



KHEE SAN BERHAD

Registration No: 199401018697
(304376-A)

GROUP OF COMPANIES

ANTI-BRIBERY AND CORRUPTION PREVENTION POLICY

RECITAL

“Bribery” is the term commonly given to the category of corruption offences involving the giving, promising, offering, soliciting, receiving or agreeing to the receipt of any gratification as an inducement, reward or otherwise on account of an action or inaction which is wrong or illegal. A bribe can take the form of money, discounts, favours, employments, donations (including political donations), sponsorships, appointments, sexual acts, properties, promises and services. This list is not exhaustive. The important thing to note is that the bribe need not be in monetary form but can also be in kind or non-monetary form. It also does not matter whether the value of the bribe is small or big. Bribery can take place directly or through an intermediary or agent.

“Corruption” is any unlawful or improper behaviour that seeks to gain an advantage through illegitimate means. Bribery, agents making false claims, abuse of power, extortion, fraud, deception, distortion of the tendering process, collusion, cartels, embezzlement and money laundering are all corruption and corruption related offences.

Bribery and corruption are prohibited under Malaysian law by the Malaysian Anti-Corruption Commission Act, 2009 (the “MACC Act, 2009”) and/or other legislations such as the Penal Code, the Customs Act, 1967, the Election Offences Act, 1954, the Competition Act, 2010 and the Anti-Money laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act, 2001. They are also prohibited under the laws of almost all other jurisdictions in the world.

Furthermore, Section 17A of the MACC Act, 2009 requires every company within the Group to put in place adequate procedures to prevent bribery from being given promised or offered by any of its directors, partners, employees or by anyone who perform services on its behalf either to obtain business or to obtain an advantage in the conduct of its business. Failure to do so may expose such company and its directors, controllers, officers and anyone who is involved in its management to severe fine or jail term penalty.

1. PURPOSE

The purpose of this Policy is to establish controls to ensure compliance with all applicable laws and regulatory requirements on anti-bribery and corruption, prevention and to ensure that KHEE SAN BERHAD (Registration No: 199401018697(304376-A)) (the "Company") and all companies, corporations and other entities whose management is directly or indirectly under its control (collectively known as the "Group"), practice the highest level of integrity and ethics in the conduct of their businesses.

2. POLICY STATEMENT

The Group takes a "zero tolerance" approach to bribery and corruption. This is an articulation of how the Group views acts of bribery and corruption in relations to its business and activities, that we do not permit bribery or corruption under any circumstances, and that we can be expected to respond robustly and decisively to such acts.

The Group is committed to acting professionally, fairly, honestly and with the highest level of integrity and ethics in all our business dealings and relationships wherever we operate. The Group will comply fully with all applicable laws and regulatory requirements on anti-bribery and corruption prevention in all the jurisdictions in which we operate. The Group is committed to effectively manage the key corruption risks we face.

3. APPLICABILITY

This Policy applies to the Group's businesses in all countries worldwide, without exception and without regard to regional customs. However, in cases of conflict between mandatory law and the principles contained in this Policy, the law shall prevail.

This Policy applies to each company within the Group and to all personnel and business associates of the Group. Personnel and business associates shall ensure that they read, understand and comply with this Policy together with the Group's policies, procedures and guidelines relevant and applicable to them in the performance of their respective work and services. They are to acquire the necessary competency to comply with the Group's ABMS when doing their work or performing their services. The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all. All personnel and business associates are required to avoid any activity that might lead to, or suggest, a breach of this Policy. Personnel and business associates shall raise concerns as soon as possible if they believe or suspect that a conflict with or breach of this Policy has occurred, or may occur in the future.

Personnel who breach this Policy will face disciplinary action, which could result in dismissal for gross misconduct. The Group reserves the right to terminate our relationship with any business associate who breaches this Policy.

4. REFERENCE

This Policy should be read in conjunction with the following policies, procedures and guidelines of the Group:

Location	Policies, Procedures and Guidelines
Publicly available	• Board Charter
	• Audit Committee Terms of Reference
	• Nomination Committee Terms of Reference
	• Remuneration Committee Terms of Reference
	• Risk Committee Terms of Reference
	• Corporate Administration and Compliance Committee Terms of Reference
	• Whistleblowing Policy
	• Code of Conduct and Ethics

5. INTERPRETATION

For the purpose of the policies and guidelines prescribed under this Policy:-

“**ABMS**” means the Group’s anti-bribery and corruption prevention compliance management system which contains measures designed to identify and evaluate the risk of, and to prevent, detect and respond to bribery and corruption, including this Policy and the policies, procedures and guidelines of the Group referred to in paragraph 4 of this Policy.

“**Top level management**” in relation to each company within the Group means a person who:-

- (a) who is a director, controller or officer of the company;
- (b) who is concerned in the management of the affair of the company, including the main executive officer(s) and the Heads of the Departments of the Group.

“**Business Associates**” means external party with whom the Group has, or plans to establish, some form of business or business-related relationship, and includes clients, customers, joint venture partners, consortium partners, outsourcing providers, contractors, consultants, sub-contractors, suppliers, vendors, advisors, agents, distributors, representatives, intermediaries and investors.

“**Personnel**” means the directors, officers, employees, temporary staff or workers, and volunteers working for or providing services to any of the companies within the Group.

6. COMPLIANCE OFFICER

The Group shall appoint an individual to be known as the Compliance Officer (the “Compliance Officer”) to be responsible for all anti-bribery and corruption prevention compliance matters, including:

- Overseeing the design and implementation of ABMS.

- Providing advice and guidance to personnel and business associates on the ABMS and issues relating to bribery and corruption.
- Monitoring and reporting on the performance of the ABMS to top level management.
- Ensuring that the ABMS conforms to the requirements of such benchmarks and best practices as may be set by top level management from time to time.

The Group shall adequately resource the Compliance Officer and assign persons who have the appropriate competence, status, authority and independence to be the Compliance Officer. The Compliance Officer shall have direct and prompt access to top level management in the event that any issue or concern needs to be raised in relation to bribery or corruption or the ABMS.

The contact particulars of the Compliance Officer as follows:-

The Compliance Officer

MR NG CHEE KEONG

Email Address: steveng@kheesan-marketing.com

KHEE SAN BERHAD

Lot 1819-1824 & 1832, Jalan Kolej

43300 Seri Kembangan, Selangor.

Tel No.: +603 8943 1390 Fax No.: +603 8943 1351

7. BRIBERY AND CORRUPTION RISK ASSESSMENTS

Bribery and corruption risk assessments shall form the basis of the Group's anti-bribery and corruption prevention compliance efforts. As such, the Group shall conduct risk assessments periodically and where there is a change in law or internal or external circumstance to identify, analyse, assess and prioritise the internal and external bribery and corruption risks of the Group. The results of the risk assessments shall be used to design and improve upon the ABMS.

8. CONFLICTS OF INTEREST

"Conflicts of interest" refers to situation where business, financial, family, political or personal interest could interfere with the judgement of persons in carrying out their duties for the Group. It is the Group's policy to identify and evaluate the risk of internal and external conflicts of interest. Proper identification and management of conflicts of interest helps the Group deal with situations where personnel may facilitate or fail to prevent or report bribery or corruption.

All personnel has a duty to report any actual or potential conflicts of interest such as family, financial or other connection directly or indirectly related to their line of work so that it may be dealt with in accordance with the Group's internal policies and procedures.

9. GIFTS, ENTERTAINMENT, HOSPITALITY AND TRAVEL

GIVING / OFFERING

Personnel and business associates must not offer or give any gifts, entertainment, hospitality or travel:

- (a) which could be regarded as illegal or improper, or which violates the recipient's policies; or
- (b) if it is in cash; or
- (c) if there is any suggestion that a return favour will be expected or implied.

ACCEPTING

Personnel and business associates may not accept any gift or hospitality from any parties with whom the Group has or any business or business-related dealings if:

- (a) it is in cash; or
- (b) there is any suggestion that a return favour will be expected or implied.

The Group appreciates that the practice of providing gifts, entertainment hospitality and/or travel varies between countries and regions and what may be normal and acceptable in one country or region may not be in another. The test to be applied is whether in all the circumstances the gifts, entertainment, hospitality or travel is reasonable and justifiable. The intention behind gifts, entertainment, hospitality or travel should always be considered.

10. DONATIONS AND SPONSORSHIPS

POLITICAL

The Group does not make donations or sponsorships, whether in cash or kind, in support of any political parties or candidates, as this can be perceived as an attempt to gain an improper business advantage.

BUSINESS ASSOCIATES

Donations or sponsorships, whether in cash or kind, in support of any events related to any of our business associates may be considered on a case-by-case basis. The test to be applied is whether in all the circumstances the donation and sponsorship is reasonable and justifiable. The intention behind the donation and sponsorship should always be considered.

CHARITABLE

Charitable donations and sponsorships support are acceptable (and indeed are encouraged), whether of in-kind services, knowledge, time, or direct financial contributions. However, personnel and business associates must be careful to ensure that charitable donations and sponsorships contributions are not used as a scheme to conceal bribery or corruption. The

Group only makes charitable donations and sponsorships that are legal and ethical under local laws and practices.

11. FACILITATION PAYMENTS

Facilitation payment is the terms sometimes given to an illegal or unofficial payment made in return for services that the payer is legally entitled to receive without making such payment, It is normally a relatively minor payment made to a public official or person with a certifying function in order to secure or expedite the performance of a routine or necessary action, such as the issuing of a visa, work permit or customs, clearance. Although facilitation payments are sometime regarded as different in nature to a bribe paid to win business, they are nevertheless a bribe that is illegal in Malaysia and in most other jurisdictions.

The Group's strict policy is that facilitation payments shall not be paid.

However, sometimes money is forcibly extorted from personnel or business associates by real or perceived threats to health, safety or liberty. The Group considers the health, safety and liberty of a person as paramount. Personnel and business associates who have paid extortion payments because they have a fear of imminent danger to their or another's health, safety or liberty shall make a record of such event and immediately report it to the Compliance Officer. Upon receiving such a report, the Compliance Officer shall investigate the event and if appropriate, or if required by law, report the payment incident to the relevant governmental authorities. Any extortion payments made shall be correctly recorded in the Group's accounts.

12. FINANCIAL CONTROLS

The Group shall establish, document, implement, maintain and continually review and, where necessary improve upon the management systems and processes to manage its financial transactions properly and to record these transactions accurately, completely and in a timely manner.

13. NON-FINANCIAL CONTROLS

The Group shall establish, document, implement, maintain and continually review and, where necessary improve upon the management systems and processes to help it ensure that the procurement, operational, commercial and other non-financial aspects of its activities are being properly managed.

14. EMPLOYMENT PROCESS

The employment process of the Group shall be reviewed from time to time and measures implemented to provide support for the effective and efficient functioning of the ABMS.

15. RECORD KEEPING AND MANAGING DOCUMENTATION

The Group shall set up policy and procedures for record keeping and managing documentation related to the ABMS covering, inter alia, (a) the types of documented information to be kept, (b) the creation and updating of the documented information, (c) the control of documented information to ensure that they are available and suitable for use,

where and when needed and is adequately protected from loss of confidentiality, improper use or loss of integrity.

16. DUE DILIGENCE

The purpose of conducting due diligence is to further evaluate the nature of bribery and corruption risks identified in respect of these transactions, projects, activities, business associates or personnel. It also serves the purpose of acting as an additional, targeted control in the prevention and detection of bribery and corruption risks, and provides information for the Group's decision on whether to postpone, discontinue or revise those transactions, projects, or relationships with the business associates or personnel.

17. REPORTING CHANNEL (WHISTLEBLOWING CHANNEL)

Personnel, business associates and all internal and external parties are encouraged to raise concerns and report wrongdoing in relation to real or suspected bribery or corruption incidents or inadequacies of the ABMS at the earliest possible stage.

Pursuant to the Group's **Whistleblowing Policy**, a Reporting Channel (Whistleblowing Channel) has been established as an accessible and confidential trusted reporting channel which may be used anonymously for internal and external parties to raise concerns in relation to real or suspected bribery and corruption incidents or inadequacies of the ABMS.

Personnel and business associates who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. The Group aims to encourage openness and will support anyone who raises genuine concerns in good faith under this Policy, even if they turn out to be mistaken.

The Group is committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith or on the basis of reasonable belief their suspicion that an actual or potential bribery or other corruption offence has taken place, or may take place in the future. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern.

If you believe that you have suffered any such treatment, you shall inform the COMPLIANCE OFFICER immediately.

Further details are set out in **Whistleblowing Policy**.

18. SYSTEMATIC REVIEW, MONITORING, AUDIT AND ENFORCEMENT

Top level management of the Group shall ensure that regular reviews are conducted to assess and continually improve upon the performance, efficiency and effectiveness of the ABMS and ensure that the ABMS is enforced and continually improved upon.

Monitoring is done by COMPLIANCE OFFICER. They are the person(s) in charge of the ABMS. Their role is to ensure that the policies, procedures, due diligence, whistleblowing channel work effectively and efficiently. Monitoring is done on a continuous basis.

Internal audits are to be carried out at regular intervals. The Group shall consider an external audit (for example MS ISO 37001 auditors) by a qualified and independent third party at least once every three years to obtain assurance that the Company is operating in compliance with its policies and procedures in relation to bribery and corruption.

Any bribery, corruption or violation of the ABMS and its related policies and procedures which is reported, detected or reasonably suspected are be investigated and dealt with. Appropriate action including disciplinary proceedings against personnel and termination of relationships with business associates as well as reporting the matter to governmental authorities will be taken and to follow the Group's prevailing disciplinary procedures.

19. TRAINING AND COMMUNICATION

The Group shall take the necessary steps to ensure that personnel and business associates understand and comply with the Group's ABMS related policies, procedures and guidelines relevant and applicable to them in the performance of their respective work and services. The Group shall also take the necessary steps to ensure that the business associates and personnel acquire the necessary competency to comply with the Group's ABMS when doing their work or performing their services.

The Group shall develop and disseminate internal and external training and communication relevant to the ABMS, inter alia, covering (a) this Policy, (b) training and (c) reporting channel (d) consequences of non-compliance.

(Last reviewed on 28 August 2023)