



*Delivering  
Sustainable Futures*

# **ANTI-BRIBERY AND ANTI-CORRUPTION POLICY**

**AUGUST 2020**

## Foreword



Dear colleagues,

The Sime Darby Berhad Group's Anti-Bribery and Anti-Corruption Policy elaborates on principles of bribery and other corrupt practices that may arise in the course of business.

As you may recall, the Group CEO had highlighted the implementation of the Anti-Bribery Management System ("ABMS"), a set of policies and procedures designed to prevent and detect bribery. In my capacity as Sime Darby Berhad Group's ABMS Sponsor, I'm honoured to uphold the Group's commitment to enforce the Anti-Bribery and Anti-Corruption principles, as well as the Group's Code of Business Conduct.

The Anti-Bribery and Anti-Corruption Policy is not intended to be the one-stop centre for all definitive answers. Rather, it is intended as an introduction to our employees, as well to the public at large, of the Group's commitment to combat bribery and corruption. This is the cornerstone of further initiatives under the ABMS towards greater governance, including periodic assessment of potential risk areas in our business that may be exposed to corrupt practices, as well as sanctioned budget and strategies to uphold and strengthen the Group's ABMS.

Bribery entails severe consequences for you, for your family, for the Sime Darby Group and for Malaysia. Dismissal, fines, and imprisonment, not to mention financial and reputational damages, are negative consequences that may confront. Let us together, set ourselves apart in our fight against bribery and corruption.

**Thayaparan Sangarapillai**  
**Governance and Audit Committee, Chairman,**  
**Sponsor of Anti-Bribery Management System**

## 1. Sime Darby Berhad's Commitment

Sime Darby Berhad and its subsidiaries ("the Group") are committed to conducting business dealings with integrity. This means avoiding practices of bribery and corruption of all forms in the company's daily operations. The Group has adopted a zero tolerance approach against all forms of bribery and corruption and takes a strong stance against such acts. Employees who refuse to pay or receive bribes or participate in acts of corruption will not be penalised even if such refusal may result in the Company losing its business or not meeting the targets.

The Group's Anti-Bribery and Anti-Corruption Policy ("this Policy") leverages the core principles set out in the Group's Code of Business Conduct ("COBC"). The scenarios provided within this Policy do not limit the boundaries of the Policy which may be extended to cover all circumstances relating to bribery. Compliance to the Policy is mandatory and will be monitored with a principle-based approach.

## 2. Background

The Group highlighted Integrity as the first core values in the COBC. Each Employee shall uphold high levels of personal and professional values in all business interactions and decisions.

The nature of the Group's business requires its employees to engage in business with a wide range of parties, both internal as well as external. This Policy establishes the boundaries on interactions with all parties.

This Policy also provides guidance on how to act when subjected to potential acts of bribery and matters of corruption.

This Policy shall be read in conjunction with the COBC, the Vendor COBC, GPA A5 Compliance, GPA B1 COBC, GPA B5 Whistleblowing and the Malaysian Anti-Corruption Commission Act 2009 and its 2018 amendment ("MACCA").

## 3. Objective

This Policy sets out the Group's position on bribery in all its forms and matters of corruption that might confront the Group in its day to day operations.

## 4. Scope

This policy applies to all Directors and Employees of the Group. This includes Employees on secondment to Joint Ventures, affiliates or Associates. Counterparties (with whom appropriate contractual arrangements and procurement principles are warranted and have been established) are also expected to comply with this GPA when representing the Group. Business Partners are encouraged to adopt similar principles and standards of behaviour.

## 5. Definitions

The following definitions are included in this policy.

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| Bribery | Bribery is defined as any action which would be considered as an offence of giving or receiving 'gratification' under MACCA.<br>In practice, this means offering, giving, receiving or soliciting something of value in an attempt to illicitly influence the decisions or actions of a person a position of trust within an organisation. |
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|                      | <p>'Gratification' is defined in the MACCA to mean the following:</p> <ul style="list-style-type: none"> <li>(a) <i>money, donation, gift, loan, fee, reward, valuable security, property or interest in property being property of any description whether movable or immovable, financial benefit, or any other similar advantage;</i></li> <li>(b) <i>any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;</i></li> <li>(c) <i>any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;</i></li> <li>(d) <i>any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;</i></li> <li>(e) <i>any forbearance to demand any money or money's worth or valuable thing;</i></li> <li>(f) <i>any other service or favour of any description, including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted, and including the exercise or the forbearance from the exercise of any right or any official power or duty; and</i></li> <li>(g) <i>any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding paragraphs (a) to (f).</i></li> </ul> <p>Bribery may be 'outbound', where someone acting on behalf of the Group attempts to influence the actions of someone external, such as a Government official or client decision-maker.</p> <p>It may also be 'inbound', where an external party is attempting to influence someone within the Group such as a decision-maker or someone with access to confidential information.</p> <p>Bribery and corruption are closely related. However, corruption has a wider remit. See 'Corruption' definition below.</p> |
| Business Associate   | <p>An external party with whom the organisation has, or plans to establish, some form of business relationship. This primarily include Counterparties and Business Partners (as defined in the COBC), i.e. clients, customers, joint ventures, joint venture partners, consortium partners, outsourcing providers, contractors, consultants, subcontractors, suppliers, vendors, advisers, agents, distributors, representatives, intermediaries and investors (ISO 37001 definition).</p>  |
| Corruption           | <p>The Transparency International definition of corruption is 'the abuse of entrusted power for personal gain.'</p> <p>For the purpose of this policy, corruption, is defined primarily as any action which would be considered as an offence of giving or receiving 'gratification' under the Malaysian Anti-Corruption Commission Act 2009 (MACCA) ('Bribery' as defined above).</p> <p>In addition, corruption may also include acts of extortion, collusion, breach of trust, abuse of power, trading under influence, embezzlement, fraud or money laundering.</p>   |
| Conflict of interest | <p>When a person's own interests either influence, have the potential to influence, or are perceived to influence their decision making of the Group.</p>   |

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| Donations                                 | <p>Includes donations and sponsorships to: (i) registered charitable organisations and (ii) customer’s and supplier’s events and activities. These exclude contributions made to Yayasan Sime Darby.</p> <p>Political contributions and / or political donations. Please refer to the definition for “political contributions” for further details.</p>  |
| Directors                                 | Directors include all independent and non-independent directors, executive and non-executive directors of the Group and shall also include alternate or substitute directors.  |
| Exposed Position                          | A staff position identified as vulnerable to bribery through a risk assessment. Such positions may include but is not limited to any role involving procurement or contract management; financial approvals; human resource; relations with government officials or government departments; sales; positions where negotiation with an external party is required; or other positions which the company has identified as vulnerable to bribery.   |
| Facilitation payment                      | A payment or other provision 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.   |
| Gifts                                     | <p>Gifts refers to valuable property or service of any value (even if nominal), for which the recipient does not pay the fair value.</p> <p>Gifts are divided as follows:</p> <p>(a) <b><u>Courtesy Gifts</u></b> are customary gifts to strengthen business relationships. Examples of Courtesy Gifts include, but are not limited to gift baskets, boxes of chocolate, wine, collectibles and flowers.</p> <p>(b) <b><u>Corporate gifts</u></b> normally bear the company name and logo and are of nominal value. Examples of corporate gifts include items such as diaries, table calendars, pens, notepads, and plaques.</p> <p>(c) <b><u>Festive Gifts</u></b> include traditional treats or gifts customary to the occasion. Examples include festive hampers, oranges and dates.</p> <p>(d) <b><u>Congratulatory and Compassionate gifts</u></b> are customary gifts which include, but are not limited to the following:</p> <p>(i) <b><u>Congratulatory gifts</u></b> include gifts to mark the opening of a business, graduation, weddings.</p> <p>(ii) <b><u>Compassionate gifts</u></b> include tokens of bereavement in the event of death, gifts given following an illness / accident.</p> <p>All Gifts offered and received are subject to the Gift and Hospitality Guiding Principles. Please refer to the Gifts, Hospitality and Donations Procedure for applicable limits of authorities for Hospitality.</p> |
| Employees                                 | Employees shall encompass all personnel including senior management, managers, executives and non-executives under the employment of the Group. This also covers temporary staff and interns..   |
| Gifts, Hospitality and Donations Register | All Divisions are required to record Gifts, Hospitality and Charitable Donations offered and / or received, where applicable, in a register (“ <b>GHD Register</b> ”).   |

|                         |   |
|-------------------------|---|
|                         | Please refer to the GHD Procedure for a template register. GHD Procedure means the Gifts, Hospitality and Donations Procedure supporting this Anti-Bribery and Anti-Corruption Policy.  |
| Government Officials    | Government Officials are defined broadly to include officers or employees acting on behalf of a government or public body or agency. It could also refer to officers or employees of a government international organisation, such as the United Nations. It also includes: <ul style="list-style-type: none"> <li>(i) Employees, representatives or advisors of a political party;</li> <li>(ii) Candidates of political office; and</li> <li>(iii) Family members (including parents, sibling, spouse, child) of all the above.</li> </ul>  |
| Hospitality             | Hospitality is the collective term referring to any form of accommodation, drink, meal, entertainment, cultural or sporting event, theatre event, recreation and travel or transportation. Entertainment and travel are defined further as follows: <ul style="list-style-type: none"> <li>(a) <b>Entertainment</b> refers to an activity or meal intended to maintain the Group's business relationship where a Group employee is in attendance, including conference or event passes, or tickets / passes to concert or sporting events.</li> <li>(b) <b>Travel</b> refers to domestic or international trips provided to/receive from any third party, where the travel serves a legitimate business purpose above and beyond developing relationships. Costs associated with travel include airfare, hotel accommodations, and ground transportation during a trip.</li> </ul> <p>All Hospitality offered and received are subject to the Gift and Hospitality Guiding Principles. Please refer to the Gifts, Hospitality and Donations Procedure for applicable limits of authorities for Hospitality.</p> |
| Political Contributions | Political contributions or expenditures include, but are not limited to: <ul style="list-style-type: none"> <li>(i) Paying for advertisements and other political campaign expenses;</li> <li>(ii) Buying tables for fundraising dinners organised by a political party; and/or</li> <li>(iii) Loaning Employees to support political events during working hours.</li> </ul> <p>All political contributions and / or donations must be approved by the Board.</p>  |

## 6. Anti-bribery and anti-corruption policy

- a) All forms of bribery and corruption are prohibited. The Group upholds a zero tolerance approach. In addition to bribery, Employees must not participate in any corrupt activity, such as extortion, collusion, breach of trust, abuse of power, trading under influence, embezzlement, fraud or money laundering.

- b) Bribery may take the form exchange of money, goods, services, property, privilege, employment position or preferential treatment. Employees shall not therefore, whether directly or indirectly, offer, give, receive or solicit any item of value, in the attempt to illicitly influence the decisions or actions of a person in a position of trust within an organisation, either for the intended benefit the Group or the persons involved in the transaction.
- c) This Policy applies equally to its business dealings with commercial ('private sector') and government ('public sector') entities, and includes interactions with their directors, Employees, agents and other appointed representatives at all levels. Even the perception of bribery is to be avoided.
- d) This Policy applies to all countries worldwide, without exception and without regard to regional customs, local practices or competitive conditions.
- e) No Employee will suffer demotion, penalty or other adverse consequences for refusing to pay or receive bribes or other illicit behaviour, even if such refusal may result in the company losing business or experiencing a delay in business operations.
- f) The Group recognises the value of integrity in its Employees and Directors. The Group's recruitment, training, performance evaluation, remuneration, recognition and promotion for all Employees, shall be designed to recognise integrity. The Group conducts due diligence on employees who holds or may be holding, Exposed Positions.
- g) The Group does not offer employment to prospective Employees in return for previous favour/in exchange of improper favour.
- h) The Group awards contracts and employee positions purely based on merits. Support letters in all forms shall not be recognised as part of the business decision making process.

## **7. Recognition of local and international legislation**

- a) The Group is committed to conducting its business ethically and in compliance with all applicable laws and regulations, including but not limited to MACCA, Malaysian Penal Code (revised 1977) (and its amendments), the Companies Act 2016 (Malaysia), the US Foreign Corrupt Practices Act 1977 (amended 1998), and the UK Bribery Act 2010. These laws prohibit bribery and corruption. Organisations are mandated to establish and maintain accurate books and records as well as adequate measures to prevent corrupt practices.
- b) In cases of conflict between mandatory law and the principles contained in this Policy the law shall prevail.

## 8. Gifts, Hospitality and Donations

- a) The Group recognises and accepts that the occasional offer / acceptance of an appropriate Gift or Hospitality can make a valuable contribution to the development and maintenance of good business relationships. However, the Group prohibits the use of improper gifts and hospitality to influence business decisions.
- b) Directors, Employees and Counterparties (when acting on behalf of Group Companies) must acknowledge that the practice of business gifts, entertainment and travel varies between countries and regions, and what may be normal and acceptable in one region may not be in another. The intention behind the gifts, entertainment or travel should always be considered, so that it does not create an appearance of bad faith and impropriety, and should not be misunderstood by others to be a bribe.
- c) In general, offering and accepting Gifts and Hospitality is permissible, provided the following guiding principles are observed ("**Gifts and Hospitality Guiding Principles**"):

### Principle 1: Recipients

The recipient's organisation permits the giving or receiving of such Gifts / Hospitality.

### Principle 2: No Cash & Personal Services

Gifts / Hospitality in the form of cash or cash equivalents, or personal services are not allowed. However, should local custom or circumstances dictate that cash is the only appropriate form of gift, it will be strictly subject to approval of the Division Managing Director.

### Principle 3: Ability to Influence

The Gift / Hospitality will not create an actual or perceived conflict of interest. Gifts / Hospitality that appear to or are intended to establish an obligation on the recipient, or influence the impartiality of the recipient are prohibited.

### Principle 4: Value

The Gift / Hospitality is not lavish and is proportionate under the circumstances (accounting for, among other factors, the value of the Gift / Hospitality, frequency with which Gift / Hospitality has been given to or received from said party/organisation in the past).

### Principle 5: Nature of Gift / Hospitality

The Gift / Hospitality is appropriate, inoffensive (i.e.: not indecent, sexually oriented or culturally insensitive).

### Principle 6: Government Officials

Gifts and Hospitality given to Government Officials expose the Group to higher risks under anti-bribery and anti-corruption laws. Depending on jurisdiction, there may be additional laws, rules, and regulations that govern the Group's business dealings with Government Officials. Employees are expected to be mindful and comply with all rules



that apply to interactions with Government Officials, including rules regarding the offering of gifts and hospitality.

Where possible, Directors, Employees and Counterparties (when acting on behalf of Group Companies) should avoid offering Gifts and Hospitality to Government Officials. If a Gift is necessary, a Corporate Gift is encouraged.

- d) With regards to accepting Hospitality in the form of Travel: Employees may accept lodging and meals provided by Counterparties, Business Partners or other stakeholders within the host country if the trip is for business purposes and prior approval has been obtained from the relevant Division MD or the GCEO. The cost of travelling to the host country must be borne by the Group.
- e) With regards to offering Hospitality in the form of Travel: Unless prohibited by law or the policy of the recipient organisation, the Group may bear the costs of transportation and lodging for Counterparties, Business Partners or other stakeholders in connection with a legitimate business purpose e.g. on-site examination of equipment, contract negotiations or training. Prior approval from the relevant Division MDs or the GCEO must be obtained.
- f) Please refer to the following table for Gifts, Hospitality, and Donations & Sponsorships that are allowed. The following table shall be read together with the GHD Procedure which sets out the Limits of Authority for Divisional and Regional Managing Director. Where a GHD Register is required to be filled and completed please refer to the GHD Procedure for a suggested template.

| Type of Gift / Hospitality / Donation | Description                         | OFFERING GHD                 |                      | RECEIVING GHD        |                      |
|---------------------------------------|-------------------------------------|------------------------------|----------------------|----------------------|----------------------|
|                                       |                                     | All other recipients         | Government Officials | All other recipients | Government Officials |
| <b>Courtesy Gifts</b>                 | Is it allowed?                      | ✓                            | ✓*                   | ✓                    | ✓#                   |
|                                       | Is a limit of authority prescribed? | Refer to Limits of Authority |                      | X                    | X                    |
|                                       | Must GHD Register be filled up?     | ✓                            | ✓                    | ✓                    | ✓#                   |
| <b>Corporate Gifts</b>                | Is it allowed?                      | ✓                            | ✓*                   | ✓                    | ✓#                   |

| Type of Gift / Hospitality / Donation | Description                         | OFFERING GHD                 |                      | RECEIVING GHD  |  |
|---------------------------------------|-------------------------------------|------------------------------|----------------------|--|--|
|                                       |                                     | All other recipients         | Government Officials | All other recipients                                     | Government Officials                                     |
|                                       | Is a limit of authority prescribed? | X                            | X                    | X  | X  |
|                                       | Must GHD Register be filled up?     | X                            | X                    | X  | X  |
| <b>Festive Gifts</b>                  | Is it allowed?                      | √**                          | √*                   | √  | √#   |
|                                       | Is a limit of authority prescribed? | Refer to Limits of Authority |                      | X***   | X<br>Subject to Gifts and Hospitality Guiding Principles |
|                                       | Must GHD Register be filled up?     | √                            | √*                   | √  | √#   |
| <b>Congratulatory Gifts</b>           | Is it allowed?                      | √**                          | √*                   | √  | √#   |
|                                       | Is a limit of authority prescribed? | Refer to Limits of Authority |                      | X***   | X<br>Subject to Gifts and Hospitality Guiding Principles |
|                                       | Must GHD Register be filled up?     | √                            | √                    | √***   | √#   |
| <b>Compassionate Gifts</b>            | Is it allowed?                      | √**                          | √*                   | √  | √#   |
|                                       | Is a limit of authority prescribed? | X***                         | X***                 | X***   | X  |
|                                       | Must GHD Register be filled up?     | √                            | √                    | √***   | √#   |
| <b>Entertainment</b>                  | Is it allowed?                      | √                            | √*                   | √  | √#   |
|                                       | Is a limit of authority prescribed? | Refer to Limits of Authority |                      | X<br>Subject to Gifts and Hospitality Guiding Principles | X<br>Subject to Gifts and Hospitality Guiding Principles |

| Type of Gift / Hospitality / Donation | Description                         | OFFERING GHD                     |                      | RECEIVING GHD        |                      |
|---------------------------------------|-------------------------------------|----------------------------------|----------------------|----------------------|----------------------|
|                                       |                                     | All other recipients             | Government Officials | All other recipients | Government Officials |
|                                       | Must GHD Register be filled up?     | X                                | ✓*                   | X                    | ✓#                   |
| Travel                                | Is it allowed?                      | ✓                                | ✓*                   | ✓                    | X                    |
|                                       | Is a limit of authority prescribed? | Refer to Limits of Authority     |                      | X                    | X                    |
|                                       | Must GHD Register be filled up?     | ✓                                | ✓                    | ✓                    | X                    |
| Donations & Sponsorship               | Is it allowed?                      | ✓                                | X                    | X                    | X                    |
|                                       | Is a limit of authority prescribed? | ✓<br>Refer to GPA E5 (Para 7.2)  | X                    | X                    | X                    |
|                                       | Must GHD Register be filled up?     | ✓<br>Refer to GPA B1 (Para 10.4) | X                    | X                    | X                    |

\* To exercise caution, as Gifts / Hospitality given to Government Officials expose the Group to higher risks.

Where possible, a Corporate Gift is preferred.

\*\* Where cash or equivalent are being offered under circumstances which are customary or where cash is unavoidable (e.g. festive angpows and or shopping vouchers and/or prepaid cards, and/or bereavement token), special approval must be obtained in writing from the relevant Division MD or the GCEO to seek an exception from Principle 2 of the Gifts and Hospitality Guiding Principles.

\*\*\* No thresholds prescribed (as Congratulatory and Compassionate Gifts are received in an Employee's personal capacity). However, amounts must be declared and records must be kept.

# Gifts/ Hospitality from government officials are unlikely. However, in the event that employees do receive Gifts/ Hospitality from government officials, it is mandatory for Employees to declare by completing the GHD register.

Company donations and sponsorships are part of the Group's commitment to society and a way of contributing to worthy causes. Unfortunately, even legitimate donations and sponsorships sometimes have the risk of creating the appearance of bribery and corruption.

You must ensure that all donations and sponsorships on behalf of the Group are given through legal and proper channels. Particular care must be taken in ensuring that the charities or sponsored organisations on the receiving end are valid bodies and are able to manage the funds properly.

You should also avoid situations where conflicts of interests could arise from making donations or sponsorships. Beware of making contributions to charities or sponsored

organisations that may have links to government officials or their families, as this could be seen as an act to influence the official's decision in gaining benefit to the company.

You must obtain prior approval in accordance with established procedures before making donations or sponsorships on behalf of the Group. Approved donations and sponsorships should be made transparently and recorded accurately. All requests for donations and sponsorships received by the Directors must be referred to the GCEO

This section shall be read in conjunction with the Anti-Bribery and Anti-Corruption Policy, the Gifts, Hospitality and Donations Procedure, and the limits of authority prescribed in GPA E5 – Operational Matters.

## **9. Facilitation payments**

- a) The Group adopts a strict stance that disallows facilitation payments.
- b) Employees are expected to notify their immediate superior when encountered with any requests for a facilitation payment. In addition, if a payment has been made and Employees are unsure of the nature, their immediate superior must be immediately notified and consulted. They must also ensure that the payment has been recorded transparently.
- c) The Group equally uphold the safety of all Employees as priority. In the event that an Employee's safety is at stake, a facilitation payment to protect the Employee is permitted if:-
  - (i) that is the immediate available recourse to protect the safety of the Employee;
  - (ii) the Divisional Managing Director/Group Chief Executive Officer's approval has been obtained; or, payment under the state of emergency had been undertaken, after which the Divisional Managing Director / Group Chief Executive Officer's approval must be retrospectively obtained as soon as possible.

## **10. Business Associates**

- a) As part of the Group's commitment to combat bribery, the Group expects all Business Associates to refrain from bribery.
- b) If suspicion of bribery and corruption arises in the dealings with any Business Associate, the Group shall seek an alternative provider of the services / goods.
- c) The Group expects all Business Associates acting on behalf the Group to contractually agree to refrain from bribery and corruption, and to adhere to the Vendor COBC.
- d) If the Group is not satisfied that bribery and corruption prevention has been upheld, due diligence shall be undertaken with regards to any Business Associate intending to act on the Group's behalf.
- e) The extent of the due diligence should be risk-based and shall include a bribery risk assessment. Due diligence may include a search through relevant databases, checking for relationships with public officials, and documenting the reasons for choosing one particular Business Associate over another.
- f) The Group shall endeavour to include clauses in all contracts enabling the Group to terminate any contract in which bribery or corruption has been observed.

- g) The Group strives to build and strengthen its relationships with Business Associates. In ensuring that the Business Associate adhere to industry best practice and accepted standards of behaviour, Business Associates may be required to complete the Sime Darby Business Partner Compliance Verification or the Mutual Recognition form, where deemed necessary based on circumstantial requirements. Where the requirements may not be immediately apparent, Group Compliance & Integrity shall be consulted.
- h) Guidance and standards for appropriate practices and behaviours are expected to also be regulated to prevent corrupt practices. These are addressed in the JV COBC Framework. Where the requirements may not be immediately apparent, Group Compliance & Integrity shall be consulted.
- i) The Vendor COBC (VCOBC) provides guidance to Vendors on the required standards and code of conduct when engaging in business dealings with the Group. All vendors are expected to adhere to the VCOBC and declare compliance to the VCOBC via the Vendor Letter of Declaration (VLOD). Where the requirements may not be immediately apparent, Divisional Procurement / Group Compliance & Integrity shall be consulted.

## **11. Responsibilities of Employees**

- a) Employees are responsible for understanding and complying with this Policy. In particular, the role of all Employees includes the following:
  - i. Be familiar with applicable requirements and directives of the policy and communicate them to subordinates;
  - ii. Promptly record all transactions and payments accurately and in reasonable detail;
  - iii. Always raise suspicious transactions to immediate superiors for guidance on next course of action;
  - iv. Promptly report violations or suspected violations through appropriate channels;
  - v. Promptly complete COBC trainings and assessments, as well as attest to comply annually.

## **12. Conflict of interest**

- a) Conflicts of interest arise in situations where there is a personal interest that might be considered to interfere with that person's objectivity when performing duties or exercising judgement on behalf of the Group. Employees should avoid or deal appropriately with situations in which personal interest could conflict obligations or duties. Employees must not use their position, official working hours, Group resources and assets for personal gain or to the Group's disadvantage.
- b) The COBC sets out the procedures on how to deal with conflicts of interests arising with a selected group of individuals and entities, including:
  - i. Dealing with suppliers, customers, agents and competitors;
  - ii. Personal dealings with suppliers and customers;
  - iii. Outside employment and activities outside the Group ;

- iv. Board membership;
  - v. Family members and close personal relationships; and
  - vi. Investment activities.
- c) In situations where confronted with such conflict, Employees are required to complete the Conflicts of Interest Disclosure Form.

### **13. Staff declarations**

- a) All new recruits shall complete trainings on the COBC, the GPA and this Policy. New recruits are expected to pass the assessment at the end of the training and attest that the COBC shall be complied with in the course of his/her employment.
- b) In addition, under circumstances of suspicious behaviour, allegations and/or investigations relating to bribery or corruption, Group Compliance & Integrity and Group Human Resources reserves all rights to request the relevant Employee to declare information regarding assets owned as deemed necessary.

### **14. Anti-bribery and Anti-Corruption compliance**

- a) Group Compliance & Integrity shall have the oversight of the implementation of compliance controls related to this Policy.
- b) Group Compliance & Integrity shall conduct regular risk assessments to identify the bribery and corruption risks potentially affecting the Group. Group Compliance & Integrity shall also review the suitability of this Policy from time to time, taking into account relevant developments in the legislature as well as evolving industry and international standards.
- c) Group Compliance & Integrity shall be the independent authority under GPA A5 to act effectively against bribery, including initiating investigations deemed necessary based on reasonable cause for suspicion. The Head of Group Compliance & Integrity shall maintain a direct reporting line to the Governance and Audit Committee, the Group Management Committee as well as the Directors.
- d) Group Compliance & Integrity shall implement and effectively manage routine anti-bribery and anti-corruption measures as deemed appropriate to ring-fence the organisation against possible legislative liabilities, as well as undertake ad-hoc measures deemed required based on circumstantial requirements that presents during the course of operations.

### **15. Awareness and training**

- a) The Group conducts awareness programmes for all Employees to refresh awareness of anti-bribery and anti-corruption measures, and to continuously promulgate integrity and ethics. This includes the online COBC training, assessment and attestation.
- b) In addition, the Group provides anti-bribery and anti-corruption training to :-
  - a. New recruits; and
  - b. Employees promoted / transferred to Exposed Positions.

- c) Group Compliance & Integrity may at any time recommend that certain trainings be repeated to any Employee / Group of Employees in any operating unit / Region if deemed necessary based on circumstantial requirements.
- d) Group Human Resources shall maintain all records of trainings in collaboration with Group Compliance & Integrity.

## 16. Reporting of policy violations

Employees who encounter actual or suspected violations of this Policy are required to report their concerns. Each Employee has a responsibility to ensure that suspected -bribery and corruption incidents are reported promptly. The Group practices an open door policy and encourages all Employees to share concerns and suggestions with superiors and colleagues who are able to address them in an appropriate manner. The COBC sets out secured whistleblowing channels below :-

- a. Whistleblowing e-Form at:
  - i. <http://www.simedarby.com/operating-responsibly/whistleblowing>
- b. Emails:
  - i. Senior Independent Director:
 

seniordirector@simedarby.com
  - ii. Group Compliance & Integrity Whistleblowing Unit:
 

whistleblowing@simedarby.com
- c. Calls to (Malaysian Office Hours; GMT+8 hours):
  - i. Malaysia (Toll-free) : 1-800-18-5008
  - ii. Other Countries : (6019)-2688-295
- d. Letters to Group Compliance & Integrity Whistleblowing Unit at:
  - i. Sime Darby Berhad, P.O Box 03187, 47500, Subang Jaya, Selangor, Malaysia

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.

## 17. Non-compliance

- a) Group Compliance & Integrity shall conduct regular validation to ensure compliance to this Policy. Such validation exercises may be conducted either independently by Group Compliance & Integrity or in collaboration with Group Corporate Assurance, and/or conducted by external consultants.
- b) Non-compliance identified by the validation or identified through other risk assessments undertaken shall be reported to the Governance and Audit Committee.

## 18. Continuous improvement

- a) The Group is committed to continually improving its policies and procedures relating to anti-bribery and anti-corruption. Group Compliance & Integrity may therefore endeavour to develop further integrity measures and certify the Group's anti-bribery procedures as adequate where certification is available.

## **19. Sanctions for non-compliance**

- a) The Group regards bribery and corruption as a serious matter. Non-compliance may lead to disciplinary action, up to and including termination of employment. Further legal action may also be taken in the event that the Group's interests have been harmed as a result of non-compliance.
- b) The Group shall notify the relevant regulatory authority if any identified bribery or corruption incidents have been proven beyond reasonable doubt.
- c) Where notification to the relevant regulatory authorities have been done, the Group shall provide full co-operation to the said regulatory authorities, including further action that such regulatory authority may decide to take against convicted Employees.

## **20. Waiver**

Any deviation or waiver from this policy must be approved either by the Governance and Audit Committee or Board of Directors.