

ANTI BRIBERY & ANTI- CORRUPTION POLICY



25 November 2020

Croesus IT Solutions Sdn Bhd



1. Introduction

Croesus Group of Companies' (Croesus Group) is committed to conducting its business ethically and in compliance with all applicable laws and regulations in the country. These laws include but are not limited to the Malaysian Penal Code (revised 1977), the Malaysian Anti-Corruption Commission Act 2009 (MACCA) (revised 2018) and Malaysian Companies Act 2016. These laws prohibit acts of bribery and corruption, and mandate that companies establish and maintain adequate procedures to prevent bribery and corruption.

2. Objective

This Policy sets out the Group's position on bribery in all its forms and matters of corruption that might confront the Group in its day to day operations.

3. Scope

This policy applies to all Directors and Employees of the Group.

4. Definitions

The following definitions are included in this policy.

Bribery	<p>Bribery is defined as any action which would be considered as an offence of giving or receiving 'gratification' under MACCA. In practice, this means offering, giving, receiving or soliciting something of value in an attempt to illicitly influence the decisions or actions of a person a position of trust within an organisation.</p> <p>'Gratification' is defined in the MACCA to mean the following:</p> <p>a) money, donation, gifts, loan, fee, reward, valuable security, property or interest in property being property of any description</p>
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	<p>whether movable or immovable, financial benefit, or any other similar advantage;</p> <p>(b) any dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;</p> <p>(c) any payment, release, discharge or liquidation of any loan, obligation or other liability;</p> <p>(d) any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;</p> <p>(e) any forbearance to demand any money or money's worth or valuable thing;</p> <p>(f) 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; and</p> <p>(g) any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding paragraphs (a) to (f).</p>
<p>Corruption</p>	<p>The Transparency International definition of corruption is 'the abuse of entrusted power for personal gain.'</p> <p>For the purpose of this policy, corruption, is defined primarily as any action which would be considered as an offence of giving or receiving 'gratification' under the Malaysian Anti-Corruption Commission Act 2009 (MACCA) ('Bribery' as defined above).</p> <p>In addition, corruption may also include acts of extortion, collusion, breach of trust, abuse of power, trading under influence, embezzlement, fraud or money laundering.</p>
<p>Conflict of interest</p>	<p>When a person's own interests either influence, have the potential to influence, or are perceived to influence their decision making of the Group.</p>

Donations and Sponsorship	Charitable contributions and sponsorship payment made to support the community.
Directors	Directors include all independent and non-independent directors, executive and non-executive directors of the Group and shall also include alternate or substitute directors.
Exposed Position	A staff position identified as vulnerable to bribery through a risk assessment. Such positions may include but is not limited to any role involving procurement or contract management; financial approvals; human resource; relations with government officials or government departments; sales; positions where negotiation with an external party is required; or other positions which the company has identified as vulnerable to bribery.
Facilitation payment	A payment or other provision made personally to an individual in control of a process or decision. It is given to secure or expedite a routine or administrative duty or function.
Corporate Gift	Something given from one organisation to another, with the appointed representatives of each organisation giving and accepting the gift. Corporate gifts may also be promotional items given out equally to the general public at events, trade shows and exhibitions as a part of building the company's brand. The gifts are given transparently and openly, with the implicit or explicit approval of all parties involved. Corporate gifts normally bear the company name and logo and are of nominal value. Examples of corporate gifts include items such as diaries, table calendars, pens, notepads, plaques, and festive gifts such as hampers, oranges and dates.
Personal Gift	Something given from one individual to another, with the intention of creating or enhancing a personal relationship. The gifts are given in a private setting, without the knowledge or approval of the company management of one or both parties. Personal gifts may include cash, cash equivalents such as credit cards, bitcoin or savings accounts, electronic items, watches, luxury pens, property, vehicles, free fares, shares, interest free loans, lottery tickets, travel facilities, entertainment, services,

	club memberships, any forms of discount or commission, jewellery, decorations, souvenirs, vouchers or any other valuable items.
Employees	All individuals directly contracted to the Group on an employment basis, including permanent and temporary employees and Directors.

Related offences

Asking for or receiving bribes

Any person asking for or receiving bribes as an inducement or reward in an official transaction.

s.16 (a) and 17(a) MACC Act 2009

Offering or giving bribes

Any person offering or giving bribes to public or private sector officials in an official transaction.

s.16(b) and 17(b) MACC Act 2009

Intending to deceive (False claims)

Any person submitting false claim in payment requisitions.

s.18 MACC Act 2009

Abuse of public office

Abuse of office or position by a public official in making decisions for purpose of self-interest.

s.23 MACC Act 2009

The MACC Act which has been in force on 1 June 2020 introduces two (2) more offences, being:

- **Offering / Giving Gratification by commercial organization (Corporate Liability) – Section 17A MACC Act**
- **Deemed Parallel Personal Liability for Senior Employees (Personal Liability) – Section 17A(3) MACC Act**

5. Responsibilities of Employees

a) Employees are responsible for understanding and complying with this Policy. In particular, the role of all Employees includes the following:

- i. Be familiar with applicable requirements and directives of the policy and communicate them to subordinates;**
- ii. Promptly record all transactions and payments accurately and in reasonable detail;**
- iii. Always raise suspicious transactions to immediate superiors for guidance on next course of action;**
- iv. Promptly report violations or suspected violations through appropriate channels;**
- v. Promptly read through this Anti- Bribery and Anti- Corruption Policy, as well as attest to comply annually.**

6. Responsibilities of Business Associates

a) Business Associates who work for and on behalf of the Company are expected to act in a way that is consistent with this Policy.

b) Prior to the appointment by Croesus Group, Business Associates must acknowledge and agree to read, understand and comply with this Policy.

7. Facilitation payments

- a) Facilitation payments are forms of payments made personally to an individual in control of a process or decision to secure or expedite the performance of a routine or administrative duty or function.**
- b) Employees and Business Associates must not directly or indirectly offer, promise or give any form of facilitation payment to any private, government-linked and public officials for any purposes.**

8. Gifts, Entertainment and Hospitality

Gifts

A. Providing Gifts

(a) “Corporate gifts” normally with the company’s name and logo and are of nominal/ appropriate value such as lanyard, table calendars, pens, notepads and etc. “Festive or Ceremonial gifts” are traditional treats or gifts customary to the occasion such as hampers, mandarin oranges, mooncakes etc.

(b) Corporate gifts, Festive or Ceremonial gifts may be given to our customers, Business Partners or other parties provided it fulfills all of the following conditions:

(i) made for the right reason – it should be clearly given as an act of appreciation or common courtesy associated with festive seasons or other ceremonial occasions;

(ii) no obligation – it must not be used to cause or induce the receiver to improperly or illegally influence any business action or inaction or cause others to perceive an improper influence;

(iii) no expectation – there must not be any expectation of any favour or improper advantages from the receiver;

- (iv) made openly – if made secretly and undocumented then the purpose will be open to question;**
- (v) reasonable value – the type of gifts and its value must commensurate with the occasion and in accordance with general business practice.**
- (vi) legal – it complies with applicable laws; and**
- (vii) documented – gift that is high value is required to complete and submit form to the Manager and Directors approval. Form attached as Appendix 1.**

B. Accepting Gifts

(a) Croesus Group recognizes that exchanges of gifts are a very delicate matter where, in certain cultures or situations, gifts giving is customary, a tradition or central part of business etiquette.

(b) Employees and Business Associates are expected to always communicate our policies on anti-bribery and anti-corruption to external parties and to decline (or avoid accepting) gifts with the exceptions being:

- (i) corporate gifts of nominal/appropriate value;**
- (ii) gifts given during invitations to speak at conferences or work-related conferences. If you are in doubt about the acceptability, the gifts must be refused.**

(c) Employees and Business Associates must not directly or indirectly solicit for gifts from any party for themselves, family or for or on behalf of Croesus Group.

(d) Employees must inform Human Resource Division / Finance Division and record any gifts received, irrespective of value using form attached as Appendix 2 within five (5) working days of receipt. Employees (or anyone on their behalf) must not accept gifts in the form of cash or cash equivalent from any party having business dealings with Croesus Group.

Entertainment

A. Providing Entertainment

(a) It is a common practice within the business environment to provide entertainment to foster business relationships. Croesus Group recognizes the need to provide reasonable and proportionate entertainment under appropriate circumstances.

(b) Entertainment that is above value limit RM 100 is required to complete and submit relevant form to the Manager and Director for approval. Form attached as Appendix 1.

(c) Employees and Business Associates must not directly or indirectly provide or offer to provide entertainment with a view to cause undue influence or in exchange for favours or advantages. Such acts are considered corruption.

B. Accepting Entertainment

(a) Croesus Group recognizes that occasional acceptance of appropriate and proportionate entertainment provided by Business Associates or other parties in the normal course of business is a legitimate way to network and to build business relationships.

(b) However, it is important for Employees to always communicate our policies on anti-bribery and anti-corruption to external parties exercise proper care and good judgement before accepting entertainment offered or provided by customers, Business Partners or other external parties. This is to safeguard Croesus Group's reputation and avoid allegations of impropriety or undue influence or worse, corruption.

(c) Employees must at all times conduct themselves with integrity in relation to accepting entertainment from any party. Employees or any of their family members must not accept entertainment in exchange for an exercise or non-exercise of their job function or activity.

Corporate Hospitality

Corporate hospitality is generally corporate events or activities organized by an organization, which involves entertainment of Employees and/or other parties for the benefit of that organization. Examples of corporate hospitality includes seminars/ workshop/ talks on subject matters relevant to the specific products/ solutions/ business/ industry. Other parties may include customers, consultants, bankers, lawyers, suppliers, vendors, service providers of any kind, stakeholders with whom a business relationship (whether past, present or prospective) exists and the public at large.

A. Providing Corporate Hospitality

(a) Croesus Group recognizes that providing corporate hospitality such as corporate events, IT events or other public events, is a legitimate way to network, promote goodwill and build business relationships.

(b) While providing appropriate and proportionate corporate hospitality is a reflection of Croesus Group's courtesy and generosity, Employees and Business Associates must exercise proper care and good judgement to ensure that the arrangement is legal under applicable laws, made for the right reasons and reasonable in its form and limit. More importantly, it must not be given or give rise to the perception that it is given to obtain business or advantage of any kind or unduly influence the outcome of a business decision.

B. Accepting Corporate Hospitality

(a) As a general principle, Employees and Business Associates must not directly or indirectly solicit corporate hospitality or accept corporate hospitality of any form that is excessive, inappropriate, illegal or given in response to, in anticipation of, or to influence a favourable business decision.

(b) Croesus Group recognizes that occasional acceptance of an appropriate level of corporate hospitality given in the normal course of business is usually a legitimate contribution to building good business relationships. However, Employees and Business Associates must always communicate our policies on anti-corruption to external parties exercise proper care and good judgement to ensure that the arrangement is legal under applicable laws, made for the right reasons and reasonable in its form and limit. More importantly, it must not be accepted or give rise to the perception that it is accepted to obtain business or advantage of any kind or unduly influence the outcome of a business decision.

9. Donation and Sponsorship

a) Prohibition of donation/contribution to political parties or individual politicians.

Employees and Business Associates must not make donation or funding of any kind to political parties or individual politicians or towards political campaigns or initiatives for or on behalf of Croesus Group.

b) Charitable or Educational Donations and Sponsorships

Croesus Group will only provide charitable or educational donations and public welfare sponsorships if they are ethical and legal under applicable laws. All donation and sponsorship expenses must be approved in accordance with Croesus Group standard operating procedures.

c) Employees and Business Associates must never use donations or sponsorships to obtain business or advantage of any kind or unduly influence the outcome of a business decision or cause others to perceive it as such. The use of donations or sponsorships in this manner is strictly prohibited under this Policy.

d) Employees are required to complete and submit relevant form to the Manager and Director for approval. Form attached as Appendix 1.

10. Conflict of interest

a) Conflicts of interest arise in situations where there is a personal interest that might be considered to interfere with that person's objectivity when performing duties or exercising judgement on behalf of the Group. Employees should avoid or deal appropriately with situations in which personal interest could conflict obligations or duties. Employees must not use their position, official working hours, Group resources and assets for personal gain or to the Group's disadvantage.

b) The policy sets out the procedures on how to deal with conflicts of interests arising with a selected group of individuals and entities, including:

- i. Dealing with suppliers, customers, agents and competitors;**
- ii. Personal dealings with suppliers and customers;**
- iii. Outside employment and activities outside the Group;**
- iv. Board membership;**
- v. Family members and close personal relationships; and**
- vi. Investment activities.**

c) In situations where confronted with such conflict, Employees are required to complete the Integrity Declaration Form.

11. Staff declarations

All new recruits shall complete trainings on Anti-Bribery & Anti-Corruption. New recruits are required to sign the Integrity declaration within in the course of his/her employment.

12. Awareness and training

a) This Policy is a public document which shall be communicated to all Employees. Employees must read and understand Croesus Group's position on anti-bribery and anti-corruption.

b) Adequate training on Croesus Group's anti-bribery and anti-corruption approach shall be provided to Employees.

13. Continuous improvement

The Group is committed to continually improving its policies and procedures relating to anti-bribery and anti-corruption.

14. Sanctions for non-compliance

a) Croesus Group regard acts of bribery and corruption seriously and will take appropriate actions in the event of non-compliance of this Policy. All employees and business associates must ensure that he/she read, understand and comply with the information contained within this Policy.

b) The Management could be held liable for failing to prevent bribery if a person associated with it commits an offence under the Act. All employees are equally responsible for the prevention, detection and reporting of bribery and other form of corruptions. They are required to avoid any activities that could lead to, or imply, a breach of this Anti-bribery and Anti-Corruption Policy.

c) If any Employees breach this policy, he/she shall face disciplinary action and could face dismissal for gross misconduct up to and including termination of employment. Croesus Group shall reserve the rights to take appropriate legal proceedings against the Employees who has violated this Policy.

d) Resigned Employees and Business Associates are subject to appropriate legal proceedings exercise by Croesus Group for any non-compliance and violation to this Policy.

Prevention is a better action than seeking a cure