

UEM SUNRISE

Anti-Corruption

GUIDELINES



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Introduction

Purpose

UEM Sunrise Berhad ("UEM Sunrise") is committed to the highest standards of integrity and has **zero-tolerance** against any corrupt practices in its business conducts and operations.

UEM Sunrise's Anti-Corruption Guidelines (hereinafter referred to as the "Guidelines") sets out the key principles and guidelines in relation to improper solicitation, bribery, other corrupt activities and issues that may arise in the conduct of business dealings and relationships.

Scope

This Guidelines applies to Board of Directors, Management and employees (include permanent, contract, leasing and temporary staff) of UEM Sunrise ("The Company") and its subsidiaries, to embrace UEM Sunrise's integrity motto "**Living with Integrity**".

Compliance with this Guidelines is mandatory. You must read, understand and comply with this Guidelines.

The Company expects that business partners and others performing work or services for or on behalf of UEM Sunrise to adhere to this Guidelines when conducting business with UEM Sunrise or its subsidiaries.

Requirements

This Guidelines should be read in conjunction with UEM Sunrise's Code of Conduct, Code of Conduct Handbook (Revised 2019) and Code of Conduct for Business Partners, which itself outlines ethical behaviour standards accompanied by important policy statements.

The requirements referred to within this document are not exhaustive and may change in line with regulatory requirements. As part of our commitment to adhering to the highest standards of ethical behaviour in the conduct of all its business dealings and relationships, we, and any third party acting on our behalf, must not act corruptly in our business dealings.

If you are in doubt about any aspects of these requirements, or on any areas that are not covered or fully covered in this Guidelines, please consult your line manager, Head of Department or Division, or Governance, Risk and Compliance Department for clarification.

Definition

The following definitions shall apply unless otherwise expressly stated in this Guidelines:

Corruption

The Transparency International¹ definition of corruption is 'the abuse of entrusted power for personal gain'.

Under the Malaysian Anti-Corruption Commission, corruption is the act of **soliciting, giving, accepting or receiving** of any gratification or reward, directly or indirectly, to/from a person in the form of cash or in-kind irrespective of value for performing a task in relation to one's job description.

The act of bribery, fraud, abuse of power and money laundering are all acts of corruption.

¹Transparency International is an international non-governmental organisation which is to combat global corruption. Source: <https://www.transparency.org/>.

Bribery

The Transparency International definition of bribery is 'the **offering, promising, giving, accepting or soliciting** of an advantage as an inducement for an action which is illegal, unethical or a breach of trust'. Inducements can take the form of gifts, loans, fees, rewards or other advantages (taxes, services, donations, favours etc.).

Gifts

Refer to, but not limited to:

- tickets to sporting events, concerts, or cultural events; or
- merchandise such as hampers, wine, branded clothes, collectible bags, jewellery, decorative items, gadgets, or
- travel or lodging including holiday packages; or
- favourable terms or discounts on a product or service for the employee's benefits that are not otherwise available to all other employees of UEM Sunrise; or
- cash and cash equivalents such as shares, gift cards and gift vouchers; or
- any item of value that is given to a government official; or
- others such as debts write-off, "massages terms & padding" of contracts, medical check-up at prestigious hospitals.

Government official

Refers to any person who is a member, an officer, an employee or a servant of a public body. This includes candidates for public office, officials of any political party, and officials of government or state-owned enterprises.

A public body includes the federal government, state government, local authorities, and their departments, services and undertakings. Also included are companies or subsidiaries over which a public body has controlling power or interest, and various registered societies and trade unions.

Gratification

Generally, gratification is defined as money, donation, gift, any valuable thing of any kind, any forbearance to demand any money or money's worth or valuable thing, any other service or favour of any kind, or any offer, undertaking or promise of any such gratifications.

Hospitality

Refers to meals, travel and accommodation.

MACCA

The Malaysian Anti-Corruption Commission Act 2009.

Third parties

Third parties may include customers, business partners*, government intermediaries, external companies and any other stakeholders (e.g. media, investors, trainers, etc.) with whom a business relationship, whether current, prospective or historic exists.

***Business partners** include vendors, contractors, consultants, suppliers, agents, joint ventures partners and business partners' representatives (include their employees, agents, representatives, suppliers and subcontractors).

1 Gifts And Hospitality

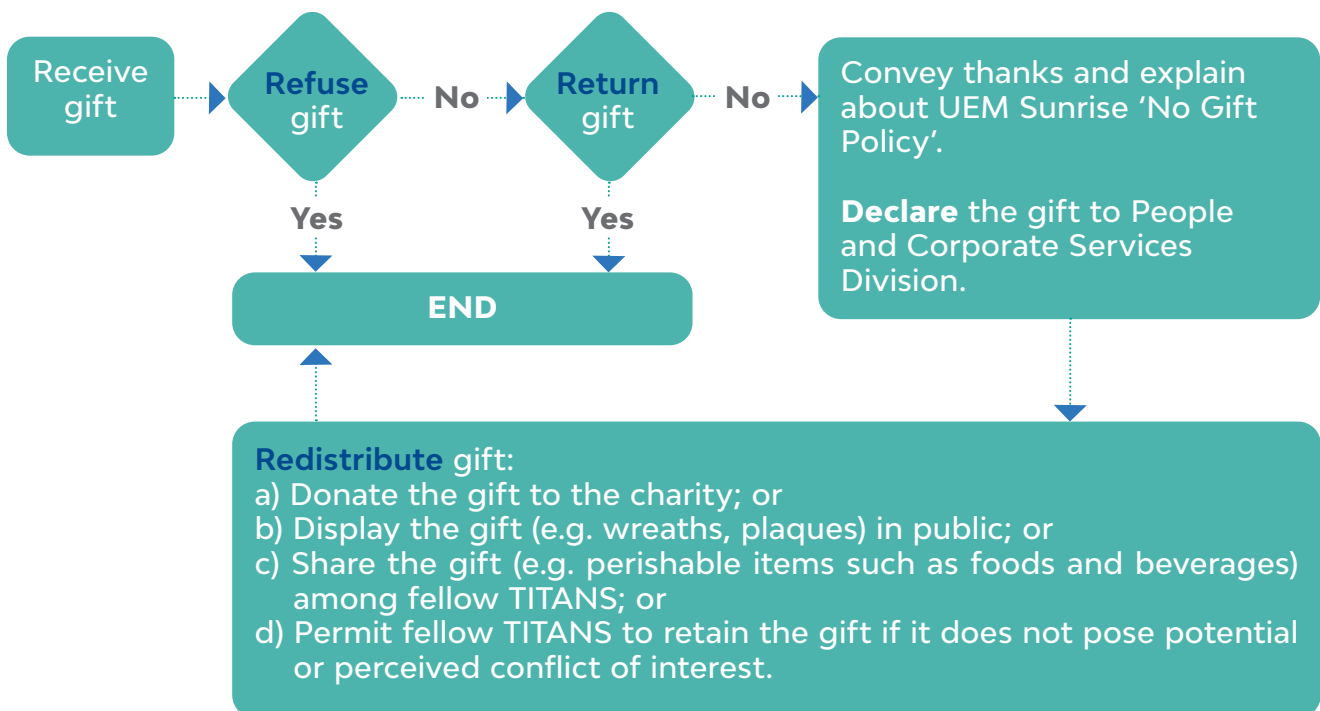
PRINCIPLE

Our business decisions should never be based on gifts and hospitality provided through our business relationships. We do not solicit or receive gifts and entertainment from any third party.

UEM Sunrise is committed to a **"No Gift Policy"**. We do not accept or receive or offer or provide gifts. We and any of our immediate family members must not accept any form of gifts or favours or gratuities or kickbacks from current and potential vendors, contractors, suppliers, clients, or any other party. However, we may accept or offer inexpensive token of appreciation after a presentation or speaking engagement.

1.1 RECEIVING GIFTS

When a gift is offered, we shall apply the **3R Concept – Refuse, Return & Redistribute**.



Employees are required to **declare** all the gifts received to People and Corporate Services Division.

1.2 EXCEPTIONS TO THE "NO GIFT POLICY"

Although generally UEM Sunrise practices a "No Gift Policy", there are certain exceptions to the general rule whereby the receiving and provision of gifts are permitted.

A gift that is worth less than **RM100 per item per pax**, where cumulative value in a year is less than RM500 per pax, that fall within the **following circumstances**:

- Exchange of gifts at a company-to-company level (e.g. gifts exchanged between companies as part of an official company visit/courtesy call and thereafter said gift is treated as company property, such as coffee table book);

- b. In relation to the company's official functions, events and celebrations (e.g. door gifts at conferences, open house);
- c. Gifts to employees and directors and/or their family members in relation to an internal or externally recognised company function, event and celebration (e.g. in recognition of an employee's/director's service to the Company);
- d. Token gifts of nominal value normally bearing company's logo or brand (e.g. coffee table books, t-shirts, pens, diaries, calendars and other small promotional items) that are deemed as part of the company's brand building or promotional activities; and
- e. As part of Corporate Social Responsibility ("CSR") programme (who has no business dealings with).

If you are providing gift that is worth more than **RM100 per item per pax**, you are required to **declare** to People and Corporate Services Division.

1.3 HOSPITALITY

UEM Sunrise does not receive or provide lavish hospitality in circumstances that may be construed as an act of bribery or could be perceived to influence decision making process although corporate hospitality can be viewed as a way of building business relationships.

A third party engaged to provide services must not receive or provide any hospitality to anyone on behalf of UEM Sunrise.

Travel, Transportation and Accommodation

You are **prohibited** from accepting or offering hospitality in the form of travel, transportation and accommodation.

Employees who are on overnight outstation duty shall be provided with accommodation by UEM Sunrise in line with the UEM Sunrise's Employee Handbook.

Meals

We may accept or offer reasonable hospitality such as business meals or refreshments* provided during a business meeting with legitimate business reasons. The most senior person from the Company in presence shall pay for the business meals.

*Business meals or refreshments that worth less than **RM300 per pax**, that fall within the **following situations**:

- a. It is business-related (e.g. business conference, meeting, or other legitimate business discussion);
- b. Venues where we are invited to attend are modest and should not contain elements of entertainment that could create negative public perception;
- c. Participate in the permissible social** and celebratory events*** that may not improperly influence business decisions, such as:
 - festive open houses;
 - appreciation dinners;
 - gala fund-raisers;
 - business dinners;
 - networking events;
 - corporate sports and recreation events that emphasise on wellness;

• celebratory events, include:

- events to recognise the success of UEM Sunrise's technical capabilities;
- events to recognise a contribution such as a successful business partnership;
- events commemorating a milestone anniversary of the external stakeholders; other third parties; government agencies;
- awards ceremonies to celebrate success; and
- opening ceremonies for a new project or facility.

** Social events do not include personal invitations to attend theatres, sporting events, concerts, gambling, or other entertainment events.

*** The events themselves may or may not be sponsored by UEM Sunrise. The organisers of the events should exercise proper care to protect the Company's reputation against any allegation of impropriety or the perception of bribery.

Employees are required to declare the hospitality received when it may be seen by the public as a reward, incentive, or may cause an actual, perceived or potential conflict of interest.

If you are receiving or providing business meals or refreshments that worth **more than RM100 per pax**, you are required to **declare** to People and Corporate Services Division.

Golf events

Employees can only participate in golf events subject to the approvals or nominations by their line manager.

Board members and employees are expected to exercise proper judgment in handling gifts and hospitality and behaving in a manner consistent with the general principles set out in the Code of Conduct as per below:

- Conscientiously maintain the highest degree of integrity;
- Always exercise proper care and judgment;
- Avoid conflicts of interest;
- Refrain from taking advantage of your position or exercising your authority to further your own personal interest at the expense of UEM Sunrise; and
- Comply with applicable laws, regulations and UEM Sunrise's policies and procedures.

This is to safeguard the Company's reputation, as well as to protect employees and directors from allegations of impropriety or undue influence.

2 Donations And Sponsorships

PRINCIPLE

We only undertake social or philanthropic programmes that are in line with respective business strategies or that will benefit the broader interests of the community, while complementing the efforts of the Government.

2.1 DONATIONS AND SPONSORSHIPS

In deciding which communities or causes to support and how to offer assistance, whether monetary or in kind, we shall consider how the contribution will:

- Promote our corporate values;
- Support the corporate brand;
- Contribute to staff development; and
- Strengthen the Company's corporate reputation.

All donations and sponsorships shall:

- Comply with UEM Sunrise's Donations & Sponsorships Guidelines, Corporate Responsibility Policy and the relevant policies and procedures on donations and sponsorships;
- Be for legitimate reasons and made to legitimate organisations;
- Be approved by the authorised personnel;
- Be permitted by existing laws and regulations; and
- Not to be used as a mean to cover up an undue payment or bribery.

2.2 POLITICAL DONATIONS

UEM Sunrise does not make or offer monetary in-kind political contributions to political parties, political party officials or candidates for political office.

3 Facilitation Payments

PRINCIPLE

We do not offer or make facilitation payments or allow others to offer or make facilitation payment of UEM Sunrise to gain access, secure or expedite the performance of a routine function.

Facilitation payments are unofficial payments that can be made in cash and noncash with the intention to gain access, secure or expedite the performance of a routine function.

Facilitation payments fall within the interpretation of "gratification" under MACCA. Making facilitation payments to officers in the public sector (including foreign public officials) would generally be deemed to constitute an offence under prohibitions set out in MACCA.

In some cases, the facilitation payments may be expressly requested. In other cases, there may not be any expressed request, but the body language of the official or delay in issuing a permit may indicate that the official expects a payment.

If you receive request for facilitation payment, you must refuse to pay and immediately report the incident to either the Malaysian Anti-Corruption Commission or the Royal Malaysia Police. You must then report the incident to your line manager, Head of Department/ Division and the Head of Governance, Risk and Compliance.

4 Dealing With Government Officials

PRINCIPLE

When interacting with the officers, we follow high ethical standards and act in a transparent manner while maintaining good working relationships.

Dealing with government officials require particular care and consideration. We must exercise more caution when working with government officials due to strict local and international laws that govern the interface between the private and public sectors.

As stated in the Code of Conduct, we do not provide donations to charities or organisations that may be affiliated with the officers, or offer gifts, hospitality, entertainment or travel to the officers or their families beyond our policies and procedures, i.e. 'No Gift Policy'.

In any circumstances where you are required to provide gift or hospitality to a government official, you must obtain prior approval from the Managing Director/ Chief Executive Officer and declare to the People and Corporate Services Division.

5 Dealing With Business Partners

PRINCIPLE

We want to work with business partners who have similar values as us and uphold the same standards as we do.

When dealing with business partners, we shall:

- Conduct due diligence to assess the integrity of UEM Sunrise's prospective business counterparties. Do not enter into any business dealings with any business partner reasonably suspected of engaging in bribery and improper business practices unless those suspicions are investigated and resolved.
- Ensure that all business partners are made aware of the Code of Conduct for Business Partners and this Anti-Corruption Guidelines and our expectations of them.
- Continue to be aware of and to periodically monitor business partners' performance and business practices to ensure ongoing compliance.

6 Appointment Of Board Members/ Recruitment Of Employees

PRINCIPLE

The appointment of Board members/ recruitment of employees should be based on approved selection criteria to ensure that only the most qualified and suitable individuals are employed. We ensure that no element of corruption is involved in the hiring process.

For new hiring, proper background checks should be conducted in order to ensure that the potential individual has not been convicted in any bribery or corruption cases nationally or internationally. More detailed background checks should be undertaken when appointing/hiring managerial employees tasked with decision-making obligations.

If you find or suspect that another person subject to this policy has violated or about to violate this policy or applicable law, whether deliberately or inadvertently, you must forthwith report the same, in writing, to Board of Directors (appointment of Board members) or to your line manager, Head of Department/ Division or People and Corporate Services Division (recruitment of employees).

7 Money Laundering

PRINCIPLE

Money laundering and terrorism financing are financial crimes with economic effects. We take appropriate measures for detecting and preventing money laundering and terrorism financing.

To avoid violating anti-money laundering laws, employees are expected to always conduct counterparty **due diligence** to understand the business and background of UEM Sunrise's prospective business counterparties and to determine the origin and destination of money, property and services.

8 Reporting Channel

We are committed to the highest standards of integrity, accountability and ethical behaviour in its business conduct and operations, consistent with our corporate values. In line with our commitment, we provide a mechanism for our employees and third parties employed or engaged to report wrongdoing or improper conduct within UEM Sunrise.

Disclosure Procedure

All disclosures are to be channelled in accordance with the procedures outlined under UEM Sunrise's Whistleblowing Policy. Disclosure should be factual and contain only specific information to enable proper assessment of the allegation made. Disclosures can be made through the following channel:

- By sending a report through online Secured Postbox; or
- By writing to the Whistleblowing Committee Chairman through online Direct Message.

For more information on UEM Sunrise's Whistleblowing Policy, visit whistleblower.uemsunrise.com

Whistleblower Protection

A whistleblower will be accorded the necessary protection against any detrimental action or unfair treatment, provided that the disclosure is made in good faith. The identity of the whistleblower will be kept confidential to the fullest extent possible and as required under the applicable laws.

Such protection is accorded even if the investigation later reveals that the whistleblower is mistaken as to the facts and/or the application of the relevant rules or procedures, or that the investigation later revealed that the allegation could not be substantiated.

9 Record Keeping

As a Company, we must keep records and have appropriate internal controls in place to substantiate the decisions (e.g. approvals and records of gifts, hospitality, donations and similar benefits given and received).

You must ensure all expenses claims relating to gifts, hospitality, donations or expenses incurred for UEM Sunrise are submitted in accordance with our expenses policy and specifically record the reason for the expenditure.

All documents and records relating to dealings with UEM Sunrise's Business Partners should be kept and retained for specified periods. No accounts must be kept "off-book" to facilitate or conceal improper payments.

10 Consequences Of The Infringement

UEM Sunrise Board Members, Management and Employees

Any infringement of this Guidelines will attract disciplinary action, up to and including termination of employment or dismissal to be taken against the concerned individual(s).

No employee will suffer demotion, penalty or other adverse consequences for refusing to pay bribes even if such refusal may result in the Company losing business.

Business Partners

Failure by Business Partners to comply with this Guidelines or applicable laws and regulations will be sufficient cause for UEM Sunrise to take any of the following actions or combination of any of the following actions against the Business Partners for breaching this Guidelines:

- Suspension or termination of any or all contract(s);
- Deduction of any amount of money which is due or becoming due to the Business Partner(s) concerned under any contract(s);
- Requiring the Business Partner(s) concerned to substitute any of their representative(s) who breach this Guidelines or acting inconsistent with this Guidelines immediately;
- Disqualifying the Business Partner(s) concerned from participating in any tender or procurement exercise for a period to be determined by UEM Sunrise at UEM Sunrise's sole discretion;

without prejudice to any other rights or remedies UEM Sunrise may have or any other appropriate action which UEM Sunrise may seek under the terms of the contract or under the laws.



A member of **UEM Group**

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Happy*