KONSORTIUM TRANSNASIONAL BERHAD’S ANTI-CORRUPTION AND BRIBERY POLICY

1. INTRODUCTION

1.1 The title of this policy is Anti-corruption and Bribery Policy ("Policy")

1.2 Konsortium Transnasional Berhad and its subsidiary companies ("the Group) has adopted a zero tolerance policy against all forms of bribery and corruption.

2. PURPOSE

2.1 The purpose of this Policy is to:

   a) set out the responsibilities for those working for the Group in observing and upholding The Group’s position on bribery and corruption; and

   b) Provide information and guidance to those working for the Group on how to recognize and deal with bribery and corruption issues.

3. OUR PRINCIPLES

3.1 The Group conducts all of our business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption and are committed to act professionally, fairly and with integrity in all our relationships and business dealings and to enforce effective system and control to counter bribery.

3.2 We uphold all laws relevant to countering bribery and corruption. We remain bound by the laws of Malaysia, in conducting business at home and abroad.

3.3 We are aware that corruption and bribery are criminal offences and are punishable for individuals by up to ten years’ imprisonment and unlimited fine. These criminal offences will cause damages to the Group’s reputation.

3.4 We are taking the following steps to address these risks:

   a. Implement an anti-corruption and bribery policy;

   b. Perform regular corruption risk assessment on our operations and employees and to review the findings.

   c. Take steps to implement training programs for all individual operating in areas that are identified as high risk; and
d. Regular review and update this Anti-Corruption and Bribery Policy.

4. DEFINATIONS

4.1 Bribe – Anything of value given in an attempt to affect a person’s actions or decision in order to gain or retain a business advantage. Anything of value includes cash, entertainment or other gifts.

4.2 Corruption – The misuse of a public office or power for private gain or the misuse of private power in relation to business outside the realm of government.

4.3 Facilitation Payments – Small sums, unofficial payment made to secure or expedite a routine government action by a government official.

4.4 Kickbacks – The return of a sum already paid or due as a reward for awarding of furthering business.

5. SCOPE

5.1 This Policy applies to all companies within Konsortium Transnasional Berhad’s group of companies.

5.2 This Policy is applicable to all individual working at all levels and grades, including directors, senior managers, managers, officers, employees (whether full-time, part time, contract or temporary) of the Group. Related parties to include consultants, contractors, trainees, seconded staffs, volunteers, interns, agents, sponsors, suppliers, customers and any thirds party having dealing with the Group.

6. GUIDANCE ON COMMON FORMS OF BRIBERY AND CORRUPTION

6.1 Gifts and Hospitality

- This Policy does not prohibit normal business hospitality, so long as it is reasonable, appropriate, modest and bona fide corporate hospitality.

- All benefits (including gifts and entertainment) must be:
  i. Reasonable in value;
  ii. Infrequent in nature;
  iii. Transparent and open;
iv. Not given to influence or obtain an unfair advantages; and

v. Respectful and customary.

6.2 Facilitation Payment to Officer of Public Body

- Facilitation payments are unofficial payments or other advantages made to secure or expedite the performance of a routine action by an officer of public body (Public Body as defined in Section 3 of Malaysian Anti-corruption Commission Act 2009).

- Directors or employees of the Group shall not promise or offer, or agree to give or offer, facilitation payments to an officer of any public body.

6.3 Third Parties and Agencies

- Third parties, including agents, suppliers and joint venture partners should be made aware of this Policy and the arrangement with them shall be subject to clear contractual terms including specific provisions requiring them to comply with minimum standards and procedures relating to bribery and corruption.

6.4 Political Contribution & Donations

- The Group does not make charitable donations or contributions to political parties. Whilst employees are permitted to make personal political contributions but the Group will not make any reimbursement for these personal political contributions back to its employees.

- Contributions or donations made by the Group to community projects or charities need to be made in good faith and in compliance with Konsortium Transnasional Berhad’s Code of Ethics, this Anti-Corruptions Policy and all relevant guidelines and procedures.

- The Group’s funds, services, properties, facilities or employees’ time cannot be used for or contributed to any political party or candidate for public office without prior written approval from the Board of Directors of Konsortium Transnasional Berhad.

7. RECORD-KEEPING

7.1 The Group must keep its financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.

7.2 Ensure all expenses claims relating to hospitality, gifts or entertainment incurred to third parties are submitted in accordance with the Group’s reimbursement of expenses policy.

7.3 All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as customers, suppliers and business contacts, should be prepared and
maintained with strict accuracy and completeness. No accounts must be kept “off-book” to facilitate or conceal improper payments.

8. COMPLIANCE TO THE LAW

8.1 The Group will comply with all applicable laws, rules and regulation of the government, within which the Group operates.

8.2 Directors and employees are expected to understand and comply with the Malaysian Anti-Corruption Commission Act 2009.

8.3 The Group reserves the right to report any actions or activities suspected of being criminal in nature to the police or other relevant authorities.

9. REPORTING OF VIOLATIONS OF THE POLICY

9.1 The Group aim to encourage openness and will support anyone who raises genuine concerns in good faith under this Policy even if they turn out to be mistake.

9.2 The Group is committed to protect employees who refuse to accept or offer a bribe or those who raise concerns or report another’s wrongdoing directly to the Group’s Chairman or to the Audit Committee’s Chairman.

9.3 No individual who reported in good faith on violations or suspected violations of the Policy will be discriminated against or suffer any sort or manner of retaliation.

9.4 All such report will be treated private and confidential.

10. REVIEW OF THE POLICY

10.1 The Board will monitor compliance of the Policy and review the Policy regularly to ensure that it continues to remain relevant and appropriate.