



INTEGRITY & ANTI-CORRUPTION POLICY

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1. PREFACE

1.1. Policy Statement

1.1.1. George Kent (Malaysia) Berhad (“GKM”) adopts a zero-tolerance policy against all forms of bribery and corruption. GKM’s Code of Conduct and Ethics sets out GKM’s core principles on this matter.

1.1.2. GKM’s Integrity and Anti-Corruption Policy elaborates on these principles, providing guidance to employees on how to deal with any improper solicitation, bribery and other corrupt activities and issues that may arise in the course of doing business.

1.2. Related Documents

1.2.1. This Policy shall be the master document for integrity and anti-corruption, and should be read together with the Corporate Integrity Plan (ABMS Manual – GKM – ABMS-01).

1.3. Getting Help

1.3.1. Should clarification be required, employees are to consult their immediate supervisors or heads of department, who will then liaise with Integrity Department for more information.

2. ABBREVIATIONS

CeIO	Certified Integrity Officer
BOD	Board of Directors
HOD	Head of Department
MACC	Malaysian Anti-Corruption Commission
GKM	George Kent (Malaysia) Berhad
CIP	Corporate Integrity Policy
EDO	Executive Director Operation
ITFC	Integrity Task Force Committee

3. CONTROL OF INTEGRITY AND ANTI-CORRUPTION POLICY

3.1. Change Request

3.1.1. Efforts have been made to ensure this document's accuracy and comprehensiveness.

3.1.2. To maintain the relevance of the content, Integrity Department welcomes feedback from all employees. Please email all recommendations to Integrity Department, to the attention of the Certified Integrity Officer ("CeIO").

3.2. Document Creation Information

3.2.1. This Policy was created by Integrity Department and reviewed by the Integrity Task Force Committee ("ITFC"). It was endorsed by the CeIO and approved by the Executive Director before being tabled to the Board of Directors ("BOD") for approval and adoption.

3.2.2. The elaboration to this Policy was established in accordance with the Corporate Integrity Plan.

3.3. Legal and Other Requirements

3.3.1. This document is issued pursuant to Subsection (5) of Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (Act 694) ("MACC Act 2009"), as stated in the Malaysian Anti-Corruption Commission (Amendment) Act 2018 ("Amendment Act 2018").

3.3.2. GKM will uphold all domestic and international laws related to countering bribery and corruption. These laws include but are not limited to the Malaysian Penal Code (revised 1977) and its amendments, the Malaysian Anti-Corruption Commission Act 2009 and its amendments, the Companies Act 2016, the US Foreign Corrupt Practices Act 1977 (amended 1998), and the UK Bribery Act 2010. These laws prohibit bribery and acts of corruption, and mandate that companies establish and maintain accurate books and records and sufficient internal controls.

4. THE INTEGRITY AND ANTI-CORRUPTION POLICY

4.1. Objective

The purpose of this Policy is to:

- 4.1.1. Set out the responsibilities of GKM, and of those working for GKM or dealing with GKM, in observing and upholding GKM's position on bribery and corruption; and
- 4.1.2. Provide information and guidance to those working for GKM on how to recognise and deal with bribery and corruption issues.

4.2. Coverage of the Policy

- 4.2.1. This Policy shall apply to all GKM employees.
- 4.2.2. It is also expected that all customers, contractors, subcontractors, consultants, solicitors, agents, representatives and others performing work or services for or on behalf of GKM will comply with the relevant parts of this Policy when performing such work or services.

4.3. Compliance with Laws and Regulations

- 4.3.1. This Policy shall at all times comply with and be subject to the laws and regulations of Malaysia. In the unlikely event of any conflict or inconsistency between the provisions of the Corporate Integrity Plan and the laws and regulations of Malaysia, the latter shall prevail.
- 4.3.2. Employees are required to report any suspicions of policy breaches, in accordance with GKM's Whistleblowing Policy and Procedures. GKM shall report to the relevant enforcement authorities upon actual conviction for breach of regulation(s) or statutory law(s), following Integrity Department's investigation and final decision.

4.4. Infringement of the Policy

- 4.4.1. Any infringement of this Policy shall constitute a serious misconduct or offence warranting disciplinary action against the offender.

4.5. Responsibility for the Policy

4.5.1. Integrity Department shall be the custodian of the Policy and shall be responsible for recommending, communicating and reviewing the Policy.

4.6. Changes to the Policy

4.6.1. Any changes to the Policy shall be approved by the BOD unless the power to approve is delegated to the Executive Director or ITFC.

4.6.2. Prior to the BOD's approval, Integrity Department shall review all recommendations for changes before submission to the ITFC for endorsement and to the Executive Director for approval.

4.7. Validity and Review of the Policy

4.7.1. This Policy takes effect immediately upon receiving the BOD's approval.

4.7.2. This Policy shall be reviewed every three (3) years or as and when deemed necessary by the BOD, Executive Director, ITFC or Senior Management.

5. THE FIVE CORE PRINCIPLES OF INTEGRITY**5.1. Principle I – Top-Level Commitment**

5.1.1. Senior Management is primarily responsible for ensuring that GKM:

- a) practises the highest level of integrity and ethics;
- b) complies fully with the applicable anti-corruption laws and regulations; and
- c) effectively manages the Company's key corruption risks.

5.1.2. Senior Management must be able to provide assurance to its internal and external stakeholders that GKM is operating in compliance with its policies and all applicable regulatory requirements. This may include establishing the Company's "tone from the top" (i.e. the Company's general stance against the use of corrupt practices in relation to its business activities) and spearheading the Company's efforts to improve upon the effectiveness of its corruption risk

management framework, internal control system, review and monitoring, and training and communication.

5.1.3. Thus, for this purpose, GKM shall carry out the following:

- a) establish, maintain, and periodically review the anti-corruption compliance programme, which includes clear policies and objectives that adequately address corruption risks;
- b) promote a culture of integrity within the Company;
- c) communicate to both internal and external parties the Company's anti-corruption policies and commitments;
- d) encourage the use of whistleblowing channels to report suspected or actual corruption incidents or inadequacies in the anti-corruption compliance programme;
 - i. ensure that the lines of authority for personnel tasked with overseeing the anti-corruption compliance programme are appropriate; and
 - ii. ensure that all audit results, risk assessment reviews, as well as control measures and performance are reported to Senior Management and the BOD, and acted upon in a timely manner.

5.2. Principle II – Risk Assessment

5.2.1. A corruption risk assessment should form the basis of GKM's anti-corruption efforts.

5.2.2. As such, GKM shall conduct corruption risk assessments periodically and whenever there are changes in the law or business environment to identify, analyse and prioritise the internal and external corruption risks of the Company. Such assessments shall be used to establish appropriate processes, systems and controls approved by Senior Management to mitigate any emergent corruption risks.

5.2.3. For this purpose, it is recommended that a comprehensive risk assessment be performed every three (3) years, with intermittent assessments conducted when necessary.

5.2.4. The risk assessment, which is conducted quarterly, may take the following into consideration:

- a) opportunities for corruption and fraud activities resulting from weaknesses in the Company's governance framework and internal systems/procedures;
- b) financial transactions that may disguise corrupt payments;
- c) business activities or sectors that pose a higher corruption risk within the organisation;
- d) non-compliance of external parties acting on behalf of GKM, in terms of legal and regulatory requirements related to anti-corruption. Given the wide definition of an "associated person", GKM can be liable for the acts of such third parties; and
- e) relationships with third parties in the supply chain (e.g. agents, vendors, contractors and suppliers) which are likely to expose GKM to corruption.

5.2.5. The risk assessment for corruption can be performed on a standalone basis.

5.2.6. Nevertheless, for immediate compliance, bribery and corruption risks have been incorporated into GKM's Key Integrity Strategies and Approach. These details can be found in **Section 7** of the **Corporate Integrity Plan (GKM-ABMS 02)**.

5.3. Principle III: Undertake Control Measures

5.3.1. GKM has put in place appropriate controls and contingency measures that are reasonable and proportionate to the business nature and size of GKM, in order to address corruption risks arising from potential weaknesses in the Company's governance framework, processes and procedures. These include the following items:

- a) Due diligence
 - i. GKM has established key considerations for conducting due diligence on the relevant parties or personnel (such as employees, agents, vendors, contractors, suppliers and consultants) prior to entering into any formal relationships.
 - ii. Methods may include background checks and document verification. Interviews may also be conducted with persons to be appointed to key roles, where the corruption risk inherent in such posts has been identified and added to the Corruption Risk Register.

b) Reporting channel

- i. GKM has established an accessible and confidential whistleblowing channel, which may be used anonymously, for internal and external parties to raise concerns in relation to actual or suspected corruption incidents or inadequacies of the anti-corruption programme.
- ii. GKM recommends making reports through its official whistleblowing email address, as defined in the Whistleblowing Policy and Procedures.
- iii. GKM encourages all stakeholders to report in good faith any suspected, attempted or actual corruption incidents.
- iv. GKM has established a secure information management system to ensure the confidentiality of the whistleblower's identity and the information reported; and prohibit retaliation against those making reports in good faith.

5.3.2. Furthermore, GKM has established policies and procedures to cover the following areas:

- a) a general anti-bribery and corruption policy or statement;
- b) conflicts of interest;
- c) gifts, entertainment, hospitality and travel;
- d) donations and sponsorships, including political donations;
- e) facilitation payments;
- f) financial controls, such as separation of duties and approving powers or multiple signatories for transactions;
- g) non-financial controls, such as a separation of duties and approving powers or a pre-tendering process;
- h) addressing inadequacies in the anti-corruption monitoring framework; and
- i) record-keeping for documentation related to the ABMS procedures.

(Refer to GKM's Code of Conduct and Ethics, **Attachment 1**)

5.3.3. In this regard, the Integrity and Anti-Corruption Policy shall be:

- a) endorsed by Senior Management;
- b) kept up-to-date;
- c) easily accessible; and
- d) suitable for use in a wide range of circumstances in the ordinary course of business.

5.4. Principle IV: Systematic Review, Monitoring and Enforcement

5.4.1. Senior Management shall ensure that regular reviews are conducted to assess the efficiency and effectiveness of the anti-corruption programme, and ensure that the programme is enforced in its entirety. Such reviews may take the form of an internal audit by the ITFC, or an assessment performed by an external party, e.g. Internal Audit Department.

5.4.2. The reviews should form the basis of efforts to improve GKM's existing anti-corruption controls.

5.4.3. For this purpose, GKM shall consider doing the following:

- a) plan, establish, implement and maintain a monitoring programme, which covers the scope, frequency, and methods for review;
- b) identify a competent person(s) and/or establish a compliance function to perform an internal audit in relation to GKM's anti-corruption measures;
- c) conduct regular evaluations of and improvements to GKM's policies and procedures in relation to corruption;
- d) consider an external audit by a qualified and independent third party at least once every three (3) years to obtain assurance that GKM is operating in compliance with its policies and procedures in relation to corruption;
- e) monitor the performance of personnel in relation to GKM's anti-corruption policies and procedures to ensure their understanding and compliance with GKM's stance in their respective roles and functions; and
- f) conduct disciplinary proceedings against personnel found to be non-compliant with the programme.

5.5. Principle V: Training and Communication

5.5.1. GKM has developed and disseminated internal and external training and communications pertaining to its anti-corruption process, in proportion to its operations. Such communications cover the following:

- a) policy;
- b) training;
- c) reporting channel; and
- d) consequences of non-compliance.

6. COMMUNICATION AND TRAINING ON POLICIES

6.1. Communication

6.1.1. GKM's Integrity and Anti-Corruption Policy shall be made publicly available, and shall also be appropriately communicated to all personnel and business associates.

6.1.2. GKM shall take into account the key points to be communicated, to whom they should be communicated, how they will be communicated, and the timeframe for conducting the communication plan. The Company shall also consider the languages the information will be communicated in.

6.1.3. GKM's policies may be communicated in a variety of formats and mediums, including but not limited to:

- a) messages on its corporate website;
- b) emails, newsletters, and posters;
- c) Code of Conduct and Ethics, and employee handbooks;
- d) video seminars or messages; and
- e) townhalls.

6.2. Training

6.2.1. GKM shall provide employees and business associates with adequate training to ensure their thorough understanding of GKM's anti-corruption position, especially in relation to their roles within or outside GKM.

6.2.2. The training may be conducted in a variety of formats, including but not limited to:

- a) induction programmes featuring anti-corruption elements;
- b) role-specific training, which is tailored to the corruption risks the position is exposed to;
- c) corporate training programmes, seminars, videos and in-house courses;
- d) intranet or web-based programmes;
- e) townhalls;
- f) retreats; and
- g) outreach programmes.

7. ATTACHMENT

Attachment 1 George Kent's Code of Conduct and Ethics (PDF copy) – can be viewed at

<http://www.georgekent.net/corporate-governance/>