



**ANTI-BRIBERY AND ANTI-CORRUPTION
COMPLIANCE AND MONITORING
FRAMEWORK & POLICY**

**JESSELTON INTERNATIONAL SDN. BHD.
(Company Registration No. 907488-P / 201001023716)**

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ANTI-BRIBERY & ANTI-CORRUPTION POLICY STATEMENT

Our Commitment

JESSELTON INTERNATIONAL SDN. BHD. (“the Company” or “Jesselton International”) and its subsidiary companies (collectively known as “Jesselton International Group” or “the Group”) adopts a zero-tolerance policy against all forms of bribery and corruption.

The Group upholds the standards of business ethics and integrity and expect the same from all stakeholders including its directors, employees, suppliers, and business associates. In line with this, the Group has adopted the Framework that supports the organization’s commitment to ethical business conduct and compliance with anti-corruption laws.

This Anti-Bribery and Anti-Corruption Policy (“ABAC Policy”) sets out the Group’s Anti-Bribery and Anti-Corruption Framework (“the Framework”) in line with the Malaysian Anti-Corruption Commission Act 2009 (Act 694) (“MACC Act 2009”), as provided by the Malaysian Anti-Corruption Commission (Amendment) Act 2018 (“Amendment Act 2018”).

While this Framework does not provide definitive answers to all possible scenarios, it provides guidance on handling bribery and corruption risks in line with legal and ethical standards. This ABAC Policy should be read together with other applicable internal governing policies, procedures, guidelines, manuals and applicable regulations.

**** NO PART OF THIS ANTI-BRIBERY AND ANTI-CORRUPTION COMPLIANCE AND MONITORING FRAMEWORK & POLICY MAY BE DUPLICATED OR REPRODUCED WITHOUT PRIOR CONSENT FROM THE MANAGEMENT.***

ANTI-BRIBERY & ANTI-CORRUPTION COMPLIANCE & MONITORING FRAMEWORK

Jesselton International Group as part of its zero-tolerance policy towards bribery and corruption has adopted the TRUST Framework in line with Section 17A of MACC Act 2009 to prevent persons associated with the Group from engaging in corrupt act or conduct.



Key Principles of the Anti -Corruption Program

1. Top Level Commitment

Roles and responsibilities to demonstrate the top-level commitment towards anti-corruption are defined. The Board of Directors, Senior Management and respective Heads of Departments understands their primary responsibility in ensuring that the Group:

- Upholds the highest standard of integrity and ethics;
- Complies fully with applicable laws and regulatory requirements;
- Effectively manages key corruption risks;

To reinforce this, the Group has implemented key functions to supervise and comply with the policy, including:

No.	Key Functions	Description
1.	Board of Directors (“the Board”)	The Board retains the overall responsibility for setting the anti-bribery and anti-corruption direction, objectives, revisions and effectiveness of the Policy within Jesselton International Group.

2.	Audit and Risk Management Committee (“ARMC”)	<p>The Audit and Risk Management Committee assists the Board on the following anti-corruption duties:</p> <ul style="list-style-type: none"> • Responsible for the design, implementation, monitoring and management of the Group’s anti-corruption objective and strategies as set by the Board; • Review the Group’s exposure to corruption risk and proposed appropriate anti-corruption strategies and framework; • Review and assess the adequacy and effectiveness of existing anti-corruption framework; • Ascertain the resources required for the effective implementation of anti-corruption strategies and framework established; • Review the performance of anti-corruption activities and the Group’s compliance with established strategies (including the work of third-party audit);
3.	Anti- Corruption Oversight Committee (“ACOC”)	<p>The ACOC, established by the Board, oversees the Group’s anti-corruption efforts. It consists of senior management members, including the Managing Director (MD), Executive Director (ED), and other designated personnel.</p> <p>The ACOC is responsible for the following:</p> <ul style="list-style-type: none"> • Responsible for the planning and implementation of the Group’s Framework, compliance programme and relevant activities; • Monitor and ensure the implementation of appropriate controls to mitigate any corruption risk arising; • Advise and guide employees in the execution of relevant anti-corruption processes and controls;

		<ul style="list-style-type: none"> Responsible to ensure appropriate information and communication on anti-corruption matters are made to the relevant stakeholders; and Conducts ABAC trainings as detailed in the Framework, Policy, Code of Conduct and Ethics and Employee Handbook.
4.	Internal Audit Team	<p>The audit function is responsible for the following:</p> <ul style="list-style-type: none"> Performs regular evaluation on the adequacy and effectiveness of anti-corruption framework and processes on a periodic basis; Identify and determine areas of enhancement; Report the results of audit to the relevant committee; and Investigates on whistleblowing cases received and provide or recommend areas of improvement upon observations from investigations performed.
5.	Code of Conduct & Ethics	Establishes ethical standards and expectations for employees and business associates, promoting a culture of integrity.

Anti-Corruption Oversight Structure (“ACOC”)

Jesselton International’s ACOC is depicted as below:

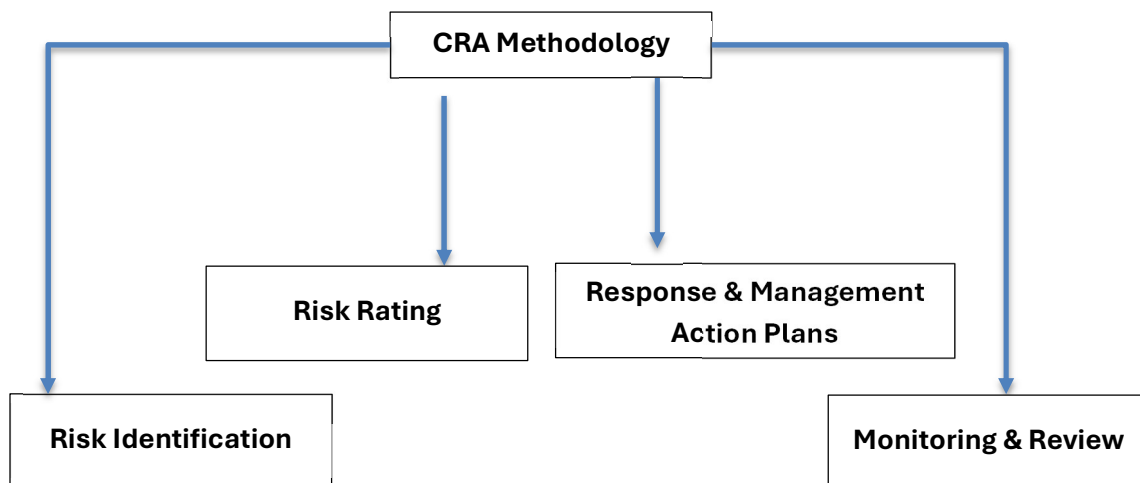


2. Corruption Risk Assessment

Corruption Risk Assessment (“CRA”) is conducted to identify, analyse, assess and monitor bribery and corruption risks.

Jesselton International Group performs: -

- **General Risk Assessments** – incorporated into enterprise risk management on an annual basis or whenever there are any changes in related regulations or business environment.
- **Comprehensive Risk Assessments** – in-depth review conducted once every three (3) years.



Risk Identification

A systematic approach is taken to analyse stakeholders, potential corruption risks and schemes as well as identifying weaknesses in monitoring and internal controls

Risk Rating

Risk evaluation is carried out based on the risk tolerance of the Company and are rated either critical, high, moderate or low. The following considerations are taken into account when assessing such risk:

- Nature or frequency of business activities
- Industry norms

- Actual or potential impact faced in view of the consequences of the corrupted business activities
- Adequacy and effectiveness of existing internal controls

Formulation of Response and Action Plans

An effective action plan to mitigate the identified corruption risks and their corresponding impacts shall comprise of the following:

- Ensure compliance by employees, suppliers and business associates
- Detailed actions to be undertaken
- Allocation of accountability to responsible person or departments
- Targeted implementation timeframe of the action plan
- Estimated resources required to execute each action (i.e. manpower, hours, budgets)

Status of implementation of action plan is to be followed up periodically and communicated to the senior management during management meetings as well as board meetings in order to track the implementation of action plan identified.

Changes in corruption risk exposure is to be constantly monitored and highlighted to senior management in order to enable re-assessment and development of corresponding risk mitigation strategies.

3. Control Measures

In order to address corruption risks, Jesselton International Group has implemented appropriate controls and contingency measures as follows:

(i) Due Diligence

Screening and due-diligence checks of all internal or external stakeholders prior to entering into any formal relationship or business transaction with the Group including, but not limited to background checks, searches, document verification, interviews and etc.

(ii) Whistleblowing – Private and Confidential Reporting Channel

Jesselton International Group has established a private and confidential reporting mechanism (i.e. whistleblowing channel) with protections in place for employees or business associates to report concerns regarding any suspected, attempted or actual corruption incidents to the Audit and Risk Management Committee.

The Group assures that the identity of whistleblowers shall remain confidential and the information reported will be treated with due care. Whistleblowers are also assured that reprisal and retaliation will not be taken against them if reports are made in good faith.

Further details pertaining to Jesselton International Group's whistleblowing policy and procedures are provided in Jesselton International's *Whistleblowing Policy and Procedures*.

(iii) Anti-Bribery and Anti-Corruption Policies and Procedures

Jesselton International has established guidelines and procedure herein this ABAC Policy to govern dealings with improper gratification, gift handling, donations, corporate hospitality, solicitation, bribery and other forms of corrupt activities which may arise in the ordinary course of business.

(iv) Conflict of Interest Management

The Group requires all employees, suppliers and business associates to declare any personal interests that could compromise business integrity via a *Conflict of Interest Declaration Form*.

A conflict of interest declaration must be completed upon recruitment of each new employee, annually by all employees, upon identification of any potential or actual conflict of interest, or as determined necessary by the Group.

(v) Internal Controls

The Group ensures that financial and non-financial controls are in place to preserve corporate governance.

Financial controls govern the use of financial resources and manage the financial information relating to Jesselton International Group.

(E.g. may include discretionary authority limit that regulates the provision of gifts, entertainment, corporate hospitality, donation or sponsorship and prevent possible bribery and corrupt practices, payment approval authorization ensures proper accountability and control over the disbursement of financial resources, etc.)

Non-financial controls lie within the standard operating procedures for proper segregation of duties. Accountability, check and balances are incorporated in the daily business activities so as to ensure adequate review and approval in business decisions.

(E.g. may include pre-qualification of vendors, background checks in recruitment of new employees, access controls over key and critical information, etc.)

4. Monitoring and Enforcement

Regular audits and compliance reviews as part of the anti-corruption programme ensures the continuous adherence and effective implementation of the Framework.

This policy will be reviewed at least once every three (3) years. Review or changes will also be made when deemed necessary by the Board, ARMC or ACOC.

5. Training & Communication

As the Group understands the need to ensure that the policies and procedures of the Framework are clearly communicated internally and externally, annual training will be conducted for all employees and specific to those involved in activities with higher exposure to bribery and corruption risks.

In order to communicate the Group's Policy to external stakeholders, the Anti-Bribery and Anti-Corruption Policies & Procedures, Whistleblowing Policies and Procedures are distributed to suppliers and business associates, who may be required to provide written acknowledgement of the Group's policies. Anti-corruption clauses in contracts and ad-hoc briefing may be implemented whenever necessary.

ANTI-BRIBERY & ANTI-CORRUPTION POLICIES & PROCEDURES

1. Objective

The Group's Anti-Bribery and Corruption Policy (hereinafter referred as "Jesselton International Policy") serves as a guideline to help employees identify and manage bribery, improper solicitations, and corruption risks in daily business activities.

2. Scope

The Policy applies to all employees, directors (executive and non-executive), and extends to their immediate family members and connected persons. It also applies to contractors, subcontractors, consultants, agents, franchisees, and external parties conducting business with or on behalf of Jesselton International. Joint-venture partners and associated companies are encouraged to adopt similar principles.

The Policy covers key areas of bribery and corruption, including:

- Gifts, entertainment and corporate hospitality
- Political donations and charitable contributions
- Facilitation payments or kickbacks

This Policy is applicable in all jurisdictions where the Group operates. If local laws are stricter than this Policy, the stricter rules apply. However, if this Policy is stricter than local customs or standards, this Policy shall prevail.

Employees must uphold the highest standards of ethics and integrity and comply with the spirit of this Policy at all times. In case of uncertainty, they should consult Senior Management for guidance.

3. Interpretations

"Business Associate" means any persons performing services for or on behalf of the Group, apart from the Group's Employees, including consultants, contractors or subcontractors, trainees, seconded staffs, volunteers, interns, agents, sponsors, service providers, associates, and business partners.

“Bribery” is commonly defined as an act of giving, offering, receiving or soliciting an undue reward with the intention of influencing the behaviour of another in order to obtain or retain a commercial advantage. It can also be defined as the abuse of entrusted power for private gain.

“Employee” means any persons at any levels and job grades, including senior directors, directors, senior managers, managers, executives, non-executives and workers, whether full-time, part-time, contract or temporary.

“Gratification” has the meaning defined in the MACC Act 2009 which includes but not limited to anything of monetary (ie. money, donation, gift, loan) and non-monetary value (ie. property or interest in property) or benefit to the person. Gratification does not have to be directly given or received by an employee, but it can also be given or received by anyone related to the employee that is beneficial, of value or advantageous to the employee.

“Impropriety” means failure to observe standards of honesty or modesty.

“Supplier” refers to the Group’s suppliers of trade and non-trade goods.

4. Compliance with Laws and Regulations

The Company is committed to conduct its business ethically and in compliance with all applicable laws and regulations in the countries where it does business in. These laws include but are not limited to the Malaysian Penal Code (revised 1977) (and its amendments), the Malaysian Anti-Corruption Commission Act ("MACC") 2009 and its amendments, the Companies Act 2016, the US Foreign Corrupt Practices Act 1977 (amended 1998), Anti-Money Laundering and Anti-Terrorism Financing Act and the UK Bribery Act 2010.

Such laws extend to those that prohibit bribery and acts of corruption and mandate that companies establish and maintain accurate books and records and sufficient internal controls.

In cases where there is a conflict between mandatory laws and the principles contained in this and other policies, the stricter law shall prevail.

5. Policy Violations

Violation of this Policy shall constitute a serious misconduct, leading to disciplinary action, including termination, legal proceedings, or reporting to authorities.

Under the MACC Act 2009, offenders may face:

- Imprisonment not exceeding 20 years; or
- A fine of not less than ten times the sum or value of the relevant gratification or RM1,000,000.00, whichever is higher; or
- Both jail term and fine.

Any person who is aware of suspected bribery and corruption activities should immediately report it using the whistleblowing channel as provided under Jesselton International Group's Whistleblowing Policy and Procedures.

6. Policy Review and Updates

The Board shall review this Policy periodically to assess its adequacy and effectiveness, and in any event, at least once every 3 years. The Board shall ensure that the relevance and effectiveness of this Policy in keeping up with the Group's changing business environment, administration or operational needs, including changes to any relevant legislation.

The Human Resource Department ("HR Department") is responsible for maintaining, updating, and communicating any revisions, which will be made available on the Group's official website.

7. Policies and Procedures

7.1 Gifts, Entertainment and Corporate Hospitality

Gifts, entertainment, or corporate hospitality which may or be perceived to be able to influence business decisions may be construed as bribes and they must not be given or received by the Group's directors, employees, suppliers, or business associates in the conduct of the Group's businesses or transactions.

Gifts

The Group has adopted a “No Gift Policy” prohibiting employees and business associates from offering or accepting gifts that may influence business decisions. Jesselton International Group recognizes that the exchange of gifts may be a central part of business etiquette in certain cultures and it is a legitimate way to foster good business relationship with stakeholders or clients.

Therefore, there are certain exceptions which include: -

- (i) gifts given by the Group to employees and/ or their immediate family members in connection with an internal or external function, event, or celebration under the Group (e.g. employee recognition gifts from the Group);
- (ii) exchange of official gifts between organizations (e.g. gifts exchanged as part of an official company visit or courtesy call and thereafter the said gift is treated as company property);
- (iii) gifts to external institutions or individuals in connection with an Organisation’s official functions, events and celebrations, where such giving is commonly practiced by the public (e.g., commemorative gifts or promotional door gifts offered to all guests attending the event);
- (iv) 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 are deemed as part of the Organisation’s brand building exercise or promotional activities;
- (v) gifts to external parties that have no business dealings with the Group (e.g., monetary gifts or gifts-in-kind to charitable organisations).
- (vi) token or corporate gifts does not affect the independent business judgement of the intended recipients.
- (vii) monetary gifts such as “Ang-pow” red packets with an amount equivalent to RM 100 or less received from customers or business associates during festive

occasions in accordance with established tradition are acceptable.

All gifts must be declared to the HR Department, and approvals must be obtained from the Managing Director (MD) or Executive Director (ED). Employees must decline gifts that may create conflicts of interest.

Even if it may appear disrespectful to refuse a gift from an external party, whenever there is a potential conflict of interest situation arising, the MD and ED cannot approve the acceptance of said gift and should politely return the gift with an explanation noted about the Group's "No Gift" policy.

Corporate hospitality and entertainment are acceptable if they do not influence business decisions. Employees must maintain reasonable expenses within approved limits and avoid activities that could create a conflict of interest.

Corporate Hospitality and Entertainment

Corporate hospitality is generally defined as "corporate events or activities organised by an organisation which involves the entertainment of employees and third parties for the benefit of that organisation".

The occasional acceptance of a reasonable and modest level of corporate hospitality and entertainment are legitimate means to promote and strengthen goodwill in business relationships. However, Jesselton International Group requires its employees to remain vigilant when providing and accepting corporate hospitality/entertainment so as to prevent putting themselves in unfavorable positions (e.g., conflict of interests).

Corporate hospitality and entertainment are acceptable if they do not influence business decisions. Employees must maintain reasonable expenses within approved limits and avoid activities creating conflicts of interest.

7.2 Donations, Sponsorships and Political Contribution

Political Donations

The Group does not make donations or contributions to political parties, nor does it sponsor any political events. This, however, does not prohibit any individual from

making donation or sponsorship under their personal capacity provided that the donation or sponsorship must not be associated with the Group.

Charitable Donations

All contributions or donations made by the Group must be undertaken in good faith and directed only to approved non-profit charitable organizations. Such donations must be transparent and accurately recorded in the books and records of Jesselton International. To ensure proper tax treatment, an official receipt or written acknowledgment must be obtained from the recipient organization. For governance and accountability purposes, donations below RM10,000 may be approved by any one (1) Director, while donations of RM10,000 and above must be approved by any two (2) Directors.

7.3 Facilitation Payments

Facilitation payments are payments made to secure or expedite the performance of a routine or certain processes to which the payer is legally entitled without making any payments. In addition, these payments are usually extorted in circumstances where immediate performance of certain processes is necessary.

Jesselton International Group strictly prohibits the use of facilitation payments in its business activities. All employees must report any requests for such payments to management.

7.4 Record Keeping

Respective departments are required to retain relevant records in substantiating anti-corruption initiatives undertaken by the Group for a period of at least 6 years, including:

- Anti-Bribery and Anti-Corruption Policy Statement, policy and procedures, framework as well as code of conduct and ethic.
- Results of corruption risk assessment and due diligence records on stakeholders.
- Compliance review reports and meeting minutes of Board / ARMC/ ACOC.
- Training and communication records on Jesselton International's anti-corruption program.
- Transactional records related to the provision and receipt of corporate hospitality, gifts, entertainment, sponsorship and donation, such as expenses

claims, payment receipts, payment voucher, declaration records which substantiate legitimate payments/ business dealing with third parties.