



BERJAYA CORPORATION BERHAD

**ADEQUATE PROCEDURES TO CURB AND
PREVENT BRIBERY AND CORRUPTION -
T. R. U. S. T. CONCEPT**

REVISED DATE : 30 MAY 2023

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SCHEDULE 1

PRINCIPLE I : BERJAYA'S ETHOS AND COMMITMENT

1.1 Board of Directors' Policy Statement and Corporate Governance

A. Ethos and Commitment

BERJAYA and affiliated companies strictly adopt a zero-tolerance policy approach against all forms of bribery and corruption in its daily operations and take a strong stance against any such acts. BERJAYA and affiliated companies will take all reasonable and appropriate measures to ensure that all its directors and employees are committed to act professionally and with integrity in all their business dealings and not participate in any corrupt activities for its advantage or benefit.

The Board of Directors of BERJAYA and affiliated companies take the primary responsibility for establishment and effectiveness of the anti-bribery and anti-corruption programme. As per section 4.1.3 of the National Centre for Governance, Integrity and Anti-Corruption ("GIACC") *Guidelines on Adequate Procedures*, BERJAYA shall :

1. practise and uphold the highest level of integrity, ethics and accountability;
2. observe and comply fully with all applicable laws and regulatory requirements on anti-bribery and anti-corruption; and
3. effectively manage key corruption risks of BERJAYA.

In this Policy, "BERJAYA or Group Company" means Berjaya Corporation Berhad and / or any or all of its subsidiaries and "affiliated companies" include any or all related companies, associate companies within BERJAYA.

B. Structural and Procedural Requirements

In order to achieve the above stated objectives and in compliance with **Section 17A of the Malaysian Anti-Corruption Commission Act 2009**, the Board of Directors requires BERJAYA to :

1. establish, maintain and periodically review the anti-corruption compliance programmes which includes clear policies and objectives that adequately address corruption risks;
2. promote and observe a culture of integrity within the organisation;
3. conduct bribery risk assessments at least once half yearly or when instructed by the Board of Directors;
4. issue directives on communicating BERJAYA's policies and commitments to anti-corruption both internally and externally;
5. encourage use of reporting / whistleblowing channels in relation to real or suspected corruption incidences or inadequacies in the anti-bribery and anti-corruption compliance programmes;

6. appoint a competent and professional person to lead, to advise, be responsible and to oversee anti-bribery and anti-corruption compliance programmes (“Head of Risk and Compliance”), who shall be supported by such other employees who will assist and carry out such tasks;
7. ensure that lines of reporting for the person responsible for the programme are clear, appropriate and ultimately, to the top management; and
8. ensure that results of any audit, periodic review on risk assessment, control measures and performance scorecards are presented and reported to the top management, directors, senior management and relevant operation teams.

C. Initiatives

This Policy is made pursuant to the memorandum issued by the Board of Directors of BERJAYA on 27 August 2020 which establishes the top-level management commitment of BERJAYA in the area of anti-bribery and anti-corruption for Berjaya Corporation Berhad and the affiliated companies.

D. Review of Policy

This Policy will be periodically reviewed, assessed and updated at the Board of Directors’ discretion from time to time, as and when necessary and, in any event, at least once every 3 years to ensure its relevance and effectiveness in keeping with the Group’s changing business environment, administrative or operational needs as well as changes in legislation. Any recommendation for revisions shall be highlighted to the Board for approval.

This Policy has been adopted and approved by the Board on 27 August 2020 and last revised on 30 May 2023.

PRINCIPLE II : RISK ASSESSMENT

2.1 Bribery Risk Assessment Process

2.1.1 Objectives

The objectives of the bribery risk assessment are :

- to identify, assess, measure and rank critical bribery risk areas in BERJAYA that have high potential or likely influence over operations and management of BERJAYA at all levels by using a structured and measured approach in line with the size of BERJAYA; and
- discuss, review and stipulate high-level bribery prevention assessment, solutions and implementation plans.

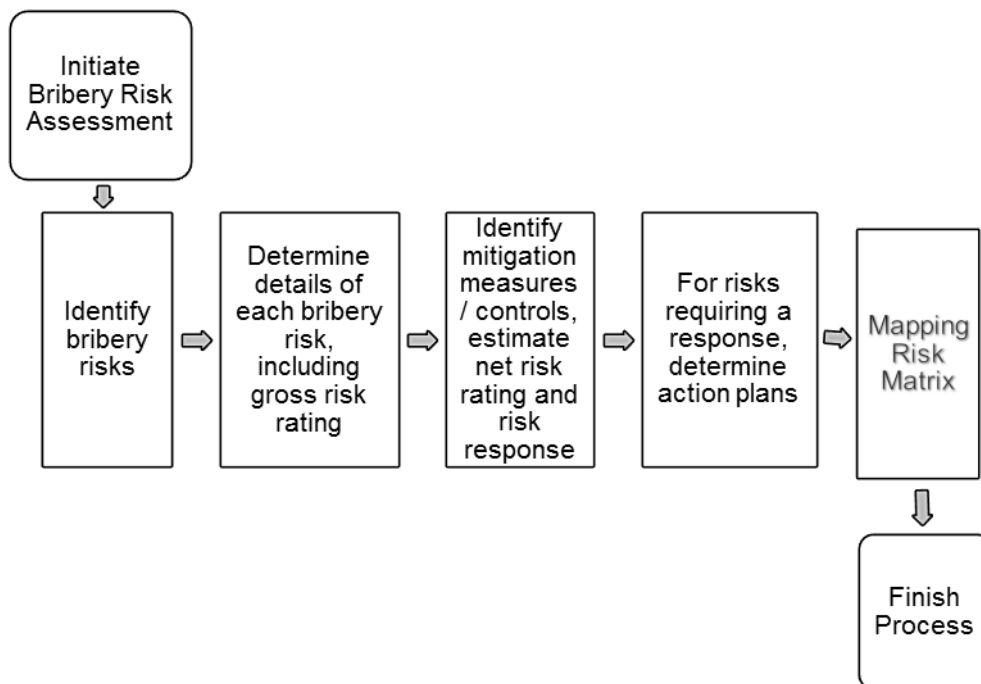
2.1.2 Approach

The Bribery Risk Assessment (“BRA”) forms the basis of anti-bribery and anti-corruption policies. Assessments are to be conducted periodically (as and when directed by Berjaya) but there must be at least one full scale assessment and review every 2 years. Assessment and review shall include identifying, *inter alia* :

- opportunities for corrupt practice arising from system loopholes and weaknesses;
- financial transactions which are disguised as routine payments when in fact made for bribery and corrupt practice;
- high-risk business activities which may give rise to corruption or exposed Berjaya to bribery and corrupt practice;
- any external parties (e.g. business associates, partners, agents, sales representatives, promoters etc.) who may give bribery or practise corruption; and
- any supply chain expose or prone to bribery and corrupt practice (both inbound and outbound).

2.1.3 BRA Process Flow

The process below is used by BERJAYA to conduct its bribery risk assessment :



2.2 Bribery Risk Assessment Methodology

2.2.1. Initiation and management

The Bribery Risk Assessment is initiated by the Board of Directors. The overall exercise shall be managed by the Risk and Compliance Head and his team.

2.2.2 Identify General Bribery Risks

Using the *Bribery Risk: Initial High-Level Assessment* template, the main areas of bribery risk carried by the business were identified. Information established by the high-level assessment was then used to begin mapping the bribery risk templates.

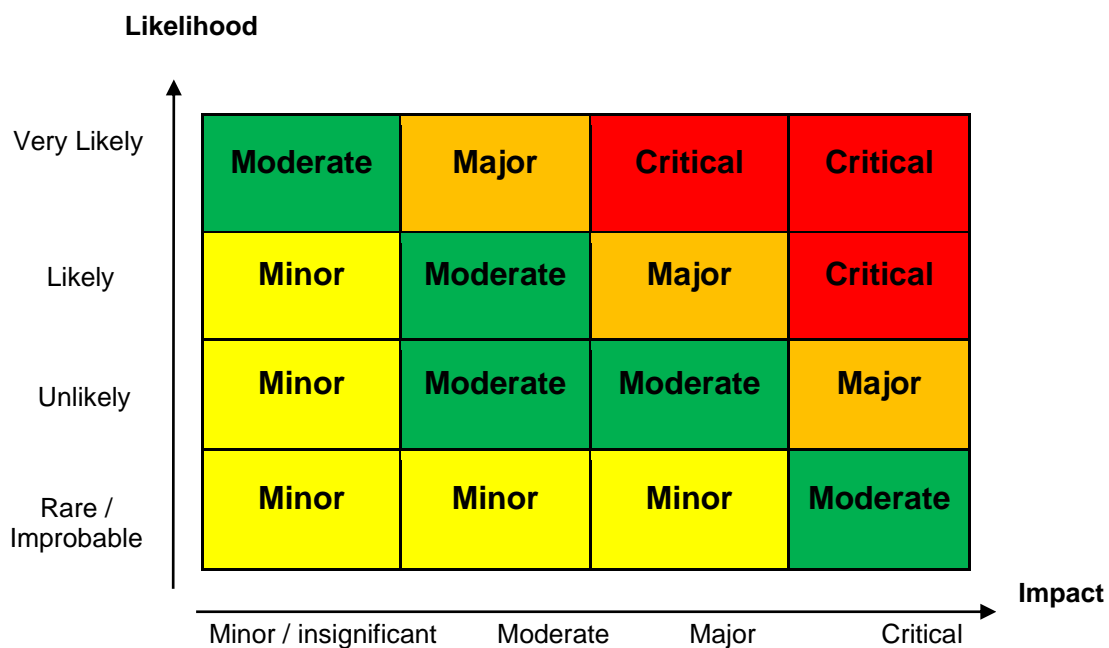
2.2.3. Identify Mitigating Controls, Net Risk, Response & Action Plan

For each bribery risk identified, the mitigating controls were established and logged. An estimate was then made on the effectiveness of the controls, which in turn was used to estimate the net risk rating. From this, the risk treatment was identified, along with the probable action plans.

2.2.4 Mapping Risk Matrix

Using the net risk rating, the bribery risks identified were placed on the risk matrix to show the exposure of BERJAYA to bribery risk.

Risk Matrix: 4X4



2.2.5 Present Results to Top Management, Periodic Review and Finalise

The completed bribery risk templates and risk map shall be presented to the Board of Directors of Berjaya to confirm the data and action plans. Responsibilities for carrying out the action plans then allocated to the relevant members of the Risk and Compliance Department in BERJAYA.

The Board of Directors of Berjaya shall instruct the Head of Risk and Compliance to conduct the bribery risk assessment every half yearly basis and review all compliance matters relating to Berjaya.

The results of the BRA are included in **Bribery and Corruption Risk Assessment Manual** (see **Schedule 1**).

PRINCIPLE III : UNDERTAKE CONTROL MEASURES

Anti-Bribery and Anti-Corruption Policy

3.1.1 BERJAYA'S Anti-Bribery and Anti-Corruption Policy

- 3.1.1.1 Bribery and corruption in any and all forms as they relate to BERJAYA'S business activities are strictly prohibited.
- 3.1.1.2 Bribery and corruption may take any form, including but not limited to, anything of value or valuable consideration, such as money, donations, goods, services, property, entertainment, hospitality, travel perks, privilege, employment position or preferential treatment or granting of favour, practising favouritism, third party payments whether in cash or kind or withholding of punitive action in return for any valuable consideration. BERJAYA employees and its business associates shall not therefore, whether directly or indirectly, promise, offer, give, receive or solicit any item of valuable consideration, 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 BERJAYA or the persons directly or indirectly involved in the transaction.
- 3.1.1.3 The anti-bribery and anti-corruption policy applies equally to all of BERJAYA's business dealings with the private sector and the Government entities. The mere or probable appearance of bribery and corruption or any likelihood of perceived bribery and corruption must be avoided at all cost, especially when dealing with Government officials, departments, agencies or related entities or bodies.

- 3.1.1.4 BERJAYA is committed to conducting its business ethically and in compliance with all applicable anti-bribery and anti-corruption laws and regulations in every country where businesses are conducted. The anti-bribery and anti-corruption policy therefore apply to all countries worldwide, without exception and without regard to regional customs, local practices or competitive conditions.
- 3.1.1.5 BERJAYA shall conduct regular risk assessments to identify the bribery and corruption risks affecting the businesses, set anti-bribery and anti-corruption objectives and assess effectiveness of the controls in achieving those objectives.
- 3.1.1.6 No BERJAYA employees or external party shall suffer demotion, pay-cut, penalty or other adverse consequences (including but not limited to being freeze-out or transfer out) in retaliation for refusing to pay or receive bribes or participate in other illicit or immoral behaviour, even if such refusal may result in BERJAYA losing businesses or experiencing delay in operations or failure to conclude any contracts.
- 3.1.1.7 Employees who, in the course of their activities relating to their employment at BERJAYA, encounter actual or suspected violations of this policy are required to forthwith (or at earliest possible moment) report their concerns using the available reporting channels. 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.
- 3.1.1.8 Retaliation in any form against employee where the person has, in good faith, reported a violation or possible violation of this policy is strictly prohibited. Any BERJAYA employees found to have deliberately acted against the interests of any person who has in good faith reported a violation or possible violation of this policy shall be subject to disciplinary proceedings including demotion, suspension, dismissal or such other actions (including legal action) which BERJAYA shall pursue at its absolute discretion. BERJAYA reserves the right to any legal recourse against any external parties who have violated its Anti- Bribery and Anti-corruption policy.

3.1.2 Audit and Compliance

- 3.1.2.1 Regular audits shall be conducted to ensure compliance to this policy. Such audits may be conducted internally by BERJAYA or by an external party. Audit documentation should include performance improvement action plans, periodic reviews, regular training and periodic updates. The results of audits shall be reported to the top management, directors and senior management at appropriate intervals.

3.1.3 Sanctions for Non-Compliance

- 3.1.3.1 Non-compliance as identified by the audit and any risk areas identified through this and other means shall be reported to the top management in a timely manner in accordance with the level of risk identified.
- 3.1.3.2 BERJAYA regards any form of bribery and acts of corruption as serious contravention of law and will apply appropriate penalties to all parties involved.
- 3.1.3.3 For BERJAYA employees, involvement or non-compliance may lead to disciplinary actions including termination of employment. For external parties, involvement or non-compliance may lead to penalties including termination of contract or services. Further legal actions shall be taken in the event that BERJAYA's interests have been affected or harmed by the results on non-compliance by individuals and organisations.

3.1.4 Monitoring and Continuous Improvement

- 3.1.4.1 BERJAYA is committed to continuously improve the operations and effectiveness of its anti-bribery and anti-corruption initiatives.
- 3.1.4.2 BERJAYA shall monitor its operating environment, identify changes in bribery risk, and seek opportunities for improving the anti-corruption initiatives.
- 3.1.4.3 The top management of BERJAYA shall ensure regular assessments of the anti-corruption initiatives are carried out, to ensure its scope, policies, procedures and controls match the latest bribery and corruption related risks faced by BERJAYA.
- 3.1.4.4 BERJAYA endeavours to impact the business environment where it operates. This includes supporting initiatives in the private and public sectors which are likely to improve the integrity of its operating environment.

3.2 Due Diligence

3.2.1 Know Your Partner / Client

Due diligence is carefully carried out to know one's business partner when dealing with such business representatives, agents or associates to achieve the necessary deliverables. Due diligence is conducted in order to assess the nature and extent of bribery risks relating to planned or on-going relationships with specific categories of business associates or specific categories of employees in management and decision making positions.

3.2.2 Due diligence approach

- 3.2.2.1 The due diligence process should be comprehensive and aimed at obtaining sufficient and reasonable information and documents for purposes of assessing bribery and corruption risks when there is an identifiable bribery risk or probable exposure to such bribery risk posed by certain activities, dealings, projects, transactions, business associates or potential employees.
- 3.2.2.2 In relation to organisations or corporations, the following factors must be taken into consideration :
 - 3.2.2.2.1 legitimacy, goodwill and corporate governance of a business associate (eg. check on annual filings, announcements made to and / or replies to queries made by the Companies Commission of Malaysia (“CCM”), Bursa Malaysia (“Bursa”) and Securities Commission Malaysia (“SC”) or such other authorities);
 - 3.2.2.2.2 identity of controlling shareholders or ultimate beneficial owners, parties acting in concert, board of directors and top management of the business associates and whether they had or are having reputation for committing fraud, condoning bribery, acts of dishonesty, practise financial fraud or discrepancies or such other similar misconduct;
 - 3.2.2.2.3 had been or is currently being investigated, convicted, reprimanded, sanctioned, delisted or barred from participation from any tenders or dealings arising from bribery or such other similar criminal conduct.
- 3.2.2.3 With regards to BERJAYA’s employees, due diligence should be conducted to :
 - 3.2.2.3.1 verify the accuracy of a prospective employee’s qualifications;
 - 3.2.2.3.2 obtain satisfactory references from a prospective employee’s former employers;
 - 3.2.2.3.3 to ascertain and conclude if prospective employees have been involved in any bribery by checking with the prospective employee’s former place of employment and conducting basic Web search.
- 3.2.2.4 Though there is no conclusive methodology for carrying out any due diligence check, as a general rule, the process should be as follows :
 - 3.2.2.4.1 identify the correct party to undergo a due diligence check;

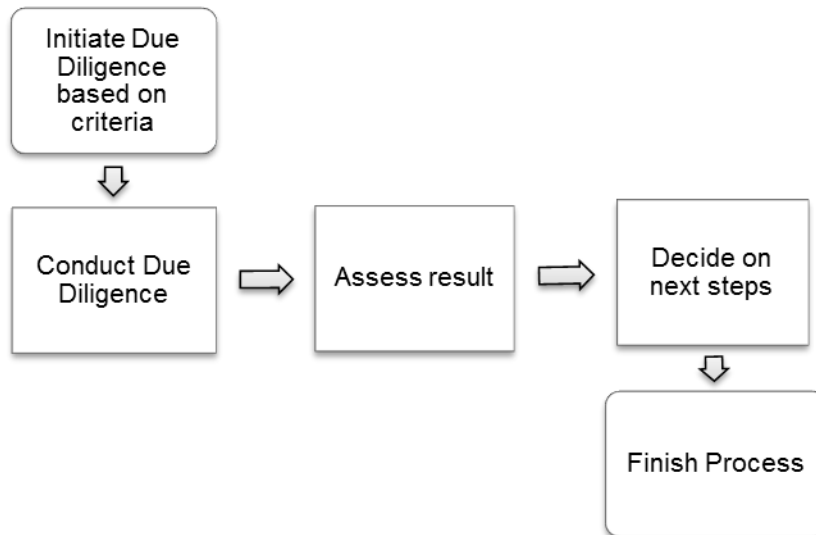
3.2.2.4.2 conduct due diligence check through whatever reasonable means and methods;

3.2.2.4.3 review and use available results before deciding on next probable steps (i.e. continue or stop or put on hold pending further investigations).

3.2.2.5 All results of due diligence checks should be properly documented and retained for entire duration of business relationship. A further review or update on existing records should be carried out as and when required or requested by the management involved at that level or for that transaction or exercise.

3.2.3 Due diligence process

Basic Flowchart



3.2.3.1 Business Associates

The criteria for conducting due diligence based on bribery risk includes :

- Bidding for a major project (if contract sum exceeds more than RM2,000,000).
- To be employed as an agent or intermediary when dealing with government departments or officials.
- Sales agency where the commission is derived from a significant percentage of the sale value (if commission exceeds more than 3% of contract value).
- Where a senior manager of any affiliated companies, considers due diligence to be to BERJAYA's advantage.

Due diligence can be conducted by using the following methods :

- Google search using the name of the business associate + 'corruption' + reported cases etc.
- Check that BERJAYA is legally compliant by using CCM database.
- Hire private investigator.

Senior manager to assess results and make decision :

- Continue with appointment; or
- Cease appointment; or
- Terminate relationship; or
- Obtain further information.

Determine next steps and relevant parties :

- Procurement, legal advisor and / or due diligence service provider.

3.2.3.2 Prospective / existing Employees :

The criteria for conducting due diligence on employees based on bribery risk includes :

- all potential employees before or when joining BERJAYA;
- when appointed or promoted to any management position (including when already in management);
- when appointed to a position which involves working with external parties (such as vendors, suppliers, contractors, government agencies, clients or customers); and
- where a senior manager of any affiliated companies, considers due diligence to be to BERJAYA's advantage.

Due diligence will be conducted using the following methods :

- Google search using the name of the person;
- verify with Malaysian Anti-Corruption Commission ("MACC") and police databases;

- bankruptcy search; and
- check with MACC, SC and CCM on their records for successful prosecution or civil proceedings against the person.

3.2.3.3 Senior managers who are tasked to assess proposals, evaluate and make decisions :

- continue with appointment; or
- cease appointment; or
- terminate employment; or
- obtain further information.

Determine next steps and relevant parties include :

- Human resources, legal advisor and / or due diligence service provider.

3.3 Reporting Concerns - Whistleblowing Policy and Procedures

3.3.1 Reporting Procedures

(a) Who can disclose

Any of the following persons (“Whistleblower”) can make a report directly to the Group Company of any suspected or actual Wrongdoing that is being or had been or about to be committed, provided always that the Whistleblower has unequivocally decided not to rely on or be protected by the provisions of the Whistleblower Protection Act 2010 (“Act”) :

- the Group Company’s employees, including employees on contract, temporary or short term employees and employees on secondment;
- the Group Company’s third party service providers, independent contractors, vendors and suppliers; and
- members of the public.

(b) What to disclose

A report can be made if it relates to any conduct which if proved, constitutes a disciplinary offence or a criminal offence by any employee or director within any Group Company (“Wrongdoing”). Wrongdoing includes, but is not limited to :

- taking or giving favours, kickbacks, bribes and privileges;
- corruption or fraud;
- misappropriation of funds;
- misuse of funds or assets;
- theft or embezzlement;
- gross mismanagement;
- abuse of power by any director or officer of any Group Company;
- serious financial irregularity or impropriety;
- serious breach of company’s code of conduct;
- act, omission, misrepresentation or concealment of information which lead to, cause or create a substantial or specific danger to lives, health, or safety of the Group Company’s employees, the public or the environment;
- failure to comply with provisions of laws, regulations and directives where the wrongdoer knowingly or intentionally disregards compliance with such provisions;
- disciplinary offence or criminal offence; and
- knowingly directing or advising a person to commit any of the above Wrongdoing.

Wrongdoing excludes any matters which are :

- trivial or frivolous in nature;
- motivated by malice; and / or
- based on rumours, conjectures or hearsay.

If an employee is unsure whether a particular act or omission constitutes a Wrongdoing under this policy, that employee is encouraged to seek advice or guidance from his or her immediate superior or head of department or supervising director.

(c) When to disclose

As soon as a Whistleblower becomes aware and reasonably believes in good faith that a Wrongdoing is likely to happen, is being committed or has been committed, the Whistleblower may elect to lodge a report of the Wrongdoing.

The Whistleblower needs to demonstrate that the Whistleblower has reasonable grounds for the concerns. However, the Whistleblower is not expected to first obtain substantial evidence of proof beyond reasonable doubt when making a disclosure. If the Whistleblower knows as a matter of fact that there are reasonable grounds of suspicion that a wrongdoing is going to take place, such genuine concerns is encouraged to be raised at an early stage.

(d) How to make a report

Before a report of any Wrongdoing is made to the Group Company, the Whistleblower must firstly be notified through this Policy or such other means that should he proceed to do the same, he will not be able to invoke or rely on the protection / safeguards accorded or stipulated in the Act. Should the Whistleblower still insist on making disclosure of a Wrongdoing, the Whistleblower can thereafter make the said disclosure to the following persons via email or by letter as set out below:

Contact Person	:	Chairman of Audit Committee/ Chief Executive Officer/ Joint Chief Executive Officer
E-mail	:	whistleblower.bjcorp@berjaya.com.my
Mailing address	:	Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No.1, Jalan Imbi,55100 Kuala Lumpur.

If the Wrongdoing involves Chief Executive Officer/ Joint Chief Executive Officer, the Whistleblower is to report the matter in writing to any other director of Berjaya Corporation Berhad.

In order for the Group Company to investigate the Wrongdoing reported, the Whistleblower is to provide the following particulars in the report :

- Particulars of Whistleblower i.e. name, MyKad No., designation (if the Whistleblower is an employee of any Group Company) and contact particulars (email, telephone or mobile number and / or address);
- Details and description of the Wrongdoing, including, its nature, the date, time, and place of its occurrence and the identity of the alleged person(s) involved. A disclosure may be made even if Whistleblower is not able to identify the identity of the person(s) involved;
- Particulars of witnesses, if any; and
- Particulars or production of documentary evidence, if any.

The personal details provided by and identity of the Whistleblower will be kept private and confidential. The Whistleblower may be asked to provide further clarification and information from time to time, if required or necessary, during the course of investigation.

3.3.2 Investigation

- (a) The Prescribed Officer who receives the report will assess the report to determine whether it is related to a Wrongdoing or excluded from the scope of this Policy and shall make general recommendations to the Joint CEO(s). The Joint CEO(s) may designate any person, from the Group Company or external party, to conduct any investigation or to carry out any other process pursuant to this Policy (for instance, any meeting or an internal audit).
- (b) The Joint CEO(s) has the authority to make the final decisions including, but not limited to, any of the following :
- rejection of the report;
 - directing the concerns or any part thereof for consideration under other internal procedures or disciplinary procedures, if appropriate and applicable;
 - resolution without recourse to an investigation;
 - directing investigations on the report and any persons involved or implicated;
 - suspending the alleged wrongdoer or any other implicated person from work to facilitate any fact finding or to avoid any employee's exposure to threat or harm;
 - obtaining any other assistance (for instance, external auditors or legal advice); and
 - referral to the police or any other appropriate enforcement authority.
- (c) If the Wrongdoing involves one of the Joint CEO(s), the report shall be made to another director of Berjaya Corporation Berhad who shall refer this to the Board of Directors. The Board of Directors shall then authorize a Berjaya Corporation Berhad director to be responsible for the investigation and recommendation to the Board of Directors. The Board of Directors shall have the authority to make the final decisions regarding the disclosure of Wrongdoing.
- (d) It is intended that the disclosures by the Whistleblower will be acted upon in a timely manner.

- (e) The Whistleblower and the alleged wrongdoer are expected to give their full cooperation in any investigation or any other process carried out pursuant to this Policy. They may be asked to attend a meeting to discuss the allegations and must take all reasonable steps to attend the meeting. The alleged wrongdoer will be given opportunity to answer all allegations made against him at the meeting.
- (f) If the Whistleblower is also implicated or discovered to be or have been involved in the Wrongdoing which he discloses or any such other Wrongdoings (whether related or otherwise), the Whistleblower shall also be investigated so as to complete the fact-finding process and pursuant to this Policy. An investigation in this instance is not and shall not be treated as a reprisal against or an act to punish the Whistleblower, but to facilitate all necessary investigations and final decision making pursuant to this Policy.

3.3.3 Protection under this Policy

- (a) Notwithstanding the fact that the Whistleblower unequivocally elects to make direct disclosure to the Group Company instead of the enforcement agencies under the Act, any such disclosure made bona fide, based on reasonable grounds and in accordance with the procedures stated in this Policy :
 - (i) the Whistleblower shall still be protected from Detrimental Action within the Group as a direct consequence of the Whistleblower's bona fide disclosure.

In this Policy, "Detrimental Action" may include any of the following :

- action causing injury, loss or damage;
 - intimidation or harassment;
 - interference with the lawful employment or livelihood or any person, including discrimination, discharge, demotion, suspension, disadvantage, termination or adverse treatment in relation to a person's employment, career, profession, trade or business or the taking of disciplinary action; and
 - a threat to take any of the above actions.
- (ii) the Whistleblower's personal details and identity shall be protected, i.e. kept confidential unless otherwise required by law or for the purpose of any proceedings by or against any Group Company.

- (b) If Whistleblower (being an employee), in good faith, reasonably believes he is being subjected to Detrimental Action from any person within the Group Company as a direct consequence of having made a disclosure under this policy, he may consult the Prescribed Officer in confidence. The Company does not permit Detrimental Action of any kind against the Whistleblower for complaints submitted hereunder that are made in good faith. Any such Detrimental Action meted out shall in itself be considered a material breach of this Policy. A Detrimental Action by any person against the Whistleblower may result in disciplinary actions against that person, including any of the following - issuance of formal warning or reprimand, suspension or termination of employment or service with the Group Company.
- (c) The Group Company reserves the right to revoke the Whistleblower protection accorded under this Policy if the Whistleblower has, or is found to have :
- participated in the wrongdoing; and / or
 - made a false disclosure not in accordance with the requirements of this Policy (including but not limited to such disclosures which are based on falsification of facts and information or which contain any element of dishonesty, willful, mischievous or malicious intent made to cause disrepute or injury or damage to anyone being complained against).
- (d) In the event of revocation of protection by the Group Company, the Whistleblower shall be notified in writing of the same immediately. In addition, the Group Company reserves the right to take such legal or other actions or disciplinary measures against the Whistleblower (if the Whistleblower is an employee), including issuance of formal warning or reprimand, suspension or termination of employment or services with the Group Company.

3.3.4 Confidentiality

- (a) All reasonable steps shall be taken to maintain the confidentiality and identity of the Whistleblower and report made by the Whistleblower, unless :
- the Whistleblower expressly waives such rights and states to that effect in writing; or
 - otherwise required by law or pursuant to such order or judgment granted by any court of law.
- (b) The Whistleblower or any person who is involved in the investigation process shall not reveal, disclose or disseminate to third parties any

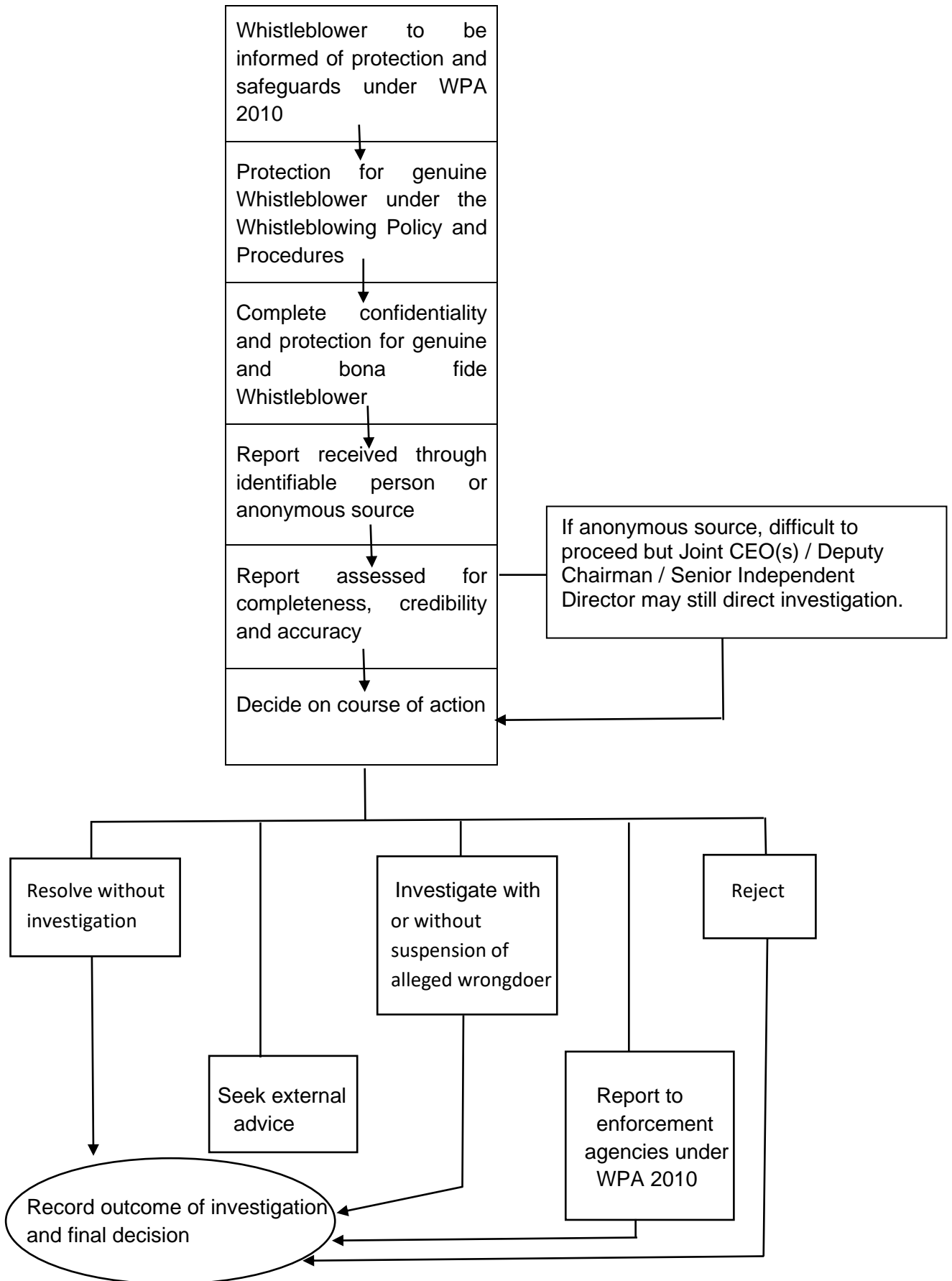
information or documents or recording or details regarding the Wrongdoing or any part thereof, including but not limited to the status or outcome of an investigation into it, save and except :

- to those who are authorized to receive the same under this Policy; or
- by lodging a report with an enforcement agency in accordance with the Act or any other applicable law; or
- on a strictly confidential basis to an advocate and solicitor for purpose of obtaining legal advice.

(c) The Whistleblower shall not :

- contact the suspected individual to determine facts or demand restitution; and
- discuss the case, facts, suspicions or allegations with anyone except to assist in the investigations.

- Whistleblowing Flowchart**



3.4 Policy on Conflicts of Interest

3.4.1 Definition of “Conflicts of Interest”

Conflicts of interest shall cover the areas stipulated under Section 1.6 of the Code of Conduct of Berjaya Corporation Berhad (as of 28 June 2018).

In addition, conflicts of interest arise when a person directly or indirectly has an involvement through family relationship, related parties, related companies, company shareholdings or employment position or through position of authority giving rise to conflict of interest or where their personal interests override or compromises the best interests of BERJAYA.

3.4.2 Conflicts of Interest Policy

3.4.2.1 All employees are required to declare in writing any conflict of interest, actual or potential or perceived, as soon as they become aware of it. If any employee has any doubt whether a deal, activity or event may give rise to conflict of interest, the employee must forthwith report that deal, activity or event to his immediate supervisor or manager for guidance.

3.4.2.2 Conflict of interest is to be declared to the employee’s immediate supervisor or manager, who will discuss the matter with the top management and take appropriate actions.

3.4.2.3 HR Department shall make a record of disclosed conflicts of interest for future reference.

3.4.2.4 Prospective employees are to disclose all conflicts of interest with BERJAYA during the hiring process so they can be discussed with the hiring manager.

3.5 Policy and Procedures for Gifts, Entertainment, Hospitality and Travel

3.5.1 Anti-bribery and anti-corruption commitment

BERJAYA is fully committed to conducting business with integrity. This means avoiding practices of bribery and corruption in any and all forms in BERJAYA’s daily operations and dealings.

3.5.2 Receiving Gifts

To protect against any undue obligations of or influence on the employee to any external parties, the employee shall declare to the Company any gifts, other than gifts which are an exchange of corporate souvenirs, food, hampers, flowers or vouchers and tokens of insubstantial value, made to himself or herself or any member of his or her immediate family by principals, agents, dealers and any parties who have business dealings with Berjaya. Berjaya shall decide how the gift shall be disposed of. Henceforth :

- 3.5.2.1 employees are prohibited from directly or indirectly receiving any gifts, kickbacks, payments in kind or guarantees in any form that may compromise their judgment and decision making.
- 3.5.2.2 any gift offered by an external party that is of significant value should be politely declined and returned without offending or disrupting the business relations with that party, with the explanation that acceptance of the gift is not permitted under BERJAYA's policy.
- 3.5.2.3 notwithstanding the above, the following may be received by employees :
 - 3.5.2.3.1 corporate gifts of insignificant value (defined as less than RM100) such as diaries, pens, calendars and notebooks;
 - 3.5.2.3.2 items given equally to all participants during official functions such as a door gift, provided that the items are of insignificant value;
 - 3.5.2.3.3 festive hampers and other perishable goods of market value of less than RM300 in total for the package. Such items must be delivered to the main office and distributed amongst the recipient's team by end of the business day after receipt. The organisation giving the festive hamper should not be disclosed if possible; and / or
 - 3.5.2.3.4 gifts given at an official event where refusal would be offensive, e.g. for presenting at a conference, or where the donor is very insistent. Such gifts must be declared to the recipient's manager, who will decide whether the gift can be retained by the recipient or kept by BERJAYA.
- 3.5.2.4 no employees shall ever accept gifts in the form of cash or cash equivalent or in any other form, including but not limited to :
 - 3.5.2.4.1 cash, angpows, commission, cheques, loans, credits cards in any currency, lottery tickets, coupons or gift vouchers of any kind;
 - 3.5.2.4.2 shares or equity interest in any registered company;
 - 3.5.2.4.3 personal discounts or perks not offered to the public;
 - 3.5.2.4.4 awards or prizes of significant value (more than RM100);
 - 3.5.2.4.5 trade point cards of any retailer; and / or
 - 3.5.2.4.6 all other gifts from external providers which might or be perceived to influence the behaviour of the recipient.

3.5.2.5 immediate family members of employees are strictly prohibited from receiving gifts from any external providers having financial dealings with BERJAYA, where the provision of such gifts may influence the actions of the employees in the course of performing their duties in BERJAYA.

3.5.3 Giving / offering gifts

3.5.3.1 Berjaya expects its employees to compete fairly and ethically for all business opportunities. Employees may provide meals, refreshments or entertainment to customers, contractors or suppliers provided that is done with approval, in the ordinary and proper course of business and could not reasonably be seen as bribes or improper encouragement. All such expenditures must be properly recorded in the books and records of Berjaya.

3.5.3.2 Employees are expected to exercise good and fair judgment when offering gifts to external parties. Gifts should not be excessively extravagant or costly and must not be given with corrupt intent or intent to influence or to receive a favour in return. Gifts should be given openly and transparently and feature company branding, where possible.

3.5.3.3 Giving of gifts should not be done frequently and / or during specific time periods, such as during tenders or contract negotiations, to ensure that no influence is exerted on the decision making process.

3.5.3.4 Employees must not offer gifts, commissions, gratuities, or other payments to prospective or existing customers, contractors or suppliers without prior written approval of Berjaya.

3.5.4 Giving and Receiving Hospitality

3.5.4.1 The practice of giving and receiving reasonable and proportionate hospitality is regarded as acceptable corporate business activity. Hospitality may take many forms but generally it consists of meals, travel or transportation, accommodation and recreation.

3.5.4.2 Hospitality given and received by employees who have interactions with external parties as part of their role should be clearly related to the business between both parties. It should not be exorbitant, received or given so frequently that reasonable questions might be raised on the true intentions or integrity of the giver or receiver and not be so lavish as to indicate some corrupt intent may be involved.

3.5.4.3 Employees are absolutely prohibited from either paying for or participating in any activities that might bring BERJAYA into disrepute or controversies. Such activities include lavish or immoral entertainment activities such as gambling, hostess entertainment,

karaoke with the presence of guest relations officers or their equivalent, massages, unregulated violent sports, illicit drugs and intoxication by alcohol.

3.5.4.4 Employees are free to accept hospitality from friends and relatives, provided the hospitality does not influence their actions in any way in the course of performing their duties with BERJAYA. If hospitality is provided which can or appear to influence the actions of the person, they should immediately bring the matter to their supervisor or reporting manager's attention and if necessary, make a conflict of interest declaration.

3.5.5 Government Officials

In the event that employees are hosting Government officials, reasonable care must be taken to ensure that the hospitality provided is reasonable and proportionate and does not generate a sense of obligation towards BERJAYA.

3.5.6 Violations

Non-compliance to this policy will be considered as major misconduct and the employees involved will be subject to disciplinary action, which may include suspension, demotion or dismissal. Such offence may also be escalated and reported to the relevant enforcement authorities for further action.

3.6 Policy on Donations, Sponsorships and Political Donations

3.6.1 BERJAYA is seriously committed to give back to the wider community by providing both financial and non-financial support and social services for recognised causes in the society. However, such donations and benefits may be misused by certain parties as a subterfuge for corruption.

3.6.2 Requests for donations and sponsorships should be subject to due diligence check or such other reasonable searches to ensure legitimacy and authenticity of recipient organisations.

3.6.3 BERJAYA does not generally make financial or in-kind contributions to political parties, political party officials or candidates for political office. As a general rule, use of BERJAYA's facilities, equipment and resources by political parties for any political campaign or political party function is not permitted. The top management of BERJAYA may make an exception to the general rule by making political donation under limited circumstances. Thus, donations must be made to the official bank account of the party and an official receipt retained as proof. Provision of non-financial support such as venues, vehicles, sound equipment, tables, chairs and such other equipment at BERJAYA's expense should not be used to influence political decisions and are to be recorded for review and audit purposes.

3.7 Policy on Facilitation Payments

- 3.7.1 A “facilitation payment” is defined as any payment or any other additional provision over and above the ordinary payment made personally to an individual in control of a process or decision. It is given to secure or expedite a routine or administrative duty or function. Although such payments may be customary under certain circumstances, the laws of many countries, including Malaysia, strictly prohibit it.
- 3.7.2 BERJAYA has a zero tolerance policy for use of facilitation payments in relation to its business operations and any contracts. This Policy strictly prohibits facilitation payment by either directors, employees, business associates, agents or any representatives acting for and on behalf of BERJAYA.
- 3.7.3 Employees are expected to immediately notify their head of department or the Head of Risk and Compliance when they encounter any requests for facilitation payment. If facilitation payment had been made in part or in full by any employees and subsequently discovered because of requests for further payments or for whatever reasons, the head of department or Head of Risk and Compliance must be immediately notified of those payments so that further remedial actions can be taken.

3.8 Policy on Financial Controls

- 3.8.1 Financial controls are the management systems and processes implemented by the organization to manage its financial transactions properly and to record these transactions accurately, completely and in a timely manner.
- 3.8.2 BERJAYA requires all necessary financial controls to be in order to ensure that financial transactions are properly processed and recorded to prevent occurrence of bribery and corruption.
- 3.8.3 BERJAYA requires separation of duties so that the same person cannot both initiate and approve a payment.
- 3.8.4 BERJAYA requires tiered levels of authority for payment approval. In practice, this means that larger transactions require several levels of senior management approval.
- 3.8.5 Cash is often used as a vehicle for bribery and corruption due to the difficulty of tracking when and how it is employed. Therefore, BERJAYA requires that the use of cash in daily operations is restricted to the minimum, with a full record of receipts maintained for all cash payments.

- 3.8.6 In general, employees reimbursements for expenditure on behalf of BERJAYA shall only be made on the basis of official receipts. Handwritten receipts are to be avoided wherever possible.
- 3.8.7 The categorisation and descriptions of all payments and transactions shall be accurately and clearly recorded in BERJAYA's accounts, in line with existing applicable legislation and internal controls.
- 3.8.8 BERJAYA shall carry out periodic financial audits at regular intervals. The reviews shall be carried out by an independent person or organisation, as per the requirements of the CCM.

3.9 Policy on Non-Financial Controls

- 3.9.1 Non-financial controls are the management systems and processes implemented by the organization to help it ensure that the procurement, operational, commercial and other non-financial aspects of its activities are being properly managed and monitored.
- 3.9.2 BERJAYA is committed to implementing the necessary non-financial controls to mitigate any bribery risks that may arise through the procurement process.
- 3.9.3 Where possible and reasonable, BERJAYA should award contracts through a competitive process, on the basis of the best value for money.
- 3.9.4 BERJAYA holds a policy of separation of duties, such that wherever practical, the operational employees and departments ordering goods and services are kept separate from employees or departments conducting procurement and / or making payment.

3.10 Policy for Document Control and Record Keeping

- 3.10.1 BERJAYA shall maintain all relevant records on the controls used for the adequate procedures.
- 3.10.2 Policies and procedures should be stored in a secure location with restricted access to making changes.
- 3.10.3 Records in relation to and concerning adequate procedures (i.e. due diligence checks, searches, conflicts of interest declarations, reports and such other confidential documents) must be kept in a safe place and backed up regularly.
- 3.10.4 The Head of Risk and Compliance has overall duties and responsibility for document control and record keeping of anti-bribery and anti-corruption related documents.
- 3.10.5 The Head of Risk and Compliance shall monitor and check condition of documents and records at the filing locations periodically to prevent damage, deterioration or loss or tampering.

PRINCIPLE IV : SYSTEMATIC REVIEW, MONITORING AND ENFORCEMENT

4.1 Policy and procedures on Monitoring, Reviewing and Enforcing the Anti-Corruption Initiatives

4.1.1 The Board of Directors of BERJAYA, through the Head of Risk and Compliance, shall ensure that regular reviews are conducted to assess the performance, efficiency and effectiveness of the anti-bribery and anti-corruption programme and ensure the programme is strictly enforced. The reviews will form the basis of any efforts to improve existing anti-bribery and anti-corruption controls in place in Berjaya and affiliated companies.

4.1.2 For this purpose, BERJAYA and affiliated companies are committed to :

4.1.2.1 plan, establish, implement and maintain a bribery risk based monitoring programme, which covers scope, frequency and methods for review;

4.1.2.2 identify and source for competent person(s) to perform an internal audit, in relation to the organisation's anti-bribery and anti-corruption measures;

4.1.2.3 conduct continual evaluations and improvements on the organisation's policies and procedures in relation to corruption;

4.1.2.4 consider an external audit by a qualified and independent third party at least once every two years to obtain assurance that the organisation is operating in compliance with its policies and procedures in relation to corruption;

4.1.2.5 monitor the performance of employees in relation to any anti-bribery and anti-corruption policies and procedures to ensure their understanding and compliance with the organisation's stance in their respective roles and functions; and

4.1.2.6 conduct disciplinary proceedings against employees found to be non-compliant to the programme.

4.1.3 The results of reviews and audits carried out by the Head of Risk and Compliance and the audit department shall be reported to the top management for consideration and implementation of such recommendations.

4.2 Anti-Corruption Programme Audit Plan

4.2.1 The audit plan for the anti-corruption programme is prepared and reviewed by the Audit Department.

PRINCIPLE V : TRAINING AND COMMUNICATION

5.1 Communications Policy

- 5.1.1 The Board of Directors of BERJAYA, through the Head of Risk and Compliance, shall ensure that communications are conducted both internally and externally regarding the anti-corruption programme.
- 5.1.2 Communications will include information on key policies and procedures, including anti-bribery policy; conflicts of interest; gifts, donations, entertainment; facilitation payments; reporting channel etc.
- 5.1.3 Communication channels may include personal briefings, email, internet, intranet, training, seminars, face-to-face briefings, phone calls etc.

5.2 Anti-Corruption Programme Communication Plan

Objective : To raise awareness on the anti-bribery and anti-corruption programme

- General understanding and awareness on integrity, corporate governance and anti-bribery and anti-corruption programme;
- Detailed information on the policy, compliance issues and reporting concerns;
- Applicable law and rights of all parties; and
- Where to obtain further information and assistance.

NO.	WHAT	HOW	TO WHOM	BY WHO	WHEN	LANGUAGES
1	The importance of integrity and corporate governance for BERJAYA, with information on anti-bribery and anti-corruption programme - message from top management - why the anti-bribery and anti-corruption programme is needed, what it will do for BERJAYA - main policies - location of documentation (policies & procedures) - implications for participating in corruption - where to obtain help and further information	Team Briefings Email blasts Online Information (Intranet / Internet) Printed materials Vendor communications	Internal & external parties	Head of Risk and Compliance	At launch of the anti-corruption programme	English, BM or foreign language if conducted overseas

NO.	WHAT	HOW	TO WHOM	BY WHO	WHEN	LANGUAGES
2	Bulletin updates - updates on policies and procedures - incidents in the news - case studies	Email alert blast Team Briefings Information Centre (Intranet / Internet)	Internal parties	Head of Risk and Compliance	6 months after launch of programme	English, BM or foreign language
3	Briefing for contractors and vendors includes - Guidelines on gifts & hospitality - Information on whistleblowing policy and procedures	Email alert blast Information Centre (Intranet / Internet)	Contractors , suppliers / vendors, Strategic Business Partners	Head of Risk and Compliance	Suppliers, vendors etc. briefing	English, BM or foreign language if conducted overseas

5.3 Training Policy

- 5.3.1 BERJAYA shall conduct adequate training to ensure all employees exposed to bribery and corruption risk are aware of BERJAYA's policies and procedures set out to establish the anti-corruption programme.
- 5.3.2 Where relevant, training may also be provided for business associates which may expose BERJAYA to corruption risk such as agents, intermediaries and others acting on behalf of BERJAYA.
- 5.3.3 Vendors, suppliers and contractors procuring goods and services to BERJAYA may also receive training if deemed appropriate.
- 5.3.4 Training, seminars and workshops for employees considered to be in high-risk positions should be done at least once every half yearly, with a record kept of such trainings, seminars and workshops organized or provided and attendance of all participants. Training, seminars and workshops should be tailored to the roles and responsibilities of such employees and shall include latest development on law, compliance issues and examples of likely corruption scenarios, whichever is applicable.

5.4 Training matrix

ADEQUATE PROCEDURES TRAINING & AWARENESS PROGRAMME						
No.	Item	Title	Content	Duration	Date	Venue
1	Briefing for Directors and top management	Briefing on Adequate Procedures to Curb and Prevent Bribery and Corruption : TRUST Concept	<p>Corporate liability and law.</p> <p>Results of bribery risk assessment (Risk matrix) and controls.</p> <p>Summary of all main policies listed in Adequate Procedures to Curb and Prevent Bribery and Corruption : TRUST Concept.</p> <p>Review, monitoring, enforcement plans, audit and compliance.</p> <p>Awareness campaigns, trainings, seminars, workshops and communication plans.</p>	At least 3 hours		
2	Conduct workshops for high risk departments	Sales and Marketing, Finance, Tax, Government liaison etc.	<p>Corporate liability and law.</p> <p>Summary of relevant polices: Anti- corruption and anti-bribery policy; conflicts of interest; gifts, entertainment etc; facilitation payments; reporting channel.</p> <p>Scenarios and role play : how do these situations affect respective departments?</p>	Full day		
		Procurement, Contract Management and Tender Department	<p>Corporate liability and law.</p> <p>Summary of relevant polices: Anti- corruption and anti-bribery policy; conflicts of interest; gifts, entertainment etc; facilitation payments; reporting channel.</p> <p>Scenarios and role play : how do these situations affect respective departments?</p>	Full day		

ADEQUATE PROCEDURES TRAINING & AWARENESS PROGRAMME

No.	Item	Title	Content	Duration	Date	Venue
		CSR Department / Sports Clubs	<p>Corporate liability and law.</p> <p>Summary of relevant policies: Anti-corruption and anti-bribery policy; conflicts of interest; gifts, entertainment etc; facilitation payments; reporting channel.</p> <p>Scenario and role play : how do these situations affect respective departments?</p>	3 hours		
3	Conduct general staff awareness training	Briefing on Adequate Procedures to Curb and Prevent Bribery and Corruption : TRUST Concept	<p>Corporate liability and law.</p> <p>Summary of polices listed in Adequate Procedures to Curb and Prevent Bribery and Corruption : TRUST Concept.</p> <p>Scenario for discussion and role play : how do these situations affect respective departments?</p>	Full day		
4	Conduct briefing for business associates, agents, suppliers, vendors, distributors etc.	Briefing on BERJAYA'S Anti-Corruption Programme to Curb and Prevent Bribery and Corruption : TRUST Concept	<p>Corporate liability and law.</p> <p>Summary of policies listed in Adequate Procedures to Curb and Prevent Bribery and Corruption : TRUST Concept.</p> <p>Scenarios and role play.</p>	Full day		

SCHEDULE 1

BRIBERY & CORRUPTION RISK ASSESSMENT MANUAL

Risk Descriptions	New Risk Mitigating Controls	Existing Controls
<p>A. <u>Project Management</u></p> <ol style="list-style-type: none"> 1. Accepting bribe or any form of gratification to manipulate pre-qualification tender process, including but not limited to, approving non-performing or blacklisted contractors, contractors with no experience or blatantly accepting false information submitted as if information provided is true and accurate. 2. Soliciting for bribe or any form of gratification in return for disclosing any confidential information and / or documents during pre-bidding or bidding stage. 3. Accepting bribe or any form of gratification in return for disclosing any bid or tender particulars or sensitive information to third parties. 4. Collusion with third party to match other tender submissions or to gain advantage over such other submissions so as to give the third party a more than likely chance of success in the tender exercise. 5. Soliciting for bribe or any form of gratification from third parties (tenderers) with promise of awarding project. 	<ul style="list-style-type: none"> • Adequate Procedures to Curb and Prevent Bribery and Corruption : T.R.U.S.T. Concept • Anti-Bribery and Anti-Corruption awareness, training and communication for all employees worldwide. • Mandatory rotation of key employees in all high risk positions. 	<ul style="list-style-type: none"> • Standard Operating Procedures (“SOP”) on tender exercise. • Tender Committee to vet through tender documents, relevant technical and expertise requirements. • Price comparisons with other same or similar suppliers / vendors prior to making award. • Approval matrix for expenditure and purchases. • Segregation of duties and functions to various teams i.e. project team, advisors, finance department etc. for check and balance. • Berjaya Corporation’s Code of Conduct. • Berjaya Corporation’s Whistleblowing Policy and Procedures.

Risk Descriptions	New Risk Mitigating Controls	Existing Controls
<p>6. In preparing tender document, the terms of reference for technical specifications and supplies are drafted or biased to favor one specific supplier or to exclude all other potential competitors in favour of certain supplier.</p> <p>7. Abuse of power or discretion or misuse of position or authority to influence or mislead tender committee at any period of time before the final award is made.</p> <p>8. Awarding project or any part of the work to any company when the decision maker has a direct or an indirect interest in that company but fails to make any declaration of conflict of interest.</p> <p>9. Awarded any work through direct negotiation without adhering to the policies and procedures for selection of contractors thereby inflating costs or cause costs to overrun.</p> <p>10. Without justification or issuance of variation orders, contractors / suppliers supplied materials or equipment that significantly differ (whether of better or inferior quality) from those stated in the tender documents and the terms and conditions of contract.</p>		<ul style="list-style-type: none"> • Employees' self declaration on probable conflict of interest to Head of Departments / Group Human Resources.

Risk Descriptions	New Risk Mitigating Controls	Existing Controls
<p>11. Agents, consultants or runners offer project team to secure contract or win tender exercise upon payment of fees or benefit in kind to another party.</p> <p>12. Use of agents, consultants or runners to pay bribe or any form of gratification to any authorities and / or their officers in order to expedite or secure any approvals or permits for any project.</p> <p>13. Government authorities and / or their officers and / or their immediate family members or relatives demand any additional fees or payments (over and above the ordinary prescribed fees or payments) for issuance of permit or licence or technical approval and project team decides to make the said payments.</p> <p>14. Facilitation payments directly made to any authorities and / or their officers or their immediate family members or relatives in order to obtain or expedite approval for project.</p> <p>15. Collusion with third party to approve false claims or progressive payments which does not commensurate with actual percentage of completion of work at site.</p>		

Risk Descriptions	New Risk Mitigating Controls	Existing Controls
<p>16. Receiving and / or accepting exorbitantly high value gift in itself or through lucky draw, entertainment packages or luxury travel incentives from any bidders (whether for the employee or his immediate family members or relatives) in return for favour of any kind.</p> <p>17. Giving exorbitantly high value gift in itself or through lucky draw, entertainment packages or luxury travel incentives to government authorities and / or their officers or their immediate family members in order to obtain contract or secure the project.</p> <p>18. Granting or providing excessive charitable and political contributions or sponsorships in return for contract or project or favor.</p>		

Risk Descriptions	New Risk Mitigating Controls	Existing Controls
<p>B. <u>Procurement (general purchases, capital expenditures, goods and services, events etc.)</u></p> <ol style="list-style-type: none"> 1. Excessive reliance on or insistence on dealing with or appointing specific third party, agents or a single supplier in procurement process notwithstanding compliance with due process and comparative quotations. 2. Collusion in selecting supplier or vendor without due process or comparative quotations. 3. Collusion in selecting service provider for continuing a service contract without due process or comparative quotations. 4. Collusion in approving for purchase of low quality or off-specification supply or goods. 5. Splitting purchase orders to avoid getting authorization and circumventing spending limit. 6. Without sourcing for new supplier or vendor, employee repeatedly extends contract with same supplier or vendor on same terms and conditions and for excessive period of time. 7. Excessive purchases (both quantity and quality) even though the goods or items are slow moving or of limited usage. 8. Making high-value purchase without just cause from a unique or exclusive supplier. 	<ul style="list-style-type: none"> • Berjaya Adequate Procedures to Curb and Prevent Bribery and Corruption : T.R.U.S.T. Concept. • Anti-Bribery and Anti-Corruption awareness, training and communication for all employees worldwide. • Contract / agreement with vendor or third party shall include Berjaya’s commitment towards Anti-Corruption. 	<ul style="list-style-type: none"> • SOP for procurement. • Tender or sourcing for comparative quotations (at least two other quotes) prior to making purchases or appointing service provider. • Regular price review on goods, products, items and services to ensure competitive pricing. • Company search on new suppliers and vendors. • Annual review on major suppliers and vendors. • Capital expenditures are sourced by group purchasing department. • Approval matrix for expenditure and purchases. • Segregation of duties. • Multiple levels of vetting, approval and internal review before execution of agreement. • Berjaya Corporation’s Code of Conduct. • Berjaya Corporation’s Whistleblowing Policy and Procedures.

Risk Descriptions	New Risk Mitigating Controls	Existing Controls
<p>9. Unjustifiable purchase of goods, gifts, items or services inconsistent with company policy and business needs.</p> <p>10. Purchase from fictitious suppliers or vendors.</p> <p>11. Employee and / or their immediate family members received exorbitantly high value gift in itself or through lucky draw, hampers, entertainment packages or luxury travel incentives.</p> <p>12. Soliciting for or accepting bribe or any form of gratification from supplier, vendor or service provider in return for awarding contract or promise to purchase goods or services.</p> <p>13. In return for orders or purchases or award of contract, supplier or vendor provides sample, free or trial services (eg. equipment, maintenance, pest control, gardening etc. at employee's or immediate family's premises).</p> <p>14. Employee's extravagant lifestyle and status does not commensurate with salary or income derived from current job posting.</p> <p>15. Employee has direct or indirect interest in the supplier, vendor or service provider's company.</p>		<ul style="list-style-type: none"> • Declaration on conflict of interest.

Risk Description	New Risk Mitigating Controls	Existing Controls
<p>C. <u>Finance</u></p> <ol style="list-style-type: none"> 1. No or insufficient supporting documents for cash transactions or bank transfer transactions. 2. Overpayment for goods and services contrary to invoices, purchase orders and delivery orders issued. 3. Payment for goods and services which are not ordered or delivered. 4. Payment to fictitious suppliers, vendors or service providers. 5. Cash payment exceeding authorized limits to facilitate one off payment, deals or transactions. 6. Issuance of credit notes or giving of rebates and discounts as means of paying commission, bribes or granting of gratification. 7. Frequent and unjustifiable write-offs of any debts or accounts receivable as means of paying commission, bribes or granting of gratification. 8. Certification for payment of any incomplete or defective work, which is submitted as progressive claims. 	<ul style="list-style-type: none"> • Berjaya Adequate Procedures to Curb and Prevent Bribery and Corruption : T.R.U.S.T. Concept. • Anti-Bribery and Anti-Corruption awareness, training and communication for all employees worldwide. 	<ul style="list-style-type: none"> • SOP on payment process. • Approval matrix for expenditure and purchases. • Dual approval for cheque signatories or online bank transfer. • Berjaya Corporation's Code of Conduct. • Berjaya Corporation's Whistleblowing Policy and Procedures. • Audit by external auditor.

Risk Descriptions	New Risk Mitigating Controls	Existing Controls
<p>9. Foreign offshore bank accounts which are operated without prior approval of the finance department or board of directors.</p> <p>10. Bank accounts (whether local or foreign) are maintained and operated but not reflected in balance sheet.</p> <p>11. Unusual or irregular payments to third parties in foreign countries that have no business dealings or contractual relationship with Berjaya.</p>		

Risk Description	New Risk Mitigating Controls	Existing Controls
<p>D. <u>Sales and Marketing</u></p> <ol style="list-style-type: none"> 1. Provide gifts, donations, entertainment or commission to close deals, increase or retain sales or unfairly gain advantage over competitors. 2. Collusion or acting in cohort with a particular group of suppliers to fix demand and supply conditions, minimum or maximum prices or award of contract. 3. Engage same event organizer or event management firm without sourcing for comparative quotations from other companies providing same services. 4. Unnecessary appointment of consultant or specialist with no added value to project or with vague job descriptions or unable to justify or substantiate work carried out. 	<ul style="list-style-type: none"> • Berjaya Adequate Procedures to Curb and Prevent Bribery and Corruption : T.R.U.S.T. Concept. • Anti-Bribery and Anti-Corruption awareness, training and communication for all employees worldwide. 	<ul style="list-style-type: none"> • SOP on sales, event, entertainment, travelling and payment. • Approval matrix for expenditure and purchases. • Berjaya Corporation's Code of Conduct. • Berjaya Corporation's Whistleblowing Policy and Procedures.

Risk Description	New Risk Mitigating Controls	Existing Controls
<p>E. <u>Strategic Relation / Government Liaison</u></p> <ol style="list-style-type: none"> 1. Close personal relationships between employees and government personnel or between their immediate family members. 2. Use of unauthorized agents or third parties to develop, secure or maintain business relationship or granting of favour or contract with any companies in foreign countries. 3. Unusual or unauthorized payments through improper channels to government agencies or third party to secure, retain or influence business decision or to secure new or existing government contract. 4. Provisions for sponsored events for public servants or their immediate family members, including but not limited to, fully paid travel, lodging, entertainment and hospitality expenses with or without allowance or further reimbursements. 5. Any political donations, large cash payments or advance payments made to any politicians or political parties without reasonable justification or for ambiguous purposes. 6. Giving of angpows to government staff and official during any festive events. 	<ul style="list-style-type: none"> • Berjaya Adequate Procedures to Curb and Prevent Bribery and Corruption : T.R.U.S.T. Concept. • Anti-Bribery and Anti-Corruption awareness, training and communication for all employees worldwide. 	<ul style="list-style-type: none"> • SOP on payment, entertainment and travelling. • Approval matrix for expenditure and purchases. • Berjaya Corporation's Code of Conduct. • Berjaya Corporation's Whistleblowing Policy and Procedures. • Declaration on conflict of interest.

Risk Description	New Risk Mitigating Controls	Existing Controls
<p>7. Engaging agents, consultants, middleman or runners to facilitate fast track processing with government agencies or to secure business and contract.</p> <p>8. Giving exorbitantly high value gift in itself or through lucky draw, hampers, entertainment packages or luxury travel incentives to government authorities or officials and / or their immediate family members.</p>		

Risk Description	New Risk Mitigating Controls	Existing Controls
<p>F. <u>Gift, Entertainment, Hospitality and Travel</u></p> <p>1. Giving exorbitantly high value gift in itself or through lucky draw, entertainment packages or luxury travel incentives to government authorities or officials, bankers, politicians, suppliers and customers and / or their immediate family members.</p> <p>2. Receiving and / or accepting exorbitantly high value gift in itself or through lucky draw, entertainment packages or luxury travel incentives from any suppliers or contractors (whether for the employee or his immediate family members or relatives) in return for favour of any kind.</p>	<ul style="list-style-type: none"> • Berjaya Adequate Procedures to Curb and Prevent Bribery and Corruption : T.R.U.S.T. Concept. • Anti-Bribery and Anti-Corruption awareness, training and communication for all employees worldwide. • Maintain guest attendance lists when organizing open house events that involved government officials and politicians. 	<ul style="list-style-type: none"> • SOP on entertainment, travelling, payment and claims reimbursement. • Berjaya Corporation's Code of Conduct. • Berjaya Corporation's Whistleblowing Policy and Procedures.
<p>G. <u>Donations, Sponsorship, Corporate Social Responsibility ("CSR") and Political Contribution</u></p> <p>1. Any large cash payments or advance payments made to any politicians or political parties without reasonable justification or for ambiguous purposes.</p> <p>2. Any large charitable contributions or sponsorship (whether in cash or any items in value) in local and foreign countries.</p>	<ul style="list-style-type: none"> • Berjaya Adequate Procedures to Curb and Prevent Bribery and Corruption : T.R.U.S.T. Concept. • Anti-Bribery and Anti-Corruption awareness, training and communication for all employees worldwide. 	<ul style="list-style-type: none"> • SOP and Approval Matrix on payment process. • Dual approval on cheque signatories or online bank transfer. • Berjaya Corporation's Code of Conduct. • Berjaya Corporation's Whistleblowing Policy and Procedures.

Risk Description	New Risk Mitigating Controls	Existing Controls
<p>3. Any donations made through CSR programmes to unregistered or non bona fide charity organization or under suspicious circumstances.</p> <p>4. Any unusually high amount of cash received from any unknown individual or money deposited to bank account without denoting any specific purpose for the deposit.</p>		<ul style="list-style-type: none"> • Declaration on conflict of interest.

Risk Description	New Risk Mitigating Controls	Existing Controls
<p>H. <u>Tax</u></p> <ol style="list-style-type: none"> 1. Unusual payments or any payments exceeding that which are payable to tax authorities when made for purposes of securing reduction or waiver of tax liabilities. 2. Giving high value gift in itself or through lucky draw, entertainment packages or luxury travel incentives to government authorities and / or their officers or their immediate family members to secure favour of any kind. 3. Any form of tax evasion (whether under declared or concealment of duties and tax payable to relevant authorities). 	<ul style="list-style-type: none"> • Berjaya Adequate Procedures to Curb and Prevent Bribery and Corruption : T.R.U.S.T. Concept. • Anti-Bribery and Anti-Corruption awareness, training and communication for all employees worldwide. 	<ul style="list-style-type: none"> • SOP on payment, entertainment and travelling. • Approval matrix for expenditure and purchases. • Berjaya Corporation's Code of Conduct. • Berjaya Corporation's Whistleblowing Policy and Procedures. • Tax audit by external auditor.
<p>I. <u>Supply Chain</u></p> <ol style="list-style-type: none"> 1. Cash payments or giving of high value gift in itself or through lucky draw, entertainment packages or luxury travel incentives to custom authorities and / or their officers or their immediate family members to secure release of goods or equipment that are being held up. 2. Logistic service providers, customer clearance agents or warehouse suppliers are directly appointed without sourcing for comparative quotations from other similar service providers. 	<ul style="list-style-type: none"> • Berjaya Adequate Procedures to Curb and Prevent Bribery and Corruption : T.R.U.S.T. Concept. • Anti-Bribery and Anti-Corruption awareness, training and communication for all employees worldwide. 	<ul style="list-style-type: none"> • SOP on payment and sourcing for service providers. • Approval matrix for expenditure and purchases. • Berjaya Corporation's Code of Conduct. • Berjaya Corporation's Whistleblowing Policy and Procedures.

Risk Description	New Risk Mitigating Controls	Existing Controls
<p>J. <u>Hiring / Employment / Sourcing for Service Providers</u></p> <ol style="list-style-type: none"> 1. Hiring employees with history of criminal records and / or misconduct. 2. Payment of salary and allowance to phantom employees. 3. Vague job scope for hiring agents / consultant with unusual payment terms. 4. Hiring employees with close family relationship to directors or senior management which may give rise to conflict of interest. 5. Collusion with hiring agent to hire employee who are unqualified or has fictitious qualifications. 6. Excessive reliance on third party agent or consultant to hire employees even though a hiring team is already in existence and capable of carrying the same task. 7. Foreign workers' agents or team building event organizers are directly appointed without comparative quotations or tendering in return for kick-backs. 	<ul style="list-style-type: none"> • Berjaya Adequate Procedures to Curb and Prevent Bribery and Corruption : T.R.U.S.T. Concept. • Anti-Bribery and Anti-Corruption awareness, training and communication for all employees worldwide. 	<ul style="list-style-type: none"> • SOP on hiring, salary and benefits and payment to outsourcing agents or consultants. • Reference check with potential candidates' previous employers and reporting managers. • Verification on potential candidate's qualifications and previous working experience. • Approval matrix for expenditure and purchases. • Berjaya Corporation's Code of Conduct. • Berjaya Corporation's Whistleblowing Policy and Procedures. • Declaration on conflict of interest.

Risk Description	New Risk Mitigating Controls	Existing Controls
<p>8. Collusion with agents or any third party by appointing several foreign workers agents which are related with common director or shareholder.</p> <p>9. Awarding staff training contract to external trainer / service provider company whom HR personnel has personal interest in or close family relationship with.</p>		
<p>K. <u>Other Areas</u></p> <p>1. Receiving and / or accepting exorbitantly high value gift by itself or through lucky draw, entertainment packages or luxury travel incentives from anyone (whether for the employee or his immediate family members or relatives) in return for disclosure of any corporate confidential information, trade secret, research and development formula to competitors or any third party.</p> <p>2. Giving exorbitantly high value gift by itself or through lucky draw, entertainment packages or luxury travel incentives to anyone and / or their immediate family members in order to obtain corporate confidential information or trade secret of any third party.</p>	<ul style="list-style-type: none"> • Berjaya Adequate Procedures to Curb and Prevent Bribery and Corruption : T.R.U.S.T. Concept. • Anti-Bribery and Anti-Corruption awareness, training and communication for all employees worldwide. 	<ul style="list-style-type: none"> • Non-Disclosure Agreement (between supplier and employee or relevant parties having confidential information). • Approval matrix for expenditure and purchases. • Berjaya Corporation's Code of Conduct. • Berjaya Corporation's Whistleblowing Policy and Procedures. • Declaration on conflict of interest.

Risk Description	New Risk Mitigating Controls	Existing Controls
<p>3. Any form of corrupt practice in the course of employment, carrying out responsibility or exercise of duty.</p> <p>4. Any form of insider trading or market manipulation through legal or illegal share trading in Bursa Malaysia or such other stock exchanges pursuant to unauthorized or illegal access to confidential and material information which will affect movement of share price.</p>		