

Anti-Bribery and Anti- Corruption Policy

JENTAYU Group
of Companies





JENTAYU SUSTAINABLES BERHAD

Registration No: 197501000834 (22146-T)
(Incorporated in Malaysia)

ANTI-BRIBERY & ANTI-CORRUPTION POLICY Version 2.0

1.0. BACKGROUND

- 1.1. **Jentayu Sustainables Berhad and its subsidiary companies (“The Group”)** are committed to the highest standards of accountability and integrity in the conduct of its business operations. This includes compliance with applicable laws, regulations, and good procedures and creating a workplace culture that is ethical, fair, and transparent.
- 1.2. These principles are embedded in the Group’s core values.
- 1.3. The **Anti-Bribery & Anti-Corruption Policy (“The Policy”)** is not intended to provide definitive answers to all questions regarding bribery and corruption. Rather, it is intended to provide employees, contractors, vendors, agents, persons, or companies engaged by the Group with a set of principles and procedures that outline expected conduct and responsibilities in combatting the problems of bribery and corruption.

2.0. OBJECTIVES

- 2.1. This policy sets forth the Group’s principles, governance framework, and procedures collectively known as the “Integrity System” to eliminate bribery and corruption in all its forms.
- 2.2. The Integrity System is designed to ensure the Group:
 - 2.2.1. Is following all applicable anti-bribery and anti-corruption laws and related regulations.
 - 2.2.2. Conducts or appears to conduct daily operations and business dealings with integrity, and accountability.
 - 2.2.3. Fosters a working environment and culture that is ethical, fair, and transparent.
 - 2.2.4. Retain flexibility and agility for sustainable value creation.
- 2.3. This policy shall be read together with other relevant policies, guidelines, and procedures that are in place within the Group. If multiple policy documents overlap in terms of provisions, then the more stringent provisions shall apply.

3.0. SCOPE

- 3.1. This policy applies to the Group, the **Board of Directors (“the Board”)**, and employees of the Group.
- 3.2. All associate companies, joint venture companies, and business partners in which the Group is non-controlling are encouraged to adopt these or similar principles.
- 3.3. Counterparties such as consultants, advisors, and agents are expected to comply with this policy in relation to all works conducted with the Group or on the Group’s behalf.

4.0. DEFINITION

Integrity System	The Group's principles, governance framework, and procedures to eliminate bribery and corruption in all its forms.
Bribery & Corruption	<p>Any action which would be considered an offence of giving or receiving 'gratification' under the Malaysian Anti-Corruption Commission Act 2009 ("MACC Act 2009"). In practice, this means offering, giving, receiving, or soliciting something of value to illicitly influence the decisions or actions of a person who is in a position of trust within an organisation.</p> <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. It may also be 'inbound', where an external party is attempting to influence someone within the Group such as a senior decision-maker or someone with access to confidential information.</p>
Gratification	<p>Defined in the MACC Act 2009 means the following:</p> <ul style="list-style-type: none">(i) Money, donation, gift, loan, fee, reward, valuable security, property, or interest in the property being the property of any description whether movable or immovable, financial benefit, or any other similar advantage;(ii) Any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;(iii) Any payment, release, discharge, or liquidation of any loan, obligation, or other liability, whether in whole or in part;(iv) Any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction, or percentage;(v) Any forbearance to demand any money or money's worth or valuable thing;(vi) 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 already instituted, and including the exercise or the forbearance from the exercise of any right or any official power or duty; and(vii) any offer, undertaking, or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding paragraphs (i) to (vi).
Gift	Something is given from one organisation to another, with the appointed representatives of each organisation giving and accepting the gift. Gifts may also be promotional items given out equally to the public at events, trade shows, and exhibitions as a part of building the Company's brand. Gifts must be given openly, and explicitly describe for approval from all relevant parties involved.
Donation & Sponsorship	Charitable contributions and sponsorship payments made to support the community. Charitable contributions include sponsorship of educational events, supporting NGOs, and other social causes.
Corruption	<p>The definition of corruption is an abuse of entrusted power for personal gain.</p> <p>There are four (4) main corruption offences stipulated in the MACC Act 2009 (Act 694) which are as follows:</p> <ul style="list-style-type: none">(i) Soliciting/Receiving gratification (Bribe) [Section 16 & Section 17A MACC Act 2009];(ii) Offering/Giving gratification (Bribe) [Section 17(b) MACC Act 2009];(iii) Intending to deceive (False claim) [Section 18 MACC Act 2009]; and

4.0. DEFINITION (CONT'D)

Corruption (Cont'd) (iv) Using office or position for gratification (Bribe) (Abuse of power/position) [Section 23 MACC Act 2009].

In addition, corruption may include acts of extortion, collusion, breach of trust, trading under the influence of embezzlement, fraud, or money laundering.

Money Laundering It's an act of criminal origin, the nature of monies or assets is hidden in legitimate business dealings with counterparties, or when legitimate funds are used to support criminal activities, including financing terrorism through counterparties. The laws governing money laundering can have extra-territorial effects.

Conflict of Interest When Top-level Management and employees have personal interests that could be seen to have the potential to influence or are perceived to influence their decision-making on behalf of the Group.

Top-Level Management Board of Directors (or any c-suite officers and head of business divisions).

Counterparties Joint ventures (controlling interest), consultants, agents, contractors, goods, and service providers which have direct dealings with the Group.

Business partners Corporations or individuals with which commercial relationships exist with the Group but could not exercise significant influence over the latter, such as customers, joint ventures (non-controlling interest), and business alliances.

5.0. OVERSIGHT AND OWNERSHIP

5.1. **Board Risk Committee ("BRC")** shall perform the oversight functions over the administration of the Policy. RMCD shall have the overall responsibility for the implementation of the Policy. The administration to incorporate any updates or amendments and distribute the same to relevant parties shall be carried out by RMCD.

5.2. **Risk Management & Compliance Department ("RMCD")** is the Policy owner, and is responsible for the followings:

5.2.1. Communicate, advise, and provide guidance to employees on Integrity System and matters relating to bribery and corruption;

5.2.2. Monitor and analyse the effectiveness of the Policy;

5.2.3. Conduct administration activities to incorporate any update or amendment to the Integrity System, and distribute them to all relevant parties; and

5.2.4. Reports to the CEO and BRC on the performance of the Integrity System regularly.

5.3. If the need arises, RMCD shall escalate queries or decisions to the CEO or BRC for further deliberation.

5.4. The Board shall have the ultimate authority if there is any departure/dispute/mediation of the Policy.

6.0. MODIFICATION AND REVISION

6.1. The Group may modify the Policy to maintain compliance with applicable laws and regulations or to accommodate organisational changes. RMCD shall regularly observe changes in the Group's business activities, changes to the Group's business environment and risk profile, changes to legal and regulatory regimes, and changes to the organisation structure to improve the Policy.

6.2. In line with this, RMCD shall regularly conduct assessments on the adequacy of the Policy and report to the CEO and BRC periodically, with a minimum of once every 3 years.

6.3. Changes to the Policy, if any, shall be effective only with the Board's approval.

7.0. POLICY STATEMENT

- 7.1. The Group's Policy is to conduct all its business ethically and honestly.
- 7.2. The Group adopts a zero-tolerance approach to bribery and corruption. The Group shall prohibit practices of bribery and corruption approach in all forms and all its business dealings. Failure to comply with this Policy shall be taken seriously and may lead to disciplinary action.
- 7.3. All employees, starting from Top-level Management of the Group, through their conduct, by instituting appropriate policies and procedures, and by holding fellow employees and business associates to account, shall be responsible to create a working environment that is ethical, fair, and transparent. It is therefore the responsibility of all employees to:
 - 7.3.1. Not to participate in any activity in contravention to the spirit or contents of this Policy;
 - 7.3.2. Not to penalise any employees that refuse to pay bribes. However, employees are expected to represent the Group's integrity values so that a bribe request does not arise. Showcasing the Group's values on integrity is part of an employee's legitimate performance expectation as set out in the Code of Conduct and Ethics of the Group Employee Handbook.
 - 7.3.3. Report in good faith, any conduct that is believed or suspected to be inconsistent with the Policy or that could be construed as unethical or unlawful via appropriate channels.

8.0. PROCEDURES

The Group's approach to institutionalising this policy is based on the following principles:

8.1. Top-Level Commitment

Top-level management, specifically the Board, the **Chief Executive Officer ("CEO")**, and officers direct reports to the CEO shall be responsible to instruct and taking adequate measures to ensure that this Policy is complied with by the Group. The following measures shall be taken to ensure top-level involvement:

- 8.1.1. Top-level management to establish and maintain an Integrity System compliance function within the Group. RMCD to design, implement and manage the Integrity System. Specifically, the Board and the CEO shall allocate appropriate resources, from a perspective of competence, authority, and independence for effective operations of the compliance functions within RMCD; and
- 8.1.2. Top-level management, specifically the CEO, Company Secretary, and BRC members shall ensure that the risk register, containing corruption risk assessment, is an agenda item during BRC meetings.

8.2. Regular Risk Assessment

- 8.2.1. The bribery and corruption risks are considered part of the Group's business usual. Therefore, the Group opined to manage these risks on an ongoing basis through regular risk assessment, process improvement, and refinement.
- 8.2.2. An effective comprehensive corruption and bribery risk assessment for the Group shall be conducted once every 3 years by either the RMCD or an external advisor to identify risks to the Group is exposed. The planned schedule for this comprehensive assessment shall be informed to the CEO, BRC, and the finalised report shall be presented as an agenda item at the Board meeting.
- 8.2.3. The risk management processes for the associated risk assessments shall be detailed in the Group's Enterprise Risk Management Framework.

8.3. Proportionate Control Measures

The Group shall set in place controls and mitigation measures which are reasonable and proportionate to the nature and size of its business operations to address any corruption risks raised in the risk register.

8.3. **Proportionate Control Measures (Cont'd)**

These include the followings:

- 8.3.1. Due diligence shall be conducted on counterparties intending to act on the Group's behalf, to ensure that these entities will not be involved in an act of bribery or corruption in the course of their work with the Group. The extent of the due diligence should be using the critical bribery and corruption risk assessment-based approach. The due diligence processes will be documented and will include self-declaration, search through relevant databases, and cross-checking relationships with public officials.
- 8.3.2. The Group shall set in place a safe reporting channel for employees or external parties to report conduct that is believed to be unethical, unlawful, unsafe, and inconsistent with the Policy. The reporting channel shall be detailed in the Group Whistleblowing Policy. Reports must be made in good faith and shall be addressed on time.

8.4. **Systematic Review, Monitoring, and Enforcement**

- 8.4.1. An audit shall be conducted to provide assurances that the Group is operating in compliance with policies and procedures as described by the Integrity System once every 3 years either by **Internal Audit Department ("IAD")** or an external advisor.
- 8.4.2. Non-compliance identified by the audit and any risk areas identified through the risk register should be reported to the CEO and the Board on time.
- 8.4.3. The Group regards non-compliance to the Policy as serious and subject to disciplinary actions including dismissal for employees; and penalties, including termination of contracts, for external parties. Further legal action may be taken in the event the Group's interest has been harmed by the results of non-compliance by individuals or corporations.

8.5. **Need-Based Training and Regular Communications**

The Policy shall be made publicly available and communicated to top-level management, employees, counterparties, and business partners. Specifically:

- 8.5.1. Top-level Management and employees of the entire Group are to extract, read, and understand the Policy. Further, self-declaration to comply with and abide by the rules contained therein of the Policy. Upon joining the Group, recruits are required to perform the same as part of the hiring and/or onboarding process. The acknowledgment declaration checklist trail shall be retained by **Human Resources Department ("HRD")**.
- 8.5.2. RMCD shall notify the BRC of the number of employees who extracted, acknowledged read, and understood the Policy, self-declaration to comply with and abide by the rules contained therein the Policy periodically.
- 8.5.3. Newly appointed external providers are to extract, read and understand the Policy. Further, self-declaration and to agree on by inserting standardised terms of the Policy in all contracts or terms of service.
- 8.5.4. The Group should provide its employees with adequate training to ensure a thorough understanding of the Group's Integrity System and ethics. Steps to be taken shall include the following:
 - 8.5.4.1 RMCD conduct regular training on the Group's position regarding anti-bribery and integrity for employees, recruits, or those appointed to positions that pose a bribery and corruption risk to the Group. HRD shall develop and update the training schedule. The annual training schedule shall be reported and informed to the CEO and BRC.
 - 8.5.4.2 RMCD, in conjunction with HRD, arranges for a survey at least once every 3 years to test employees' awareness and understanding of the Group's position in relevance to the Group's integrity and the Group's values. Results of the survey are to be reported to the CEO and BRC at least once every 3 years.

8.5. **Need-Based Training and Regular Communications (Cont'd)**

8.5.4. The Group should provide its employees with adequate training to ensure a thorough understanding of the Group's Integrity System and ethics. Steps to be taken shall include the following: (Cont'd)

8.5.4.3. HRD shall maintain records to identify which employees have received training and RMCD shall report to the CEO and BRC at every BRC meeting on coverage percentage.

9.0. **REFERENCES**

9.1. MACC Act 2009 and Corporate Liability Provision of Section 17A

9.2. Whistleblowing Policy

9.3. Donations, Sponsorship, Corporate, and Social Responsibility Policy

9.4. Employee Handbook

9.5. Code of Conduct and Ethics Statement

9.6. Recruitment Process Guidelines

9.7. Enterprise Risk Management Framework

10.0 **GUIDELINES FOR SELECTED BUSINESS ACTIVITIES**

10.1. **Gifts And Hospitality Benefit**

10.1.1. The Group recognises that an appropriate level of gift giving or receiving form part of business etiquette and is a legitimate way of building and fostering business relationships provided they do not have any corrupt or criminal intent involved.

10.1.2. Top-level management and employees are allowed to present or receive items of nominal value such as those gifts and hospitality when adhering to the following principles:

10.1.2.1. It is appropriate and provided in connection with promotion, demonstration, or explanation of the Group's or an external party's products or services; and

10.1.2.2. Accepting the gift or hospitality does not suggest or is not perceived to influence a specific decision or provide specific advantages to the giver.

10.1.3. For example, receiving and gift-giving are permitted under the following scenarios:

10.1.3.1. Exchange of gifts between companies.

10.1.3.2. Gifts given and received concern the company's official function, events, and celebrations.

10.1.3.3. Gifts from the Group to Top-Level Management, employees, and their family members.

10.1.3.4. Gifts of nominal value bearing the Group's logo or name given equally during conferences, trade shows, etc.

10.1.3.5. Gifts to external parties who have no business dealings with the Group.

10.1.4. Employees of the Group shall never accept or offer a gift or hospitality benefit under the following circumstances:

10.1.4.1. It is in the form of cash or cash equivalent.

10.1.4.2. Accepting the gift implies an expectation of specific favours or improper advantages from the intended recipients.

10.1.4. Employees of the Group shall never accept or offer a gift or hospitality benefit under the following circumstances: (Cont'd)

10.1.4.3. Accepting the gift will influence or be perceived to influence a specific decision or action.

10.1.4.4. Accepting the gift may cause an actual, perceived, or potential conflict of interest, or may be seen by other people as a reward or incentive.

10.1.5. It is inevitable that situations will arise which are not dealt with by the Policy specifically. The overriding concern is to ensure that no corruption or conflict of interest exists or appears to exist between the duties and private interests of employees. If there is any doubt concerning the appropriateness of the offered gift or benefit or the potential for perceived/actual conflict of interest, employees should decline the offer or raise the matter with the Head of RMCD or CEO immediately.

10.2. Donations And Sponsorships

10.2.1. Contributions for donation or sponsorship requests on the ground of corporate social responsibility shall be carefully examined for legitimacy. Any contribution shall fulfil the following conditions:

10.2.1.1. The contribution will not improperly influence a business outcome.

10.2.1.2. Contribution is not perceived to have any effect on business actions or decisions.

10.2.1.3. Intended recipients must not be involved in corruption, or any criminal or money laundering intent.

10.2.1.4. There must be no effect on the independent business judgment of the intended recipient.

10.2.2. The proposed recipient of the donation or sponsorship must be a legitimate organisation, and appropriate due diligence and background checks shall be conducted before any contribution is made.

10.2.3. The donation or sponsorship programmes shall be carefully structured openly and transparent manner to ensure that the benefits reach the intended recipients and can be disclosed publicly when required. Further procedural details are to be covered in the Donations, Sponsorship, Corporate and Social Responsibility Policy.

10.3. Money Laundering

10.3.1 Employees who are involved in decision-making processes concerning counterparties shall conduct due diligence to understand the counterparties' business, background and to determine the origin and destination of money, properties, and services.

10.3.2 Employees who are frequently involved in decision-making processes concerning counterparties, particularly in matters of financial transactions, should be properly acquainted with the applicable laws and regulations related to money laundering. These employees are required to attend anti-money laundering training once every 2 years with a certificate of completion being monitored by HRD.

10.3.3. Employees shall report promptly to the Head of RMCD immediately when they suspect or encounter any instances of money laundering.

10.4. **Facilitation Payment**

- 10.4.1. The Group adopts a strict policy of prohibiting the use of facilitation payment in its business. The facilitation payment is payment or other provision made personally to any individual in control of a process or decision. It is given to secure or expedite or 'fast track' the performance of a routine or administrative duty or function.
- 10.4.2. Employees shall decline to make any facilitation payment and report to the Head of RMCD or CEO immediately if there is any request for facilitation payment. In the event, a payment has been made and employees are unsure of the nature of the payment, the Head of RMCD must be notified immediately, and the payment be recorded accordingly.
- 10.4.3. No payment should be made beyond what law or regulation requires for transactions or goods to be cleared in time.

10.5. **Recruitment Of Employees**

- 10.5.1 The Group is a diversified business entity, that provides equal employment opportunities for qualified and competent individuals from multicultural and multiracial backgrounds.
- 10.5.2 Background checks and due diligence shall be conducted by HRD to ensure that all potential hires have not been convicted in any bribery or corruption case. In the event evidence of involvement in a bribery or corruption case is found during due diligence, the Head of HRD and the potential hire's immediate line of reporting shall be notified promptly. Related procedures are to be further detailed in the Recruitment Process Guidelines.
- 10.5.3 Any candidate that has a household/family relationship with the Group's top-level management/ employees is required to declare and made transparent before completion of the hiring process. The notification shall be made to the Head of HRD and Head of RMCD. Additionally, rights, entitlements, and benefits given to the candidate shall be reasonable in value and in line with his/her position, roles, and responsibilities.

10.6. **Conflicts Of Interest**

- 10.6.1. Employees should avoid conflict of interest situations in which personal interest could conflict with their professional obligations or duties or objectivity or independence. Employees shall not use their position, official working hours, Group's resources and assets, or information available to them for personal gain or to the Group's disadvantage.
- 10.6.2. In situations where a conflict does occur, employees are required to complete the Conflicts of Interest Disclosure Form.

This Anti-Bribery & Anti-Corruption Policy Version 2.0 (Ref: CG 08-02/2023) is endorsed by the Board of Directors of Jentayu Sustainables Berhad and will be effective on 23 May 2023.

JENTAYU SUSTAINABLES BERHAD

Registration No: 197501000834 (22146-T)
(Incorporated in Malaysia)

STAFF DECLARATION FORM

ACKNOWLEDGEMENT OF ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

I, *Dato/En/Puan/Mr/Ms, _____ (Name), bearer of NRIC

No. _____ being an employee of

_____ (Company Name) hereby declare and confirm that I have read and

understood the contents of the **Anti-Bribery and Anti-Corruption Policy** of **Jentayu Sustainables Berhad**

which applies to me, and further declare that I shall comply and abide by the rules contained therein.

(Signature)

Designation : _____

Date : _____

(Please return this copy to Risk Management & Compliance Department)