



**BENALEC HOLDINGS BERHAD**

200501020529 (702653-V)

**ANTI-BRIBERY & ANTI CORRUPTION POLICY**



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## 1. INTRODUCTION

### 1.1 Purpose

The purpose of this policy is to establish principles for ethical business conduct by Benalec Holdings Bhd and all its affiliates and subsidiaries (the “**Company**” or “**Benalec**”), and its and their officers, directors, managers, and employees, as well as its and their agents, joint venture partners, and other representatives of the Company who are involved in business dealings on behalf of the Company, and to ensure compliance with the anti-bribery and record keeping provisions of the subsection (5) of section 17A under the Malaysian Anti-Corruption Commission (“**MACC**”) Act 2009 and all other equivalent anti-corruption and/or anti-bribery legislation applicable to the Company (whether by virtue of its jurisdiction of incorporation or the conduct of its business operations). This policy strives to provide the Company, including its officers, managers, employees, agents, joint venture partners, and other representatives acting on behalf of the Company with the tools and resources necessary and enforce the Company’s full compliance with the principles established herein.

### 1.2 What does the policy cover

This anti-bribery policy exists to set out the responsibilities of and those who work for Benalec in regards to observing and upholding the Company’s zero-tolerance position on bribery and corruption. It is also exists to act as a source of information and guidance for those working for the Company. It helps them to recognise and deal with bribery and corruption issues, as well as understand their responsibilities. This policy may be read together with other relevant policies and/or guidelines issued by the Company where applicable.

### 1.3 Policy statement

The Company:

- 1.3.1 Is committed to conducting business in an ethical and honest manner, and is committed to implementing and enforcing systems that ensure bribery is prevented. Has zero-tolerance for bribery and corrupt activities. We are committed to acting professionally, fairly and with integrity in all business dealings and relationships, wherever in the country or state we operate.
- 1.3.2 Will constantly uphold all laws relating to anti-bribery and corruption especially in the MACC Act 2009, in regards to our conduct both at home and abroad.
- 1.3.3 Recognises that bribery and corruption are unethical and prohibited under the law. If the Company is discovered to have taken part in corrupt activities, we may be subjected to penalties in accordance with the MACC Act 2009, be excluded from tendering for public contracts, and face serious damage to our reputation. It is with this in mind that we are committed to preventing bribery and corruption in our business, and take our legal responsibilities seriously.



## **1.4 Who is covered with the policy**

- 1.4.1 This policy applies to all individuals working at all levels including directors, senior managers, officers, employees (whether temporary, fixed term or permanent), trainee, seconded staff, home workers, casual workers, interns or any of our subsidiaries or their employees, no matter where they are located (within or outside of Malaysia) (“the Employees”) The policy also applies to Business Associates, the external party or organization which the Company has or is expected to establish, business relationship such as the consultants, contractors, suppliers, distributors, advisers, agency staff, volunteers, agents, sponsor, or any other person or persons associated with us (third parties).
- 1.4.2 Any arrangement the Company makes with a Business Associates and/or third party is subject to due diligent exercise, clear contractual terms, including specific provisions that require the Business Associates or third party to comply with minimum standards and procedures relating to anti-bribery and corruption.

## **1.5 Definition**

- 1.5.1 Bribery and Corruption refers to any action which would be considered as an offence of giving or receiving ‘gratification’ under the MACC Act 2009. Gratification has been widely defined in Clause 3 of the same Act.

Corruption is the act of giving or receiving of any gratification or reward in the form of cash or in-kind of high value for performing a task in relation to his/her job description.

A bribe refers to any inducement, reward, or object/item of value offered to another individual in order to gain commercial, contractual, regulatory, or personal advantage.

- 1.5.2 Audit Committee refers to the Audit Committee of the Board of Directors of the Company.
- 1.5.3 Hospitality refers to the considerate care of guests, such as giving refreshments, accommodation and entertainment at the Company offices, restaurant, hotel, club, resort, convention, concert, sporting event or other venue, with or without the personal presence of the Company host. Other considerate care may also include providing facilities and transportation to give comfort to the guests.

## **2. ADMINISTRATION OF COMPLIANCE PROGRAM**

### **2.1 Board of Directors**

The Board of Directors of the Company has specifically directed issuance and implementation of the Policy and the Compliance Program described in this policy and retain ultimate responsibility for ensuring that the Company meets its obligations under the MACC Act 2009 and all other equivalent anti-corruption and /or anti-bribery legislation applicable to the Company (whether by virtue of its



jurisdiction of incorporation or the conduct of its business operations). The Board of Directors has delegated certain responsibilities for administration of the Compliance Program to its Audit Committee and to certain officers of the Company.

## **2.2 Audit Committee**

The Audit Committee is put in charged with responsibility for: -

- a) Overseeing administration of the Compliance Program as and when required;
- b) Evaluating and recommending to the Board of Directors possible amendments to the Compliance Program and Policy from time to time or every three (3)-year period;
- c) Ensure complete overview of the business and evaluate all activities of the business which may create bribery risk by reference to a risk assessment;
- d) Reviewing the findings of the Company's Compliance Officer regarding possible violations of the Policy or the Compliance Program;
- e) Where the circumstances warrant, undertaking an independent investigation of possible violations of the Policy or the Compliance Program; and
- f) Reporting to the Board of Directors periodically on the status of the Company's compliance with the Policy and the Compliance Program.

## **2.3 Compliance Officer**

The Compliance Officer of the Company has the following responsibility:

- a) Overall day-to-day administration of the Policy and the Compliance Program;
- b) Coordination of anti-corruption education and training program as required by the Compliance Program;
- c) Receiving and responding to questions, reports and/or complaints regarding adherence to the Policy and the Compliance Program, after consultations with the Audit Committee where appropriate;
- d) Immediately reporting to the Audit Committee, any material violation of the Policy or the Compliance Program that appear to have occurred; and
- e) Reporting to the Audit Committee periodically on the status of the Company's compliance with the Policy and the Compliance Program and any practical issue that has arisen in connection with administration of the Policy or the Compliance Program, provided that the Compliance Officer shall not be prohibited from reporting to the Chief Executive Officer / Group Managing Director sooner than set forth herein should knowledge, awareness or suspicion be obtained in relation to an actual or potential



breach of the MACC Act guidelines, any other equivalent anti-corruption and/or anti-bribery legislation or this Policy.

The Policy permits the Compliance Officer, to designate other Company Officers or employees with certain Policy functions as indicated in this policy. Such designation should be made in writing.

## **2.4 Reporting Obligations**

All Employees should report any knowledge, awareness or suspicion of a potential violation of the MACC Act and/or all other equivalent anti-corruption and/or anti-bribery legislation applicable as elaborated in this Policy to the Head of Departments or management of the Company or the Compliance Officer or other designated company officer with reference to the Compliance Program.

Reports may be made anonymously if so desired. There will be no reprisal for the submission of any information or report that is submitted in good faith and in reasonable belief. The identity for such information shall be protected and is regarded confidential.

The Compliance Officer is **Normalawati Binti Nadzri**. Her contact number is as follows:-

Telephone : 019-368 7166

E-mail : [normalawati@benalec.com.my](mailto:normalawati@benalec.com.my)

Address : Benalec Holdings Bhd  
No.23, Jalan Perintis U1/52  
Glenmarie Temasya, Seksyen U1  
40150, Shah Alam  
Selangor Darul Ehsan

## **3. WHAT IS AND WHAT IS NOT ACCEPTABLE**

This section of the Policy refers to the following areas:

- a) Gifts and hospitality;
- b) Facilitation payments and kickbacks;
- c) Political contributions;
- d) Charitable contributions;
- e) Sponsorship;
- f) Conflict of interest;
- g) Due diligence; and
- h) Financial & non-financial controls.



### 3.1 Gifts and hospitality

- 3.1.1 Accepts normal and appropriate gestures of hospitality and goodwill (whether given to/received from third parties) so long as the giving or receiving of gift meets the following requirements: -
- a) It is not with the intention of influencing the party to whom it is being given, to obtain or reward the retention of a business or a business advantage, or as an explicit or implicit exchange for favours or benefits;
  - b) It is not made with the suggestion that a return favour is expected;
  - c) It is given in the name of the company, or in the individual name but for and on behalf of the company;
  - d) It does not include cash;
  - e) It is appropriate for the circumstances (e.g. giving small gifts for festival season or as a small thank you to a Company for helping with large project upon completion);
  - f) It is of an appropriate type and value and given at an appropriate time, taking into account the reason for the gift;
  - g) It is given/received openly with full disclosure and not secretly;
  - h) It is not selectively given to a key, influential person, clearly with the intention of directly influencing them to do specific intention;
  - i) It is not above certain excessive value, as pre-determined by the Company Compliance Officer (i.e. in excess of RM1,000); and
  - j) It is not offer to, or accepted from, a government official or representatives or politician or political party, without the prior approval of the Company's Compliance Officer.
- 3.1.2 Where it is appropriate to decline the offer of a gift (i.e. when meeting with an individual of a certain religion/culture who may take offense), the gift may be accepted so long as it is declared to the Compliance Officer, who will assess the circumstances. Required form for the disclosure and declaration may be obtained from Human Resource Department. Sample form as per in **Appendix I(a) and 1(b)**.
- 3.1.3 Benalec recognises that the practice of giving and receiving business gifts varies between countries, regions, cultures and religions, so definitions of what is acceptable and not acceptable will inevitably differ for each.
- 3.1.4 As good practice, gifts given and received should always be disclosed to the Compliance Officer. Gifts from suppliers should always be disclosed.



- 3.1.5 The intention behind a gift given/received should always be considered. If there is any uncertainty, the advice of the Compliance Officer should be sought.

### **3.2 Facilitation payments and kickbacks**

- 3.2.1 Benalec does not accept and will not make any form of facilitation payments of any nature to any public/private official. We recognise that facilitation payments are a form of bribery that involves expediting or facilitating the performance of the public or private organization with the intention of securing or speeding up the performance of a certain duty or action and is regarded as an abuse of power of such officer.
- 3.2.2 Benalec does not allow kickbacks to be made or accepted. We recognise that kickbacks are typically made in exchange for a business favour or advantage.
- 3.2.3 Benalec recognises that, despite our strict policy on facilitation payments and kickbacks, employee may face a situation whereby avoiding a facilitation payment or kickback may put their /their family's personal security at risk. Under these circumstances, the following steps must be taken;
- a) Keep any amount to the minimum (not more than RM1,000);
  - b) Ask for a receipt, detailing the amount and reason for the payment;
  - c) Create a record concerning the payment;
  - d) Report this incident to your line manager and the Compliance Officer.

In any event, upon full disclosure made to the Head of Departments, Compliance Officer's approval must be obtained before facilitating payments and/or kickbacks are made.

### **3.3 Political contributions**

Benalec will not make donations, whether in cash, kind, or by any other means, to support any political parties or candidates. We recognise this may be perceived as an attempt to gain an improper business advantage.

Nevertheless, employees may exercise their personal right to make donations to political parties or candidates, however, they must make clear and ensure that any political donations made, are in a personal capacity and do not constitute bribery, corruption or otherwise give rise to adverse reputational risks to the Company.

### **3.4 Charitable contributions**

- 3.4.1 Benalec accepts (and in fact, encourages) the act of donating to charities – whether through services, knowledge, time, or direct financial contributions (cash or otherwise) – and agrees to disclose all charitable contributions it makes.





- 3.4.2 Employees must be careful to ensure that charitable contributions are not used to facilitate and conceal acts of bribery.
- 3.4.3 Employees will ensure that all charitable donations made are legal and ethical under local laws and practices, and the donations are not offered/made without the approval of the Compliance Officer.
- 3.4.4 Employees must ensure that all charitable donations made are aligned with the Company's sustainability policy/ practices.

### **3.5 Sponsorship**

- 3.5.1 Employees must ensure that sponsorships are not used as a subterfuge for bribery.
- 3.5.2 All request for sponsorships must be assessed by the Compliance Officer before being made. The required form for the request may be obtained from Human Resource Department and sample form is as per **Appendix II**.

### **3.6 Conflict of interest**

- 3.6.1 A conflict of interest creates corruption risk when an employee or contracted third party breaches the duty due to the Company by acting in regard to another interest and does not advise the Company of this.
- 3.6.2 All employees who encounter a situation of conflict of interest should disclose the nature and scope of the conflict in accordance with the Company's Code of Ethics and Conduct.

### **3.7 Due diligence**

- 3.7.1 In managing the Group's exposure to unnecessary risk and threats of bribery, due diligence is carried out on prospective board member/ directors and employee (executive level and above) during the hiring process while for third parties, it is before the Company enters into a commercial relationship with any business associates or third party.
- 3.1.6 Business associates or third party will be require to declare whether they have put in place anti-bribery measures and relevant supporting documents must be provided by the business associates or third party to facilitate the due diligence verification. Sample form as per in **Appendix III**.

### **3.8 Financial & non-financial controls**

- 3.8.1 The Company have put in place standardised policies and procedures to address the financial and operational controls of the Group as well as to protect assets, ensure accurate accounting and to deter corruption and bribery.



#### **4. EMPLOYEE RESPONSIBILITIES**

- 4.1 As an employee of Benalec, you must ensure that you read, understand, and comply with the information contained within this policy, and with any training or other anti-bribery and corruption information you are given.
- 4.2 All employees and those under our control are equally responsible for the prevention, detection, and reporting of bribery and other forms of corruption. They are required to avoid any activities that could lead to, or imply, a breach of this anti-bribery policy.
- 4.3 If you have reason to believe or suspect that an instance of bribery or corruption has occurred or will occur in the future that breaches this policy, you must notify the Compliance Officer immediately.
- 4.4 If any employee breaches this policy, after full investigation is made and his/her breaches are proven, he/she will face disciplinary action and could face dismissal for gross misconduct. Benalec has the right to use its reasonable discretion to terminate a contractual relationship with an employee if they breach this anti-bribery policy.

#### **5. HOW TO RAISE A CONCERN**

##### **5.1 How to raise a concern**

- 5.1.1 If you suspect that there is an instance of bribery or corrupt activity occurring in relation to Benalec, you are encouraged to raise your concern at as early a stage as possible. If you are uncertain about whether a certain action or behaviour can be considered as bribery or corruption, you should speak to your line manager, the Compliance Officer, the Director, or Head of Legal.
- 5.1.2 Benalec will familiarise all employees with its whistleblowing policy and procedure so employees can vocalise their concerns safely, swiftly and confidently. Whistle-blower policy and procedures as per **Appendix IV**.

##### **5.2 What to do if you are victim of bribery and corruption**

You must tell your Head of Department and Compliance Officer as soon as possible if you are offered a bribe by anyone, if you are asked to make one, if you suspect that you may be bribed or asked to make a bribe in the near future, or if you have reason to believe that you are a victim of another corrupt activity.

##### **5.3 Protection**

- 5.3.1 If you refuse to accept or offer a bribe or you report a concern relating to potential act(s) of bribery or corruption, the Company understands that you may feel worried about potential repercussions. Benalec will support anyone who raises concerns in good faith under the policy, even if investigation finds that they were mistaken.



5.3.2 Benalec will ensure that no one suffers any detrimental treatment as a result of refusing to accept or offer a bribe or other corrupt activities or because they reported a concern relating to potential act(s) of bribery or corruption.

5.3.3 Detrimental treatment refers to dismissal, disciplinary action, treats, or unfavourable treatment in relation to the concern the individual raised.

## **6. EDUCATION AND TRAINING**

### **6.1 Frequency and participation**

The Compliance Officer will conduct or arrange for Anti-Corruption training sessions, which may include web-based training to be conducted at least annually. Attendance of not less than one such training session each year shall be required for the following individuals:

- Directors;
- Head of Departments, Managers; and
- Employees who (a) are involved in the Company's operations; (b) attorneys who work in the Company's legal department; or (c) have control over Company funds or have responsibility for recording transactions that impact the Company's books and records.

Failure to attend at least one training session each year may result in disciplinary action.

As the Company could be held liable for the acts of bribery by the business associates who carries out work on behalf of the Company, the business associates will be made aware of and understand the Company's Code of Ethics and Conduct, this Anti-Bribery & Anti-Corruption Policy and the Company's Whistle-blowing Policy.

### **6.2 Scope of training**

Training sessions conducted pursuant to this Policy shall include written and oral presentations or web-based training regarding Anti-Corruption requirements, the policy and the procedures detailed in this manual, as well as group question and answer sessions and the opportunity for one-on-one discussion if requested.

## **7. RECORD KEEPING**

Benalec will keep detailed and accurate financial records, and will have appropriate internal controls in place to act as evidence for all payments made. We will declare and keep a written record of the amount and reason for hospitality or gifts accepted and given, and understand that gifts and acts of hospitality are subject to managerial review.



## **8. MONITORING AND REVIEW**

- 8.1 Compliance Officer is responsible for monitoring the effectiveness of this policy and will review the implementation of it on a regular basis. They will assess its suitability, adequacy, and effectiveness.
- 8.2 Internal control systems and procedures designed to prevent bribery and corruption are subject to regular audits to ensure that they are effective in practice.
- 8.3 Any need for improvements will be applied as soon as possible. Employees are encouraged to offer their feedback on this Policy if they have any suggestions for how it may be improved. Feedback of this nature should be addressed to the Compliance Officer.
- 8.4 This Policy does not form part of an employee's contract of employment and BenaLEC may amend it at any time as to improve its effectiveness at combating bribery and corruption.

## **9. AUDITING**

### **9.1 Regular auditing**

Testing and analysis of Company's transactions and of the Company's books, records and accounts for possible violation of the Act, the principles set out in the MACC Act 2009, all other applicable anti-corruption and/or anti-bribery legislation, and the Policy or the compliance procedure shall be a regular part of the Company's routine audit process and all Company personnel shall cooperate fully with the Company's audit staff in that regard.

### **9.2 Anti-Corruption and Audit Reporting to Audit Committee**

The results of all Anti-Corruption auditing activities shall be communicated to the Audit Committee promptly after the completion of relevant audits.

## **10. PENALTIES AND SANCTION**

### **10.1 Bribery**

The following penalties apply to violation of the MACC Act 2009 prohibition:

- (a) Imprisonment – not exceeding 20 years; and/ or
- (b) Fine – not less than RM1 million or 10 times of the value of gratification (if it can be valued) whichever is higher.

### **10.2 Reimbursement**

The Company will not reimburse a fine paid by an employee.



### **10.3 Termination**

Failure to comply with the terms of this Policy hereto shall constitute a gross misconduct and the Company has the right to use its reasonable discretion to subject the employee to disciplinary, up to and including termination of employment.

Any business associates who violates the terms of this Policy, who knows of and fails to report to the Company the potential violations of this Policy, or who misleads investigators making inquiries into potential violations of this Policy, may have their contracts re-evaluated or terminated by the Company.

Approved by the Board through its Written  
Resolution dated 1 September 2020

Recommended by the Audit Committee through  
its Written Resolution dated 1 September 2020