



KNUSFORD BERHAD

Anti-Bribery & Anti-Corruption

POLICY & GUIDELINES

ABAC Policy & Guidelines: Amendment Log

Amendments No.	Status	Reasons for Amendments	Approval by Board Date
1	Adopted	To enhance and align with the Group practices	24.02.2022
2	Adopted	To enhance and align with the Group practices	24.05.2023

Table of Contents

Abbreviations	3
1.0 Objectives	4
1.1. General Information	4
1.2. Policy & Guidelines Objectives	4
2.0 Key Definition	4
2.1. Anti-Bribery and Anti-Corruption Policy & Guidelines	4
2.2. Bribery	4
2.3. Board of Directors	4
2.4. Business Partners	5
2.5. Chief Executive Officer	5
2.6. Code of Ethics and Conduct	5
2.7. Corporate Hospitality	5
2.8. Corruption	5
2.9. Donation	5
2.10. Employee	5
2.11. Extortion Payment	5
2.12. Facilitation Payment	5
2.13. Gift	6
2.14. Guideline on Adequate Procedure	6
2.15. ISO 37001:2016	6
2.16. Limit of Authority	6
2.17. Management	6
2.18. Risk Management Committee	6
2.19. Sponsorship	6
2.20. Whistleblower	6
2.21. Whistleblowing Policy & Guidelines	6
3.0 Responsibility	6
3.1. Board of Directors	6
3.2. Chief Executive Officer	7
3.3. Chief Financial Officer	7
3.4. Employee	7
3.5. Amendments to Policy & Guidelines	7
4.0 Corruption Risk Assessment Approach	8
5.0 Gift, Corporate Hospitality, Donation and Sponsorship	9

5.1. “No Gift” Policy.....	9
5.2. Exceptions to “No Gift” Policy.....	9
5.3. Purchase of Gift and Corporate Hospitality	10
5.4. Gift Acceptance.....	11
5.5. Entertainment Acceptance	11
6.0 Corporate Social Responsibility	11
6.1 Donation and Sponsorship	11
7.0 Facilitation and Extortion Payments	12
7.1. Facilitation Payment.....	13
7.2. Exception to Facilitation Payment (Extortion Payment).....	13
8.0 Due Diligence Procedures and Dealing with External Parties.....	14
8.1. Dealing with Vendors or Agents.....	15
8.2. Dealing with Customers.....	15
8.3. Dealing with Business Partners.....	16
8.4. Dealing on Recruitment of Employees	16
8.5. Dealing with Public Officials.....	17
9.0 Reporting Procedures on Suspected Bribery or Corruption Activities	17
9.1. What to Report.....	17
9.2. How to Report.....	18
10.0 Internal / External Assessment	19
11.0 Training and Awareness Programme	19
12.0 Appendices.....	20

Abbreviations

In this Policy & Guidelines, the following abbreviations shall have the following meaning unless otherwise stated:

ABAC	Anti-Bribery and Anti-Corruption		FAC	Financial Assessment Committee
BOD	Board of Directors		LOA	Limit of Authority
CEO	Chief Executive Officer		MACC	Malaysian Anti-Corruption Commission
CFO	Chief Financial Officer		SSM	Suruhanjaya Syarikat Malaysia
CoC	Code of Conduct and Ethics		TAC	Technical Assessment Committee
CSR	Corporate Social Responsibility			

1.0 Objectives

1.1. General Information

The Anti-Bribery & Anti-Corruption (“ABAC”) Policy & Guidelines (here-in-after referred to as “Policy & Guidelines”) defines the policies and procedures for Knusford Berhad (“Knusford” or “the Company”) and its subsidiaries (collectively known as “Knusford Group” or “the Group”). Rules (including Circulars and Letters) from the regulators shall automatically supersede the existing operating policies and procedures herein stated.

The Policy & Guidelines are applicable to the following key stakeholders:

- a. Directors of Knusford, both executive and non-executive, unless otherwise stated in this Policy & Guidelines;
- b. every employee within the Group; and
- c. business partners, suppliers, sub-contractors, consultants, agents, representatives and others performing work or services for or on behalf of the Group.

It is the intention of Board of Directors (“BOD”) of Knusford to ensure that these procedures serve as our commitment to prohibit bribery and corruption in the business conduct within the Group.

1.2. Policy & Guidelines Objectives

The main objectives of this Policy & Guidelines are as follows:

- To ensure the policies and guidelines / practices are oriented towards embedding ABAC stance organisation wide, with guidance from Guideline on Adequate Procedures and requirements of Malaysian Anti-Corruption Commission (“MACC”) Act 2009, introduced via Section 4 of the MACC (Amendment) Act 2018;
- To ensure adequate and standardised ABAC policies and guidelines are consistently applied throughout the Group by all relevant staff; and
- To ensure that business operations within the Group are strictly adhering to the ABAC Policy & Guidelines.

2.0 Key Definition

2.1. Anti-Bribery and Anti-Corruption Policy & Guidelines

This refers to the ABAC Policy & Guidelines established by Knusford.

2.2. Bribery

ISO 37001:2016 defines bribery as offering, promising, giving, accepting or soliciting of an undue advantage of any value (which could be financial or non-financial), directly or indirectly, and irrespective of location(s), in violation of applicable law, as an inducement or reward for a person acting or refraining from acting in relation to the performance of that person’s duties.

2.3. Board of Directors

This refers to as the BOD of Knusford.

2.4. Business Partners

Business partners are referring to person who involve in joint ventures business, jointly control operation and associate companies of Knusford.

2.5. Chief Executive Officer

Defined as the highest-ranking executive in a company, responsible for carrying out corporate policies established by the Board, acting as the main point of communication between the BOD and corporate operation.

2.6. Code of Ethics and Conduct

This refers to as the formalised work and business ethics enforced within the Group.

2.7. Corporate Hospitality

This refers to any considerate care of guests offered in the manner that complete expenses are borne by the company itself. This includes refreshments, accommodation and entertainment at a restaurant, hotel, club, resort and other venue.

2.8. Corruption

The MACC Act 2009 defines corruption as the act of giving or receiving of any gratification or reward in the form of cash or in-kind of high value for performing a task in relation to his/her job description.

2.9. Donation

This refers to the gratification given out by the Group for charity, humanitarian aid or to support local community welfare, whether in-kind or by way of financial contribution.

2.10. Employee

This refers to any person who is in the employment of the Group, but not limited to executives and non-executives, contract employees.

2.11. Extortion Payment

This refers to money that is forcibly extracted from the Group or its employee by real or perceived threat to health, safety and liberty and is outside the scope of ABAC.

2.12. Facilitation Payment

This refers to illegal or unofficial payment made in return for services that the Group is legally entitled to receive without making such payment. For example, a payment made to government official or a person with certifying/ approval function to expedite the necessary action in the capacity of abovementioned person.

2.13. Gift

This refers to items given by the Group to a third party without the expectation of payment or benefit in return. For example, voucher, gift cards, Company branded product or promotional items, hamper, and festive gifts (e.g. mooncake, mandarin orange).

2.14. Guideline on Adequate Procedures

This refers to the document issued by the Prime Minister's Department in December 2018, pursuant to Section 17A (4) and (5) of the MACC Act 2009.

2.15. ISO 37001:2016

This refers to the international standards on requirements and guidance for establishing, implementing, maintaining, reviewing and improving an anti-bribery management system.

2.16. Limit of Authority

This refers to the approved documents stipulating the approving authority and authority limits allowed for the Board and management at Knusford.

2.17. Management

This refers to the management team of the Group, includes all Management, Senior Management and Top Management as defined in the Knusford Code of Conduct and Ethics.

2.18. Risk Management Committee

This refers to the Risk Management Committee ("RMC") of Knusford, providing oversight of ERM and corruption risk assessment of the Group.

2.19. Sponsorship

This refers to support, either financially or by way of product and/ or services for an event or activities organised by a profit/ non-profit organisation, local communities, government departments or agencies, primarily aimed at raising awareness about the Group profile.

2.20. Whistleblower

This refers to a person (internal or external) raising or reporting concerns of wrongful activities or wrongdoings as defined in the Whistleblowing Policy & Guideline Document of Knusford.

2.21. Whistleblowing Policy & Guidelines

This refers to the Whistleblowing Policy & Guidelines of Knusford, applicable to the Group.

3.0 Responsibility

3.1. Board of Directors

- a. Sets commitment towards prohibition of bribery and corruption in the business conduct within the Group;

- b. Approves the ABAC Policy & Guidelines;
- c. Ensures the alignment of ABAC Policy & Guidelines to the strategy of the Group;
- d. Maintains oversight on ABAC governance, ensuring that best practices of ABAC management system is established, implemented, maintained and reviewed to adequately address the Group's bribery and corruption risks, including the Policy & Guidelines; and
- e. Promotes appropriate ABAC culture within the Group.

3.2. Chief Executive Officer

- a. Provides overall direction on the establishment, implementation and periodic review of ABAC Policy & Guidelines;
- b. Ensures the integration of ABAC Policy & Guidelines requirements into key organisation functions such as human resource management, procurement and finance, and enhance the underlying controls on these key functions so as to support ABAC Policy & Guidelines requirements;
- c. Supports the resource allocation and investment in a robust and effective ABAC Policy & Guidelines;
- d. Supports adequate training and awareness programmes for the employees of the Group;
- e. Communicates on the ABAC Policy & Guidelines, both internally and externally;
- f. Promotes appropriate ABAC culture within the Group; and
- g. Support other relevant management personnel in preventing and detecting bribery and corruption.

3.3. Chief Financial Officer

- a. Ensures that the ABAC Policy & Guidelines are adhered to within the Group;
- b. Reports on non-compliance cases to the RMC, including follow-up action status on the said cases;
- c. Attends to inquiries about Knusford's ABAC Policy & Guidelines and its practices within the Group; and
- d. Facilitates the corruption risk assessment periodically.

3.4. Employee

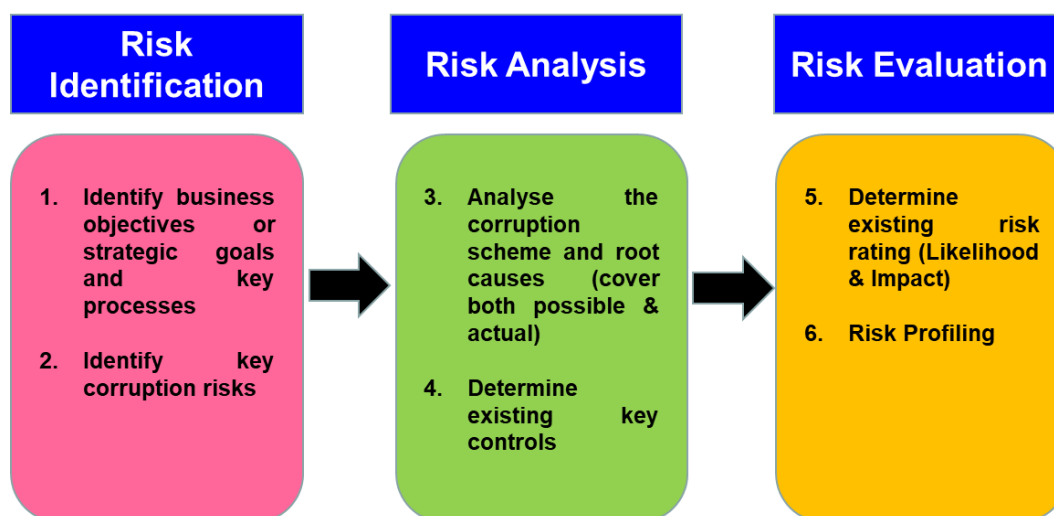
- a. Executes the ABAC Policy & Guidelines, including enhancement of underlying controls on affected functions under his/ her responsibility, as elaborated in this Policy & Guidelines;
- b. Adheres to the requirement of the ABAC Policy & Guidelines; and
- c. Reports on suspected bribery or corruption via the whistleblowing channel of Knusford.

3.5. Amendments to Policy & Guidelines

If there is any requirement to update, improve, and / or amendments made to this Policy & Guidelines, proposed changes shall be submitted for authorisation and for approval by the BOD. Key information on addition of new policy / procedure and deletion or variation of existing policy / procedures shall be indicated for version control purpose.

4.0 Corruption Risk Assessment Approach

- a. The corruption risk assessment process is depicted in the diagram below:



- b. The BOD, through the Risk Management Committee (“RMC”), shall oversee and ensure accountability of corruption risk identified with the corresponding controls to be implemented.
- c. The risk parameters (i.e. financial impact, customer relationship and reputation / media) are established to evaluate the consequences of a risk, namely likelihood of occurrence and criticality of impact, based on Knusford’s risk appetite.
- d. Risk Register is developed to capture both possible and actual corruption scheme(s), root causes, existing key controls and impact. The risks are then evaluated based on the likelihood of occurrence and criticality of impact (i.e., Low, Medium, High and Extreme) to provide a basis for Management in strategic decision-making process and mitigation of corruption risks.
- e. RMC of Knusford shall conduct regular risk assessment i.e. on an annual basis and/or when there is a change in law or circumstance of the business to ensure the identified corruption risks are remains relevant and adequate mitigating controls are discussed and implemented.
- f. Specific anti-corruption plan shall be identified by the respective Heads of Department and reported to the CEO / CFO for review and monitoring.

5.0 Gift, Corporate Hospitality, Donation and Sponsorship

Knusford recognises the importance of gift and corporate hospitality giving/ acceptance, donation and sponsorship activities to maintain good rapport with its vendors, customers and government officials. The policies and procedures set out below are to safeguard the Group's reputation and to protect its employee from allegation of soliciting bribe, corruption or exercising undue influence on external party(s) for personal gain.

5.1. "No Gift" Policy

- a. As per section 6(3)(i) of the Corruption and Unethical Practices in the CoC, Knusford has adopted a "No Gift" policy whereby, subject only to certain narrow exceptions. Knusford's employees and directors (executive and non-executive), family members or agents acting for or on behalf of Knusford are prohibited from, directly or indirectly, receiving or providing gifts.
- b. Knusford requires all employees and directors to abide by this policy to avoid conflict of interest or the appearance of conflict of interest for either party in on-going or potential business dealings between Knusford and external parties as a gift can be seen as a bribe that may tarnish Knusford's reputation or be in violation of anti-bribery and corruption laws.

As set out in Section 4(1)(a) of the CoC, conflict of interest arises in a situation when an individual may have desired prevailing personal interest which could be envisaged and interfered the performance of duty or obscuring the judgment on what would be the best interest of the Company.

This would undermine the duties of good faith, fidelity, diligence and integrity as expected by Knusford from its employees and directors in the performance of their duties and obligations.

It is the responsibility of employees and directors to inform external parties involved in any business dealings with Knusford that the Company practices a "No Gift" policy and to request the external party's understanding for and adherence with this policy.

5.2. Exceptions to "No Gift" Policy

Although generally Knusford practices a "No Gift" policy, there are certain exceptions to the general rule whereby the receiving and provision of gifts are permitted in the following situations:

- Exchange of gifts at the 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);
- Gifts from company to external institutions or individuals in relation to the company's official functions, events and celebrations (e.g. commemorative gifts or door gifts offered to all guests attending the event);
- Gifts from Knusford 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);

- Token gifts of nominal value normally bearing the Knusford or company's logo or (e.g. t-shirts, pens, diaries, calendars and other small promotional items) that are given out equally to members of the public, delegates, customers, partners and key stakeholders attending events such as conferences, exhibitions, training, trade shows etc. and deemed as part of the company's brand building or promotional activities; and
- Gifts to charitable organisations or the equivalent who have no business dealings with Knusford (e.g. monetary gifts or gifts in-kind to charitable organisations).

5.3. Purchase of Gift and Corporate Hospitality

- a. Purchase requisition pertaining to gift and corporate hospitality shall be a reasonable amount, subject to the approval of the Executive Director ("ED") and in line with the Limit of Authority ("LOA"). Reimbursable gift and corporate hospitality expenses shall be supported by a duly approved claim form and supported by invoices/receipts. Such gifts and hospitality shall fulfil **ALL** the following conditions prior to approval:
 - i. They are intended to maintain good rapport with the vendors/ customers of the Group and government officials;
 - ii. They are limited, customary and lawful under the circumstances;
 - iii. They do not have or perceived to be affecting action(s) or decision(s) of the receiving party;
 - iv. There shall be no expectation of any specific favour, benefit or advantages from the intended recipients;
 - v. There shall not be any corrupt/ criminal intent; and
 - vi. The giving out of gift or corporate hospitality shall be transparent.
- b. Purchase of gift or corporate hospitality, subject to the fulfilment of condition as stipulated in Clause 5.2 and Clause 5.3(a), is only permitted to the Management and above within the Group.
- c. Any purchase of gift or corporate hospitality in nature not exceeding RM10,000 shall be approved by 1 ED, exceeding RM 10,000 to be approved by 2 ED, should the claimant be ED, then to sought second approval from another ED, the claimant is restricted from approving their own claims.
- d. Purchase requisition pertaining to gift and corporate hospitality for government official from the public sector, it shall be restricted to statutory limit of the respective countries. However, gift in the form of cash or cash equivalent shall never be given or offered to any public or government officials.
- e. Purchase requisition on gift or corporate hospitality shall be indicated with purpose of requisition, including client or vendor name or representative details.
- f. In the event of any dispute between any internal practice, existing policy and or procedure already imbedded within the constitution of the organisation prior to the commencement of this ABAC Policy & Guidelines. All disputes on **limits** set in Clause 5 of this ABAC Policy & Guidelines shall prevail over all other documentation.

5.4. Gift Acceptance

- a. Under no circumstances that an employee of the Group shall receive or solicit for personal gift from an external party.
- b. Although the general principle is to immediately refuse or return such gifts, accepting a gift on behalf of Knusford is allowed only in very limited circumstances, whereby refusing the gift is likely to seriously offend and may sever Knusford's business relationship with the Third Party. However, in no circumstances may an employee, director or his/her family/household members accept gifts in the form of cash or cash equivalent.
- c. Any gift received by an employee of the Group from external party(s) requires declaration to the HR Department and reviewed by the CEO/ED.

5.5. Entertainment Acceptance

- d. Under no circumstances that an employee of the Group shall accept or solicit entertainment in the exercise of their duties and responsibilities towards the company which is regarded detrimental to Knusford.
- a. Employees of the Group shall exercise proper care and judgment prior to accepting any entertainment from external party. This is vital to safeguard the Group's reputation and to protect its employee from allegation of soliciting bribe or corruption.
- b. Any entertainment received by an employee of the Group from external party(s) requires declaration to the HR Department and reviewed by the CEO/ED.

6.0 Corporate Social Responsibility

- a. All Corporate Social Responsibility ("CSR") related sponsorships and donations shall be made in accordance with Knusford's policies with prior approval by authorised personnel in line with the LOA.
- b. Given the nature of Knusford's business, government agencies or local authority bodies may request for sponsorship and/ or donations in respect of CSR events. As part of Knusford's commitment to CSR and sustainable development, as a general matter, Knusford provides such assistance in appropriate circumstances and in an appropriate manner.
- c. Such requests shall be examined for legitimacy and not be made to improperly influence a business outcome. The proposed recipient shall be a legitimate organisation and appropriate due diligence shall be conducted in particular to ascertain whether any Public Officials are affiliated with the organisation. Any red flags shall be resolved before committing any funds to the programme. Even requests determined to be legitimate shall be carefully structured to ensure that the benefits reach their intended recipients.
- d. If any employees or Directors are in any doubt as to whether a charitable contribution or social benefit is appropriate, Management shall seek legal consultation accordingly.

6.1 Donation and Sponsorship

- a. Employees shall ensure that all sponsorships and donations are not used as a subterfuge for bribery or used to circumvent or avoid any of the provisions of the

CoC, including in particular, the prohibition on bribery. Knusford needs to be certain that donations to foreign-based charities or beneficiaries are not disguised illegal payments to government officials, and shall ensure that the charity does not act as a conduit to fund illegal activities in violation of international anti-money laundering, anti-terrorism and other applicable laws.

- b. The Policy & Guidelines, in accordance with Knusford's commitment to contribute to the community coupled with its values of integrity and transparency, all sponsorships and donations shall comply with the following:
- ensure such contributions are allowed by applicable laws;
 - obtain all the necessary internal and external authorisations;
 - be made to well established entities having an adequate organisational structure to guarantee proper administration of the funds;
 - be accurately stated in the company's accounting books and records; and
 - not to be used as a means to cover up an undue payment or bribery.

Examples of red flags to look out for are as follows:

- The proposed recipient /organisation have affiliations with a public official or their relatives are involved;
 - The contribution is made on behalf of a public official;
 - There is a risk of a perceived improper advantage for Knusford; or
 - The proposed recipient is based in a high-risk country, the request comes from a high-risk country or the activity takes place in a high-risk country.
- c. Knusford requires employees to use good judgment and common sense in assessing the requests. When in doubt, employees shall seek for legal advice or escalate the matter to the CEO/ED to determine the authenticity of such requests.
- d. Donation and sponsorship are only permissible with prior approval by ED(s). All donations and sponsorship payment shall be supported with an official letter of request from the requesting external party and/or proof of receipt.
- e. Donation or sponsorship which are more than RM 25,000 are subject to approval by the Technical Assessment Committee ("TAC") / Financial Assessment Committee ("FAC").

7.0 Facilitation and Extortion Payments

- a. Facilitation payment to external party, in particular, government officials, is strictly prohibited as it is seen as a form of bribery and corruption. Extortion payment to external party, on the other hand, is not categorised as an illegal activity by legal means, as the health, safety and liberty of one is paramount.
- b. The CFO shall maintain a record of such event and report the payment to the relevant authority.

7.1. Facilitation Payment

- a. Facilitation payment to external party, in particular, government officials, is strictly prohibited as it is seen as a form of bribery and corruption, unless it can be proven that such payment is legitimate and supported by an official receipt.
- b. Facilitation payment shall not be in any way or form be disguised or translated in personnel remuneration package.
- c. Subject to the fulfilment of criteria in Clause 7.1(a), facilitation payment request may be approved by the ED.

7.2. Exception to Facilitation Payment (Extortion Payment)

- a. Extortion payment to any party shall not be made unless the employee(s) and or their families health, safety and or liberty are threatened.
- b. Subject to the fulfilment of criteria in Clause 7.2(a), extortion payment request may be approved by the ED.

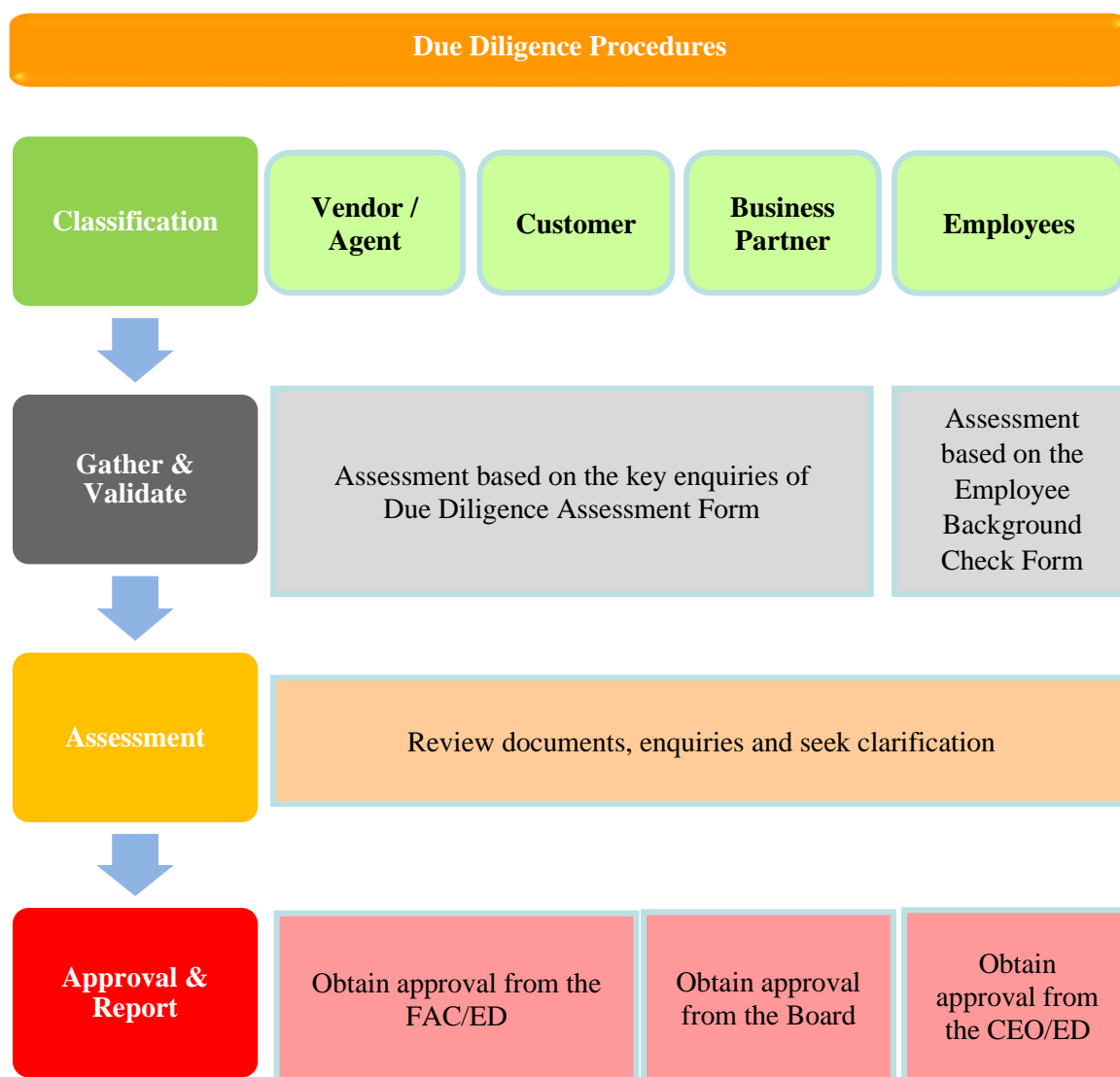
8.0 Due Diligence Procedures and Dealing with External Parties

Knusford recognises the objective of due diligence procedures on customers, business partners, vendors and employees to evaluate the risk of bribery and corruption associated with these parties. This also serves as a basis for decision making, whether to accept or reject before entering into any contractual arrangement or business dealing.

Knusford Group shall require due diligence procedures to be applied on the key stakeholders below:

- i. Vendors or agents;
- ii. Customers;
- iii. Business partners; and
- iv. Employees.

The diagram below depicts the due diligence process flow:



8.1. Dealing with Vendors or Agents

- a. Knusford is committed to uphold the highest standard of ethics and integrity in all aspects of its procurement activities by:
 - i. Adhering to the procurement policies and procedures;
 - ii. Avoiding dealing with any vendor, sub-contractors, or agents who known or reasonably suspected of corrupt practices;
 - iii. Ensuring that all new vendors/ sub-contractors/ agents (except for the transaction below RM25,000) are subject to background assessment and conflict of interest check prior to registration and acceptance;
 - iv. Communicating the Policy & Guidelines requirements to vendor, sub-contractors or agents (except for the transaction below RM25,000) (Please refer to **Appendix A** for **Vendor ABAC Declaration Form**);
 - v. All contracts/agreement entered with vendors, sub-contractors or agents (except for the transaction below RM25,000) to incorporate a provision whereby Knusford retains right to audit third party compliance with the Policy & Guidelines; and
 - vi. All agents/sub-contractors/vendors/suppliers (except for the transaction below RM25,000) are required to declare on their adherence to the Policy & Guidelines requirements via **Appendix A Vendor ABAC Declaration Form**.
- b. A Due Diligence Assessment Form shall be used in guiding Knusford's employee to undertake an assessment on the vendors', sub-contractors', or agents' background and reputation (except for the transaction below RM25,000), including their conflict of interest (Please refer to **Appendix B** for **Due Diligence Assessment Form**). The key components of vendor/ agent (except for the transaction below RM25,000) due diligence procedures cover the following but may vary depending on the circumstances:
 - i. Corporate profile;
 - ii. Company searches via Suruhanjaya Syarikat Malaysia ("SSM")/CTOS report or equivalent authorities in the respective countries of operation;
 - iii. Financial background;
 - iv. Directorship;
 - v. Past records of criminal, bribery or corruption cases; and
 - vi. Potential conflict with existing employees or Director of the Group.
- c. The results and/ or any concern raised during this due diligence assessment shall be communicated to and with approval from the FAC/ED prior to entering into the relationship.

8.2. Dealing with Customers

- a. In ensuring that Knusford dealings with its customers complies with relevant rules, regulations and the Policy & Guidelines requirements, the safeguard procedures below are required:
 - i. All new customers (except for the transaction below RM25,000) are subject to background assessment and conflict of interest check prior to entering into a business dealing; and
 - ii. A standard ABAC clause shall be included in all contracts / agreement entered with customers (except for the transaction below RM25,000) to enable the Company to terminate the contract in the event of any proven bribery or corruption activities.

- b. A Due Diligence Assessment Form shall be used in guiding the employee of Knusford to undertake an assessment on the customers' background and reputation (except for the transaction below RM25,000), including their conflict of interest (Please refer to **Appendix B** for **Due Diligence Assessment Form**). The key components of customers due diligence procedures cover the following but may vary depending on the circumstances:
 - i. Corporate profile;
 - ii. Company searches via SSM/CTOS report or equivalent authorities in the respective countries of operation;
 - iii. Financial background;
 - iv. Directorship;
 - v. Past records of criminal, bribery or corruption cases;
 - vi. Potential conflict with existing employees or Director of the Group; and
 - vii. Other Due Diligence criteria.
- c. The results and/ or any concern raised during this due diligence assessment shall be communicated to the FAC/ED prior to entering into the relationship.

8.3. Dealing with Business Partners

- a. To improve the background assessment, a due diligence process shall be carried out with regards to any business partner who intend to enter into long terms business relationship with Knusford.
- b. Due diligence assessment shall be carried out to ensure business partners are not likely to commit bribery and corruption activities in the course of its partnership with Knusford. Conflict of interest check shall also be carried out during due diligence and make a declaration to the Board during evaluation. (Please refer to **Appendix B** for **Due Diligence Assessment Form**). The key components of business partner due diligence procedures cover the following but may vary depending on the circumstances:
 - i. Corporate profile;
 - ii. Company searches via SSM/CTOS report or equivalent authorities in the respective countries of operation;
 - iii. Financial background;
 - iv. Directorship;
 - v. Past records of criminal, bribery or corruption cases; and
 - vi. Potential conflict with existing employees or Director of the Group.

8.4. Dealing on Recruitment of Employees

- a. Background screening on shortlisted candidate(s), for managerial position and above, is required during the evaluation stage of recruitment process (Please refer to **Appendix C** for **Employee Background Check Authorisation Form** and **Appendix D** for **Employee Background Check Form**).
- b. Key considerations prior to acceptance of shortlisted candidate(s) cover the following:
 - i. Past criminal records (if any);
 - ii. Potential fraud, bribery or corruption committed in the previous organisation;
 - iii. Verification of past employment or institution of learning references, where applicable; and

- iv. Conflict of interest, i.e. relationship with any employee, vendor, customer or Director of the Group.
- c. Recruitment due diligence result shall be vetted by the CEO/ED prior to acceptance of the candidate.
- d. Newly recruited employee(s) shall be provided with an onboarding programme, including the briefing on Knusford's ABAC Policy & Guidelines, CoC and Employee Handbook.

8.5. Dealing with Public Officials

A public or government official is defined as without limitation, candidates for public office, officials of any political party, and officials of state-owned enterprises other than Knusford. Caution shall be exercised when dealing with public officials. Providing gift, entertainment or corporate hospitality to public officials or their family/ household members is generally considered a 'red flag' situation in most jurisdictions.

Knusford shall not provide non-business travel and hospitality for any government official or his/her family/household members without permission from the ED in consultation with a lawyer.

Other Knusford's policies and procedures on gift, entertainment and corporate hospitality shall also be abided by, copies of which can be obtained from the Human Resource Department.

If approval is given to provide gift, entertainment or corporate hospitality to public officials, the Management shall ensure that the value of gift, entertainment or corporate hospitality shall not exceed the statutory limit.

9.0 Reporting Procedures on Suspected Bribery or Corruption Activities

Reference shall be made to the *Whistleblowing Policy & Guidelines Document* pertaining to reporting procedures on suspected bribery or corruption activities.

Whistle-blowers are encouraged to report in good faith or to raise a concern about any attempted, suspected and actual bribery or corruptions activities that violates to the Policy & Guidelines at the earliest possible stage.

Upon making a disclosure in good faith, based on reasonable grounds and in accordance with the procedures pursuant to the *Whistleblowing Policies & Guidelines Document*, the whistle-blower shall be protected from any form of retaliation within the Group.

9.1. What to Report

The key information or documents below are to be provided by the whistle-blower to facilitate further investigation, if required:

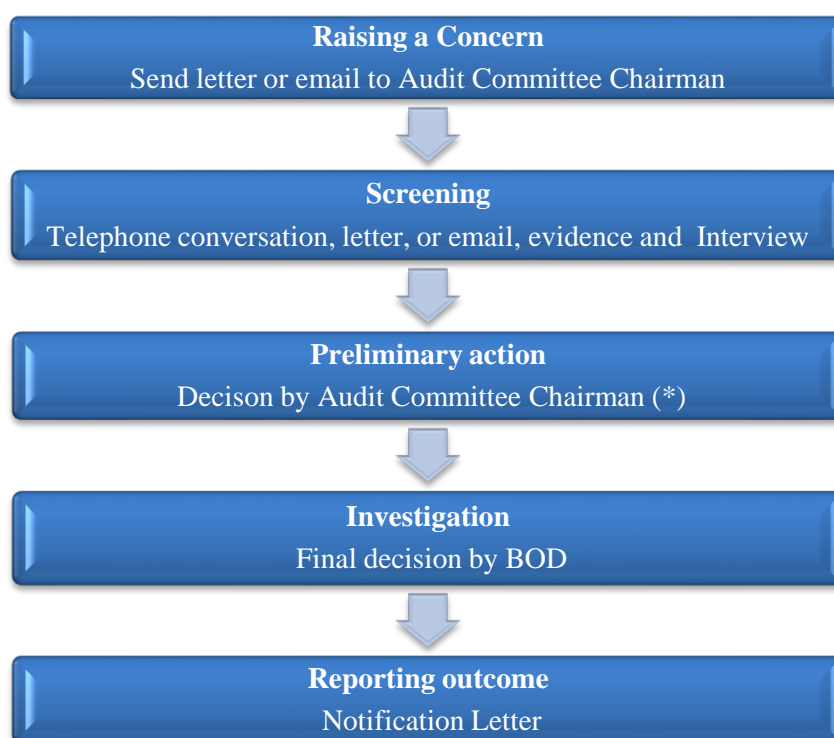
- a. Whistle-blower's contact information
 - i. Name (*)
 - ii. Designation
 - iii. Contact Number
 - iv. Email Address (*)

- b. Suspect's information
 - i. Name
 - ii. Designation
 - iii. Contact Number
 - iv. Email Address
- c. Complaints / concerns
 - i. Incident date
 - ii. Affected parties
 - iii. Incident or event location
 - iv. Supporting documents (where applicable)
 - v. Other details or information which may assist the investigation

** May leave the information blank if the whistle-blower wishes to remain anonymous*

9.2. How to Report

Whistle-blowers shall report their concerns using the reporting channels as stated in the *Whistleblowing Policies & Guidelines Document*, which is available on the Knusford website.



*Note: Best practice is to have a Whistleblowing Committee

10.0 Internal / External Assessment

- a. As part of the internal monitoring process, CFO shall review the underlying controls of ABAC and identify any non-compliance incidences at least annually.
- b. If any of Knusford Group's key stakeholders as defined in Clause 8.0 are found to have breached any ABAC rules and regulations or this Policy & Guidelines, such breach may result to the following actions taken:

Key stakeholders	Actions taken
Employee	Disciplinary action by Knusford Group in accordance with the CoC of Knusford which includes termination of employment.
Vendor/agents/customers/ Business Partners	i. Subjected to BOD's approval, retain business dealings; ii. Discontinue business dealings with immediate effect; iii. Termination of contract with immediate effect; or iv. Legal proceedings if required.

- b. Knusford shall review and assess the adequacy and implementation of this Policy & Guidelines on a regular basis i.e. every three (3) years.

11.0 Training and Awareness Programme

- a. Annual training and awareness programme on ABAC shall be provided to Knusford's employees and key stakeholders as defined in Clause 8.0, as appropriate to their roles and taking into account the corruption risk assessment.
- b. Updates on this Policy & Guidelines with regards to its content as well as regulatory requirement affecting the ABAC practices shall be communicated to Knusford's employees and key stakeholders, defined in Clause 8.0.

12.0 Appendices

Appendix A - Vendor ABAC Declaration Form

Vendor ABAC Declaration Form


Our company, _____ (Company Name), (which includes its Directors, officers and Employees who intend to conduct business transaction(s) with the Knusford Berhad ("Knusford") and its subsidiaries, here-in-after referred to as the "Knusford Group") hereby to confirm that:

- a. A copy of the ABAC Policy & Guidelines was provided and we have read and understood the policy (A copy of the policy is available on www.knusford.com.my). We agree and undertake to abide by all the terms and condition of the ABAC Policy & Guidelines at all times.
- b. We have not been convicted nor are we subject of any investigation, inquiry or enforcement proceedings by the relevant authorities of any actual or suspected bribery and corruption activities.
- c. If we have reasonable grounds to suspect any actual or suspected breach to the ABAC Policy & Guidelines, we shall report such act to Knusford as soon as reasonably practicable.
- d. In the event that we are in breach of the ABAC Policy & Guidelines, the Knusford Group may immediately terminate the contract / agreement entered without any liability whatsoever on the part of the Knusford Group to us. This is without prejudice to any other rights or remedies that the Knusford Group may have or any other appropriate action which the Knusford Group may seek under the terms of the applicable contract / agreement or the applicable rules and regulations.

Yours sincerely,

Name of Company Director (or Equivalent):
Name of Company:
Company stamp:

Appendix B - Due Diligence Assessment Form

 Knusford Berhad (380100-D)	Knusford Berhad Due Diligence Assessment Form	Ref. No: Knusford-DD-00
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1.0 Company Background Information				
Company Name		Registration Number		
Date of Incorporation		Country / location of Operations		
Principal Business				
Please list the shareholders or owners who have interest in the Company's business				
Name	Shareholders/ Director	% of Shares		Any interest within Knusford Group (Y/N)
		Number	Percentage	

2.0 Financial Performance			
Description	Current year	Previous Year	Remarks
Revenue			
Gross margin			
Profit / (Loss)			

3.0 General checklist			
Description	Yes	No	Remarks (if Yes)
1. Within the last three (3) years, did any of the shareholders, directors or senior management, ever been found involved into any criminal, bribery or corruption cases?			
2. Does the Company allow facilitation payment practice in its business dealings?			
3. Does the Company have any channels in place to allow reporting of any misconduct?			
4. Does the Company rely on agents or intermediaries for its business operation?			
5. Does the Company have a code of conduct or any form of formalised ABAC policy and guidelines?			
6. Does the Company have any policy to govern gift, corporate hospitality and entertainment giving and acceptance?			

Appendix B - Due Diligence Assessment Form (Cont'd)

	Knusford Berhad Due Diligence Assessment Form	Ref. No: Knusford-DD-00
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3.0 General checklist			
Description	Yes	No	Remarks (if Yes)
7. Do any shareholders, directors or Senior Management of the Company have connections with government officer / politician (including immediate family member)?			

Attachments required:

1. Form 49 equivalent or SSM search report
2. Company's code of conduct (if any)
3. Company's ABAC Policy & Guidelines (if any)

Yours sincerely,

 Name of Company Director (or Equivalent) :

Name of Company :

Company stamp :

 For office use:-

Assessed by Sales Person/QS:

Reviewed by:

 Signature

Name:

Date:

 Signature

Name:

Date:

Appendix C - Employee Background Check Authorisation Form

Employee Background Check Authorisation Form

I, _____, understand and agree to give consent to Knusford Berhad to conduct a background check and confirm my personal information and previous employment experience by contacting my references or previous employers to verify the details provided in the application form.

I also understand that this is necessary if I wish to meet all of the criteria for the position of _____ [job title] at Knusford Berhad, and that a successful background check is not a guarantee of employment.

Signature

Date

Appendix D - Employee Background Check Form

	Knusford Berhad Employee Background Check Form	Ref. No: Knusford- HR-00
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References Name:	Contact No.:
Date called:	Time called:

No	Category	Questions	Points	Remarks (if any)
1	A	How long had the employee served the Company		
2		What was the reason for him / she leaving the previous Company		
3	B	Work Attitude		
4		Performance		
5		Punctuality		
6		Relationship with superior		
7		Relationship with peer		
8		Relationship with subordinates		
9		Willing / unwilling to accept responsibility		
10		Relationship with clients		
11		Leadership skills		
12		Job Knowledge / Professional qualification related to position applied		
13	C	Are there any misconduct / disciplinary action taken against the employee (If yes, list each incident and the details)		
14	D	Would you consider to reemploy him		
15		Would you consider others to employ him		
Total points				

Appendix D - Employee Background Check Form

 Knusford Berhad (380100-D)	Knusford Berhad Employee Background Check Form	Ref. No: Knusford- HR-00
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Category	Points	Remarks
A	4	Consistent information provided in Employment Application Form / Interview Session
	0	Inconsistent information provided in Employment Application Form / Interview Session
B	1	Poor
	2	Satisfactory
	3	Good
	4	Excellent
C	4	No misconduct case
	0	If any misconduct case
D	4	Recommended
	0	Not recommended

Total Points	10 - 29	Poor
	30 - 40	Satisfactory
	41 - 50	Good
	51 - 60	Excellent

Background checked by:

 Signature

Name:

Date: