

## BCB BERHAD

### ANTI-BRIBERY AND CORRUPTION POLICY

BCB is committed to conducting business in a virtuous and ethical manner, free from all aspects of Bribery and Corruption. This Anti-Bribery and Corruption Policy (“ABC Policy”) represents BCB’s commitments and shall apply to all Employees, Directors, and Business Associates of BCB Berhad and its subsidiaries.

#### OBJECTIVES

The ABC Policy has been established to:

- assert BCB’s zero tolerance stance against Bribery and Corruption;
- fulfil in part, the adequate procedure requirement of section 17A of the Malaysian Anti-Corruption Commission Act; and
- capture the duties, roles and responsibilities of Employees, Directors and Business Associates in detecting, preventing and reporting actual, suspected or attempted Bribery and Corruption.

The ABC policy is “umbrella policy” for BCB’s anti-bribery controls. It sets out BCB’s principles in preventing and fighting Bribery and Corruption, and is not intended to contain all exhaustive controls in preventing Bribery and Corruption. The ABC policy should be read together with BCB’s other codes, processes, procedures and policies.

#### DEFINITIONS

- ABC Policy** : Anti-Bribery and Corruption Policy.
- BCB** : means BCB Berhad and its subsidiaries.
- Board of Directors** : the Board of Directors of BCB Berhad.
- Bribery** : the offering, promising, giving, accepting or soliciting of an undue advantage of any value (whereby the advantage could be financial or non-financial), directly or indirectly, and irrespective of location(s), in violation of applicable law, as an inducement or reward for a person acting or refraining from acting in relation to the performance of that person’s duties.
- Business Associates** : an external party with whom BCB has, or plans to establish some form of business relationship, and can include vendors, suppliers, contractors, consultants, joint venture partners, sub-contractors of BCB and where relevant, corporate customers of BCB.
- Compliance Function** : comprises of the Group Chief Financial Officer, Group Financial Controller, Human Resources Manager and Senior Group Accountant.
- Conflict of Interest** : where business, financial, family, political or personal interests could interfere with the judgment of persons in carrying out their duties for BCB, leading to the interests of BCB being undermined or BCB being put at a disadvantage.

- Corruption** : is where a party obtains, attempts to obtain a personal benefit or a business advantage through improper or illegal means. Corruption can be classified as grand, petty and political, depending on the amounts of money lost and the sector where it occurs. Corruption can include Bribery, extortion or kickbacks.
- Directors** : members of any of the Boards of Directors of BCB.
- Employees** : the employees of BCB, whether permanent, temporary or on contract, and shall include interns, apprentices, or trainees.
- Family Member** : includes spouse, children, parents, siblings, including adopted or step-children, step-parents or step-siblings, cousins, aunts, uncles, nieces, nephews, grandparents, grandchildren or any other person who is a member of the same household or who has a close relationship with the person in question.
- GEHT** : refers to gifts, entertainment, hospitality, travel or other benefits.

## **COMPLIANCE FUNCTION**

The Compliance Function shall be responsible for matters relating to Bribery and Corruption in BCB.

The duties of the Compliance Function include:

- arranging the investigation of reports of Bribery or Corruption by an independent party;
- alerting the Board of Directors regarding issues concerning Bribery and Corruption;
- monitoring the use of anti-bribery and corruption policies and procedures;
- periodically conducting risk assessments to evaluate, test and improve anti-bribery and corruption processes, policies and procedures;
- working with business functions in BCB to promptly resolve, improve and correct any inadequacies with policies and procedures.
- answering queries regarding BCB's anti-bribery policies and procedures and dispensing advice to Employees and Directors who are faced with a concern or situation involving Bribery and Corruption;
- arranging for internal and external audits over BCB's anti-bribery and corruption framework at planned intervals; and
- conducting disciplinary proceedings for contraventions of BCB's anti-bribery and corruption policies and procedures.

The Compliance Function can be contacted at [info@bcbbhd.com.my](mailto:info@bcbbhd.com.my) for any queries, concerns, or declarations that have to be made pursuant to BCB's anti-bribery and corruption policies and procedures.

## **ZERO TOLERANCE TO BRIBERY AND CORRUPTION**

BCB has a zero tolerance stance to Bribery or Corruption regardless of where such acts are committed. This zero tolerance stance extends to conduct that amounts to Bribery or Corruption outside of Malaysia.

All Employees, Directors and Business Associates of BCB are prohibited from soliciting, receiving, procuring, offering, or giving bribes in any form whatsoever, and are required to adhere to the laws of Malaysia and any country that they conduct business in.

Employees, Directors or Business Associates who are found to be in breach of the laws of Malaysia, or in breach of the ABC Policy or any of BCB's policies dealing with Bribery and Corruption shall be subject to disciplinary action including but not limited to dismissal of employment, or the termination of a business relationship.

## **CONFLICT OF INTEREST**

When representing BCB, there is an expectation for Employees, Directors and Business Associates to act with BCB's best interest in mind rather than their own interest or the interest of third parties such as their Family Members.

Conflicts of Interest create the risk of Bribery or Corruption occurring. Therefore, extra precautions are required to avoid any actual or perceived Conflict of Interest, and where this is not possible, to declare the Conflict of Interest to the Human Resources Department as and when they arise, in accordance with BCB's Conflict of Interest Policy in the BCB Code Conduct and Ethics.

For positions with significant financial responsibilities or decision-making authority, a Conflict of Interest declaration shall be conducted annually.

## **GIFTS, ENTERTAINMENT, HOSPITALITY, TRAVEL & OTHER BENEFITS**

The offering, giving or receiving of GEHT must be conducted in line with BCB's policies and procedures. Care must be taken to ensure that no GEHT is given or received, including to or by Family Members that will or will appear to influence objective and fair business decisions. GEHT that can appear to influence business decisions are often those that are lavish in nature or beyond usual business courtesies.

Token gifts which are occasional, gifts during festive or special occasions and gifts from social functions, and meals and entertainment of reasonable value are permitted to be received or given. Where GEHT received is capable of being shared, (such as a festive hamper) it should be distributed and shared among colleagues. Any GEHT delivered to an Employee or Director's residence in their capacity as an Employee or Director of BCB, should be brought to BCB's premises.

Pre-approval from the Head of Department and pre-acknowledgement from the member of Compliance Function should be obtained for any GEHT that will be given or received outside of the permitted scope.

Where any GEHT given or received falls outside of this scope, it should be immediately declared to the Compliance Function. If such GEHT is capable of being returned, the Employee or Director may be required to return the GEHT with a polite explanation of BCB's policies on GEHT.

## **DONATIONS & SPONSORSHIPS**

Donations and sponsorships by BCB to any internal or external party, including for any corporate social responsibility or scholarship are only permitted in line with BCB's policies and procedures as set by the Human Resources Department and financial controls.

When BCB gives any donations or sponsorships, the following best practices should be adhered to:

- There should be a genuine purpose and justification for a donation or sponsorship.
- Approval from the Group Managing Director or Executive Director must be obtained before a donation or sponsorship can be granted.
- Checks should be conducted to ensure that there is no actual or apparent conflict of interest in the process of giving a donation or sponsorship;
- Additional due diligence must be conducted before a donation or sponsorship is granted to ensure that it is not an indirect form of Bribery or Corruption. Among the checks that should be conducted are on the identity and reputation of the recipient, the legality of the initiative and the track record of the institution in managing funds.
- Verification must be conducted to ensure that contributions are allowed by the relevant laws prior to any donation being made.
- All donations and sponsorships should be reflected in BCB's financial records and stored for at least 7 years.

Even after a donation or sponsorship has been made, checks and periodic monitoring should be conducted to ensure that it has been properly used for the intended purpose. Any issues of concern should be recorded and escalated immediately to the Compliance Function for their further investigation.

## **FACILITATION PAYMENTS**

Facilitation payments are an illegal or unofficial payment made for the performance of a routine governmental or administrative action that the payer is supposed to receive. Facilitation payments may comprise of a small or large bribe, and are not permitted by BCB within Malaysia or outside of Malaysia, even if it is the norm in another jurisdiction.

There are very limited exceptions to the rule against facilitation payments that will be considered and accepted by BCB. Exceptions to the rule may be granted where facilitation payment has been made to protect a life, a person's health, safety or liberty, provided that such payment is immediately be reported to the Compliance Function. The Compliance Function shall arrange for the payment and the circumstances of the payment to be recorded. An investigation shall be conducted and the matter shall be escalated to top management and the Board of Directors. The Compliance Function will assist the payer to make a report to the relevant authorities.

## **DEALINGS WITH EXTERNAL PARTIES INCLUDING BUSINESS ASSOCIATES**

Dealings with any external party such as governmental or regulatory authorities or Business Associates must be transparent and free from any undue influence.

Any procurement, selection or dealings with Business Associates must be in compliance with BCB's policies and procedures. Business Associates, transactions and projects should be periodically monitored by the respective business functions in BCB for Bribery and Corruption.

To assist with ensuring BCB's compliance with its anti-bribery and corruption obligations, Business Associates are expected to cooperate with BCB. Business Associates are required to:

- read, understand and comply with BCB's policies and procedures relating to anti-bribery and corruption including but not limited to the provision and receipt of GEHT;
- immediately declare any actual or potential Conflict of Interest in their dealings with BCB;
- conduct themselves in a manner that embodies BCB's anti-bribery and corruption values and standards when representing or acting on behalf of BCB;
- comply with all applicable laws within and outside of Malaysia relating to Bribery and Corruption;
- escalate and immediately disclose any actual, attempted or suspected contraventions of BCB's anti-bribery and corruption controls;
- design and build internal safeguards and controls to manage and prevent Bribery and Corruption including having an anti-bribery policy and whistleblowing policy; and
- communicate BCB's anti-bribery and corruption requirements to their employee's and representatives.

Business Associates will be subject to inspections, audits and risk assessments and due diligence by BCB, which shall include assessments on transactions and projects before a formal agreement is signed, or formal arrangement is established. Business Associates are required to cooperate with any such inspections, audits or assessment by BCB or a party appointed by BCB.

## **EMPLOYMENT AND RECRUITMENT**

In managing existing Employees, the Human Resource Department shall ensure that:

- any salaries, bonuses, incentives or benefits are decided in a fair, transparent and independent manner;
- due diligence is conducted before Employees are promoted or transferred to ensure that there is no impropriety; and
- any contraventions of the law, policies, procedures or terms of employment are dealt with transparently.

Recruitment must be conducted in accordance with BCB's policies, internal processes and procedures relating to recruitment, including ensuring:

- background checks are conducted on candidates that they are the most qualified and suitable for the role and have not been involved in any form of Bribery or Corruption;
- independence is maintained in the recruitment process, whereby any Conflict of Interest present in the recruitment process is declared and resolved beforehand; and
- any potential Conflict of Interest or issues in the recruitment of a new Employee is declared, resolved and/or addressed before the person is employed.

## **PROCUREMENT**

Procurement shall be conducted in accordance with BCB's internal processes and procedures relating to procurement. As part of BCB's controls, the following general principles should be adhered to:

- due diligence should be conducted before a business relationship is formed to ensure that the most suitable Business Associate is selected, and there are no convictions or allegations of Bribery or Corruption against the candidate;
- verification and periodic monitoring should be conducted on Employees in the procurement function; and
- the procurement process should be conducted in an efficient, transparent, non-biased manner, whereby any persons with a Conflict of Interest should be removed from the selection process.

## **WHISTLE-BLOWING AND REPORTING**

BCB has a whistleblowing policy, available on the website at [www.bcbhd.com.my](http://www.bcbhd.com.my). Reports received shall be adequately addressed and investigated to the extent possible with the information at hand.

BCB's Employees, Directors, Business Associates are required to report:

- any actual, suspected or anticipated instances of Bribery or Corruption that involves BCB; or
- any breach of or weakness in BCB's anti-bribery and corruption controls,

to an immediate superior in BCB, the Compliance Function, or via BCB's whistleblowing policy.

Other parties, including members of the public are encouraged to utilise the whistleblowing channels for any actual, suspected or anticipated Bribery or Corruption that involves BCB, or any breach of or weakness in BCB's anti-bribery and corruption controls.

## **FINANCIAL AND NON-FINANCIAL CONTROLS**

There are both financial controls and non-financial controls in place to detect and prevent Bribery and Corruption from occurring. These controls shall be overseen by the relevant departments or business functions of BCB, and shall include:

- the requirement for multiple signatories for transactions certain transactions;
- the separation of duties and approval powers; and
- limits of authority of approval for expenditure.

## **TRAINING AND COMMUNICATION OF POLICIES**

BCB's anti-bribery policies and procedures shall be communicated by BCB:

- upon Employees or Directors joining BCB during their induction session;
- upon the creation of a business relationship with Business Associates;
- through the publication of the Anti-Bribery and Corruption policy on the corporate website; or
- at planned periods via means such as email blasts, letters, or townhall sessions.

Training on avoiding Bribery and Corruption, including on BCB's anti-bribery policies and procedures shall be conducted at planned intervals. Mandatory training shall be arranged for Employees and Directors with more than a low risk of corruption.

The content of training shall be built around BCB's risk assessment of their Bribery and Corruption risks. It shall cover:

- the duty to comply with BCB's policies and procedures;
- laws relating to Bribery and Corruption including the Malaysian Anti-Corruption Commission Act 2009;
- avoidance and prevention of Bribery and Corruption;
- training for Employees in certain position to recognise and thereafter report actual, suspected or attempted Bribery or Corruption;
- sanctions that will be imposed by BCB and authorities for non-compliance; and
- where to obtain further advice or information regarding BCB's policies and procedures.

## **MAINTAINING PROPER RECORDS**

BCB requires accurate, timely and reliable records to be maintained in order for BCB to meet its anti-bribery and corruption obligations. Documents in BCB shall be maintained by the department involved in the business function relating to the document, in accordance with procedures set by the individual Head of the Department to ensure that records are kept in a secure, accurate and accessible manner.

The following records must be maintained:

- anti-bribery and corruption policies, processes and procedures;
- agreements and declarations such as Conflict of Interest declarations;
- whistleblowing reports;
- investigation papers;
- Conflict of Interest and anti-bribery and corruption checks;
- training and communication materials and attendance sheets; and
- invoices, receipts, approvals, minutes and documentation regarding payments.

Certain documents that are confidential in nature such as whistleblowing reports should be kept in a secure location accessible only on a "need to know" basis.

## **REVIEW OF POLICIES**

Each department involved in the various business functions in BCB has the responsibility to continuously review and monitor and propose improvements to policies and procedures that are managed by their department.

The Board of Directors of BCB shall periodically review the policies and procedures directly relating to Bribery and Corruption to ensure they are up to date with the laws of Malaysia, effective, and relevant to BCB's practices when necessary.

This Policy was reviewed and approved by the Board of Directors on the following dates:

Version 1	29 May 2020
Version 2	22 May 2023
Version 3	27 Nov 2023
Version 4	28 Feb 2025