

# **BATU KAWAN BERHAD**

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## **GROUP ANTI-CORRUPTION POLICY**

1. POLICY STATEMENT

The Batu Kawan Berhad (“**BKB**”) Group is committed to fostering an anti-corruption culture and to ensuring that its activities and business transactions are open, transparent and are conducted in compliance with policies and laws which govern its operations in every country in which it operates.



It is our policy that we do not practice or condone corrupt actions or bribery.



All *BKB Group Employees*<sup>1</sup> and *Associated Persons*<sup>2</sup> are required to act fairly and with integrity in all business dealings and relationships.

2. WHAT IS CORRUPTION?

**CORRUPTION** is the abuse of power to influence the objective and fair business decision of BKB Group, or gain an improper advantage for BKB Group, or for personal gain.

**CORRUPTION** offences may include but are not limited to the following:

- ✔ Soliciting/Receiving/Requesting Gratification
- ✔ Offering/Giving/Promising Gratification
- ✔ Intending to Deceive
- ✔ Using Office or Position for Gratification

In practice, a corrupt act means **offering, giving, receiving or soliciting** something of value in an attempt to improperly influence the decisions or actions of a person in a position of trust or authority within an organisation.

3. GIFTS, BENEFITS AND HOSPITALITY



Generally, we discourage offering or receiving any gifts, hospitality and sponsored travel that may be perceived to unfairly influence a business relationship. However, we recognise that entertainment, gifting and acceptance of gifts, which is given and received without expectation for any business advantage in return, may be a legitimate custom or practice in business relationships to demonstrate appreciation and goodwill.



Any gift, benefit or hospitality must be unsolicited and must not affect, or in any way influence or appear to influence any material business decision, arrangement or transaction in favour of the giver.



All BKB Group Employees must exercise proper care and judgement, taking into account pertinent circumstances and business context, applicable laws, cultural norms and must comply with our Standard Operating Procedures.

1. This Policy applies to all directors, trustees, partners and employees (including full time, probationary, contract and temporary staff) of BKB Group and its subsidiaries, and does not apply to Kuala Lumpur Kepong Berhad, which has its own separate anti-corruption policy where its employees and Associated Persons will apply to its own separate policy.

2. Refers to any individual or organisation that performs services for and on behalf of BKB Group, and/or BKB Group comes into contact with during the course of its dealings.

**4. SPONSORSHIPS AND DONATIONS**



We strive to support recognised organisations and events in the areas of education, humanitarian and community, environmental, health, sports, arts and culture through philanthropic donations and sponsorships as part of our Corporate Social Responsibility initiatives.



We allow sponsorships and donations for legitimate reasons and as permitted by existing laws and regulations.

**5. MANAGING THIRD PARTIES**



We are also committed to upholding the principles set out in this Policy and will operate transparently and fairly in our business dealings with third parties or service providers. This commitment is realised through continual information gathering on Associated Persons in order to obtain a high-level view of the risk profile of the Associated Persons.



We expect third parties that we work with to share our commitment to do business legally and ethically, and that they do not, in their dealings with us, engage in corruption or bribery practices.



We will not hesitate to report any act of corruption to relevant authorities and/or terminate any relationships/arrangements with the Associated Persons, if an act of corruption or bribery has been proven to have occurred.

**6. REPORTING OF UNETHICAL CONDUCT**



We encourage our stakeholders to raise concerns about any issue or suspicion of unethical conduct and corporate misdemeanours, including corrupt practices and bribery, by reporting the same to our Senior Management or through our Group Whistleblowing channel.



To the extent possible, we will treat any report of unethical and corrupt conduct in strictest confidence and will not punish or take retaliatory action against any person for reporting a matter in good faith, and in accordance with our policies and procedures.



Our Group Whistleblowing Policy is available on the BKB's website, [www.bkawan.com.my](http://www.bkawan.com.my).

**7. CONSEQUENCES OF BREACH**



Under the anti-corruption laws of Malaysia, persons convicted of acts of bribery and corruption may be liable to a fine of up to 10 times the sum of gratification involved or RM1 million, whichever is higher, and/or a maximum jail term of 20 years. Internationally, similar legislation are in force, some of which may be more onerous than Malaysian laws.



Breach of this Policy (irrespective of whether any laws are breached) will be regarded by us as a serious misconduct which may lead to sanctions, including termination of employment, engagement or association with BKB Group.

**8. STANDARD OPERATING PROCEDURES (“SOP”)**



The implementation of the Policy shall be supported by our SOP on Group Anti-Corruption (as amended from time to time).



All BKB Group Employees and Associated Persons are responsible in ensuring that they always comply with this Policy and its SOP.



Should you require further clarification about this Policy, you should consult our Company Secretaries at 605 – 240 8000. Alternatively, you can email your queries to [cosec@bkawan.com.my](mailto:cosec@bkawan.com.my).



Where there is any uncertainty for any practices which relate to this Policy or its SOP, BKB Group Employees must always seek the advice of their supervisor or Head of Department. Where there is still uncertainty, they should direct their concerns to Human Resource Department or the Company Secretaries.

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