

**ANTI-BRIBERY
&
ANTI-CORRUPTION
POLICY**

Updated with effect June 1st 2023

APPENDIX 1

ANTI-BRIBERY AND ANTI-CORRUPTION: DUE DILIGENCE

1. PRINCIPLE

Censof is committed to conduct due diligence on Directors, Personnel, Business Associate / Third Parties, Government/ Public Officials or any other party(s) who is engaged to work for and on behalf of the Censof projects and major business activities, prior to engagement with them, in particular where there is significant exposure to bribery and corruption risk.

2. CONDUCT OF DUE DILIGENCE

2.1 Importance

It is important for Censof to know who is getting hired to work in Censof in terms prospective employees and who is Censof working with, be it Directors, Personnel, Business Associate, Third Parties, Government/ Public Officials or any other party(s) who is engaged to work for and on behalf of Censof.

2.2 Purpose

- The purpose of due diligence is to serve as a guide in making a decision whether to continue the relationship with the Personnel, Business Associate, Third Parties, Government/ Public Officials or any other party(s).
- As an entry point to being Censof employees , HR and line managers would enquire during interviews with candidates, on previous or current involvement (if any), or suspected involvement in any bribery and corruption activities, fraud, financial irregularities, money-laundering activities, terrorism financing activities, etc. It is paramount to also understand stance in relation to bribery and corruption (can include scenario, as to if he/she is offered a bribe or requested to provide a bribe, what will he/she do);
- HR department would also be conducting reference checks with previous employers on the integrity of all candidates, including whether he/she has been involved, or suspected of activities involving bribery and corruption, fraud, financial irregularities, money-laundering activities, terrorism financing activities, etc.; and
- Any unsatisfactory answer to the due diligence process shall be treated as “Red Flags” *.
- Based on due diligence results, Censof may either decline, suspend or terminate relationships with Personnel, Business Associate / Third Parties, Government/ Public Officials or any other party(s) engaging with Censof to protect Censof from any legal, financial and reputation risk.
- The due diligence process should be aimed at obtaining sufficient information in order to assess if there are bribery risks posed by these parties.

* “Red Flags” [This is not an exhaustive list]

- If at any point during the due diligence exercise there are “red flags “being raised, these warrant further investigation and must be sufficiently addressed before the engagement of the Personnel, Business Associate, Third Parties, Government/ Public Officials or any other party(s) can progress.
 - If all identified red flags are sufficiently mitigated, then Censof could proceed with the relationship.
 - Similarly, if no red flags have been identified, then Censof can proceed with the engagement (to satisfy that reasonable steps had been taken to address the corruption risk).
 - If red flags have been identified but not sufficiently mitigated, then it is critical that further work is undertaken prior to entering into any contract or relationship.
 - If the red flags still could not be mitigated or resolved despite all of the non-exhaustive measures, then Censof shall not proceed with the relationship.
- It is imperative that all red flags will need to be resolved or mitigated.

2.3 Methods

2.3.1 The following are amongst the methods that may be used for Due Diligence for third parties and prospective employees:

- i. Deploying survey questionnaire for the purpose of conducting reference checks with previous employers on the integrity of prospective employees, including whether they have been involved, or suspected of activities involving bribery and corruption, fraud, financial irregularities, money-laundering activities, terrorism financing activities, etc.; and
- ii. Conducting web searches such as the MACC website to see if any prospective new hire’s name appears under “Pangkalan Data Pesalah Rasuah;
- iii. Check legitimacy of entity (company registration document), details of shareholders/ partners & directors;
- iv. Conduct online checks if there are any news pertaining to the third-party and corruption or alleged corruption
- v. Understand scope of work involved for Third parties, understand whether the intended transaction contradicts with applicable local laws and regulations or the third-party organisation’s policies; and
- vi. Compare price, where it is paramount to conduct benchmarking of market or industry pricing or rates; or an assessment if the intended transaction, service, or arrangement is a common market practice (e.g. through comparison quotes).
- vii. Reviewing external databases; or
- viii. Third party due diligence service providers.

2.3.2 It is also prudent and advisable to have additional mechanisms that:

- i. assist in seeking further information or background of the circumstances (red flags);
- ii. impose conditions, including contractual provisions, to reduce any perceived risk;
- iii. help to continuously monitor the situation and immediately highlight any adverse findings.

2.4 When and Who Shall Conduct Due Diligence?

| | WHEN | WHO |
|----------------------------|--|---|
| PERSONNEL | Prior to issuing Letters of Appointment to new hires. | HR Department |
| BUSINESS ASSOCIATES | Prior to first time engagement, renewal of contracts, performance evaluation, incidents of misconducts, changes in circumstances | Respective business functions engaged in with the parties |
| PROJECTS | Prior to the commencement of a project As and when there are changes in the circumstances | Respective head of department/manager/personnel leading the project |

2.5 What is Conflict of Interest (COI)

A conflict of interest occurs when an entity or individual becomes unreliable because of a clash between personal (or self-serving) interests and professional duties or responsibilities.

Such a conflict occurs when a company or person has a vested interest—such as money, status, knowledge, relationships, or reputation—which puts into question whether their actions, judgment, or decision-making can be unbiased.



Some examples of a conflict of interest could be:

- Representing a family member in court
- Starting a business that competes with your full-time employer
- Advising a client to invest in a company owned by your spouse
- Hiring an unqualified relative or friend

2.6 Detecting Conflict of Interest (COI) will be conducted as follows:

Internal Stakeholders

1. COI Declaration - the need for directors and employees to declare any COI situation via applicable Censof Acknowledgement and Declaration Forms
2. Internal verification with Human Resource Department may be still required.

External Stakeholders

All Business Associates (third-party) are required to declare any conflict of interest situation arising that may impact the objectivity of business dealings or business relationship or in the form of close personal relationships with the senior management /leadership team of Censof Group

2.7 Dos and Dont's' List

| SHOULD DO | SHOULD NOT DO |
|--|--|
| <p>Conduct due diligence in order to determine the nature and extent of bribery risk relating, considerations include:</p> <p>(√) The legitimacy of the entity such as corporate registration documents, tax identification number, stock exchange listing information;</p> <p>(√) Necessary licenses, qualifications, experience and resources required;</p> <p>(√) Any history of bribery, fraud, dishonesty, or similar misconduct, or has been investigated, convicted, sanctioned, or debarred for bribery or similar criminal conduct;</p> <p>(√) The identity of shareholders and beneficial owner and senior management.</p> | <p>(X) Commit anything (for instance funds, positions, contracts) without first conducting the proper due diligence;</p> <p>(X) Bypass any of the due diligence guidelines;</p> <p>(X) Conceal, alter, destroy or otherwise modify any relevant information that may raise suspicions and would require any additional investigations.</p> |

SCHEDULE 1

ANTI-BRIBERY AND ANTI-CORRUPTION: DUE DILIGENCE PROCEDURES [PROCESS FLOW]

| | | | | |
|-----------------------|------------------|------------------|--|------------------------------------|
| CLASSIFICATION | Directors | Employees | Business Associates & Third Parties | Government/Public Officials |
|-----------------------|------------------|------------------|--|------------------------------------|

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| | | |
|------------------------------|--|---|
| GATHER & VALIDATE | Assessment based on: <ul style="list-style-type: none"> the key enquiries [Questionnaires] | Assessment based on: <ul style="list-style-type: none"> Employment Reference Checks |
|------------------------------|--|---|

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| | |
|-------------------|--|
| ASSESSMENT | <ul style="list-style-type: none"> ➤ Review: <ul style="list-style-type: none"> Documents; & Enquiries ➤ Seek clarification |
|-------------------|--|

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| | | |
|------------------------------|--|--|
| APPROVAL & REPORT | <ul style="list-style-type: none"> ➤ Obtain approval from: Group Chief People Officer ("CPO") | <ul style="list-style-type: none"> ➤ Obtain approval from: Group Managing Director ("MD") |
|------------------------------|--|--|

SCHEDULE 2

ANTI-BRIBERY AND ANTI-CORRUPTION: DUE DILIGENCE CHECKLIST

[For any relevant Directors, Personnel, Business Associate / Third Parties, Government/ Public Officials or any other party(s) prior to entering into any 5ormalized relationships]

| Descriptions <i>[Note: The due diligence shall be performed in various methods as much as possible, to ensure corruption risk been identified. Any unsuccessful due diligence, will not be entered into any 5ormalized relationships.]</i> | Tick "✓" one only | |
|--|--|--|
| | YES <i>(Supporting Documents to be attached)</i> | NO <i>(Pls. provide justification in a separate sheet)</i> |
| I. Background Checks | | |
| 1.1 Employment Reference Check <i>[To check with previous employers on the integrity of prospective employees, including whether he/she has been involved, or suspected of activities involving bribery and corruption, fraud, financial irregularities, money-laundering activities, terrorism financing activities, etc.;]</i> | | |
| 1.2 CTOS Check <i>[To assess whether there is any bad record on their financial means i.e. owning bank for loans, bankruptcy, etc. (if applicable)].</i> | | |
| 1.3 Google Search <i>[To check whether there is any information related to them on corruption or bribery cases (if any)].</i> | | |
| 1.4 MACC Act <i>[To check MACC website to see if prospective hire- to check whether prospective Employee, Shareholders, Partners, and Directors of the company were involved in corruption through MACC website - under "Pangkalan Data Pesalah Rasuah"]</i> | | |
| 1.5 Find out from Social Media <i>[E.g. Linked-In / twitter / Facebook / YouTube / etc. whether there is any sharing or post or has linked with few political persons which are tended to the behavior or having a higher risk on corruption or bribes (if any)].</i> | | |
| 1.6 To Observe <i>[If there is any information provided by any person within the Company, about their background related to corruption & bribery matters (if applicable)].</i> | | |
| 1.7 Any other methods besides the above mentioned. <i>[Pls. specify in a separate sheet (if any)]</i> | | |
| | | |



| 2. Document Verification Process | | |
|--|--|--|
| 2.1 The Identity Document Provided <i>[Photos in NRIC or passport or Certificate of Incorporation for Entity match with the face of actual person or match with the actual physical of business for Entity, Check on Form 49, 9, SSM].</i> | | |
| 2.2 Document from Previous Company or Engagement <i>[E.g. pay slip or letter, etc. is tally per observed, without bad records on corruption and bribery cases (if observable)].</i> | | |
| 2.3 Any other methods besides the above mentioned. <i>[Pls. specify in a separate sheet (if any)]</i> | | |

Name : _____

NRIC No : _____

Date : _____

I. MALAYSIAN ANTI-CORRUPTION COMMISSION ACT 2009

1. Enforcement and Purpose

The Malaysian Anti-Corruption Commission Act (the “Act” or “MACCA”) was enforced in January 2009 and it provides for the establishment of the Malaysian Anti-Corruption Commission (MACC) as well as to make further and better provision for the prevention of corruption.

2. Objectives

The Act’s principle objectives are to promote the integrity and accountability of the public and private sectors administration by constituting an independent and accountable anti-corruption body; and educate the public at large, about corruptions and its effects, with much emphasis given to the public authorities and officials.

3. Functions

The listed functions of the MACC are as follows:

- a) To receive and consider any report of the commission of an offence under this Act and to investigate such reports;
- b) To detect and investigate any suspected offence or attempt or conspiracy to commit any offence under the MACC Act 2009;
- c) To examine the practices, systems and procedures of public bodies in order to facilitate the discovery of offences under the MACC Act 2009;
- d) To instruct, advise and assist any person on ways in which corruption may be eliminated;
- e) To advise heads of public bodies of any changes in practices, systems or procedures to reduce the likelihood of the occurrence of corruption;
- f) To educate the public against corruption; and
- g) To enlist and foster public support against corruption.

4. Offences and Penalties

4.1. This Act also provides the main offences of corruption as stipulated below:

- a) Section 16 – Offence of accepting gratification by any person
Any person who corruptly solicits or receives or gives any gratification for himself or for any other person as an inducement doing or forbearing to do anything in respect of any matter commits an offence.
- b) Section 17 – Offence of giving or accepting gratification by an agent
- c) Section 18 – Offence of intending to deceive principal by an agent
- d) Section 20 – Offence procuring withdrawal of tender
- e) Section 21 – Bribery of officer of public body
- f) Section 23 – Offence of using office or position for gratification
- g) Section 25 – Duty to report bribery transactions

h) Section 26 – Dealing in relation to corrupt property.

4.2. The Penalty for Offences

- a) Under Section 24 - any person who commits an offence under sections 16, 17, 18, 20, 21 and 23 shall on conviction be liable to:
- Imprisonment for a term not exceeding 20 years; and
 - A fine of not less than five times the sum or value of the gratification which is the subject matter of the offence.
- b) Failure to report under Section 25 - imposition of a fine and/or imprisonment term.

4.3. The Forfeiture of Property

Section 40 - provides that in any prosecution under the Act, the court can make any order for the forfeiture of any property which is proved to be the subject matter of the offence.

5. Protection

The MACC always ensures the confidentiality of the information provided.

The WHISTLEBLOWER is protected and the information will not be disclosed to any party under any circumstances.

Note: Whistleblower Protection

A Whistleblower is one who informs the relevant authority in his / her view of an act of corruption. Whistleblowers are protected under the Whistleblower Protection Act 2010 as well as under Section 65 of the MACC Act 2009.

A Whistleblower who has witnessed a corruption activity will be considered as a witness and will be protected under the Witness Protection Act 2009.

II. MALAYSIAN ANTI-CORRUPTION COMMISSION (AMENDMENT) ACT 2018

1. Purpose

The Malaysian Anti-Corruption Commission (Amendment) Act (the "Amendment Act") was amended in 2018 to introduce corporate liability for corruption offences, which applies to Malaysian commercial organisations.

2. Essence

The essence of the amended MACC Act i.e. Section 17(A) of the MACC Act :

- a) Offence - A commercial organisation is deemed to have committed an offence if any person associated with the commercial organisation commits a corrupt act in order to obtain or retain business or advantage for the commercial organisation.
- b) Defence - If charged, it is a defence for the commercial organisation to prove that it had in place adequate procedures to prevent persons associated with the commercial organisation from undertaking such conduct.
- c) Liability (Who?)
 - Director;
 - Senior Management;
 - Partner ;
 - Agent /Consultant ; or
 - A person representing the commercial organization externally.
- d) Penalty(s):
 - A maximum fine of 10 times the sum of gratification involved, or RM1 million, whichever is higher;
 - A maximum jail term of 20 years; or
 - Both penalties of the fine and jail term.

3. Minimising of Risks

- a) To minimise risks, it is therefore important for organisations to ensure they have "adequate procedures" in place.
- b) "Adequate procedures" can comprise the following elements:
 - Top level commitment;
 - Risk assessment;
 - Undertake control measures;
 - Systematic review, monitoring and enforcement; and
 - Training and communication.



APPENDIX 2

As an employee, contract worker, consultant, officer, director, or anyone working for or on behalf of Censof, you are required to read and understand our Anti-Bribery and Corruption Policy, and acknowledge that you have done so and will comply with it.

CERTIFICATION

Please check the appropriate boxes below:

| | | |
|---|---|--|
| 1 | I acknowledge that I have read and understood Censof's Anti-Bribery and Corruptions Policy: | |
| 2 | I confirm that I will comply with the Anti-Bribery and Corruption Policy throughout my employment/relationship with Censof: | |
| 3 | I confirm that I will report any known or suspected violations of Anti-Bribery and Corruption Policy or anti-corruptions laws to Censof: | |
| 4 | I confirm that I understand that a violation of the Anti-Bribery and Corruption Policy would constitute a breach that could result in Censof taking appropriate measure's including termination of the relationship without Censof incurring any liability: | |

Name : _____

NRIC No. : _____

Signature : _____

Date : _____

APPENDIX 3

DECLARATION OF GIFTS FORM A

1. Complete this form by typing or writing in capital letters
2. A copy of the completed form shall be enclosed in officer's personal file.

A. PERSONAL DETAILS

Name of the Officer : _____

NRIC No : _____ Staff ID No : _____

Designation : _____

Division : _____

B. DESCRIPTION OF THE GIFTS

Types of Gifts : _____

Name of the Giver : _____

The Reason for the Gift : _____

Date Received : _____

C. DECLARATION

I hereby declare that I have received this gift because unable to refuse and seek approval to retain.

Date : _____ Signature : _____

_____ Name of Officer : _____

D. APPROVAL

- i. I hereby approve that the gift be retained by the officer.
- ii. I hereby do not approve and the gift to be disposed by returning to giver/ donation

Date : _____ Signature : _____

_____ Name of Approval : _____

_____ Designation : _____

DECLARATION OF GIFTS FORM B

1. Complete this form by typing or writing in capital letters.
2. A copy of the completed form shall be enclosed in officer's personal file.

A. PERSONAL DETAILS

Name of the Officer : _____
 NRIC No : _____ Staff ID No : _____
 Designation : _____
 Division : _____

B. PERSONAL DETAILS

Types of Gifts : _____
 Name of the Giver : _____
 The Reason for the Gift : _____
 : _____
 Date Received : _____

C. DECLARATION

I hereby declare that the above gift was delivered for me/my department but unable to refuse or return

Date : _____ Signature : _____
 Name of Officer : _____

D. DISPOSAL

The gift to be disposed by

- i. Retain by Officer
- ii. Return to Giver
- iii. Donation

Date : _____ Signature : _____
 Name of Approval : _____
 Designation : _____