



**ANTI-BRIBERY & CORRUPTION
POLICY and SOP**

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**ANTI-BRIBERY & CORRUPTION POLICY
AND SOP**

CAPE EMS BERHAD
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CAPE EMS BERHAD
199901026859

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1.0 PURPOSE

- 1.1 The purpose of this Anti-bribery and Corruption (ABC) Policy and SOP Procedure is to establish a systematic guideline for all CAPE EMS BERHAD (CAPE EMS - Company) and its subsidiaries (CAPE GROUP - Group) employees, personnel, suppliers, business associates and third party intermediaries who provide, or shall provide products and services and acting on behalf of the Group are aware of our Anti-bribery and Corruption (ABC) Policy and SOP Procedure that any giving or accepting of gifts, hospitality and other benefits are not perceived as inducement so as to prevent any potential, suspected or actual acts of bribery and corruption during any business activities.
- 1.2 This ABC Policy and SOP guides all CAPE EMS and the Group personnel with a basic information on how to avoid and combat bribery and corruption and to recognise and deal with improper solicitation, bribery, and any other corruption activities or issues that can arise in the course of business activities, dealings and relationships within CAPE Group and other multi-stakeholders who are committed to lawful and ethical behaviour at all times.
- 1.3 This ABC Policy and SOP is not intended to be exhaustive. The objective of this ABC Policy and SOP for CAPE Group is to uphold the highest levels of Governance, Integrity, Accountability and Transparency (GIAT), where all employees and personnel shall always adhere to the spirit of this ABC Policy and SOP.

2.0 SCOPE

- 2.1 This Anti-bribery and Corruption (ABC) Policy and SOP apply to all personnel (as defined in Section 3.17 of this ABC Policy and SOP) of CAPE Group, business associates and third-party intermediaries who provide, or shall provide products and services or acting on behalf of CAPE Group and extends to all internal and external multi-stakeholders, or any other person associated with the Group are required to comply with this ABC Policy and SOP.
- 2.2 Although suppliers, business associates and third parties, include actual and potential clients, customers, contractors, suppliers, distributors, business contacts, agents, advisers, joint venture partners, intermediaries, sales representatives; consultants; sponsors, service providers, business partners; government, agencies and public bodies, not limited to their advisors, representatives, public officials, politically exposed persons and political parties, are not directly bound by the requirements of this ABC Policy and SOP, but CAPE Group is to engage with those who committed to the spirit of governance, integrity, accountability and transparency (GIAT) embracing ethical behaviour that are consistent with CAPE Group policies.

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2.3 This ABC Policy and SOP applies in all countries, territories, or jurisdictions where CAPE Group operates. Where local customs, standards, laws, or other local policies apply that are stricter than the provision of this ABC Policy and SOP, the stricter rules shall be complied with. However, if this ABC Policy and SOP stipulates stricter rules than local customs, standards, laws or other local policies, the stricter provisions of this ABC Policy and SOP shall apply.

3.0 TERMS AND DEFINITIONS

3.1 “Applicable statutory laws and regulatory requirements” : –
Principal anti-corruption laws that CAPE Group personnel are expected to understand and comply with in respective jurisdictions, but not limited to :-

- (i) Companies Act 2016 (Act 777);
- (ii) Malaysian Anti-Corruption Commission (MACC) Act 2009 (Act 694);
- (iii) Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (Act 613);
- (iii) Malaysian Penal Code (Act 574);
- (iv) Election Offences Act 1954 (Act 5);
- (v) Criminal Procedure Code 2012 (Act 593);
- (vi) Police Act 1967 (Act 344);
- (vii) Customs Act 1967 (Act 235)
- (v) Singapore’s Prevention of Corruption Act 1960; and
- (vi) other applicable statutory laws and regulatory requirements related to corporate liability in term of anti-bribery and anti-corruption in the countries or jurisdictions where CAPE Group operates.

These laws prohibit bribery and acts of corruption and mandate that CAPE Group shall establish and maintain accurate books and records and sufficient internal controls.

3.2 “Board” :-
The Board of Directors of CAPE EMS BERHAD, also known as the Governing Body.

3.3 “Bribes” : –
A financial or other inducement or reward for action, which is illegal, unethical, a breach of trust or improper in any way. Bribes can take the form of money, donation, gifts, loans, fees, reward, valuable security, property, financial benefit, contract of employment or services, payment, unlawful discount, commission, rebate, bonus, deduction or percentage; hospitality, valuable thing or any other advantage or benefit that is intended to influence a decision or action.

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3.4 “Bribery” : –

Bribery occurs when one person offers, promises, gives, accepts, receives, or solicits a bribe, favour, or other advantage as an inducement from another to influence a business outcome improperly, to induce or reward improper conduct or to gain any commercial, contractual, regulatory or personal advantage. Such action is considered as an offence of giving or receiving ‘gratification’ under MACC Act 2009 (Act 694). It can be direct or indirect through third-party intermediaries.

Bribery can be “active or outbound”, where someone acting on behalf of CAPE Group attempts to influence the actions of someone external, such as a government official or client decision-maker.

Bribery can also be “passive or inbound”, where an external party is attempting to influence someone within CAPE Group such as a decision-maker or someone with access to confidential information including proprietary information and intellectual property.

3.5 “Business Associate” :-

Any persons who provide products or performing services for or on behalf of the CAPE Group, apart from the Group’s personnel, including contractors or subcontractors, distributors, business contacts, agents, advisers, joint venture partners, intermediaries, sales representatives, consultants, sponsors, service providers and business partners.

3.6 “Conflict of Interest” : –

Occurs when an individual or organization is involved in multiple interests, one of which could possibly corrupt, or be perceived to corrupt, the motivation for an act in another. Conflict of Interest arises in a situation where you are or may be in a position to take advantage of your role by using assets, confidential information, proprietary information or intellectual property for the benefit of yourself or a family member or closely related person.

3.7 “Corruption” : –

Act of giving or receiving of any gratification or reward in the form of cash or in-kind irrespective of value for performing a task in relation to one’s job description.

Any form of abuse of power for business or personal gain and can include, but is not limited to, bribery. Bribery is a sub-set of corruption.

Corruption can include graft, acts of extortion, collusion, breach of trust, abuse of public property or function, trading under influence, embezzlement, concealment, obstruction of justice, patronage, clientelism, cronyism, nepotism, inside trading, illicit enrichment, fraud or money laundering, facilitation payments or other forms of improper business practice. It can be summarized as the misuse or abuse of entrusted power or office for private or personal gain.

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3.8 “Director” or “Directors” : -

The director(s) of CAPE EMS BERHAD and its group of companies and shall have the meaning given in Section 2(1) of the Companies Act 2016 and Section 2(1) of the Capital Markets and Services Act 2007.

3.9 “Donation” : –

Voluntary contribution in the form of monetary or non-monetary gifts to a fund or cause for which no return service or payment is expected or made. It can be charitable gift, contribution, subscription, present, hand out, grant, offering, gratuity, endowment or another similar donation. It can include giving or providing cash, venues, equipment, personnel time, or other benefit.

Contributions to industry associations or fees for memberships in societies and organizations that serve business interests are not necessarily considered donations.

3.10 “Disciplinary Actions” : –

Any action that can be taken on the completion of or during the investigation proceedings including but not limited to a warning, suspension from official duty, termination, or dismissal or any such action as deemed fit considering the gravity of the matter in accordance with the Disciplinary Procedures (HRA-SOP-07).

3.11 “Facilitation Payments” : –

Small payments or petty bribes to officials with a view and purpose to speeding up or expediting routine business transactions to which the payer is already entitled but not to obtain or retain business or any other undue advantage.

Examples include payments to speed up customs or administrative clearances and extra fees to officials to secure electricity or water connections or printing out of permits and licenses.

3.12 “Fraud” : –

False representation of a matter of fact, whether by words or by conduct, by false or misleading allegation, or by concealment of what should have been disclosed, that deceive or is intended to deceive another person.

3.13 “Gifts” : –

Money, movable or immovable property, vehicle, shares, travel tickets, entertainment, service, club membership, any form of discounts or commissions, hampers, jewellery, ornament, souvenirs, customary tokens of appreciation or anything of value which is given to or received by personnel, his or her spouses or any other person on his behalf, without any or insufficient consideration known to the personnel.

But not limited to:

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- (i) tickets to sporting events, concerts, or cultural events where CAPE Group's personnel and representatives of the third party providing the tickets do not attend the event together; or
- (ii) merchandise such as hampers, wine branded clothes, collectible bags; jewellery; decorative items; gadgets; or
- (iii) travel or lodging including holiday packages; or
- (iv) favourable terms or discounts on a product or service for the employee's benefits that are not otherwise available to all other personnel of CAPE Group; or
- (v) cash and cash equivalents such as shares, gift cards and gift vouchers; or
- (vi) any item of value that is given to a public official; or
- (vii) others such as debts write-off, "massages terms & padding" of contracts; medical check-up at prestigious hospitals.

3.14 "Gratification" : –

Money, donation, gift, any valuable thing of any kind, any forbearance to demand any money or money's worth or valuable thing, any other service or favour of any kind, or any offer, undertaking or promise of any such gratifications.

Gratification as defined in the MACC Act 2009 means:-

- (i) money, donation, gift, loan, fee, reward, valuable security, property or interest in property being 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 unlawful 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 or not 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 (vii).

3.15 "Hospitality (Meals, travel & accommodation and entertainment)" : –

A generous and friendly, invitation, treatment, reception to social function, sporting event or entertainment. Hospitality can be perceived by a third party, to be for the purpose of bribery even if neither the giver nor the receiver intended it to be for this purpose.

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3.16 “Joint-venture companies” :-

Companies in which CAPE EMS and the Group is non-controlling or co-venture, and associated companies are encouraged to adopt these or similar principles. Third parties’ intermediaries who provide or shall provide products and services and act on behalf of the Group shall be made aware of this ABC Policy and our standard operating procedures. Joint-venture companies and third parties’ intermediaries are also expected to comply with this ABC Policy in relation to all work conducted with the CAPE Group or on behalf of the Group.

3.17 “Personnel” :-

Any person at all levels and grades, including, directors, senior managers, key senior management, managers, executives, officers, non-executives, employees (whether permanent, full-time, part-time, contract, or temporary, employed by CAPE Group, trainees, seconded staff, home-workers, casual workers and agency staff, volunteers, trainees, interns, protégé pupil, sponsors, or any other person associated with the Group.

3.18 “Proprietary Information” :-

Information held by a person or entity concerning the know-how, trade secrets or other information of any kind, whether in printed or electronic format, including but not limited to Intellectual Property rights, technical information, business processes, sales forecasts, marketing strategies, customer lists or potential customer information, financial records or operations which is regarded as being confidential in nature (whether or not labelled as confidential) and belongs to and owned by CAPE Group.

3.19 “Public Official” :-

Any person who is a member, an officer, an employee or a servant of any government or other public body, agency or legal entity, at any level, including officers or employees of state-owned enterprises and officers or employees of enterprises which are mandated by a public body or a state-owned enterprise to administrate public functions.

A person lawfully holding, acting in or exercising the functions of a public service or body. A public body includes the federal government, state government, local authorities, and their departments, services and undertakings including companies or subsidiaries over which a public body has controlling power or interest.

Public official includes a member of the administration; a member of Parliament; a member of a State Legislative Assembly; a judge of the High Court, Court of Appeal or Federal Court; and any person receiving any remuneration from public funds, and where the public body is a corporation sole, includes the person who is incorporated as such.

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Thus, public official is an officer or employee (regardless of rank) of:

- (i) any national, provincial, regional or local government agency or department including: schools, universities, healthcare facilities, police agencies, military entities, customs officials, local tax officials, issuers of government permits, approvals or licenses, and immigration officials;
- (ii) any government owned or controlled company or commercial entity including Government-linked Companies;
- (iii) public (quasi-governmental) international organization (such as the United Nations, World Bank, International Monetary Fund, International Olympic Committee, etc.)
- (iv) a political candidate, party or any officer of a political party;
- (v) any private person acting in an official capacity for or on behalf of any government or public international organization (such as an official advisor to the government or a consultant responsible for making procurement recommendations to a government).

3.20 “SOP” : -
Standard Operating Procedure.

3.21 “Sponsorship” : –
A partnering with external organizations to deliver mutual benefits through an exchange of monies, products, services, content, or other intellectual property.

3.22 “Supplier” : -
Refers to CAPE Group’s suppliers of trade and non-trade goods.

3.23 “Third-Party Intermediaries” : –
Any external individual or organization that CAPE Group has, or plans to establish, some form of business relationship. This can include actual and potential clients, customers, contractors, suppliers, distributors, business associates, agents, advisers, joint ventures, joint venture partners, intermediaries, sales representatives or consultants and government and agencies and public bodies – this includes (but is not limited to) their advisors, representatives, public officials, politically exposed persons (PEPs), and political parties.

3.24 “Whistleblower” : –
The person(s) who speaks up or reports suspected or actual wrongdoing in good faith and has reasonable belief that the information is factual and true at the time of reporting.

4.0 APPLICABLE FORMS

4.1 Appendix icAPE-02-F : ABC Policy, Whistleblowing & Code of Conduct Acknowledgement Form

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5.0 RESPONSIBILITIES AND AUTHORITIES

- 5.1 CAPE Group is committed to promote and maintain the highest levels of Governance, Integrity, Accountability and Transparency (GIAT) in all our business activities, dealings, relationships, and operations as a recognized and reputable EMS contract manufacturer.
- 5.2 The Board of Directors (Governing Body) and Key Senior Management (Vice Presidents) are responsible for developing, establishing, implementing, and maintaining this Anti-bribery and Corruption (ABC) Policy and SOP which prohibits bribery and corruption involving CAPE Group's personnel, suppliers, business associates and third-party intermediaries who provide, or shall provide products and services and acting on behalf of the Group.
- 5.3 This ABC Policy and SOP is in accordance with all applicable statutory laws, rules and regulatory requirements and it is the responsibility of the management of each department to ensure that all CAPE Group personnel, business associates and third-party intermediaries are aware of this ABC Policy and SOP so as to prevent any potential, suspected or actual acts of bribery and corruption so as to comply with all applicable statutory laws and regulatory requirements.
- 5.4 The Managing Director / Chief Executive Officer (CEO) is the ultimate custodian of this ABC Policy (and related documents) and has overall responsibility for the implementation of this ABC Policy and Procedure in CAPE Group.
- 5.5 The Chief ESG Officer shall report to the MD / CEO and Board of Directors (Governing Body) on the implementation of Anti-bribery Management System (ABMS) in CAPE Group for which the Anti-Bribery programs are developed and takes account of specific local circumstances, including specific compliance measures required by this ABC Policy and SOP.
- 5.6 The Chief ESG Officer shall be responsible for incorporating any amendments and updates into this document, obtaining approval from the MD / CEO or the Board of Directors (Governing Body) for the amendments and updates, as well as distributing the same to the relevant parties.
- 5.7 If any of CAPE Group personnel, business associates, third-party intermediaries and other interested parties who believes that the objectives of this ABC Policy and SOP are not being correctly adhered to by any parties; then they can seek to raise any concerns or speak up in good faith with their immediate superior and Head of Department or in accordance with our Whistleblowing Policy and Procedure (icAPE-GP-03) without fear of retaliation and detrimental conduct.

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6.0 PROCEDURE

6.1 CAPE EMS BERHAD VISION

Global Thinking Organization - Committed to creating value for our customers.

6.2 CAPE EMS BERHAD MISSION

We constantly deliver quality products and services through the offering of efficient, flexible and innovative manufacturing solutions at reasonable and competitive prices to maximise returns for all out stakeholders.

6.3 CAPE EMS BERHAD CORE VALUES

GOVERNANCE

We engage in conduct that enhances our reputation.
We are devoted to making a difference.

INTEGRITY

We respect the rights and dignity of all individuals.
We do not tolerate behaviours that harm our organization.

ACCOUNTABILITY

We act in the highest ethical manner.
We deal fairly with our business associates.

TRANSPARENCY

We are transparent in our business dealings.
We take ownership for our actions.

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6.4 Anti-bribery and Corruption Policy Statement

CAPE EMS BERHAD is committed to promoting and maintaining the highest levels of Governance, Integrity, Accountability and Transparency (GIAT) in all our business activities, dealings, relationships, and operations as a recognized and reputable EMS contract manufacturer through proper implementation of ISO 37001:2016 Anti-bribery Management System (ABMS) and Ministerial Guidelines on Adequate Procedures (GAPs) to prevent, detect, and respond to potential bribery risks.

CAPE EMS BERHAD shall uphold all applicable statutory laws and regulatory requirements relating to anti-bribery and anti-corruption and maintain a culture of GIAT to raise concerns or speak up in good faith through our whistleblowing reporting channel without fear of reprisal and retaliation.

To achieve these goals, **CAPE EMS BERHAD** shall :

Commit to address, implement and engage continual improvement of Anti-bribery Management System (ABMS) through activities of conducting bribery risk assessment, internal audits, management reviews and setting, reviewing and achieving anti-bribery objectives;

Assure our core value towards building a culture of governance, integrity, accountability and transparency (GIAT);

Prioritize a zero-tolerance approach against all forms of bribery and corruption in our business activities, dealings, relationships and operations;

Ensure our multi-stakeholders and interested parties accept our Anti-bribery & Corruption Policy and SOP and any violation or non-complying with these requirements shall result in disciplinary action;

With this ABC Policy statement, CAPE EMS BERHAD has established an Environmental, Social & Governance (ESG) Department to be responsible for the development, implementation, and maintenance of ISO 37001:2016 Anti-bribery Management System to serve its purpose. It is everyone's responsibility to address bribery and corruption. If any personnel have breached not only this ABC Policy and SOP but also violate any compliance requirement shall be considered to have committed a serious disciplinary offence and shall face disciplinary action.



Ms Christina Tee
MD / CEO

On behalf of Board of Directors – Governing Body

Date : 28th February 2023

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6.5 Implementation Guidelines

- 6.5.1 What is a bribe? A bribe can take in a form of money, donation, gifts, loans, fees, reward, valuable security, property, financial benefit, contract of employment or services, payment, unlawful discount, commission, rebate, bonus, deduction, or percentage; hospitality, valuable thing or any other advantage or benefit that is intended to influence a decision or action.
- 6.5.2 Bribery occurs when one person offers, promises, gives, accepts, receives, or solicits a bribe, favour, or other advantage as an inducement from another to influence a business outcome improperly, to induce or reward improper conduct or to gain any commercial, contractual, regulatory, or personal advantage.
- 6.5.3 CAPE Group takes a zero-tolerance approach towards bribery and corruption, and is committed to behave professionally, fairly and with integrity in all our business activities, dealings, relationships, and operations wherever CAPE Group operates and implementing an effective anti-bribery management system (ABMS) to combat bribery and corruption.
- 6.5.4 Our business decisions shall never be based on gifts, hospitality, donation, and other benefits provided through our business dealings and relationships. CAPE Group personnel is not allowed to give or receive any gift, hospitality, donations, or benefits that can improperly influence our decision or impair our independence or judgement. CAPE Group do not condone any giving or receiving bribe or improper advantages, either directly or through a third-party intermediary.
- 6.5.5 CAPE Group personnel, business associates, and third party intermediaries who provide, or shall provide goods, services or works and act on behalf of the Group are forbidden to offer, promise or give a bribe of any kind to any person, whether directly or indirectly, in order to induce or reward that person for performing its duties or activities improperly (active bribery); or to provide anything of value to public officials (including politicians or persons connected with them) in order to influence any act or decision by or through such officials or to obtain or retain business, is not allowed, unless permitted by applicable statutory laws and regulatory requirements.
- 6.5.6 CAPE Group personnel, business associates, and third-party intermediaries and those acting on behalf of the Group are also forbidden to receive, request or agree to receive a bribe of any kind from any person, whether directly or indirectly (passive bribery).
- 6.5.7 CAPE Group prohibits the use of consulting agreements or contracts to channel improper payments through agents or intermediaries to private individuals, public or government officials.

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- 6.5.8 CAPE Group does not make any direct or indirect donations or contributions such as money, gifts or advantages provided to relatives of a public official (politically exposed person) or private person or to government entities.
- 6.5.9 The use of persons associated with CAPE Group such as vendors, contractors, suppliers, distributors, business associates, agents, advisers, joint ventures, joint venture partners, intermediaries, sales representatives, or consultants that are known to pay bribes is also forbidden.
- 6.5.10 The consequences of bribery and corruption are severe, and include imprisonment for individuals, unlimited fines, debarment from tendering for public contracts, and damage to CAPE Group's image and reputation.
- 6.5.11 As such CAPE Group only allow normal and appropriate gifts, hospitality, and donations (given or received) but in accordance with our ABC Policy and SOP.
- 6.5.12 The requirements referred to within this ABC Policy and SOP are not exhaustive and shall change in line with statutory laws and regulatory requirements. It is a part of our commitment to adhering to the highest levels of ethical behaviour in term of Governance, Integrity, Accountability and Transparency (GIAT) in the conduct of all its business activities, dealings, relationships, and operations.
- 6.5.13 If you are in doubt about any aspects of these requirements, or on any areas that are not covered in this ABC Policy and SOP, consult your line manager, Head of Department, VP or ESG Department for advice, interpretation, and clarification.

6.6 Compliance to the Anti-corruption Laws

- 6.6.1 CAPE Group shall comply with all applicable laws, rules and regulations of the governments, commissions, and exchanges in jurisdictions within which the Group operates.
- 6.6.2 There are generally four (4) types of corruption offences stipulated in the MACC Act 2009 (Act 694) and are as follows:-
- Soliciting / Receiving Gratification (Bribe) by individual and through agent respectively – MACC Act Sections 16(a) and 17(a);
 - Offering / Giving Gratification (Bribe) by individual and through agent respectively – MACC Act Sections 16(b) and 17(b); and Offering / Giving Gratification by Commercial Organization (Offence by Commercial Organization – Corporate Liability – Section 17A);
 - Intending to Deceive (False Claim) – MACC Act Section 18;
 - Using Office or Position for Gratification (Bribe) (Abuse of Power / Position) – MACC Act Section 23;

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6.6.3 The other prescribed bribery and corruption offences can be listed, but not limited to :-

- (a) Companies Act 2016 (Act 777);
- (b) Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (Act 613);
- (c) Malaysian Penal Code (Act 574);
- (d) Election Offences Act 1954 (Act 5);
- (e) Criminal Procedure Code 2012 (Act 593);
- (f) Police Act 1967 (Act 344);
- (g) Customs Act 1967 (Act 235);
- (h) Singapore's Prevention of Corruption Act 1960; and
- (i) other applicable statutory laws and regulatory requirements related to corporate liability in term of anti-bribery and anti-corruption in the countries or jurisdictions where the Group operates.

6.6.4 CAPE Group reserves its right to report any actions or activities suspected of being criminal in nature to the anti-corruption agency, police, or other relevant law enforcement authorities.

6.7 Anti-bribery Compliance Function (ESG Department)

6.7.1 CAPE Group has established and shall continue to maintain an Environmental, Social and Governance (ESG) Department to be responsible for all anti-bribery and anti-corruption compliance matters.

6.7.2 This ESG Department is adequately equipped to act effectively against bribery and corruption in the following manner:

- (a) overseeing the development and implementation of CAPE EMS's Anti-bribery Management System (ABMS) and Ministerial Guidelines on Adequate Procedures (GAPs);
- (b) providing advice and guidance to personnel on the ABMS & GAPs and issues relating to anti-bribery and anti-corruption compliance programme;
- (c) ensuring that the ABMS and GAPs conform to the requirements of ISO 37001:2016; and MACC Act;
- (d) reporting on the performance of the ABMS and GAPs and identify opportunities for improvement and need for change or innovation to the Governing Body (Board of Directors) and Top Management, as appropriate;
- (e) ensuring that integrity of the ABMS and GAPs is maintained, when changes to ABMS and GAPs are planned and implemented.

6.7.3 Appropriate resources shall be provided for effective operation of the ABMS and GAPs programme and that the ESG Department is staffed with persons who have the appropriate competence, status, authority, and independence.

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6.7.4 The Head of ESG Department (Chief ESG Officer) has direct and prompt access to the Governing Body (Board of Directors) and Key Senior Management (VPs) for any issue or concern that needs to be raised in relation to anti-bribery and anti-corruption, ABMS and GAPs.

6.7.5 The lines of authority for the ESG Department are tasked with responsibility for overseeing the ABMS and GAPs programme shall be reporting directly to the Governing Body (Board of Directors) and Key Senior Management (Top-level Management).

6.8 Disciplinary Action

6.8.1 If any personnel of CAPE Group breach not only this Anti-bribery & Corruption (ABC) Policy and SOP but also the Code of Conduct and Ethics, and other corporate policies is deemed to have been found guilty of a criminal act or serious misconduct which is considered to have committed a serious disciplinary offence and shall face disciplinary action.

6.8.2 Some of the disciplinary actions taken shall result in withholding of bonuses, increments, merits awards, denial of promotion and termination of employment or be dismissed or removed from his or her position on grounds of gross misconduct.

6.8.3 Where supervisory negligence is found to be contributory factor, disciplinary action shall also be initiated against those managers or supervisors responsible for the losses resulting from any form of bribery, corruption, or gratification shall be recovered, if necessary, through civil action.

6.8.4 Further legal action shall also be taken if CAPE Group's interests have been harmed or compromised as a result of non-compliance of bribery and corruption and other compliance obligations.

6.9 Gifts, Hospitality and Donations Guideline

6.9.1 Gifts and Hospitality (Meals, Travels & Accommodation and Entertainment)

(a) This Gifts and Hospitality (Meals, Travels & Accommodation and Entertainment) guideline does not prohibit the giving or accepting of reasonable and appropriate gift or hospitality for legitimate purposes such as building and fostering business relationship, networking, and goodwill, maintaining our corporate image or reputation, or promoting our products and services.

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- (b) CAPE Group recognises that the practice of giving and receiving business gifts varies between companies, countries, regions, cultures, and religions, so definitions of what is acceptable and not acceptable shall inevitably differ for each circumstance.
- (c) CAPE Group accepts normal and appropriate gestures of hospitality and goodwill (whether given to or received from third parties) so long as the giving or receiving of gifts meets any of the following propositions or requirements: -
- (i) It is not made 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 (e.g. discounts, provision of free products or services, provision of vehicles at discounted or zero cost rates, servicing and other provisions are not permitted in exchange for undue influence);
 - (ii) It is in compliance with local law or does not contravene the same;
 - (iii) It does not include cash or a cash equivalent (e.g. a voucher or gift certificate) and not be given in secret;
 - (iv) It is appropriate for the circumstances (e.g. giving small gifts during festive seasons);
 - (v) It is given or received openly with proper declaration accepted by CAPE Group's Board of Directors and Key Senior Management, and not secretly or discreetly given or received;
 - (vi) It is not offered to, or accepted from, a government official or representative or politician or political party, without the prior approval of the Board of Directors and Key Senior Management.
- (d) CAPE Group personnel shall not offer to, or accept from, third parties, gifts, hospitality, rewards, benefits, or other incentives that could affect either party's impartiality, influence a business decision or lead to the improper performance of an official duty. Similarly, they shall not offer or accept cash donations.
- (e) CAPE Group personnel can offer and accept 'reasonable' and 'proportionate' gifts and hospitality such as meal, corporate event, function, or sporting events.
- (f) Gift shall be of an appropriate type and value depending on the circumstances and taking account of the reason for the gift. Gift shall be given out in our corporate name and not as in private or individual name. Promotional corporate gift of small value such as stationery, commemorative items, fruit baskets, food hampers, golf caps, mugs, and other corporate gifts.
- (g) In determining what is 'reasonable' and 'proportionate', CAPE Group personnel shall consider the value of the gift or benefit, as well as the frequency with which the same or similar gift or benefit is offered.

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- (h) Some examples of the reasonable and proportionate gifts are as follows :-
- (i) The exchange of gifts at organisation-to-organisation level (e.g. gifts exchanged between companies as part of an official company visit or courtesy call and thereafter said gift is treated as company property);
 - (ii) Gifts given to external institutions or individuals in relation to CAPE Group's official functions, events, and celebrations which is commonly given in public (e.g. commemorative gifts or door gifts offered to all guests attending the event);
 - (iii) Token or corporate gifts of nominal value, normally bearing a corporate logo (e.g. t-shirts, pens, diaries, calendars, and other small promotional items), that are given out equally to members of the public, delegates, customers, partners, or stakeholders attending events such as conferences, exhibitions, training, trade shows, etc. and deemed as part of CAPE Group's brand building or promotional activities;
 - (iv) Gifts to external parties who have no business dealings with the CAPE Group (e.g. monetary gifts or gifts-in-kind to charitable organisations);
 - (v) Monetary gifts such as "Ang-pow" red packets with an amount equivalent to RM500 or less received from customers or business associates during festive occasions (e.g. Chinese New Year, Hari Raya Aidilfitri, and Deepavali) following tradition and culture is acceptable.
- (i) However, gifts shall be (a) Genuine (appreciation without encouragement); (b) Independent (without effect on future); (c) Free (without obligation) and limited Frequency; and (d) Transparent (declared openly).
- (j) In all cases, CAPE Group personnel shall ensure that the gift or benefit:
- (i) is being given as an expression of goodwill and not in expectation of a return favour (a gift designed to secure a return favour could be perceived as a bribe);
 - (ii) is commensurate with generally accepted standards for hospitality taking into account the norms for the industry or professional sector in which it is offered;
 - (iii) is being provided openly and transparently and is of a nature that shall not cause CAPE Group embarrassment if publicly reported;
 - (iv) complies with local laws and regulations, including the recipient's own rules (bearing in mind that government rules on offering and receiving gifts or benefit are often particularly tight – Service Circular No: 3/1998);
 - (v) meets the value limits set by CAPE EMS and the Group and has all required approvals. In cases of uncertainty, all personnel shall seek advice from their superior or line managers.
- (k) Gifts given by the CAPE Group to Directors and personnel and/or their family members in relation to an internal or externally recognised function, event, or celebration of the Group (e.g. in recognition of a Director/personnel's service to CAPE Group);

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- (l) The CAPE Group's Directors and personnel are not allowed to provide gifts to third parties or customers exceeding the aforesaid prescribed limit unless they obtain prior approval from the MD / CEO or any one Executive Directors of CAPE Group.
- (m) A gift or hospitality shall not be appropriate if it is unduly lavish or extravagant or could be seen as an inducement or reward for any preferential treatment (for example, before, during and after contractual negotiations or a tender process).
- (n) Hospitality (meals, travels & accommodation, and entertainment) shall be unsolicited and not affect, or be perceived as affecting, business judgment. Meals and entertainment can only be offered to and received from the CAPE Group's representative dealing with the customer or service provider in their role in CAPE Group, is for purposes supported by CAPE Group and shall be offered in conjunction with legitimate business meetings, conferences or events hosted, supported, or sponsored by CAPE Group. They shall never be provided on a stand-alone basis.
- (o) If prior approval cannot be realistically obtained before the initial acceptance of a gift or hospitality, the CAPE Group personnel shall report and seek retrospective approval, or otherwise, at the required level as soon as possible after initial acceptance.
- (p) Spouses or partners can be included in an invitation to, for example, hospitality such as meals, corporate function, or sporting events, where this does not create or give the appearance of an inducement.
- (q) Examples of allowable hospitality are as follows :-
 - (i) Nominated CAPE Group personnel, Employees on duty, Directors and Business Associate(s) who are eligible and/or required to participate in the CAPE Group inspection trips and/or other business-related trips including problem solving trips (local or overseas), and the expenses are sponsored by the Group; and
 - (ii) Hotel accommodation in conjunction with CAPE Group's events and trips whereby the expenses are fully sponsored by the Group.

6.9.2 Charitable Donations (Contributions and Sponsorships)

- (a) CAPE Group does undertake social and philanthropic programmes that are in line with our respective business strategies or that will benefit the broader interests of the community, while complementing the efforts of the industry and Government.
- (b) As part of its corporate citizenship activities in term of Environmental, Social and Governance (ESG), CAPE Group accepts and encourages the contributions to charitable organizations – whether through services, knowledge, time, or direct financial contributions (cash or otherwise) or provide sponsorship, to environmental, social and governance event and that shall be made directly to an official entity and agrees to disclose all charitable contributions it makes.

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- (c) Any such charitable contribution, sponsorship or donation made are legal and ethical under local laws and practices and shall be transparent and properly documented. Such contribution sponsorship and donation are only offered and made with the approval of the authorized personnel as set in the Delegation of Authority Limits (FIN-SOP-10)
- (d) Appropriate due diligence shall be conducted on the proposed recipient charity and a full understanding obtained as to its bona fides to ensure that charitable donation, contribution, and sponsorship are not used to facilitate and conceal any acts of bribery.

6.9.3 Political Contribution

- (a) CAPE Group has a policy of strict political neutrality; it does not make political donations or contributions to any political parties, organisations, or individuals engaged in politics nor does it incur any political expenditure.
- (b) CAPE Group shall cooperate with governments and other official bodies in the development of policy and legislation that can affect its legitimate business interests, or where it has specialist expertise.
- (c) CAPE Group personnel is entitled to his or her own political views and activities but shall not use CAPE Group premises or equipment to promote those views or associate their views with those of the Group.
- (d) CAPE Group respects the right of individual personnel to make personal contributions, provided they are not made in any way to obtain advantage in a business transaction.
- (e) CAPE Group communicates views to government and others, on matters which affect its business interests or those of its shareholders and personnel, as a way of assisting in the development of regulation and legislation affecting the business.

6.9.4 Permissible and Allowable Gifts, Hospitality and Donations

- (a) CAPE Group personnel shall seek prior approval from their department or function heads for all gifts or benefits received or offered with a value of more than RM500.00 or equivalent prior to final acceptance.
- (b) Any gifts or hospitality with a notional or actual value more than RM500.00 or equivalent shall be approved by the MD / CEO and/or any one Executive Director of CAPE Group.

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- (c) With regards to the offering and acceptance of gifts and hospitality for Malaysian public officers, the value shall not exceed the allowable amount as stated in the Service Circular No. 3 of 1998 (Surat Pekeliling Perkhidmatan Bilangan 3 Tahun 1998).
- (d) With regards to the offering and acceptance of gifts and hospitality for oversea business partners, the value shall not exceed the allowable amount as stated by the respective country's Anti Bribery and Anti-Corruption Law.
- (e) Gifts with the maximum notional value or equivalent mentioned above and, in any event, shall not occur more than three (3) times a year with the same person. All approvals shall be given in writing, and records of gifts received, from whom and by whom, shall be recorded in an office or function log established for such purpose.
- (f) Hospitality (meals, travels & accommodation, and entertainment) also shall not exceed RM500.00 and in any event and shall not occur more than three (3) times a year with the same person.
- (g) Agreed standard market rebates, reductions, discounts, or similar advantages in business-to-business transactions are allowable and shall be incorporated in the contracts. Any benefits are only for the organization (instead of individuals) and shall be made transparent by the parties to MD / CEO and/or any one Executive Director of CAPE Group.
- (h) Paying routine government fees, if this is so required by applicable regulations is allowable and it shall not benefit an individual. However, facilitation payment is not permissible.
- (i) Recording of gifts - A log of all gifts given or accepted shall be recorded by respective Department Heads. This includes a record of the gift's nature and value, the names of the giver and the recipient, the reason or occasion for the gift, and the fact of the approval of the giving or retention of the gift. On a quarterly basis, the respective Heads of Department shall submit the records to the Chief Financial Officer.
- (j) The Chief Finance Officer shall collect, maintain and keep a written record of all gifts and hospitality accepted or offered by each department and ensure such expenses claims incurred to third parties are submitted in accordance with our expenses policy and specifically record the reason for the expenditure which shall be subject to management review.

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6.10 Facilitation Payment Guideline

6.10.1 Facilitation Payment

- (a) Facilitation payments fall within the interpretation of “gratification” under MACC Act (Act 694). Making facilitation payments to officers in the public sector (including foreign public officials) is deemed to constitute an offence under prohibitions set out in MACC Act.
- (b) In some cases, the facilitation payments are expressly requested. In other cases, there is no any expressed request, but the body language of the official or delay in issuing a permit may indicate that the official expects a form of payment or inducement.
- (c) Facilitation payments are unofficial payments that can be made in cash and non-cash with the intention to gain access, secure or expedite the performance of a routine function.
- (d) CAPE Group personnel shall not make such unofficial facilitation payments or extra payments to secure or expedite routine administrative actions, such as government papers, customs clearances, visas, permits or licenses.
- (e) If CAPE Group personnel encounter such demand for a facilitation payment, or they are likely to do so, they shall report the situation to their superior or line manager without delay. Superior, Line managers or Head of Department shall then ensure that the MD / CEO or Key Senior Management (VPs) is informed at the earliest possible opportunity.
- (f) CAPE Group recognises that demands for facilitation payments are often backed by a form of extortion and that in exceptional circumstances resistance is not feasible. An extreme example would be a demand for payment to secure an emergency admission into hospital or enter and exit across war-torn boundaries.
- (g) Where the facilitation payment is being extorted or CAPE Group personnel is being coerced to pay for it and their safety or liberty is under threat or they feel that they have no alternative but to pay for personal or family safety and peace of mind. In such circumstances, then they are allowed to pay the facilitation payment.
- (h) In such dangerous situations, CAPE Group allow personnel to make facilitation payments. CAPE Group accept that personnel need to use their best judgement. The concerned personnel shall report such incident where they feel forced to make a facilitation payment to their superior, line manager or Head of Department at the earliest opportunity.

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- (j) CAPE Group shall stand by their personnel who find themselves placed in exceptional situations provided that the personnel have provided absolute transparency as to the circumstances surrounding a payment being made after the incident has occurred.

6.11 Conflict of Interest Guideline**6.11.1 Conflict of Interest**

- (a) CAPE Group personnel shall avoid situations or transactions in which their personal interests could conflict or might be seen to conflict with the interests of CAPE Group.
- (b) Conflicts of interest can arise if individual has a personal interest in business dealings involving CAPE Group. Conflict of interest is also arisen when an individual's objectivity is compromised or perceived to compromise with his or her professional obligation at CAPE Group, by any form of personal interests.
- (c) Personal interest can be direct or indirect and refers not only to personal interests but to those of family members and friends (closely related persons). If there is a potential for conflict, the interests of CAPE Group shall take priority.
- (d) A 'relative' or 'immediate family' includes:
- (i) Spouse;
 - (ii) Siblings (brother(s) and sister(s));
 - (iii) Spouse's siblings;
 - (iv) Your direct line of ascendant (parent and grandparents) or descendant (children and grandchildren) including your spouse's and your spouse's siblings;
 - (v) Uncle, aunt or cousin;
 - (vi) Son-in-law or daughter-in-law.
- (e) A "Closely Related Person" is someone, company, corporation, partnership, or other business enterprise which are closely related through common personal friendship, ownership, control, management, financial inter-dependence, cross-guarantees or even anyone living in the same household as individual employee and personnel.
- (f) A possible conflict of interest may arise when a person:
- (i) Acting on any client information gained through their employment with CAPE Group for personal gain such as passing such information to a third party; or acting in any way that could be construed as insider trading;
 - (ii) Has a financial interest and possess controlling rights in a supplier, competitor or customer when the person is involved in CAPE Group decision making relating to, or of relevance, to the supplier, competitor or customer;

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- (iii) Engages in activities that compete with, or perceived to compete with CAPE Group interest; or
- (iv) Allows business decisions to be influenced, or appear to be influenced, by personal or family interests.
- (g) CAPE Group personnel shall avoid situations and positions where a personal relationship (e.g. family member, friend) or personal benefit influences and impairs their ability to perform their professional obligations and responsibilities at CAPE Group. Personnel shall disclose any actual, potential, or perceived conflicts of interest to their superior or line manager.
- (h) CAPE Group personnel shall also regularly declare any conflicts of interest according to the scheduled declarations process; declare conflicts of interest when taking up a new position (i.e. through promotions or job transfer) and seek conflicts of interest declarations from business associates intend to deal with or have dealings with.

6.11.2 Family Members and Close Personal Relationships

- (a) CAPE Group personnel (Board of Directors, Key Senior Management, Senior Managers, Officers, and Employees) shall not hire, recommend hiring, exert influence over hiring decisions, supervise, affect terms and conditions of employment, or influence the management of any family members engaged by CAPE Group.
- (b) However, family members of CAPE Group personnel shall be hired as staff and employees only if the appointment is based on competency, qualification, performance, skills, and experience, and in accordance with CAPE Group Human Resources hiring policies and procedures.
- (c) CAPE Group personnel shall also disclose business activities in the Group which involve family members and refrain from any related decision-making process.
- (d) Any substantial interest held by CAPE Group personnel's family members in a competing company, competitors or other related companies shall be declared to the MD / CEO.
- (e) A full disclosure of all the facts is important and directors shall be governed by the Companies Act 2016 and Main Market Listing Requirements (MMLR) on matters relating to disclosures of conflict of interest.

6.12 Undertake Internal Control and Measures Guideline

- 6.12.1 CAPE Group shall maintain a system of internal controls and measures which can be found in other related financial and non-financial SOPs.

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6.12.2 All the Vice Presidents and Heads of Department shall be responsible for monitoring adherence to this Policy and procedures designed to prevent, detect, and respond to bribery and corruption.

6.13.3 Internal control systems and procedures designed to prevent bribery and corruption are subject to regular audits, internally or by an external party to ensure that they are effective in practice.

Such reviews should include improvements of the existing anti-bribery and anti-corruption controls in CAPE Group. The outcomes of the audits shall be reported to the MD / Group CEO or Key Senior Management (VPs).

6.13 Risk Assessment and Due Diligence Guideline

6.13.1 The Risk Management Committee shall ensure a regular review and monitoring are conducted to assess the performance, efficiency, and effectiveness of the anti-bribery programme, and ensure the programme is monitored and enforced. Such reviews may take the form of an internal audit, or an audit carried out by an external party. The reviews shall form the basis for any efforts to improve existing anti-bribery and anti-corruption controls.

6.13.2 CAPE Group shall conduct regular bribery risk assessment to identify the potential bribery and corruption risks affecting the business, set anti-bribery and anti-corruption objectives, and assess the effectiveness of the controls in achieving those objectives, at least once annually. The scope, findings and results shall be properly updated and documented. The Board and the Risk Management Committee shall be kept informed of the identified risks.

6.13.3 CAPE Group shall conduct due diligence on the followings :- (1) certain transactions, projects, business activities, (2) business associates, and (3) personnel, in particular where there is significant exposure to potential bribery and corruption risk – more than low bribery risks identified as part of CAPE EMS's risk assessment. The due diligence process is aimed at obtaining enough information to assess if there are bribery risks posed by these parties.

6.13.4 CAPE Group's bribery risk assessment assesses a more than low bribery risk in relation to:

- (a) Specific categories of transactions, projects, or activities,
- (b) Planned or on-going relationships with specific categories of business associates, or
- (c) Specific categories of personnel in certain positions.

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- 6.13.5 Any arrangements, dealings, or commitment which CAPE Group make with any relevant parties or personnel (such Directors, Senior Management, Managers, and Personnel) is subjected to clear contractual terms, including specific provisions that require the relevant parties or personnel to comply with minimum standards and procedures relating to this ABC Policy and SOP.
- 6.13.6 Due diligence shall be conducted for more than low risk business associates and to include standard clauses in all contracts which enable CAPE Group to terminate the contract if bribery or an act of corruption has been proved to occur.
- 6.13.7 Due diligence shall be conducted on any relevant parties or personnel prior to entering any formalised relationship with CAPE Group. The extent of the due diligence shall be based on a bribery and corruption risk assessment.
- 6.13.8 Methods shall include background checks on the person or entity, online database, document verification process or conducting interviews with the person to be appointed to a key role where corruption risk has been identified. The results of the due diligence process shall be documented, retained for at least seven (7) years.
- 6.13.9 Based on due diligence results, CAPE Group shall either accept, decline, suspend or terminate relationships with personnel, business associates or any other parties engaging with CAPE Group to protect CAPE Group from any legal, financial, reputation and bribery risk.

6.14 Accurate Book and Record Keeping Guideline

- 6.14.1 CAPE Group shall keep detailed updated and accurate financial and non-financial records related to this ABC Policy and SOPs governing anti-bribery and anti-corruption measures and shall have appropriate internal controls in place to act as evidence for all payments made.
- 6.14.2 Our objective of accurate book and record keeping is to maintain accurate and precise records to be transparent. CAPE Group shall not:
- (a) Falsify, omit, misstate, alter or conceal any information or otherwise misrepresent the facts on a company record;
 - (b) Encourage or allow anyone else to compromise the accuracy and integrity of our records;
 - (c) Intentionally make a false or misleading entry in a record, report, file or claim; and
 - (d) Engage in any scheme to defraud anyone.

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6.14.3 All transactions shall be accurately, completely, and timely recorded in our financial books. The records shall accurately reflect and disclose the business rationale, purpose, substance, and legality of all our local and cross-border transactions, payments and expenses, including gifts and hospitality.

6.14.4 CAPE Group personnel shall declare all gifts and hospitality accepted or offered and submit details to the person in-charge who is assigned by the respective Department for recording into a register which shall be subject to internal audit review.

6.14.5 All CAPE Group personnel shall also ensure that all expense claims relating to gifts, hospitality, or other expenses incurred to third parties are approved by the respective Head of Department and the reason for such expenditure shall be specifically recorded.

6.14.6 All personnel of CAPE Group shall also ensure that all expense claims relating to gifts, hospitality, gifts, or expenses incurred to third parties shall be approved by the MD / CEO or any one Executive Directors of the Company and the relevant subsidiaries. The reason for such expenditure shall be specifically recorded.

6.14.7 A log of all gifts given or accepted shall be recorded by respective Department Heads. This includes a record of the gift's nature and value, the names of the giver and the recipient, the reason or occasion for the gift, and the fact of the approval of the giving or retention of the gift. On a quarterly basis, the Head of Department shall submit the records to the Chief Financial Officer.

6.14.8 The Chief Finance Officer shall collect, maintain and keep a written record of all gifts and hospitality accepted or offered by each department and ensure such expenses claims incurred to third parties are submitted in accordance with our expenses policy and specifically record the reason for the expenditure which shall be subject to management review.

6.14.9 All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers, and business contacts, shall be prepared and maintained with strict accuracy and completeness. No accounts shall be kept "off-book" to facilitate or conceal improper payments.

6.14.10 CAPE Group shall have appropriate internal controls in place, which shall provide evidence or business reasons for making payments to third parties.

6.15 Systematic Review, Monitoring and Enforcement

6.15.1 CAPE Group shall ensure regular Systematic Review, Monitoring and Enforcement are conducted to assess the performance, efficiency, and effectiveness of the anti-bribery programme, and ensure the programme is monitored and enforced.

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Such reviews can take the form of an internal audit, or an audit carried out by an external party. The reviews shall form the basis for any efforts to improve existing anti-bribery and anti-corruption controls.

6.15.2 The Board of Directors, and Key Senior Management of CAPE Group are responsible for monitoring the effectiveness of this ABC Policy and SOP and shall review the implementation of the Anti-bribery Management System (ABMS) and Ministerial Guidelines on Adequate Procedures (GAPs) on a regular basis to assess and ascertain its suitability, adequacy and effectiveness.

6.15.3 CAPE Group shall conduct regular bribery risk assessment to identify the potential bribery and corruption risks affecting the business, set anti-bribery and anti-corruption objectives, and assess the effectiveness of the controls in achieving those objectives.

The scope, findings and results shall be properly updated and documented. The Board of Directors and the Risk Management Committee shall be kept informed of the identified risks.

6.15.4 Any deviation or waiver from this ABC Policy and SOP shall be recommended by the Risk Management Committee for approval by the Board.

6.15.5 All CAPE Group personnel are responsible for the success of this ABC Policy and SOP and shall ensure they use it to disclose any suspected danger or wrongdoing.

6.15.6 All CAPE Group personnel are invited to provide feedback and comment on this Anti-bribery Policy and suggest ways in which it can be improved. Feedback, comments, suggestions, and queries shall be addressed to ESG Department.

6.15.7 CAPE Group regards bribery and corruption as a serious matter. Non-compliance and violation of this ABC Policy and SOP shall be subject to disciplinary actions (e.g. reprimands, demotions, formal warnings, dismissal or termination of employment contract) and any legal proceedings. Further legal action shall also be taken if CAPE Group interests have been harmed because of non-compliance.

6.15.8 CAPE Group shall have the right to exercise an audit or inspection on personnel, business associates, and third-party intermediaries who are alleged or reported to be in non-compliance with our ABC Policy and SOP.

6.15.9 If any of CAPE Group business associates and third-party intermediaries is found to have breached any anti-corruption policies, laws or regulations or our ABC Policy and SOP, such breach shall result in termination of contract(s) and if required, subject to legal proceedings. CAPE Group has the right to report any matter to the relevant government authorities or law enforcement agencies.

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6.16 Training and Communication Guideline

- 6.16.1 CAPE Group shall conduct awareness programme for all its personnel to ensure they understand CAPE Group's ABC Policy; SOP; its Anti-bribery Management Systems (ABMS) and Ministerial Guidelines on Adequate Procedures (GAPs).
- 6.16.2 CAPE Group shall provide awareness training on this ABC Policy and SOP as part of the induction process for all new personnel. All existing personnel shall be provided with details of this ABC Policy and SOP and shall receive relevant awareness training on how to implement and adhere to this ABC Policy and SOP as necessary.
- 6.16.3 CAPE Group zero-tolerance approach to bribery and corruption shall be communicated to all personnel, business associates and third-party intermediaries at the outset of any business relationship with them and as appropriate thereafter. In addition, all personnel, business associates and third-party intermediaries shall be asked to formally accept declaration of acceptance this ABC Policy and SOP on a retention basis.
- 6.16.4 The Human Resources and Administrative (HRA) Department shall maintain all records of trainings related to anti-bribery and anti-corruption attended by all CAPE Group personnel.

6.17 Whistle Blowing (WB) Guideline

- 6.17.1 All CAPE Group personnel, business associates and third-party intermediaries who perform, or shall perform, products and services and act on behalf of CAPE Group are encouraged to raise concerns about any issue or suspicion of wrongdoing or any attempted, suspected, or actual bribery and corruption at the earliest possible stage. If they are unsure whether an act constitutes bribery or corruption, or if they have any other queries, these can be raised with the ESG Department.
- 6.17.2 It is essential to report any attempted, suspected, and actual bribery. CAPE Group personnel, business associates and third-party intermediaries shall immediately notify and report if personnel have any suspicion or knowledge that bribes are being paid, or if personnel have been offered a bribe or is requested to provide a bribe in favour of CAPE Group shall report as according to our Whistle-Blowing Policy and SOP (icAPE-GP-03) :-

- (a) by mail in a properly sealed envelope and indicated "Strictly Confidential – To Be Opened by Addressee Only" and addressed to : -

CAPE EMS Berhad
PLO 227A, Jalan Cyber 1A
Kawasan Perindustrian Senai III
81400 Senai, Johor Darul Ta'zim, Malaysia
Attention: Chairperson of the Audit Committee

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(b) by written mail or email to the Chairperson of the Audit Committee:

- Email: ac.chairperson@cape-group.com.my

6.17.3 If CAPE Group personnel make a report or disclosure about any actual or perceived bribery or corruption in good faith, belief, without malicious intent, that a breach or violation as aforesaid could have occurred or about to occur, personnel shall be accorded protection of confidentiality, to the extent reasonably practicable, notwithstanding that, after investigation, it is shown that personnel has been mistaken.

6.17.4 In addition, CAPE Group personnel who whistle-blow internally shall also be protected against detrimental action for having made the disclosure, to the extent reasonably practicable.

6.17.5 If CAPE Group personnel believe that there has been a violation (or an intention to do so) of this Whistle Blowing Policy, personnel shall, at any time, talk to the superior, line manager or Head of Department or ESG Department to seek initial advice, information, or guidance.

6.17.6 If CAPE Group personnel have any doubt whether an activity is permitted or falls within the scope of any anti-bribery legislation, personnel can consult the ESG Department. (If the employee is uncertain about whether a certain action or behaviour can be considered bribery or corruption, he or she should speak to the Head of Department or appropriate channels available.)

6.17.7 This Whistle Blowing Policy cannot provide CAPE Group personnel with comprehensive solutions to every potential bribery or corruption situation that can arise. In case of uncertainty about the correct response to any situation CAPE Group personnel is required to discuss the situation with their superior, line manager or Head of Department, or ESG Department, who shall consult with the Key Senior Management and then, if necessary, with MD / CEO about any ethical or legal problems.

6.17.8 CAPE Group is absolutely committed to ensuring that all of us have a safe, reliable, and confidential way of reporting any suspicious activity. Each and all CAPE Group personnel know that they can speak up or raise concerns without fear of retaliation.

6.18 Consequences of Bribery and Corruption

6.18.1 CAPE Group shall not involve in any incident of bribery and corruption that could have serious consequences for its business in any countries where CAPE Group is operating.

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Therefore, it is imperative that CAPE Group and its personnel, business associates and third-party intermediaries acting for or on behalf, shall comply with this ABC Policy and SOP.

- 6.18.2 CAPE Group shall not tolerate any form of bribery. Failure to comply with this ABC Policy and SOP can result in disciplinary or other actions in accordance with the employment agreements of individual personnel involved.
- 6.18.3 Any violation of applicable laws in relation to anti-bribery can constitute an offence and can lead to prosecution of CAPE Group and individuals involving prison sentences and being served financial sanctions.
- 6.18.4 In addition, under circumstances of suspicious behaviour, allegations or investigation relating to bribery or corruption, the Human Resources and Administration Department reserves all rights to request the relevant employee to declare information regarding assets owned or family ties and relationships as relevant and as deemed necessary.

6.19 Responsibilities of CAPE Group Personnel

- 6.19.1 All CAPE Group personnel shall declare in writing that they have read, understood, and shall abide and comply with the information, guidelines and requirements contained in this ABC Policy and SOP.
- 6.19.2 A copy of this declaration shall be documented and retained by the Human Resources and Administration Department for the duration of the personnel's employment. A sample declaration can be found in the Appendix icAPE-02-F of this ABC Policy and SOP.
- 6.19.3 In the event, personnel are unsure or is in doubt of any of the provisions or requirements, the personnel shall seek the advice or clarification from their superior, line manager, Head of Department or ESG Department.
- 6.19.4 All CAPE Group personnel 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 ABC Policy and SOP.
- 6.19.5 If any CAPE Group personnel has reason to believe or suspect that an instance of bribery or corruption has occurred or shall occur in the future that breaches this Anti-bribery Policy, the personnel shall promptly report as according to our Whistle-Blowing Policy and SOP (icAPE-GP-02).

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6.19.6 If any CAPE Group personnel who breach this ABC Policy and SOP shall face disciplinary action and could result in withholding of bonuses, increments and merits awards, denial of promotion and termination of employment or dismissal for gross misconduct.

6.19.6 CAPE Group reserves its right to terminate a contractual relationship with personnel if one has breached this ABC Policy and SOP. Further legal action shall also be taken if CAPE Group interests have been harmed or compromised because of non-compliance.

6.20 Protection of CAPE Group Personnel

6.20.1 CAPE Group is committed to ensure that 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 their suspicion that an actual or potential bribery or other corruption offence has taken place or may take place in the future.

6.20.2 Any of CAPE Group personnel who knows of, or suspects, a violation of this ABC Policy and SOP, is encouraged to whistle blow or report the concerns through the mechanism set out under Whistleblowing Policy and SOP (icAPE-GP-03).

6.20.3 The provision, protection and procedure of the Whistleblowing Policy and SOP for reporting of the violations of this ABC Policy and SOP are available and no individual shall 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 this ABC Policy and SOP. All reports shall be treated confidentially.

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

6.20.5 Detrimental conduct 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 should inform ESG Department immediately.

6.20.6 If the personnel have reason to believe that they have been subjected to unjust conduct because of a concern or refusal to accept a bribe, the personnel shall inform the ESG Department immediately.

6.20.7 No malicious, vindictive, or baseless accusations shall be made by any personnel against another personnel. Appropriate action shall be taken against any personnel making such malicious, vindictive, or baseless accusations.

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6.20.8 Similarly, if any of the CAPE Group personnel is a victim of bribery or corruption, it is important that the personnel shall inform the ESG Department as soon as possible if one have been offered a bribe by a third party, are asked to make one, suspect that this can happen in the future, or believe that you are a victim of another form of unlawful activity.

6.21 Immunity and Disclaimer

6.21.1 If any of CAPE Group personnel who participate in any act that constitute the act of violation of laws, policies and procedures mentioned above which he/she reported shall not be given immunity against any investigation or disciplinary or criminal proceeding arising out of the report made. Nevertheless, in such circumstances, the fact that he or she had caused the report to be made can be taken into consideration as a mitigating factor.

6.22 Monitoring and Failure to Comply

6.22.1 It is the responsibility of CAPE Group to ensure full compliance with all the provisions in this ABC Policy and SOP and to seek guidance where necessary from the respective superior, line manager or Head of Department or the Key Senior Management.

6.22.2 Any Group personnel can notify his or her superior as soon as possible if he or she believes or suspects that a breach of this ABC Policy and SOP has occurred or suspected to have occur. The Group personnel can raise his or her concerns in accordance with the Group's Whistle-Blowing Policy and SOP (icAPE-GP-03).

6.22.3 In the event of any breaches of this ABC Policy and SOP by any Director, the relevant board of directors shall determine appropriate actions to be taken after considering all relevant information and circumstances.

6.22.4 When in doubt, the Group personnel shall be guided by the basic principles stated herein. Failure to comply with this ABC Policy and SOP can result in disciplinary action, including the possibility of dismissal and, if warranted, legal proceedings or criminal sanctions.

6.23 Compliance to the Law

6.23.1 CAPE Group shall comply with all applicable statutory laws, rules and regulatory requirements of the governments, commissions, and exchanges in jurisdictions within which the Group operates.

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6.23.2 CAPE Group reserves its right to report any actions or activities suspected of being criminal in nature to the government agencies, anti-corruption agency, police, or other relevant authorities.

6.23.3 The implementation of this Privacy Policy is in line with the Whistleblower Protection Act 2010, Companies Act 2016, Malaysian Anti-Corruption Commission Act 2009, Capital Markets and Services Act 2007, Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001, Personal Data Protection Act 2010 and all applicable statutory laws and regulatory requirements in Malaysia wherein provisions have been made to protect whistleblower make disclosures on breach or non-observance of any requirement or provision of the applicable law and regulations or on any serious offence involving wrongdoings, improper conducts, unethical practices or fraud and dishonesty.

6.24 Supplementary to Anti-bribery & Corruption Policy and SOP

6.24.1 This Anti-bribery & Corruption (ABC) Policy and SOP shall be read in conjunction with CAPE Group various policies and procedures such as :-

- (a) ISO 37001:2016 ABMS Manual (icAPE-ABMS) and Procedures (ABMS-SOP);
- (b) Our Core Values (icAPE-GP-01);
- (c) Whistleblowing Policy and SOP (icAPE-GP-03);
- (d) Code of Conduct & Ethics Policy and SOP (icAPE-GP-04);
- (e) ESG Sustainability Policy and SOP (icAPE-GP-05);
- (f) Anti-money Laundering Policy and SOP (icAPE-GP-06);
- (g) Personal Data Protection & Privacy Notice Policy and SOP (icAPE-GP-07);
- (h) Delegation of Authority Limits (FIN-SOP-10);
- (i) Employee Handbook.

6.25 Review of ABC Policy and SOP

6.25.1 The Board of Directors, and Key Senior Management of CAPE Group shall monitor the implementation of this Anti-bribery & Corruption (ABC) Policy and SOP and review this Policy and SOP at planned interval to ensure that it continues to remain relevant and appropriate for its suitability, effectiveness and efficiency keeping with the changing business environment, administrative or operational needs as well as changes to statutory laws and regulatory requirements.

6.25.2 The ESG Department shall review and update (when necessary) this ABC Policy and SOP on a regular basis before forwarding to the Board of Directors and Key Senior Management for approval. This Policy and SOP is subject to updating and modifications from time to time to be in line with applicable statutory laws and regulatory requirements and organizational changes within CAPE Group.

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7.0 Appendix

7.1 Appendix icAPE-GP-02F : ABC Policy, Whistleblowing & Code of Conduct Acknowledgement Form

I, _____, hereby certify and declare that I have read and understood the CAPE EMS BERHAD's Anti-Bribery & Corruption Policy (icAPE-GP-02); Whistleblowing Policy (icAPE-GP-03) and Code of Conduct and Ethics Policy (icAPE-GP-04) with respect to compliance with MACC Act 2009; Whistleblower Protection Act 2010 and Companies Act 2016; and I understand that these three (3) Group Policies and SOPs apply to all CAPE Group personnel (directors, senior management, managers, and employees), business associates and third-party intermediaries.

I agree that any business decisions and actions that I am dealing with, shall be based on the best interest of the organization I am representing, and shall not be motivated by personal interest, considerations, or relationship. My relationships with prospective or existing customers, business associates and third-party intermediaries shall not affect my independent and sound judgment acting on behalf of the organization.

I am aware of the Anti-bribery and Corruption (ABC) Policy regarding gifts and hospitality, receiving from and giving to, any customers, business associates and third-party intermediaries with whom I am dealing with, and I certify that I have not violated these prohibitions.

I am also aware of the Code of Conduct and Ethics (Code) covering three (3) principal pillars namely (a) Fair Workplace with Health, Safety, Security and Environment Practices (Environmental); (b) Fair Labour and Employment Practices (Social) and (c) Fair Business Practices (Governance), and I certify that I have not violated these practices.

To the best of my knowledge and belief after reasonable review, I shall comply with the provisions of our CAPE Group Policies and SOPs and understand my responsibility to immediately speak-up or report any known or possible wrongdoing, conflict of interest situation or suspected violation in good faith to my immediate superior, Head of Department or directly using the secured and confidential Whistleblowing channels.

I also certify my understanding that any failure by me to comply with these three (3) CAPE Group Policies and SOPs shall result in disciplinary action taken against me, including but not limited to withholding of bonuses, increments and merits awards, denial of promotion and termination of my employment or dismissal for gross misconduct.

Signature : _____

Name : _____

Employee ID/Contract Number : _____

Designation : _____