



ANTI-BRIBERY

AND

ANTI-CORRUPTION

POLICY



ANTI-BRIBERY AND ANTI-CORRUPTION POLICY STATEMENT

Southern Catalyst Sdn. Bhd. (“SCSB”) is fully committed to high ethical standards and integrity in carrying out its business activities, in accordance with all relevant laws and regulations on anti-bribery and corruption, in particular the Malaysian Anti-Corruption Commission Act 2009 (“the MACC Act 2009”), and the guidelines on adequate procedures issued pursuant to Section 17A(5) of the MACC (Amendment) Act 2018.

SCSB adopts a “zero-tolerance approach” towards all forms of bribery and corruption and is committed to conducting its activities free from any form of bribery and corruption or acts which are contrary to its ethic and integrity.

INTRODUCTION AND PURPOSE

This ABAC policy statement is a summary of the Anti-Bribery and Anti-Corruption (“ABAC”) Policy No.: SCSB-ABAC 01/24 hereby referred to as Policy. This ABAC policy statement is available to the public. When in doubt regarding this policy statement, please refer to the Policy for details.

SCOPE AND APPLICABILITY

This Policy applies to:

- i. SCSB’s BOD (both executive and non-executive), officers, employees of the SCSB (including permanent, part-time and contract/seconded (fixed-term) employees), and volunteers (hereinafter collectively referred to as “Personnel”);
- ii. “Business Associates” includes actual and potential clients, customers, joint venture partners and consortium partners (potential or existing), outsourcing providers, contractors, consultants, sub-contractors, suppliers, vendors, advisers, agents, distributors, representatives, intermediaries and investors and/or other third parties within SCSB’s network of business and operations, and with whom SCSB has intends to establish business relationships, and includes persons performing work or services for and on SCSB’s behalf; and
- iii. Joint-venture entities in which SCSB has non-controlling interests, co-ventures and associated companies are required to share the same values or ethics and integrity and adopt these or similar principles.

DEFINITIONS

“Associated Persons” means partners, employees, directors, or any person who performs work or services for or on behalf of SCSB.

“SCSB” means Southern Catalyst Sdn. Bhd. or Company and its subsidiaries.

“BARMIC” is the Board of Audit, Risk Management and Integrity Committee.

“BOD” is the Board of Directors which is the governing body for SCSB.

“Bribery” is commonly described as offering, promising, requesting, accepting, transferring or soliciting an advantage for oneself or another, in order to improperly induce, influence, obtain or reward the performance of a function or an activity or to improperly prevent such a performance (consideration or reward). A bribe for the purposes of this ABAC Policy may be any financial or other improper advantage given directly or through an intermediary.

“Business Associate” means supplier of services or materials, client, customer, contractor, consultant, professional advisor, lessor of space or goods, tenant, licensor, licensee or partner which SCSB has, or plan to establish some form of business relationship.

“Conflict of Interest” is a situation in which a person or institution is involved in multiple competing obligations, relationships or goals that are not compatible with one another.

“Corruption” refers to the misuse of entrusted power for personal gain or enrichment, or the misuse of one’s position to assist others in improperly or unlawfully enriching or empowering themselves.

EIC is the Ethics and Integrity Committee which is an independent panel to investigate whistleblowing complaints on improper conduct or retaliation incidents.

“Employee” means partners, employees, directors, including temporary, contract staff or interns.

“Entertainment” refers, but not limited to any form of performance, activity or events intended to entertain others that includes, movies, sports, music shows, social and cultural events.

“Facilitation payment” refers to offering or receiving payment in cash or in-kind which are normally an illegal or unofficial payments made to secure, expedite or facilitate the performance of routine duties or an administrative function, usually involving a public officer, to the benefit of the party making the payment.

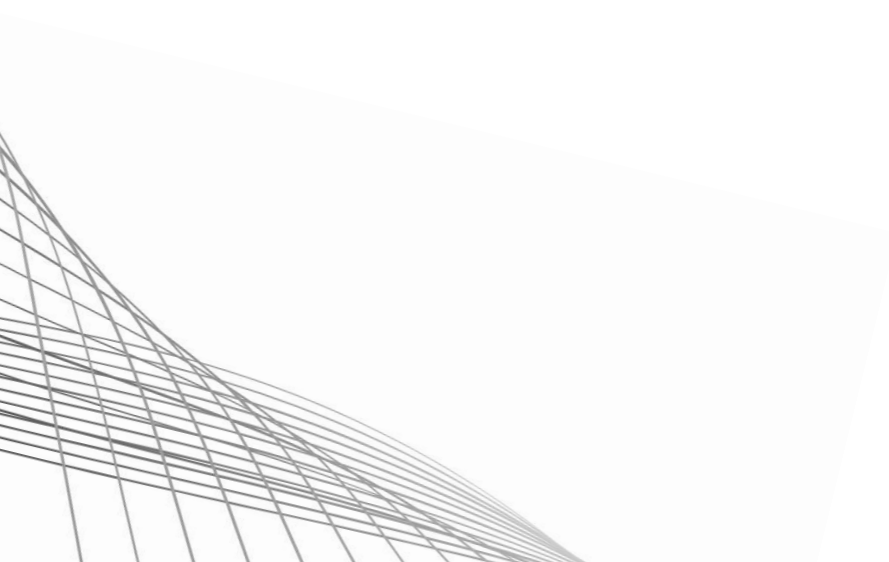
“Gift” is defined as, but not limited to any item, cash or its equivalent, free any fares, shares, lottery tickets, traveling facilities, entertainment expenses, services, club membership, any form of commission, hampers, jewelry, decorative items and any item of high value. Extravagant or excessive gifts would include, but not limited to watches, any items made of precious metal, jewelry, limited edition items, cars, apartments, all expenses paid overseas trip, handbags or items that are beyond the usual corporate gifts. It could also include widespread gifts of smaller items as part of a pattern of bribes.

“Gratification” includes but is not limited to anything of monetary and non-monetary value or benefit to the person. This is defined under Section 3 of the MACC Act 2009.

“Hospitality” generally includes but not limited to transportation, lodging, beverages, refreshments, and meals.

“Travel” refers to paid-for travelling expenses which may include transportation, airfare, accommodation and/or daily allowance by third party vendors to SCSB’s Personnel either to visit business related locations or site (which may form part of the terms under a contract between SCSB and vendor) or for holiday.

“Whistleblower” means any person who makes a disclosure of improper conduct and unethical business practices to EIC.



GOVERNANCE STRUCTURE

The following is the governance structure used for anti-bribery and anti-corruption compliance.

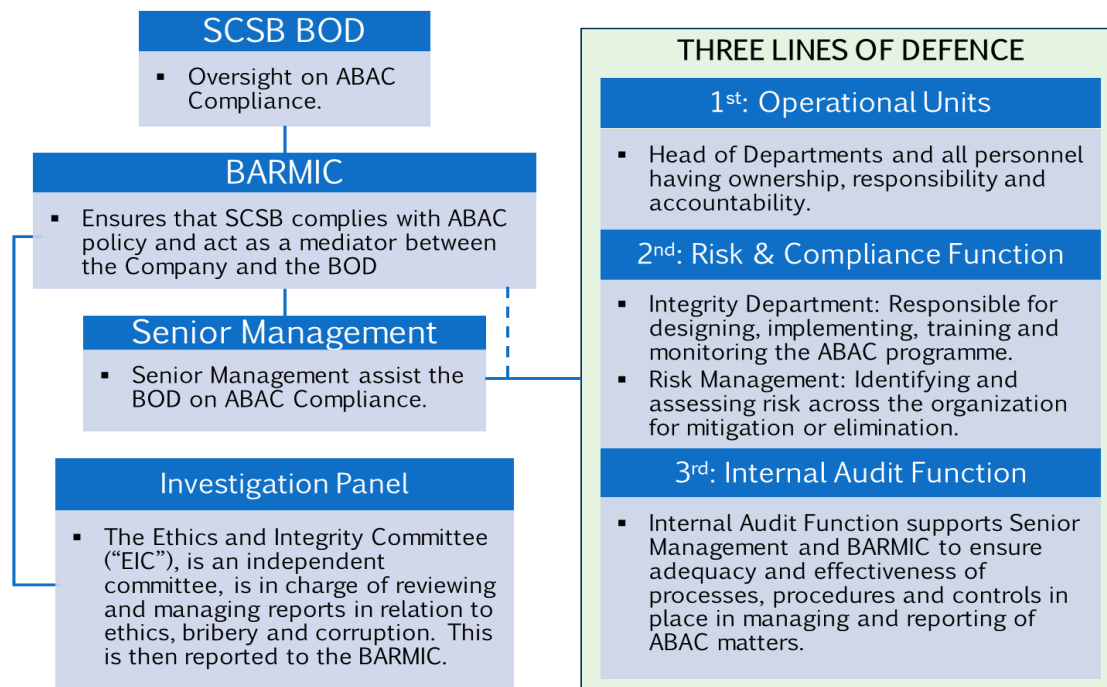


Diagram 1: Anti-bribery and anti-corruption governance structure

ANTI-BRIBERY AND ANTI-CORRUPTION GUIDELINES

Prohibition Against Bribery and Corruption

All Associated Persons are not permitted to pay, offer, accept, or receive a bribe in any form. Associated Persons are strictly not allowed to:-

- Offer, pay or give anything of value to any parties in order to obtain business or anything of benefit to SCSB.
- Act illegally including bribes, blackmail, inducements, secret commissions, other rewards, and similar improper actions.
- Attempt to induce any parties to do something illegal, unethical and permit any parties to violate the rules.

- (d) Give some advantage inconsistent with law and wrongful or unlawful use of official position to procure some benefit or personal gain.
- (e) Corruptly give, promise, or offer to any person gratification with the intent to secure business or an advantage for SCSB.
- (f) Offer, give, receive, or solicit, directly or indirectly, anything of value to influence improperly the actions of another party.

Gifts, Hospitality, Entertainment and Travel (“GHET”)

SCSB takes extra precaution when dealing with gift, hospitality, entertainment and travel (“GHET”). Giving and accepting GHET is generally prohibited save for the limited exceptions as set out in the ABAC Policy. SCSB’s personnel are strictly prohibited to provide and/or accept GHET when such an act derives any form of benefit to either a Business Associate or to SCSB itself, and in the circumstances specifically mentioned herein. Where exceptions are allowed, it shall be exercised with extreme care. Management will closely monitor GHET expenses and provide frequent status updates to BARMIC, should there be such expenses.

Personnel is required to make declarations for any GHET that is given to or received per the form SCSB-GHET-0124.

Please refer to the ABAC Policy for details.

Charitable Donations and Sponsorships

SCSB allows charitable donations and sponsorships for legitimate reasons and as permitted by existing laws and regulations as well as the internal Limit of Authority. However, SCSB **STRICTLY PROHIBITS** the giving and receiving of charitable donations and sponsorships to influence business decisions and derive any form of benefits.

All Personnel must ensure that charitable donations and sponsorships are not used as a form of bribery or used as a disguise for any illegal payments to Business Associates and must ensure that the charitable donations and sponsorships does not act as a channel to fund illegal activities in violation of anti-money laundering, antiterrorism, and any other applicable laws.

Please refer to the ABAC Policy for details.

Political Contributions

SCSB strictly prohibits the act of political contributions in any circumstances.

Facilitation Payments

SCSB strictly prohibits accepting or giving, whether directly or indirectly, any Facilitation payments.

Conflicts of Interest

SCSB upholds the highest standards of business practice and corporate integrity. We are committed to ensuring that any ethical, legal, financial or other conflicts of interest are avoided and if they do arise, they do not conflict with the obligations to SCSB.

Conflicts 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. A conflict of interest may be actual, potential or perceived and may be financial or non- financial.

Associated Persons must not use their positions, official working hours, the Company's resources and assets, or any information available to them for personal gain.

Segregation of Duties

Segregation of duties are essential and shall be maintained among the Personnel to avoid abuse of duties and powers over transactions, which could prompt corrupt activities. All Head of Department shall ensure a satisfactory segregation of duties within their areas of responsibilities.

Bribery and Corruption Risk assessments

The SCSB shall undertake a comprehensive bribery and corruption risk assessment of the overall Company's operations at least once in three (3) years and as and when necessary (including when there is a change in law, changes in the Company's business(es) or there are circumstances whereby a risk assessment is warranted) to identify, analyse, assess and prioritise actions needed to mitigate internal and external bribery/corruption risks identified.

Senior Management shall review the Company's risk assessment report and consider improvements on the Company's policies and procedures in combating bribery/corruption. The Company's risk assessment report will be presented to the SCSB's Board for review.

Managing Business Associates

Due diligence will be taken in vetting all Business Associates including background checks on the person or entity, document verification processes and face to face interview with persons appointed to a key role where corruption risk has been identified. Refer to the ABAC Policy for more information.

Record Keeping

Detailed and accurate financials and other records must be kept by SCSB with appropriate internal controls in place as evidence of all payments made. The amount and reason of any gifts, hospitality and entertainment received and / or given must be reported and a written record must be kept, including donations, sponsorships, and expenses of similar nature. Such expenses are subject to Management review. Concealment, making false entries or alteration in the books and records to distort or disguise the true nature of any transaction are strictly prohibited.

All accounts, invoices, contracts and other documents and records relating to dealings with Business Associates and / or any person shall be prepared and maintained with strict accuracy and completeness. No accounts should be kept “off-the-book” for any purpose, particularly to conceal an improper transaction.

Training and Communications

Adequate ABAC training and communications should be established by SCSB and disseminated to all Personnel and Business Associates, covering ABAC Policy, reporting channel, consequences of non-compliance, etc.

Training shall be provided on a regular basis, in accordance with the level of bribery and corruption risk related to the position and function.

SCSB zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors and business associates at the outset of our business relationship with them and as appropriate thereafter.

Integrity Declaration Pledges

SCSB has established a Corporate Integrity Pledge, Third Party / Business Associate Integrity Pledge, and a Personnel Integrity Pledge across SCSB.

All SCSB Personnel (inclusive of Board members) and Business Associate must sign an integrity pledge upon joining SCSB or on boarding, and from there on annually at a predetermined time, or at set intervals as and when as required by or deemed necessary by SCSB.

Support Letter

SCSB awards business contracts and Personnel contracts / positions purely on a merit basis. Therefore, support letters in all forms will not work as inducement as part of the Company's decision-making process.

Money Laundering

SCSB strictly prohibits the act of money laundering in relation to Section 4 of the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (As at 1 October 2018) (“AMLFTA”) which stipulates the offence of money laundering.

ENFORCEMENT

Reporting Channel and Whistleblowing Policy

SCSB has established an accessible and trusted Whistleblowing channel for reporting of any real and/or suspected bribery and corruption transactions, and any wrongdoing. SCSB will not permit retaliation of any kind against any Associated Person for making good faith reports about actual or suspected violation of this Policy. Reports will be treated with the utmost confidentiality to the extent permitted by law. Information will only be disclosed to those individuals involved in the investigation process.

If Associated Persons become aware of any actual or suspected breach of this Policy, they must report this to the whistleblowing channel at whistleblowing@scsb.land and/or Chairman of BARMIC immediately.

Please refer to the SCSB’s Whistleblowing Policy No.: SCSB-WP 01/24 for details on how such concerns may be raised to the Ethics and Integrity Committee and/or raised anonymously.

Referral to Authorities

SCSB is committed and responsible to report to the relevant authorities when there is breach of rules involving any Personnel and / or Business Associates

Investigation and Handling of Violations

Any investigation conducted for acts of bribery, corruption or other prohibited practices shall be dealt with in accordance with the SCSB’s Whistleblowing Policy No.: SCSB-WP 01/24.

Breach of the ABAC Policy

SCSB regards acts of bribery and corruption seriously and will take appropriate actions in the event of non-compliance of this ABAC Policy. Any breaches of the ABAC Policy will result in disciplinary proceedings including but not limited to, dismissal of the Personnel in accordance with the discretionary power granted to Human Resource & Administration.

For Business Associates and other external parties, non-compliance may lead to penalties including termination of contracts. Further legal action may also be taken if SCSB's interests have been impacted by non-compliance by individuals and organizations.

REVIEW OF THE ABAC POLICY

This ABAC Policy review shall take place every three years and / or as and when there are material changes in the circumstances surrounding the Policy, such as change in law.

