



BOUSTEAD PLANTATIONS BERHAD (1245-M)

ANTI-CORRUPTION POLICY

SCOPE

This policy applies to all employees and directors of all companies within the Boustead Plantations Berhad Group (*hereafter referred to as the Group*), which is located in Malaysia. This includes subsidiaries, joint ventures and companies in which we have management control.

Boustead Plantations Berhad also expects that contractors, sub-contractors, consultants, agents, representatives and others performing work or services for or on behalf of the Group will adhere to our policy in their business transactions with the Group. We are building our internal capacity for implementation and enforcement, and are developing procedures for monitoring and acting on non-compliance with elements of this policy within the Group.

ANTI-CORRUPTION STATEMENT

Zero tolerance toward all forms of corruption, including bribery and fraud, to safeguard the interest of the Group and its stakeholders, consistent with the Group's core values of RESPECT, INTEGRITY, TEAMWORK and EXCELLENCE.

OUR COMMITMENTS

The Group is committed to conducting business dealings with ethics and integrity, and in compliance with all applicable laws and regulations, including but not limited to MACC (Amendment) Act 2018, Malaysian Penal Code (revised 1977) (and its amendments), the Companies Act 2016 (Malaysia) and Whistleblower Protection Act 2010.

The Group aims to foster the growth of business environment within the Group that is free of corruption. All employees are expected to uphold high levels of personal and professional values in all business interactions and decisions.

The Group takes a strong stance against any act of corruption. Employees who refuse to pay or receive bribes or participate in acts of corruption will not be penalised even if such refusal may result in the Company losing its business or facing difficulties in business operations.

The Group will not compromise with any act of corruption, regardless of the reason. Any employee found to be committed with corruption act will be dealt with severely.

ANTI-CORRUPTION POLICY STATEMENTS

i. **Gift, Entertainment and Hospitality**

The Group has adopted a no gift policy, whereby, ***subject only to certain exceptions*** as per Section 4.2.2 and 4.2.3 of Boustead Code of Ethics and Conduct, employees and directors, family members or agents acting for or on behalf of employees, directors or their family members are prohibited from, directly or indirectly, receiving or providing gifts.

It is the responsibility of employees and directors to inform external parties involved in any business dealings with the Group that the Group practices a “No Gift Policy” and to request the external party’s understanding for and adherence with this policy.

ii. **Conflict of Interest**

A conflict of interest arises in a situation in which an employee or director is in a position to take advantage of his or her role in the Company for his or her personal benefit, including the benefit of his or her family/household and friends.

In line with Section 4.1 of Boustead Code of Ethics and Conduct, employees and directors are required to avoid conflict of interest or the appearance of conflict of interest for either party in on-going or potential business dealings between the Group and external parties.

iii. **Dealing with Public Officials**

A 'public or government official' is defined, without limitation, candidates for public office, officials of any political party, and officials of state-owned enterprises other than the Group.

For dealings with Public Officials, the Group prohibits giving anything of value to in order to obtain or retain business or to secure some other improper advantage precisely to avoid corruption or the impression of corruption. Providing gifts, entertainment and hospitality to Public Officials or their family/household members is generally considered a “red flag” situation in most jurisdictions. Reasonable due diligence should be exercised, particularly when the arrangements involve Public Officials.

To prevent violation of laws, employees and directors must be aware of local laws governing the activity and to ensure compliance.

iv. **Corporate Social Responsibility (CSR), Sponsorship and Donation**

As a responsible corporate citizen, the Group is committed to contributing to the wellbeing of the people where it operates. As part of our commitment to CSR and sustainable development, the Group generally provides such assistance in appropriate circumstances and in an appropriate manner.

However, such requests must be carefully examined for legitimacy and not be made to improperly influence a business outcome, with proposed recipient must be a legitimate organisation and appropriate due diligence must be conducted.

v. Political Contributions

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

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.

vi. Facilitation Payment

“Facilitation payment” is payments made to a person to secure or expedite the performance of a routine or administrative duty or function to influence the person in his/her duties.

The Group adopts a strict stance that disallows facilitation payments. The Group prohibits offering, promising, requesting, paying, accepting or obtaining, either directly or indirectly, facilitation payments from any person for the benefit of the employee himself or for any other person including the Group, as this is seen as a form of bribery and corruption.

However, there are certain situations or circumstances where the facilitation payments have to be made in order to protect life, limb or liberty. In dangerous situations like this, the employees are allowed to make payments but this must be immediately reported to the higher management. Making facilitation payment in such a situation is the only exception which can be used as a defence when faced with allegations of bribery and corruption.

vii. Money Laundering

Money laundering is the process of concealment of the origins of illegally obtained money into seemingly legitimate money or other assets, either directly or indirectly.

Money laundering is a very serious crime and the Group strongly against the practice of money laundering. As per defined by Section 4.5.5 of Boustead Code of Ethics and Conduct, employees must act diligently to prevent from involvement in money laundering activities.

The laws governing this type of crime can have extra territorial effect, i.e. the application of the law is extended beyond local borders. The penalties for breaching anti-money laundering legislation are severe and can include extradition and incarceration in foreign jurisdictions.

viii. Dealing with Business Associates and Third Parties

The Group dealings with business associates and third parties, which include contractors, suppliers, agents, consultants, joint venture partners, introducers/ government intermediaries etc., must be carried out in compliance with all relevant laws and consistent with the values and principles of the Boustead Code of Ethics and Conduct, in which all forms of bribery and corruption are unacceptable and will not be tolerated.

The Group expects that all business associates and third parties acting for or on its behalf to share the Group's values and ethical standards and refrain from bribery and corruption as their actions can implicate the Group legally and tarnish the Group's reputation.

ix. Recruitment of Employees

Recruitment of employees should be based on approved selection criteria to ensure that only the most qualified and suitable individuals are employed, and no element of corruption is involved in the hiring of employees.

The Group does not offer employment to prospective employees in return for previous favour/in exchange of improper favour.

x. Consequences

Engaging in bribery or corrupt practices can have severe consequences to both the employees and the Group. Employees may face dismissal, fines and imprisonment, and the Group may face damage to reputation, financial loss and disbarment from business and other negative consequences.

WHISTLE BLOWING STATEMENT

The Group practices an open-door policy for employees to report actual or suspected bribery and corruption incidents. If the report or disclosure about any actual or perceived bribery or corruption is made in good faith, belief, without malicious intent, the employee will be accorded protection of confidentiality, to the extent reasonably practicable. In addition, employees who whistle blow internally will be also be protected against reprisal or detrimental action for having made the disclosure, to the extent reasonably practicable.

The Board of Directors
Boustead Plantations Berhad

July 2020.