found guilty of an act of bribery or corruption in breach of the ABAC Policy, it shall be dealt with according to the Group's disciplinary measures which includes termination of employment. Further legal action may also be taken in the event that the Group's interests have been harmed as a result of non compliance.

- (3) The Group shall notify the relevant regulatory authorities if any identified bribery or corruption incidents have been proven beyond reasonable doubt.
- (4) Where notification to the relevant regulatory authorities have been done, the Group shall provide full co-operation to the said regulatory authorities, including further action that such regulatory authorities may decide to take against convicted Employees.

#### **MONITORING AND REVIEW**

- (1) The Group is committed to continually monitor the adequacy and operating effectiveness of the ABAC Policy, review its implementation on a regular basis, including assessing its suitability, adequacy and effectiveness and improving its policies and procedures relating to anti bribery and anti corruption. From time to time, the Group's integrity measures will be enhanced to keep up with the dynamic models with which today's business is conducted.
- (2) Internal control systems and procedures designed to prevent bribery and corrupt gratification are subject to regular audits to ensure that they are effective in practice.
- (3) Any need for improvements shall be applied as soon as possible. Employees are encouraged to offer their feedback on the ABAC Policy if they have any suggestions on how it may be improved. Feedback of this nature should be addressed to the HRLSM.
- (4) The ABAC Policy can and will be amended by the Group at any time so as to improve its effectiveness at combatting bribery and corruption.

#### **WHO IS RESPONSIBLE FOR THE ABAC POLICY**

The overall responsibility lies on the Board of Directors to ensure compliance with the ABAC Policy and any other relevant laws relating to anti bribery and anti corruption so that the Group's commitment to ethical business practices is maintained and sustainable.

#### **WAIVER**

Any deviation or waiver from the ABAC Policy must be approved by the Board of Directors.

