



(244521 A)  
(Incorporated in Malaysia)

# **ANTI-BRIBERY & CORRUPTION POLICY**

## 1.0 INTRODUCTION

- 1.1 Pursuant to sub section (5) of Section 17A under the Malaysian Anti-Corruption Commission Act, 2009 and the Malaysian Anti-Corruption Commission (Amendment) Act 2018, the Anti-Bribery and Corruption Policy ('Policy') of **Avillion (AVI) Group ('the Group')** is prepared based on the Guidelines on Adequate Procedures issued by the National Centre For Governance, Integrity and Anti-Corruption (GIACC).
- 1.2 The Policy sets out the ethical framework to guide actions and behaviours of all Directors and Employees of the Group in the conduct of their business activities. It reflects the increasing need for effective corporate governance compliance measures in the conduct of the Group's businesses locally and overseas. They include discipline, good conduct, professionalism, loyalty and integrity and cohesiveness which are critical success factors for the Group.
- 1.3 This Policy is supplemental to, and shall be read together with **AVI Group's** internal policies and procedures, Whistleblowing Policy and Employee Handbook.

## 2.0 OBJECTIVES

- 2.1 The objective of the Policy is to provide guidance to all Directors and Employees of the Group on standards of behaviour to comply with and ensure compliance of all applicable laws, rules and regulations in the discharge of their duties. It is not intended to be exhaustive and there may be additional obligations that the Directors and Employees are expected to adhere to in the performance of their duties.

## 3.0 SCOPE

- 3.1 The Policy is applicable to all Directors (Executive and Non-Executive) and Employees (including full-time, probationary, contract and temporary staff) including third parties and agencies of the Group. Third parties and agencies include but are not limited to current or prospective customers, business partners, contractors, suppliers, consultants, agents, associates or any other business partners.

## 4.0 DEFINITION OF BRIBERY AND CORRUPTION

- 4.1 Bribery is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage. They include gifts, entertainment, hospitality, rewards and other forms of advantages. Once bribery has occurred, it can lead to other forms of corruption.
- 4.2 Corruption is the abuse of entrusted power for personal gain. Conflict of interest may arise in situations where personal interest has potential interference with :-
- objectivity in performing professional obligations and duties.
  - exercising of judgement in the discharge of duties and responsibilities.

The individual's official position, company's working hours, resources and assets or information accessible to him or her may be misused for personal interest or to the company's disadvantage.

## **5.0 COMMON FORMS OF BRIBERY & CORRUPTION**

### **5.1 Gifts & Hospitality**

5.1.1 The Policy does not prohibit normal and transparent business hospitality if it is appropriate in nature, moderate in value, occasional and bona fide corporate hospitality during ordinary course of business, festive and social events, unless it :-

- a) is made with the intention of exchanging personal favours or benefits
- b) inappropriately influences business decision making of the recipient
- c) creates appearance of impropriety
- d) puts the Group under any present or future obligations

Refer to **Appendix 1** on Gifts & Hospitality Guidelines

### **5.2 Third Parties & Agencies**

5.2.1 All arrangements with third parties and agencies including agents, suppliers, contractors and business partners shall be subject to transparent contractual terms including special provisions requiring them to comply with minimum standards and procedures relating to bribery and corruption. They are required to acknowledge / confirm in writing that they :-

- a) understand and will comply with all laws relating to anti-bribery and corruption.
- b) have not been convicted or subject to any investigations by the relevant authorities for actual or suspected breach of law.
- c) undertake to inform the Group of any breach or infringement of the Policy.
- d) acknowledge that the Group has the right to terminate or suspend their contract and disqualify them from tendering for future contracts if they are found in breach of the Policy.

5.2.2 The above acknowledgement / confirmation shall form part of the terms and conditions of their appointment and / or contract of service.

### **5.3 Facilitation Payments**

5.3.1 Facilitation payments refer to unofficial payments or other advantages made to secure or expedite performance of a routine action by an officer of a public body. Directors or Employees shall not promise or offer facilitation payments to an officer of any public body. Any request for facilitation payment must be reported immediately to the superior or Head of Division or Management for further advice.

### **5.4 Donations & Sponsorships**

5.4.1 Donations and sponsorships (in cash, gifts or hospitality) may be given for legitimate or valid causes to support local community or welfare development and reciprocal business arrangements. However it must be ensured that donations and sponsorships are not used as a scheme to conceal bribery or corruption practices.

5.4.2 The Head of Department / Company must perform and / or ensure the following :-

- a) Request for donation and sponsorship is to be supported by an official request in writing by the intended recipient.
- b) Background and reputation of the intended recipient is to be reviewed in writing before approval by immediate superior or Management.
- c) Upon receipt of donation / sponsorship by the recipient, receipt of acknowledgement is to be obtained from the recipient.

## **5.5 Political Contributions**

5.5.1 Subject to prevailing laws governing political contributions, the Group may contribute to political parties or candidates, subject to Management approval and maintenance of records on contributions made.

## **6.0 RECORD MANAGEMENT & CONTROL**

6.1 Appropriate and complete invoices, documents and records on all transactions with third parties including customers, suppliers, contractors and business contacts are to be maintained to ensure they are bona fide and conform to generally accepted and applicable laws and regulations.

## **7.0 AWARENESS & COMPLIANCE WITH LAWS & REGULATIONS**

7.1 Human Resource Department shall coordinate and disseminate relevant communications, internal and external training to refresh staff awareness on anti-bribery and corruption system.

7.2 The Group shall comply with applicable laws, rules and regulations of the governments, commissions and exchanges in jurisdictions and countries where it operates. Appropriate and reasonable measures shall be taken to ensure the Group complies with the Anti-Bribery and Corruption Policy (including any amendment thereof).

## **8.0 ADMINISTRATION**

### **8.1 Reporting of Violation of Policy**

8.1.1 Any Employee who encounters actual or suspected violation of the Policy is encouraged to :-

- a) obtain independent advice, if he or she is not certain of an appropriate legal or ethical course of action.
- b) whistle blow or report any concerns through appropriate channels under the Group's Whistle Blowing Policy and Procedures.

8.1.2 No individual shall be discriminated against or subject to any form of reprisal for :-

- a) refusing to pay or receive bribes or participate in any unethical activities.
- b) raising or reporting any genuine suspicions, concerns or queries in good faith on actual or suspected violation of the Policy.

8.1.3 If an investigation concludes that an improper conduct had been committed, the matter shall be handled in accordance with the Group's disciplinary procedures and applicable laws and regulations of the domicile company or subsidiary. Improper conduct includes illegal act, malpractice, unethical conduct and other forms of wrongful conduct, which if proven, constitutes a disciplinary or criminal offence.

### **8.2 Staff Declarations**

8.2.1 All Employees are required to sign a Declaration Form on Anti-Bribery and Corruption Policy that they have read, understood and will abide by the Policy before returning the Form to Human Resource Department for safekeeping.

## **9.0 MONITORING & REVIEW OF POLICY**

- 9.1 All employees are responsible for the successful implementation of this Policy.
- 9.2 The risk management and internal control system will be subject to regular audits to ensure it is operating satisfactorily and in compliance with the Policy.
- 9.3 The Group recognises that managing an anti-bribery and corruption programme is a continuous process which requires systematic review and monitoring to ensure its objectives are met. The Group and the Board shall jointly review and monitor compliance of the Policy regularly or when there are changes in legislation or business environment which may impact the Group's businesses locally or overseas. Primary objective is to ensure the Policy remains relevant and appropriate for the Group based on the nature and size of its business activities.
- 9.4 All directors and employees will be notified in writing of any material revisions to this Policy.

**APPENDIX 1**

**GIFTS & HOSPITALITY GUIDELINES**

| No |  | Hotel  | Property | Travel |
|----|--|--|----------|--------|
| a  | <b>Acceptable gifts &amp; hospitality include (but not limited to)</b> | i) Travel / lodging<br>ii) Appropriate & reasonable meals / entertainment<br>iii) Tickets to events, where <b>AVI Group's</b> employees & 3 <sup>rd</sup> party representative providing ticket <u>do not</u> attend event together.<br>iv) Favourable terms / discounts on products / services for recipient which are available for all <b>AVI Group's</b> employees.<br>v) Merchandise (eg. gift hampers / collectibles / etc).<br><br>Above gifts & hospitality are to be for business or work related matters provided they :- <ul style="list-style-type: none"> <li>• are occasional &amp; not solicited</li> <li>• are given at appropriate business venues</li> <li>• are not given as bribes / pay off / kickbacks</li> <li>• do not create perception (or implied obligation) that the providers are entitled to preferential treatments.</li> </ul>  |          |        |
| b  | <b>Gifts &amp; hospitality from / to 3<sup>rd</sup> parties</b>        | <ul style="list-style-type: none"> <li>• Nominal gifts &amp; hospitality with market value not exceeding RM 500 per gift for employee's department / company can be accepted</li> <li>• For gifts &amp; hospitality received / offered exceeding value of RM 500 per gift, Declaration Form (<b>Appendix 2</b>) is to be raised by recipient within 3 days from receipt date for acknowledgement by Head of Department / Company, where applicable. 1 copy of the Form is to be forwarded to Head of Human Resource by 3<sup>rd</sup> of following month.</li> <li>• Employees are prohibited from soliciting gifts &amp; hospitality from 3<sup>rd</sup> parties.</li> <li>• Gifts &amp; hospitality from / to customers / business associates / partners / government bodies must comply with relevant laws / policies applicable to recipients.</li> <li>• When dealing with overseas business associates / partners / government bodies, the Head of Division / Company, where applicable may be exempted from above value threshold &amp; has to exercise judgement &amp; discretion in accordance with commonly accepted business practices &amp; customs</li> </ul> |          |        |



**APPENDIX 3**

**ANTI-BRIBERY & CORRUPTION DECLARATION LETTER BY EMPLOYEE**  
**For Avillion (AVI) Group**

I, \_\_\_\_\_, hereby declare that I have read and understood **AVI Group's** Anti-Bribery and Corruption Policy ('Policy') and the duties and responsibilities required of me in relation to the said Policy.

I will abide by the requirements and provisions set out in the said Policy which shall be read together and form part of my employment contract with **AVI Group**.

I confirm that in the course of my employment with **AVI Group**, I will :-

- a) take a zero-tolerance approach to bribery and corruption practices and observe ethical standards in my company / employment business activities and agree that neither it / I nor any associated person will offer, promise or accept any payments or gifts (as outlined in the Policy) to or from any person (directly or indirectly) for personal interest or for the purpose of influencing a business decision;
- b) not engage in any activity, practice, or conduct which shall constitute an offence under the Act or equivalent laws;
- c) comply with all applicable laws, regulations, and sanctions relating to Anti-Bribery and Corruption including but not limited to the Malaysian Anti-Corruption Commission Act 2009 ('Act') or any equivalent laws which my company / I am subject to; and
- d) comply with relevant policies and procedures designed to promote and achieve compliance with applicable Anti-Bribery and Corruption laws. I understand that if I am a party to any breach of the said Policy during the term of my employment, then it can be regarded as a major misconduct which may result in disciplinary action, up to and including dismissal against me.

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**Name** :  
**NRIC No.** :  
**Company** :  
**Designation** :  
**Date** :



**APPENDIX 4**

**ANTI-BRIBERY & CORRUPTION DECLARATION LETTER BY VENDOR**  
**For Avillion (AVI) Group**

I, \_\_\_\_\_, NRIC / Passport No. \_\_\_\_\_, being the Company Director / authorised representative of \_\_\_\_\_ (Company / Business Name) bearing Registration No. \_\_\_\_\_ (MOR / PKK / CIDB / ROS / ROC / ROB / Others), (hereinafter the '**Vendor**') hereby :-

**1. DECLARE THAT :**

- a) The Vendor and its directors, officers and employees are in compliance with all applicable laws, statutes, regulations and codes relating to Anti-Bribery and Corruption Policy (the '**Relevant Laws**');
- b) Neither the Vendor nor any of its directors, officers or employees who may be involved in the Business Transaction(s) has been convicted of any offence involving bribery or corruption or fraud; nor, to the best of the Vendor's knowledge, is any such person the subject of any investigation, inquiry or enforcement proceedings by any governmental, administrative or regulatory body regarding any offence or alleged offence under the Relevant Laws; and
- c) The Vendor did not, either directly or indirectly, promise, offer or give any bribe or an improper advantage (whether financial or otherwise) to any person in **AVI Group** (including its subsidiaries and related companies) or any other person representing **AVI Group** as an inducement, incentive, reward, gift or bonus for being selected for the Business Transaction(s).
- d) I / the Company / any director / shareholder / employee of the company / immediate family member do not personally, have interest or relationship or any connection with any person(s) who is / are involved in the Business Transaction(s) which may actually or potentially result in a conflict of interest.

**2. UNDERTAKE THAT :-**

- a) The Vendor will not, either directly or indirectly, promise, offer or give any bribe or an improper advantage (whether financial or otherwise) to any person in **AVI Group** or any other person representing **AVI Group** as an inducement, incentive, reward, gift or bonus to be selected and / or for any other purpose connected to the Business Transaction(s);

**APPENDIX 4**

**ANTI-BRIBERY & CORRUPTION DECLARATION LETTER BY VENDOR  
For Avillion (AVI) Group (Cont'd)**

- b) The Vendor will not, either directly or indirectly, promise, offer or give any bribe or an improper advantage (whether financial or otherwise) to any government official or private individual so as to obtain or retain a business advantage on behalf of **AVI Group** during the carrying out of the Business Transaction(s);
- c) The Vendor will comply with the relevant provisions of **AVI Group's Anti-Bribery and Corruption Policy (ACP)** which is made available online at [www.avillionberhad.com](http://www.avillionberhad.com); and
- d) If contraventions or investigations of the type described in sections 1(b), 2(a) and 2(b) above have occurred, the Vendor will forthwith supply full details of them to **AVI Group**.

**3. AGREE THAT :-**

- a) In the event that the Vendor, its directors, officers or employees is in breach of any of the above sections, the following actions may be taken by **AVI Group** :-
  - i). Immediate revocation of the contract award for the Business Transaction(s) without any liability whatsoever on the part of **AVI Group** to the Vendor and / or its directors, officers or employees; and / or
  - ii). Immediate termination of the contract for the Business Transaction(s) without any liability whatsoever on the part of **AVI Group** to the Vendor and / or its directors, officers or employees,

without prejudice to any other rights or remedies **AVI Group** may have or any other appropriate action which **AVI Group** may seek as it deems appropriate, under the terms of the applicable contract / tender or applicable laws and regulations.

Should any person attempt to solicit any bribe or advantage (whether financial or otherwise) from the Vendor or any other individual connected to the Vendor either as an inducement or incentive to be selected or as a reward, gift or bonus for being selected in the Business Transaction(s), or where the Vendor has reasonable grounds to suspect any breach of the obligations in this letter or the relevant provisions of the **ACP**, the Vendor will report such act immediately in accordance with the **AVI Group's Whistleblowing Policy** available online at [www.avillionberhad.com](http://www.avillionberhad.com).

**APPENDIX 4**

**ANTI-BRIBERY & CORRUPTION DECLARATION LETTER BY VENDOR**  
**For Avillion (AVI) Group (Cont'd)**

For and on behalf of the Vendor,

Yours sincerely,

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Name :

NRIC / Passport No :

Position :

Name of Company :

Company Stamp :

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Received and Acknowledged by :

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Name :

NRIC / Passport No :

Position :

Name of Company :

**Note :-**

- 1) 'Business Transaction(s)' is (are) defined as Contracts, Purchase Orders, Tenders and Quotations.
- 2) 'Immediate family member' shall include spouse, parents, parents-in-law, brothers, sisters, brothers / sisters-in-law, any natural, adopted or stepchildren