



THE ANTI-BRIBERY AND ANTI-CORRUPTION GROUP POLICY

First Edition

Effective as at 28/12/2020

TABLE OF CONTENTS

1. INTRODUCTION.....	3
2. ANTI-BRIBERY AND ANTI-CORRUPTION COMMITMENT	3
3. OBJECTIVE.....	3
4. SCOPE.....	3
5. REFERENCES.....	4
6. DEFINITIONS	4
7. POLICY OWNER.....	7
8. BWSB’s ANTI-BRIBERY AND ANTI-CORRUPTION POLICY.....	7
9. RECOGNITION OF LOCAL AND INTERNATIONAL LEGISLATIONS.....	8
10. GIFTS, ENTERTAINMENT, TRAVEL, DONATIONS AND SPONSORSHIPS.....	8
11. FACILITATION PAYMENTS.....	9
12. SUPPORT LETTERS.....	9
13. RECRUITMENT, PROMOTION AND SUPPORT OF PERSONNEL	10
14. BUSINESS ASSOCIATES.....	10
15. RESPONSIBILITIES OF BWSB GROUP PERSONNEL	11
16. CONFLICTS OF INTEREST	12
17. STAFF DECLARATIONS.....	13
18. ANTI-BRIBERY AND ANTI-CORRUPTION COMPLIANCE.....	13
19. TRAINING AND AWARENESS	14
20. REPORTING OF POLICY VIOLATIONS.....	14
21. ANNUAL DECLARATION	15
22. AUDIT AND COMPLIANCE	15
23. SANCTIONS FOR NON-COMPLIANCE	15
24. CONTINUOUS IMPROVEMENT	16
25. CHANGES TO THIS POLICY	16

APPENDIX 1: Kumpulan Yayasan Sabah’s Whistleblowing Policy

1. INTRODUCTION

This Anti-Bribery and Anti-Corruption Policy (“ABAC Policy” or “Policy”) has been developed for Benta Wawasan Sdn. Bhd. (“BWSB” or “the Company”) and its subsidiaries (“BWSB Group”) to ensure adequate procedures and measures are implemented to prevent the occurrence of corrupt practices in relation to the BWSB Group’s business activities.

This ABAC Policy has been designed to align with the key principles and recommendations of the ‘Guidelines on Adequate Procedures’ pursuant to subsection (5) of Section 17A under the Malaysian Anti-Corruption Commission Act 2009 (“MACCA”).

This Policy should be read in conjunction with the BWSB Group’s core values and top operating principles, and its various policies and procedures as they concern ethics and code of business conduct. If multiple documents speak on the same subject, then the more stringent provisions always apply.

2. ANTI-BRIBERY AND ANTI-CORRUPTION COMMITMENT

The BWSB Group is committed to conducting business dealings with integrity. This means avoiding practices of bribery and corruption of all forms in its daily operations.

As a further expression of BWSB’s commitment, BWSB Group’s personnel who refuse to pay bribes or participate in acts of corruption will not be penalized even if such refusal may result in losing business.

Full compliance with both the spirit and the letter of this Policy is mandatory and should be maintained using a principle-based approach.

3. OBJECTIVE

This Policy sets out the BWSB Group’s overall position on bribery and corruption in all its forms. It also sets out the reasonable and proportionate measures to ensure BWSB Group does not engage in corrupt practices for its own advantage or benefit.

4. SCOPE

This Policy applies to the BWSB Group, its controlled organizations, business associates acting on BWSB’s behalf, the Board of Directors (including all independent and non-independent directors, executive and non-executive directors of the Group and shall also include alternate and substitute directors), and all BWSB Group personnel. Joint-venture companies, in which BWSB has non-controlling interests, and BWSB’s associated companies, are encouraged to adopt these or similar principles. External service providers are also expected to comply with this Policy in relation to all work conducted with BWSB, or on BWSB’s behalf.

5. REFERENCES

BWSB is guided by its corporate vision and mission and its corporate culture is founded upon core values based on its Team Operating Principles.

This ABAC Policy should be read in conjunction with BWSB's General Terms and Condition of Services (*Terma-Terma & Syarat-Syarat Perkhidmatan Bagi Pegawai Syarikat*) and the Whistleblowing Policy as referred to in this Policy, and the Malaysian Anti-Corruption Commission Act 2009 and its 2018 amendment. BWSB adopts the Kumpulan Yayasan Sabah's Whistleblowing Policy.

6. DEFINITIONS

"ABAC Policy" refers to this Anti-Bribery and Anti-Corruption Policy.

"ABACMF" means BWSB's Anti-Bribery and Anti-Corruption Management Framework. This broadly refers to the design, implementation and management of BWSB's corruption risk management framework vide BWSB's relevant Group policies and procedures. (The key documents relate to the ABAC Policy, the Code of Business Conduct (COBC), the Employee Handbook, and the Whistleblowing Policy.)

"AEC" means the Audit and Examination Committee of the Board of Directors of BWSB.

"Bribery & Corruption" means any action which would be considered as an offence of giving or receiving 'gratification' under the Malaysian Anti-Corruption Commission Act 2009 (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 who is in a position of trust within an organization.

Bribery may be 'outbound', where someone acting on behalf of BWSB attempts to influence the actions of someone external, such as a Government official or a client's decision-maker. It may also be 'inbound', where an external party is attempting to influence someone within the Company such as a senior decision-maker or someone with access to confidential information.

Bribery and corruption are closely related. However, corruption has a wider remit. The **definition of corruption** by Transparency International is 'the abuse of entrusted power for personal gain.' 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). In addition, corruption may also include acts of extortion, collusion, breach of trust, abuse of power, trading under influence, embezzlement, fraud or money laundering.

“Business Associate” means an external party with whom BWSB has, or plans to establish, some form of business relationship. This may include clients, customers, joint ventures, and joint venture partners, consortium partners, outsourcing providers, contractors, consultants, subcontractors, suppliers, vendors, advisers, agents, distributors, representatives, intermediaries and investors.

“BWSB” or **“The Company”** means Benta Wawasan Sdn. Bhd.; and **BWSB and its subsidiaries** is referred to as the **“BWSB Group”**.

“Conflict of Interest” means when a person’s own interests either influence, have the potential to influence, or are perceived to influence their decision making at BWSB.

“Controlled organization” means an entity where BWSB has the decision-making power over the organization such that it has the right to appoint and remove the management. This would normally be where BWSB has the controlling interest (>50% of the voting share ownership), but it could be where there is an agreement in place that BWSB has the right to appoint the management, for example a joint venture where BWSB has the largest (but still <50%) allocation of the voting shares.

“Corporate Gift” means something given from one organization to another, with the appointed representatives of each organization 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 shall be pre-approved by the senior management and normally bear the Company name and logo. Examples of corporate gifts include items such as diaries, table calendars, pens, notepads and plaques.

“Donation & Sponsorship” means charitable contributions and sponsorship payments made to support the community. Examples include sponsorship of educational events, supporting NGOs, and other social causes.

“Exposed Position” means a staff position identified as vulnerable to bribery through a risk assessment. Such positions may include any role involving: procurement or contract management; financial approvals; human resource; relations with government officials or government departments; sales and marketing; positions where negotiation with an external party is required; or other positions which the Company has identified as vulnerable to bribery.

“Facilitation payment” means 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.

“Gratification” is defined in the MACCA to mean the following:

- (a) 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;
- (b) any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;
- (c) any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;
- (d) any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;
- (e) any forbearance to demand any money or money’s worth or valuable thing;
- (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, 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
- (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).

“HOD-HRACC” means Head of Division of Human Resource, Administration and Corporate Communication in BWSB.

“Hospitality” means the considerate care of guests, which may include refreshments, accommodation and entertainment at a restaurant, hotel, club, resort, convention, concert, sporting event or other venue such as company offices, with or without the personal presence of the host. Provision of travel may also be included, as may other services such as provision of guides, attendants and escorts; use of facilities such as a spa, golf course or other holiday arrangements and resorts with equipment included.

“Personal Gifts” means 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, jewelries, decorations, souvenirs, vouchers or any other valuable items.

“Personnel” or **“Employees”** includes directors of BWSB Group and all individuals directly contracted to the Company on an employment basis, including permanent and temporary employees.

7. POLICY OWNER

The HOD-HRACC is the process owner of this policy responsible for the effective administration of this Policy.

8. BWSB'S ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

8.1 Bribery and corruption in all its forms are prohibited. Employees should be aware of the definitions as given in this Policy and the range of activities these could possibly cover.

8.2 Bribery and corruption may take the form of anything of value, such as money, goods, services, property, privilege, employment position or preferential treatment.

BWSB Group personnel and its business associates shall not therefore, whether directly or indirectly, offer, give, receive or solicit any item of value, in the attempt to illicitly influence the decisions or actions of a person in a position of trust within an organization, either for the intended benefit of BWSB Group or the persons involved in the transaction.

8.3 BWSB Group personnel should be aware that this Policy applies equally to its business dealings with commercial ('private sector') and Government ('public sector') entities, and includes their directors, personnel, agents and other appointed representatives. Even the possible appearance of bribery or corruption is to be avoided, in particular when dealing with Government officials.

8.4 This ABAC Policy applies in BWSB's dealings and activities in all countries worldwide, without exception and without regard to regional customs, local practices or competitive conditions.

8.5 No employee or external party will suffer demotion, penalty or other adverse consequences in retaliation for refusing to pay or receive bribes or participate in other illicit behavior. The consequence of such refusal may be that BWSB would lose in terms of the business. Even so, the appropriate action is refusal.

8.6 BWSB is also committed to conducting due diligence checks on prospective personnel, particularly as it relates to appointments to positions where a more than minor bribery or corruption risk has been identified.

BWSB should carry out due diligence on employees who hold or may be holding exposed positions too.

9. RECOGNITION OF LOCAL AND INTERNATIONAL LEGISLATIONS

- 9.1** BWSB is committed to conducting its business ethically and in compliance with all applicable laws and regulations in the countries where it carries out its business.
- 9.2** These laws include but are not limited to the Malaysian Penal Code (revised 1977) (and its amendments), the Malaysian Anti-Corruption Commission Act 2009 and its amendments, the Companies Act 2016, the US Foreign Corrupt Practices Act 1977 (amended 1998), and the UK Bribery Act 2010. These laws prohibit bribery and acts of corruption, and mandate that companies establish and maintain accurate books and records and sufficient internal controls.
- 9.3** In cases where there is a conflict between mandatory laws and the principles contained in this and other policies, the law shall prevail.

10. GIFTS, ENTERTAINMENT, TRAVEL, DONATIONS AND SPONSORSHIPS

- 10.1** BWSB Group personnel are prohibited from asking, soliciting, receiving, and giving of gifts, entertainment and travel, and donation and sponsorships from any party which will influence business decisions and encourages unethical behaviors. Under no circumstances may BWSB Group personnel accept gifts in the form of cash or cash equivalent, including gift certificates, loans, commissions, coupons, discounts, or any other related forms.
- 10.2** The only form of gift-giving allowed to external parties is a corporate gift. Any gift-giving or event of hospitality is subject to approval according to BWSB's Limits of Approving Authority and must fulfill the following conditions:
- They are limited, customary and lawful under the circumstances and pre-approved by the senior management;
 - They do not have or are perceived to have (by either the giver or the receiver), any effect on business-related actions or decisions;
 - There must be no expectation of any specific favor or improper advantages from the intended recipients;
 - The independent business judgment of the intended recipients must not be affected;
 - There must not be any corrupt/ criminal intent involved; and
 - The giving out of the gift and hospitality must be done in an open and transparent manner.
- 10.3** Donations and sponsorships are permitted in accordance with the Limits of Approving Authority as established and approved by the Company. However, the Company prohibits the giving and receiving of donations and sponsorships to influence business decisions. As a good control measure where gifts, entertainment and travel, and

donation and sponsorships are made in excess of the Limits of Approving Authority a register should be kept for record and audit purposes.

- 10.4** In respect of political contributions, funds or resources of the Group must not be used to make any direct or indirect political contributions on behalf of the Group without approval from the Board. Any appearance of making such contributions or expenditure to any political party, candidate or campaign, must also be avoided.
- 10.5** Donations in the form of charity may be permissible depending on the circumstance, and approved in accordance with BWSB's Limits of Approving Authority. Such donations should be made directly to an official entity and be able to be disclosed publicly when required to.
- 10.6** The granting of trade and other forms of discounts, provisions of free products and services, sale of Company vehicles and equipment at discounted or zero cost rates, and provision of other services are not permitted in exchange for undue influence.
- 10.7** Where there is the slightest doubt in the genuity and purpose in situations warranting the giving/receiving of gifts, entertainment and travel and donations and sponsorships, reference should be made to Chief Executive Officer of BWSB, for escalation to the Board.

11. FACILITATION PAYMENTS

- 11.1** BWSB adopts a strict policy of disallowing the use of facilitation payments in its business. Facilitation payment is a payment or other provision made personally to an individual in control of a process or decision. It is given to secure or expedite the performance of a routine or administrative duty or function.
- 11.2** BWSB Group personnel shall decline to make the payment and report to the HOD-HRACC immediately when they encounter any request for a facilitation payment. In addition, if a payment has been made and personnel are unsure of the nature, the HOD-HRACC must be notified immediately, and the payment recorded accordingly.

12. SUPPORT LETTERS

BWSB awards contracts and employee positions purely on a merit basis. Support letters in all forms shall not be recognized as part of the BWSB's business conduct in its decision-making process.

13. RECRUITMENT, PROMOTION AND SUPPORT OF PERSONNEL

- 13.1** BWSB recognizes the value of integrity in its personnel and business associates. The Company's recruitment, training, performance evaluation, remuneration, recognition and promotion for all BWSB Group personnel, including management, shall be designed and regularly updated to recognize integrity.
- 13.2** BWSB does not offer employment to prospective personnel in return for their having improperly favored the Company in a previous role.

14. BUSINESS ASSOCIATES

- 14.1** All business associates (including external providers such as consultants, advisors, and agents) acting on behalf of BWSB are required to comply with this Policy, and be briefed on BWSB's COBC and all other policies as it relates to them.
- 14.2** In circumstances where BWSB retains controlling interest, such as in certain joint venture agreements, business associates are required to adhere to this ABAC Policy and BWSB's COBC. Where BWSB does not have controlling interest, associates are encouraged to comply the same.
- 14.3** Due diligence should be carried out with regards to any business associates intending to act on the Company's behalf as an agent or in other representative roles, to ensure that the entity is not likely to commit an act of bribery or corruption in the course of its work with BWSB.
- 14.4** The extent of the due diligence should be based on a bribery and corruption risk assessment. Due diligence may include a search through relevant databases, checking for relationships with public officials, self-declaration, and documenting the reasons for choosing one particular business associate over another. The results of the due diligence process must be documented, retained for at least seven years and produced on request by the custodian of the process.
- 14.5** BWSB shall include standard clauses in all contracts with business associates enabling the Company to terminate the contract in the event that bribery or an act of corruption has been proved to occur. Additional clauses may also be included for business associates acting on BWSB's behalf where a more than minor bribery risk has been identified.

15. RESPONSIBILITIES OF BWSB GROUP PERSONNEL

- 15.1** All BWSB Group personnel (including its directors, and directors and personnel of its controlled organizations) are required to carry out those responsibilities and obligations relating to the Company's anti-bribery and anti-corruption stance, alongside those already in existence, which include the following:
- a) be familiar with applicable requirements and directives of the Policy and communicate them to subordinates;
 - b) promptly record all transactions and payments in BWSB's books and record accurately and with reasonable detail;
 - c) direct questions and seek clarification from the HOD-HRACC, if there are any doubts about this Policy or if there is a lack of clarity about the required action in a particular situation;
 - d) always raise suspicious transactions and other "red flags" (indicators of bribery or corruption) to immediate superiors for guidance on the next course of action;
 - e) be alert to indications or evidence of possible violations of this policy;
 - f) promptly report violations or suspected violations through appropriate channels;
 - g) not misuse their position or BWSB's name for personal advantage; and
 - h) attend and complete anti-bribery and anti-corruption training as required, and attest to comply annually, with recordings maintained by HRACC.
- 15.2** When dealing with business associates, all BWSB Group personnel shall not:
- a) express unexplained or unjustifiable preference for certain parties;
 - b) make any attempt at dishonestly influencing their decisions by offering, promising or conferring advantage;
 - c) exert improper influence to obtain benefits from them; and
 - d) directly or indirectly offer or make promise or corrupt payments, in cash or in kind for a specific favor or improper advantage from them.
- 15.3** During an active or anticipated procurement or tender exercise, personnel participating in the exercise in any way whatsoever, shall not:
- a) receive gifts or hospitality or any kind from any external party participating, planning to participate, or expected to participate, in the procurement or tender exercise;
 - b) provide anything other than a corporate gift and token hospitality to any external/third-party related to the exercise;
 - c) be involved in any discussions regarding business or employment opportunities, for personal benefit or for the benefit of a business associate;
 - d) abuse the decision-making and other delegated powers; and
 - e) bypass normal procurement or tender process and procedure.
- 15.4** When dealing with external parties in a position to make a decision that may accrue to BWSB's benefit (such as a Government official or client), BWSB Group personnel shall not:

- a) offer, promise or make any attempt at dishonestly influencing the person's decision by directly or indirectly offering or making promise of corrupt payments, in cash or in kind;
- b) be involved in any discussions regarding business or employment opportunities, for their own personal benefit or for the benefit of the external party;
- c) otherwise abuse the decision-making and other delegated powers given by the top management, in order to illicitly secure an outcome which would be to the commercial advantage to themselves and/or the Company; and
- d) exert improper influence to obtain personal benefits from them.

15.5 BWSB's departmental/functional heads have particular responsibility to ensure that the ABAC Policy requirements are applied and complied with within their department or function and to monitor compliance with the Policy. They also must ensure that subordinates in 'Exposed Positions' attend relevant training.

16. CONFLICTS OF INTEREST

16.1 Conflicts of interest arise in situations where there is personal interest that could be considered to have potential interference with objectivity in performing duties or exercising judgment on behalf of the Company. All personnel should avoid situations in which personal interest could conflict with their professional obligations or duties. Personnel must not use their position, official working hours, Company's resources and assets, or information available to them for personal gain or to the Company's disadvantage.

16.2 In situations where a conflict does occur, personnel are required to declare the matter to their respective heads of department/functions, for escalation to the HOD-HRACC.

16.3 The HOD-HRACC should clearly set out the procedures on BWSB's ethics and code of conduct and business practices on how to deal with conflicts of interests arising with a selected group of individuals and entities, including:

- a) Dealing with suppliers, customers, agents and competitors;
- b) Personal dealings with suppliers and customers;
- c) Outside employment and activities outside the Group;
- d) Board membership;
- e) Family members and close personal relationships; and
- f) Investment activities

16.4 In situations where confronted with such conflict, BWSB Group personnel are required to communicate in writing making full disclosure of the Conflict of Interest situation to the HOD-HRACC, through their respective heads of department/function. The HOD-HRACC will then evaluate and report accordingly to the BWSB's Chief Executive officer and the AEC.

17. STAFF DECLARATIONS

- 17.1** All new recruits shall complete trainings on the ABAC Policy, and at the end of the training attest that this Policy shall be complied with.
- 17.2** All BWSB Group personnel shall certify in writing that they have read, understood and will abide by this Policy. A copy of this declaration shall be documented and retained by the HRACC for the duration of the personnel's employment.
- 17.3** The HRACC may, and reserves the right, to request information regarding an employee's assets in the event that the person is implicated in any bribery and corruption-related accusation or incident.

18. ANTI-BRIBERY AND ANTI-CORRUPTION COMPLIANCE

- 18.1** The HOD-HRACC should ensure validity and update of the design, implementation and management of BWSB's corruption risks vide the ABACMF. Initial efforts should be directed to the formalization of BWSB's ethics and code of business conduct, the General Terms and Condition of Services (*Terma-Terma & Syarat-Syarat Perkhidmatan Bagi Pegawai Syarikat*), adoption and effective implementation this ABAC Policy and the Whistleblowing Policy.

Upon implementation BWSB shall establish and maintain regular compliance review of its ABAC risks.

- 18.2** The HRACC shall perform the functions below within the Company's structure, equipped to act effectively against bribery and corruption:
- a) provide training, advice and guidance to personnel on the ABACMF and issues relating to bribery and corruption;
 - b) take appropriate steps to ensure that adequate monitoring, measurement, analysis and evaluation of the ABACMF is performed;
 - c) report on the performance of the ABACMF to senior management and the AEC of BWSB's Board regularly;
 - d) conduct disciplinary proceedings against personnel found to be non-compliant to the ABAC Policy; and
 - e) appoint an external audit party to obtain assurance that the Company is operating in compliance with the ABACMF, at least once every three years.
- 18.3** Appropriate resources shall be provided for effective operation of the ABACMF and that the HRACC is staffed with persons who have the appropriate competence, status, authority and independence.

18.4 BWSB shall conduct regular risk assessments to identify the bribery and corruption risks affecting the business, set anti-bribery and corruption objectives, and assess the effectiveness of the controls in achieving those objectives. This could be via BWSB's Enterprise Risk Management system and the respective departmental/functional level Risk Registers capturing such information.

19. TRAINING AND AWARENESS

19.1 BWSB shall conduct an awareness programme for all its personnel on the Company's position regarding anti-bribery and corruption, integrity and ethics.

19.2 Training shall be provided on a regular basis, in accordance with the level of bribery and corruption risk related to the position. Training should be provided to personnel who are:

- a) new to the Company;
- b) appointed to or currently holding an exposed position.

19.3 The HRACC shall maintain records to identify which BWSB Group personnel have received training, and produce, communicate and update the training schedule in conjunction with the respective departments/functions.

19.4 Business associates acting on behalf of the Company shall also undergo appropriate training, where a bribery and corruption risk assessment identifies them as posing a more than minor bribery and corruption risk to the Company.

19.5 The HRACC shall maintain records to identify BWSB Group personnel and business associates that have received such training.

20. REPORTING OF POLICY VIOLATIONS

20.1 Suitable reporting channels shall be established and maintained for receiving information regarding violations of this policy, and other matters of integrity provided in good faith by BWSB Group personnel and/or external parties.

20.2 Personnel who, in the course of their activities relating to their employment at BWSB, encounter actual or suspected violations of this policy are required to report their concerns using the reporting channels stated in the Whistleblowing Policy.

20.3 Reports made in good faith shall be addressed in a timely manner and without incurring fear of reprisal regardless of the outcome of any investigation.

20.4 Retaliation in any form against BWSB Group personnel where the person has, in good faith, reported a violation or possible violation of this Policy is strictly prohibited. Any BWSB Group personnel found to have deliberately acted against the interests of a person who has in good faith reported a violation or possible violation of this Policy shall be subjected to disciplinary proceedings including demotion, suspension, dismissal or other actions (including legal action) which BWSB may pursue.

21. ANNUAL DECLARATION

21.1 All Directors, BWSB Group's personnel and business associates will provide an annual declaration of compliance with this Policy.

21.2 The HOD-HRACC will be responsible for ensuring that all annual declarations are obtained on or before the end of the first fiscal quarter of each financial year, and providing written confirmation to the Board of Directors that such declarations have been obtained and summarizing the results thereof.

22. AUDIT AND COMPLIANCE

Regular audits shall be conducted to ensure compliance to this Policy. Such audits may be conducted internally by BWSB or by an external party. Audit documentation should include performance improvement action plans, if required.

23. SANCTIONS FOR NON-COMPLIANCE

23.1 Non-compliance as identified by the audit and any risk areas identified through this and other means should be reported to BWSB's senior management and the AEC of the Board in a timely manner in accordance with the level of risk identified.

23.2 BWSB regards bribery and acts of corruption as serious matters and will apply penalties in the event of non-compliance to this Policy. For BWSB Group personnel, non-compliance may lead to disciplinary action, up to and including termination of employment.

23.3 For external parties, non-compliance may lead to penalties including termination of contract. Further legal action may also be taken in the event that BWSB's interests have been harmed by the results on non-compliance by individuals and organizations.

23.4 BWSB shall notify the relevant regulatory authority if any identified bribery or corruption incidents have been proven beyond reasonable doubt.

23.5 Where notification to the relevant regulatory authorities have been done, BWSB shall provide full co-operation to the said regulatory authorities.

24. CONTINUOUS IMPROVEMENT

24.1 In maintaining the ABACMF, BWSB is committed to satisfying the requirements set out in the Guidelines on Adequate Procedures pursuant to sub-section (5) of section 17A under the MACCA 2009. Any suggestions to improve the ABACMF can be channeled to HRACC.

24.2 BWSB shall monitor the legal and regulatory regimes where it operates and any changes to BWSB's business environment and risks and identify opportunities for ABACMF improvement. A report should be submitted to BWSB's senior management and the AEC of the Board on a regular basis for the appropriate action to be taken.

24.3 Regular assessments of the ABACMF should be carried out to ensure its scope, policies, procedures and controls match the bribery and corruption related risks faced by the Company.

24.4 BWSB endeavors to impact the business environment where it operates. This includes extending its integrity programme to non-controlled business associates such as suppliers and contractors. BWSB seeks to work with companies who have a similar commitment and supporting initiatives in the private and public sectors which are likely to improve the integrity of its operating environment.

25. CHANGES TO THIS POLICY

Any deviation or waiver from this Policy must be approved by BWSB's senior management and the AEC.