

# **COCOALAND HOLDINGS BERHAD & ITS SUBSIDIARIES**

## **Anti-Bribery & Corruption Policy (“Policy”)**

Version: 26 February 2020

## **ANTI-BRIBERY AND CORRUPTION POLICY**

### **1.0 Purpose**

Cocoaland Group of Companies (“COCOALAND”) is committed to conducting business dealings with integrity which implies avoiding practices of bribery and corruption of all forms in the Company’ daily operations

COCOALAND has adopted a zero-tolerance approach against all forms of bribery and corruption. Full compliance to both the spirit and the letter of the Anti-Bribery & Corruption (“Policy”) is mandatory and should be maintained using a principle-based approach.

This Policy provides a source of information and guidance for those working for the COCOALAND to recognise and deal with bribery and corruption issues, as well as understand their responsibilities.

### **2.0 Scope**

This policy is applicable to COCOALAND’s Board of Directors and all employees whether permanent, temporary or contract basis, as well as business associates acting on COCOALAND’s behalf.

### **3.0 Definition**

“**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 (Amendment 2018) (“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 organisation.

Bribery may be ‘outbound’, where someone acting on behalf of COCOALAND attempts to influence the actions of someone external, such as a Government official or client 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.

“**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 employment, contract of employment or services, and agreement to give employment or render services in any capacity;
- (c) any payment, 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 or deduction;
- (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
- (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).

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

**“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 COCOALAND.

**“Company”** means Cocoland Holdings Berhad and its group of companies

**“Corporate Gift”** means 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’s name and logo. Examples of corporate gifts include items such as diaries, table calendars, pens, notepads and goods.

**“Personnel”** means directors and all individuals directly contracted to the COCOALAND on an employment basis, including permanent, temporary or contract-basis employees.

#### **4.0 ANTI-BRIBERY AND CORRUPTION POLICY STATEMENT (“Policy Statement”)**

- 4.1 This policy statement applies to all countries worldwide, without exception and without regard to regional customs, local practices or competitive conditions.
- 4.2 COCOALAND shall constantly uphold all laws relating to anti-bribery and corruption in all jurisdictions where they are operated. COCOALAND is bound by MACCA pertaining to the business conduct at Malaysia and abroad.
- 4.3 Bribery and corruption in all its forms as it relates to COCOALAND’s activities is prohibited.
- 4.4 Bribery and corruption may take the form of anything of value, such as money, goods, services, property, privilege, employment position or preferential treatment.
- 4.5 COCOALAND 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 organisation, either for the intended benefit of COCOALAND or the persons involved in the transaction.
- 4.6 The policy statement 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.

- 4.7 COCOALAND 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.

## **5.0 GIFTS, HOSPITALITY AND SPONSORSHIPS**

- 5.1 COCOALAND personnel are prohibited from receiving or asking for (soliciting) gifts, hospitality and sponsorship from external parties. It avoids the gifts, hospitality and expenses are being used as a subterfuge for bribery.
- 5.2 Under no circumstances may the personnel accept gifts in the form of cash or cash equivalent, including cash voucher, commissions, coupons, discounts or any other related forms and assets with a re-sale value which is more than nominal such as watches.
- 5.3 The only form of gift-giving allowed to external parties is a corporate gift. Any gift-giving or event of hospitality must be approved in advance by Director of COCOALAND and must fulfil the following conditions:
- (a) They are limited, customary and lawful under the circumstances (e.g. giving corporate gifts around festive seasons or “thank-you” to an organization for helping with a large project upon completion)
  - (b) There must be no expectation of any specific favour or improper advantages from the intended recipients;
  - (c) There must not be any corrupt / criminal intent involved;
  - (d) It complies with local laws, and
  - (e) The giving out of the gift and hospitality must be done in an open and transparent manner.
- 5.4 Hospitality which is more likely to be regarded as corrupt includes meals or drinks at very expensive restaurants or bars and over frequent hospitality such as weekly meals at a restaurant.
- 5.5 Gift or hospitality of an insignificant value such as promotional items, calendar, diary, pen, meals or vouchers during a meeting may be accepted regardless of countries with prior approval of Head of Department.
- 5.6 However, relatively low value items could still be regarded as the act of corrupt if the circumstances of the gift were inappropriate such as giving a bottle of whiskey to a customs official who is responsible for certifying the organisation’s goods, or to a public officer who issues work permits.
- 5.7 Sponsorships from external parties are permitted only in accordance with the proper business dealing such as product or voucher sponsorship in the annual dinner. However, the COCOALAND prohibits the giving and receiving of sponsorships to influence business decisions.

## **6.0 FACILITATION PAYMENTS**

- 6.1 COCOALAND adopts a strict policy of disallowing the use of facilitation payments in its business. Facilitation payments are unofficial payments made to secure or expedite an action by a government officer or other person of authority.
- 6.2 Personnel shall decline to make the payment and report to **Compliance Officer** immediately when they encounter any requests for a facilitation payment.

## **7.0 RECRUITMENT, PROMOTION AND SUPPORT OF PERSONNEL**

- 7.1 COCOALAND recognises the value of integrity in its personnel and business associates.
- 7.2 COCOALAND does not offer employment to prospective personnel in return for their having improperly favoured the Company in a previous role.

## **8.0 POLITICAL CONTRIBUTION**

- 8.1 Political contribution is referred to as any gift, loan, advance, or cash or anything of value, made for any political purpose.
- 8.2 COCOALAND will not make donations whether in cash, kind or by any other means, to support any political parties or candidates directly and indirectly. COCOALAND recognises the contribution may be perceived as an attempt to gain an improper business advantage.

## **9.0 CHARITABLE CONTRIBUTION**

- 9.1 COCOALAND accepts and encourages the act of donating to charity as part of its corporate social responsibilities initiative whether through services, knowledge, time or cash. COCOALAND agrees to disclose all charitable contributions on its Annual Report annually.
- 9.2 COCOALAND personnel must be careful to ensure that charitable contributions are not used to facilitate and conceal acts of bribery. The personnel is advised to clarify from Compliance Officer if in doubt.

## **10.0 RESPONSIBILITIES OF COCOALAND PERSONNEL**

- 10.1 Besides attending training, all COCOALAND personnel are required to read, understand and comply with the information contained within this Policy which includes 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 COCOALAND's books and records accurately and with reasonable detail;
- (c) Always raise suspicious transactions and other "red flags" (indicators of bribery or corruption) to immediate superiors or Compliance Officer for guidance on the next course of action;
- (d) Promptly report violations or suspected violations as early as possible to direct superior or Compliance Officer.
- (e) Attend required anti-bribery and corruption training as required according to position; and
- (f) Not misuse their position or COCOALAND's name for personal advantage.

10.2 When dealing with business associates, all COCOALAND 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;
- (d) directly or indirectly offer or make promise or corrupt payments, in cash or in kind for a specific favour or improper advantage from them.

10.3 When dealing with Government Officials, all COCOALAND personnel shall not:

- (a) offer, promise or make any attempt at dishonestly influencing the person's decision by directly or indirectly offer or make promise of corrupt payments, in cash or in kind;
- (b) 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
- (c) exert improper influence to obtain personal benefits from them.

## **11.0 ANTI-BRIBERY AND CORRUPTION COMPLIANCE FUNCTION**

11.1 COCOALAND shall establish and maintain an anti-bribery and corruption compliance function to oversee the design, implementation and management of the anti-bribery and corruption management system (ABMS).

11.2 **Compliance Officer** shall report on the performance of the ABMS to the top management and Audit and Risk Management Committee regularly.

- 11.3 **Compliance Officer** 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.

## **12.0 TRAINING AND AWARENESS**

- 12.1 COCOALAND shall provide an awareness programme for all its personnel on the Company's position regarding anti-bribery and corruption, integrity and ethics.
- 12.2 Training shall be provided on a regular basis, in accordance with the level of bribery and corruption risk related to the position on how MACCA is complied.
- 12.3 **Human Resources & Administrative (HRA) Department** shall maintain records to identify which the personnel have received training.

## **13.0 EXTERNAL COMMUNICATION**

This Policy and zero-tolerance stance on bribery and corruption shall be clearly communicated to all business associates at the outset of business relations, and as appropriate thereafter.

## **14.0 REPORTING OF POLICY VIOLATIONS**

- 14.1 The COCOALAND shall, via the Compliance Officer, familiarise all personnel with its whistle-blowing procedures to ensure he/she could vocalise the concerns promptly and confidentially.
- 14.2 Personnel who, in the course of their activities relating to their employment at COCOALAND, encounter actual or suspected violations of this policy are required to report their concerns using the reporting channels stated in Whistleblowing Policy.
- 14.3 If the personnel refuse to accept or offer a bribe or report a concern relating to potential acts(s) of bribery or corruption, the COCOALAND understands that the respective person may feel worried about potential repercussions. The COCOALAND will support anyone who raises concerns in good faith under this Policy, even if investigation finds that the respective person was mistaken.
- 14.4 The COCOALAND will ensure that no one suffers any disciplinary action such as dismissal as a result of refusing to accept or offer a bribe or other corrupt activities or because they reported a concern relating to potential act(s) of bribery or corruption.

## **15.0 SANCTIONS FOR NON-COMPLIANCE**

- 15.1 COCOALAND regards bribery and acts of corruption as serious matters and will apply penalties in the event of non-compliance to this policy.

- 15.2 For COCOALAND personnel, non-compliance may lead to disciplinary action, up to and including termination of employment. If the personnel except for directors breach this policy, the employee will encounter disciplinary action such as demotion, suspension and dismissal for misconduct.
- 15.3 If the director breaches this policy, due diligence will be conducted for investigation by the Board. The COCOALAND has the right to terminate a contractual relationship with the respective person.

**16.0 RECORD KEEPING**

- 16.1 The COCOALAND shall keep detailed and accurate financial and other records, and shall have appropriate internal controls in place to act as evidence for all payments made.
- 16.2 The COCOALAND declares and keep a written record of the amount and reason for gifts, entertainment, hospitality and travel accepted and given, including donations, sponsorship and expenses of similar nature by name and understand such expenses are subject to management review.

**17.0 MONITORING, REVIEWING AND ENFORCEMENT**

- 17.1 The COCOALAND's Compliance Officer is responsible for monitoring the adequacy and operating effectiveness of this Policy and shall review its implementation on a regular basis comprising assessing its adequacy and effectiveness.
- 17.2 Internal control systems and procedures designed to prevent bribery and corrupt gratification are subject to regular audits to ensure that they are effective in particular.

**18.0 STAFF DECLARATIONS**

All COCOALAND 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 Human Resource & Administrative (HRA) Department for the duration of the personnel's employment

**Staff Declaration Form**

I, \_\_\_\_\_, hereby declare that I have read and understood COCOALAND's Anti-Bribery and Corruption Policy. I will abide by the requirements and provisions set out in the Policy, as required by my employment contract.

\_\_\_\_\_

Name:

Title: