



## WIDAD GROUP BERHAD

# ANTI-BRIBERY AND CORRUPTION POLICY MANUAL

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**DATO' DR. MOHD RIZAL MOHD JAAFAR**  
Group Managing Director

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## 1.0 POLICY STATEMENT

**Widad Group Berhad and its subsidiaries (“WIDAD” or “WIDAD Group”) adopts a zero-tolerance policy to all forms of bribery and corruption.**

Widad Group is committed to applying the highest standard of ethical conduct, integrity and accountability in all its business activities and operations. Widad Code of Conduct and Ethics and Anti-Bribery and Corruption Policy (“Policy”) apply throughout Widad Group and reflect our commitment to fight any corrupt and unethical practices in the course of conducting business in the jurisdictions in which we operate.

The Board and management are committed to implementing and enforcing effective and robust policies and procedures to prevent, monitor and eliminate bribery and corruption and to the continual improvement of Widad Anti-Bribery Management System (“ABMS”). A Quality Assurance and Compliance Department is assigned with the responsibility to oversee the implementation of ABMS, with direct access to the Board and management for issues relating to bribery and corruption.

Directors, employees and others acting for or on behalf of Widad Group are strictly prohibited from directly or indirectly soliciting, accepting or offering bribes in relation to Widad Group's businesses and operations. Employees who fail to comply with this Policy will be subject to the appropriate disciplinary measures.

In ensuring full compliance, Widad Group provides avenues for all employees, associates and members of the public to make reports on any improper conduct within Widad Group, which is governed by the Whistleblowing Policy.

## 2.0 OBJECTIVE OF THE POLICY

This Policy sets out WIDAD's responsibilities to comply with laws and regulations and provides information and guidance to the directors and employees of WIDAD Group on standards of behaviour to which they must adhere to and how to recognize as well as deal with bribery and corruption.

The Policy is not intended to be exhaustive and there may be additional obligations that Directors and Employees are expected to adhere to or comply with when performing their duties. For all intents and purposes, the directors and employees shall always observe and ensure compliance with all applicable laws, rules and regulations to which they are bound to observe in the performance of their duties.

### 3.0 SCOPE OF THE POLICY

This Policy is applicable to all directors and employees of WIDAD Group. Each employee has a duty to read and understand this Policy and violation of any of the Policy's provisions may result in disciplinary action, including termination of employment.

In upholding zero-tolerance policy to all forms of bribery and corruption, WIDAD expects all its joint venture partners, business associates, contractors, sub-contractors, consultants, agents, representatives and others performing work or services for and on behalf of WIDAD Group to observe and comply to this Policy. Where appropriate, a separate document to undertake compliance with this Policy shall be signed.

This Policy is intended to supplement all applicable laws, rules and other internal policies and is not intended to supplant any local or international laws. When in conflict, compliance to law prevails.

### 4.0 DEFINITIONS

**“Bribery”** means offering, giving, soliciting or accepting of an undue advantage of any value (financial or non-financial), directly or indirectly, and irrespective of location, in violation of applicable law, as an inducement or reward for a person for acting or refraining from acting in relation to objectivity and performance of that person's duties.

**“Corruption”** means the abuse of entrusted power for personal gain. In its wider sense, corruption includes bribery, extortion, fraud, cartels, abuse of power, embezzlement and money laundering. It constitutes criminal offences in most jurisdictions with illegal profit to individuals / entities as their objectives.

**“Business associates”** means any individual or organization which the Group comes into contact with during the course of work, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government or public bodies, including their advisors, representatives and officials, politicians and political parties.

**“Employee”** means all individuals working at all levels and grades, whether permanent, fixed-term or temporary, including directors, senior managers, officers, executives, staff, trainees, seconded staff, casual workers and agency staff, volunteers, interns or any other person associated with WIDAD Group.

**“Gifts”** means money, goods or services, which, if given appropriately, are a mark of friendship or appreciation. Gifts should be given without expectation of consideration or value in return.

## **5.0 REFERENCE**

This Policy is developed with reference to Guidelines on Adequate Procedures issued on 10 December 2018 by the Prime Minister's Office pursuant to Section 17A (5) of the Malaysian Anti-Corruption Commission (MACC) Act 2009 and the MACC (Amendment) Act 2018. It should also be read in conjunction with WIDAD's established policies, procedures and guidelines comprising Whistleblowing Policy and Employee Handbook.

## **6.0 RESPONSIBILITY FOR THE POLICY**

This Policy is reviewed and approved by WIDAD Board of Directors. Audit Committee is delegated an oversight role, which monitors the effectiveness and compliance of the Policy.

The Managing Director, assisted by the Quality Assurance and Compliance Department, oversees the design and implementation of ABMS, provide advice and guidance to employees and business associates on all issues relating to bribery and corruption, monitor progress and report the performance of ABMS implementation to the Audit Committee and Board of Directors on an annual basis.

## **7.0 POLICY ON COMMON FORMS OF BRIBERY AND CORRUPTIONS**

### **7.1 Conflict of Interest**

As set out in WIDAD Code of Conduct and Ethics, conflict of interest exists when an employee is or could be influenced by a personal interest in carrying his/her duties in the Group's business environment and activities. A conflict of interest can be intentional, perceived or potential. Conflict of interest is an act that leads to partial decision making which constitute the element of a corrupt conduct.

Conflict of interest may arise directly or indirectly through an intermediary, such as third party, friends or family. As such, WIDAD requires all employees to report any actual or potential conflict of interest such as family relation, financial relation or other connection directly or indirectly related to their line of work on a regular basis as per procedure stated in Employee Handbook.

### **7.2 Gifts, Entertainment and Hospitality**

This Policy does not prohibit normal business gifts, hospitality and entertainment, on condition that it is reasonable, appropriate, modest and bona fide hospitality.

As a general principle, the directors and employees should not accept or give a gift to a third party if it is made with the intention of influencing the third party to obtain or retain business, or in exchange for favours or benefits. Additionally, unreasonable gifts or hospitality should not be accepted or provided as such act

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may be perceived or interpreted as attempts to obtain or receive favourable business treatment for personal benefits.

It is important for the directors and employees to exercise sound judgement in giving or receiving gifts or hospitality as it could be tantamount to bribery and corruption. Hence, the intention behind the gifts or hospitality should always be considered.

When in doubt, employees and associates should consult his/her Head of Department or Senior Management Representative. Or, he/she may fill-up whistleblowing form (WGMS/MGT-06-1) and submit to the whistleblowing committee member for action to be taken.

### **7.3 Donations and Sponsorship**

As a responsible corporate citizen, WIDAD is committed to corporate social responsibilities (“CSR”) to support the wellbeing of the people of the nation and in countries where it operates. It is however important to note that all donations and sponsorships must be made in accordance with WIDAD policies and procedures and receive prior authorization from Managing Director or the Board.

All employees are required to exercise good judgement and common sense in assessing requests for donations and sponsorships for CSR to ensure that the charitable contributions are not used as a scheme to conceal bribery. Proper record of all charitable contributions shall be kept by the Finance and Quality Assurance and Compliance Department.

When in doubt of the appropriateness of a charitable contribution, Senior Management Representative shall be consulted for assistance and shall be discussed with committee members for decision making.

### **7.4 Political Contributions**

As a matter of general policy, WIDAD does not make or offer monetary or in-kind political contributions to political parties, political party officials or candidates for political office.

If a contribution is made, it must be permissible under applicable laws and must not be made with any promise or expectation of favourable treatment in return and must be accurately reflected in WIDAD’s accounting records. Prior authorization from the Managing Director or Board of Directors must be obtained.

Under no circumstances, however, will any employee be compensated or reimburse in any way for a personal political contribution.

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## **7.5 Facilitation Payments**

“Facilitation Payments” is defined as payments made to secure or expedite the performance by a person performing a routine or administrative duty or function. Whereas “kickbacks” are typically payments made in return for a business favour or advantage.

WIDAD prohibits all its employees from making or accepting, facilitation payments or kickbacks of any kind. Associates must avoid any activity that might lead to a facilitation payment or kickback being made or accepted.

Any request for a facilitation payment **MUST** be refused and the matter **MUST** be reported immediately to WIDAD through the Whistleblowing Policy and procedures.

All Employees are reminded that offering and/or receiving facilitation payments and/or kickbacks is a major misconduct as listed in WIDAD Employee Handbook.

## **7.6 Associates and Third Parties**

All associates and third parties, which include contractors, suppliers, agents, consultants and joint venture partners should be made aware of this Policy and Code of Conduct and Ethics. The arrangements with them shall be subject to clear contractual terms, including specific provisions requiring them to comply with minimum standards and procedures relating to bribery and corruption.

To ensure that WIDAD only do business with associates and third parties that share WIDAD standards of integrity, we must do the following:

- Conduct reasonable due diligence and background checks, where relevant and practical, on the associates and third parties’ company, its directors and management.
- Regular monitoring of associates and third parties. Where necessary, to terminate their service in the event that they act in a manner inconsistent with this Policy and Code of Conduct and Ethics.

## **7.7 Dealings with Public Officials**

WIDAD strives to build transparent and fair relationships with government agencies and public officials. WIDAD employees and associates must exercise caution when dealing with public officials and appropriate action must be taken to comply with WIDAD ABAC Policy, Code of Conduct and Ethics, applicable laws and regulations relating to bribery and corruption in Malaysia and countries which WIDAD operates.

## **8.0 RECRUITMENT OF EMPLOYEES**

WIDAD provides equal opportunity for any qualified and competent individual to be employed by WIDAD Group from various multicultural and multiracial background. The recruitment of employees should be based on approved selection criteria to ensure that only the most qualified and suitable individuals are employed. This is crucial to ensure that no element of bribery and corruption is involved in hiring of employees.

In line with this, detailed background checks such as criminal, bankruptcy, financial (credit ratings) and reference checks may be randomly performed when hiring employees for management position, as they would be tasked with decision making obligations.

Employees are encouraged to make self-declaration to the Group Human Resource Department on matters pertaining to conflict of interest, compliance and corruption. Further clarifications can be obtained from the Human Resource or Quality Assurance and Compliance Department.

## **9.0 REPORTING OF VIOLATIONS**

Employees, business associates and any external parties are encouraged to whistle blow or raise their concerns in good faith about any issue or suspicion of malpractice at the earliest possible stage through the mechanism set out under WIDAD Whistleblowing Policy.

The provision, protection and procedure of the Whistleblowing Policy for reporting of the violations of the Policy are available on the WIDAD website. No whistle-blower will be discriminated against or suffer any sort or manner of retaliation for raising genuine concerns or reporting in good faith on violations or suspected violations of the Policy. All reports will be treated confidentially.

## **10.0 TRAINING AND COMMUNICATIONS**

WIDAD employees and associates will be provided with regular compliance training programmes to educate them about the requirements and obligations of this Policy and relevant laws and regulations with regards to bribery and corruption.

WIDAD management team will be responsible to design and conduct continuous programmes to communicate, train and educate all employees and associates to ensure full compliance to this Policy. Records pertaining to training, education and communication programmes are kept and maintained by the Human Resource Department for reference.



## **11.0 SYSTEMATIC REVIEW AND MONITORING**

WIDAD recognizes that managing an anti-bribery and corruption programme is a continuous process and a systematic review and monitoring process is necessary to ensure its objectives are being met. The Audit Committee will be responsible for overseeing the process of reviewing the effectiveness and compliance to the Policy and programme. The review may take the form of internal audits carried out by internal audit or independent audit carried out by external parties.

A review of the Policy and programme shall be included in audit plan on a yearly basis. The scope of review shall include evaluation of the design, effectiveness and compliance and provide recommendations for improvements to ensure the Policy and programme remain relevant and adequate.

## **12.0 RECORD KEEPING**

WIDAD Group will keep financial records and have appropriate internal controls in place which will evidence the business reasons for making payments to, and receiving payments from, any person. Employee must ensure that all expense claims relating to hospitality, gifts or expenses incurred to associates and/or third parties are submitted in accordance with WIDAD applicable policy and procedures and specifically record the reason for such expenditure. Employees shall further ensure that all expense claims shall comply with the terms and conditions of this Policy.

All accounts, invoices, contracts and other documents and records relating to dealings with associates and/or third parties shall be prepared and maintained with strict accuracy and completeness. All associates and third parties are reminded that no records shall be kept "off-book" to facilitate or conceal improper payments. All record keeping and document management system shall be fully in-line with respective WIDAD Group business units operating policies.

All staffs, contractors and other 3<sup>rd</sup> party associates must sign a declaration form that they have read and understood Widad Group's Anti-Bribery and Anti-Corruption Policy and must be renewed within 3 years.

**APPENDIX****Appendix 1 : Staff Declaration Form**

“I, \_\_\_\_\_, hereby declare that I have read and understood Widad Group’s Anti-Bribery and Anti-Corruption Policy. I am fully aware that Widad Group Berhad (Widad Group) is committed to act professionally, fairly and with integrity in all of its business dealings and relationships wherever it operates to counter bribery and corruption. I will abide by the requirements and provisions set out in the Policy, as required by my employment contract.”

\_\_\_\_\_  
Name:

IC No:

Title:

**Appendix 2 : Contractor & Third Party Declaration Form**

“I/We, \_\_\_\_\_, hereby declare that I/We have read and understood Widad Group’s Anti-Bribery and Anti-Corruption Policy. I/We am/are fully aware that Widad Group Berhad (Widad Group) is committed to act professionally, fairly and with integrity in all of its business dealings and relationships wherever it operates to counter bribery and corruption.

As such, I/We shall not offer, give, solicit or accept any bribe or form of bribe during the course of our engagement or engage in any transaction that contravene the Malaysian Anti-Corruption Commission Act 2018, any applicable anti-bribery or anti-corruption legislation, by-laws, rules and regulation (MACC laws) as may be imposed by the relevant authorities and/or internal policies.

In the event that I/we am/are aware or suspect any person in Widad Group who had/may be in breach of the MACC laws as may be imposed by the relevant authorities and/or internal policies, I/we shall inform Widad Group immediately through the whistleblowing channel at [whistleblowing@widadgroup.com](mailto:whistleblowing@widadgroup.com).

In the event I/we am/are in breach of the MACC laws as may be imposed by the relevant authorities and/or internal policies, I/we understand that Widad Group shall take necessary actions against me/us and I/we shall fully indemnify Widad Group against any claims, fines, losses and/or damages suffered by Widad Group arising from and out of our breach herein.”

\_\_\_\_\_  
Name:

IC No:

Title:

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