

**ANTI-BRIBERY AND  
ANTI-CORRUPTION PROCEDURES**

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### **Policy Statement**

I-Berhad is committed to conducting business dealings with integrity. This means avoiding practices of bribery and corruption of all forms in the I-Berhad Group's daily operations. I-Berhad adopts a zero tolerance policy against all forms of bribery and corruption. I-Berhad's Code of Conduct sets out I-Berhad's core principles on this matter.

The Board of Directors of I-Berhad ("Board") had on 27 February 2020 approved the Anti-Bribery and Anti-Corruption Policy ("ABAC Policy") which sets out the policy statements and other relevant parameters approved by the Board against bribery and corrupt practices by the directors ("Directors") and employees ("Employees") of I-Berhad and its subsidiary companies ("Group"), as well as persons performing services for or on behalf of the Group ("Service Providers").

### **Objectives of the Procedures**

This document, namely I-Berhad's Anti-Bribery and Anti-Corruption Procedures (hereinafter referred to as "the Procedures") will elaborate on these procedures, by providing guidance to Directors, Employees and Service Providers on how to recognize, avoid and/or deal with any common forms of bribery and corrupt activities and issues that may arise in the course of doing business, including dealings via Service Providers.

These Procedures are not meant to prescribe an exhaustive list of procedures but to supplement the existing operating procedures and manuals adopted by the respective business and operating units of the Group.

These Procedures shall be read together with the ABAC Policy, the Employee Handbook/Code of Conduct and the Company's Policy on Whistleblowing.

### **Applicability of the Procedures**

These Procedures apply to all Directors and Employees of the Group. Service Providers (including consultants, advisors, contractors, sub-contractors and agents) are also required to comply with the relevant provisions under these Procedures when performing services for and on behalf of the Group.

## **Procedures for Common Forms of Bribery and Corruption**

### **1.0 Gift, Entertainment and Hospitality Procedures**

- 1.1 I-Berhad prohibits the giving and receiving of gifts (in cash or in kind) that create an obligation to condone or may be used by others to allege favouritism, cronyism, discrimination, collusion or similar unacceptable practices.
- 1.2 However, I-Berhad also recognises that reasonable, proportionate and legitimate gifts, entertainment and hospitality are often courtesies that contribute to good business relationship.
- 1.3 Directors and Employees should not solicit for nor accept any gifts for his/her personal use/benefit from any third party that has or intends to have direct or indirect business interest with the Group (“Interested Third Party”), to avoid any conflict of interest situation. As gifts from Interested Third Party may be seen as a bribe, the solicitation or acceptance of such gifts may undermine the integrity which is expected from the Directors and Employees in performing their duties.
- 1.4 Therefore, before accepting any gifts, entertainment and hospitality extended by the Interested Third Party, Employees must disclose and refer the matter to the head of department or failing which the Group CEO to obtain direction and approval, as the case may be. For Directors, the receipt of such gifts, entertainment and hospitality should be disclosed to the Company Secretary and reported to the Board on a quarterly basis.
- 1.5 The above procedures do not apply to hospitality, entertainment and gifts are received in conjunction with any generally recognized cultural festivities or official corporate events organized by the Group’s business associates.
- 1.6 Where the hospitality, entertainment or gifts received from Interested Third Party do not fall under paragraph 1.7 above, such hospitality, entertainment or gift should immediately be declined or returned, as the case may be.

- 1.7 Entertainment events may include golf games, movies, karaoke, concerts, etc which are paid for by a third party. Corporate hospitality includes luncheons, dinners, conference, training, open houses, trips, hospitality accommodation etc. The attendance by any Directors, Employees of any form of entertainment events and/or corporate hospitality organised and/or paid for by a third party with the intention to foster a better working relationship and rapport with that third party is not prohibited. However, in the event that there is a pending business contract which the Interested Third Party is pursuing from the Group, to avoid any conflict of interest situation, the attendance of such entertainment events and/or corporate hospitality should be avoided.
- 1.8 Where it is difficult or inappropriate to decline the offer of a gift, hospitality or entertainment (i.e. when meeting with an individual of a certain religion/culture who may take offence), it may be accepted but it must be declared and/or surrendered to the employee's head of department of the Group CEO, who will assess the relevant circumstances and take the necessary steps, including returning the gift on the employee's behalf, where appropriate or required to do so, including to donate for charity, openly share with other employees, designate as a display item, or permit to be retained by the Director/Employee (if the perceived value is not significant or with an appropriate sum payable to the Company).
- 1.9 The respective heads of department/Company Secretary shall maintain a register of gifts (other than festive gifts) received ("Register of Gifts") which shall include notations on how the gifts were eventually dealt with.
- 1.10 The giving or offering of gifts, entertainment and hospitality to government/public officials and business associates shall first be approved by the designated approving authority under the Group's Discretionary Limits of Authority as approved by the Board.
- 1.11 The giving of the following hospitality, gifts and entertainment to any third party is an exception to the above general rule and are generally not prohibited:
  - (i) corporate souvenirs such as diaries, calendars, festive packets bearing the Group's business trademarks or logos;
  - (ii) festive gifts (such as festive hampers, fruits, flowers),
  - (iii) hospitality and corporate events which are extended to a group of people and not to any specific person (with the intention to gain any benefit for the Group); and
  - (iii) gifts and hospitality and entertainment events to customers of the Group.

1.12 A register of gifts given out (“Register of Gifts”) other than festive gifts shall be maintained by the respective heads of department and submitted to the Risk Management Team (“RMT”) on a quarterly basis within 30 days after each financial quarter. A summary of all gifts registered in the Register of Gifts given out by the Group shall be provided to the Risk Management Committee (“RMC”) and the Board for noting on a quarterly basis.

## **2.0 Sponsorship, Donation and Charitable Contribution Procedures**

2.1 I-Berhad supports charitable activities, however sponsorships, charitable donations and corporate social responsibilities shall not be disguised as bribery payment, be means to improperly influence business decisions, or conduit to fund illegal activities.

2.2 Before making any sponsorship, donation or charitable contribution must first be assessed and evaluated for legitimacy and not be made to improperly influence a business outcome. and approved by the authorised personnel, immediate supervisor and/or head of department.

2.3 All requests for donations, sponsorships and charitable contribution shall be submitted to the RMT together with the relevant supporting documents and information and declaration that such requests have not been made to improperly influence a business outcome for the benefit of the Group. Approval from the appropriate designated approving authority should be obtained in accordance with the authority limits as prescribed under the Group’s Discretionary Limits of Authority as approved by the Board. A summary of all donations and sponsorships by the Group shall be provided to the RMC and the Board for noting on a quarterly basis.

2.4 Any request for sponsorship, donation or charitable contribution must be pre-approved to ensure that all information provided is in good faith, truthful and accurate.

2.5 Sponsorship, donation or charitable contribution should never be paid in exchange for any business outcome, whether it is to obtain a business, or to obtain some form of advantage of the business.

- 2.6 In approving any sponsorship, donation or charitable contribution, good judgment and due care must be exercised to make sure that the payment is legitimate, and it will provide assurance that the funds contributed will be used for the intended purposes and will not improperly benefit any government/public official or be used for other non-legitimate purposes.
- 2.7 All sponsorship, donation or charitable contribution must be done in a transparent manner.
- 2.8 All expenses incurred under such activities, shall be documented in accounting books and records.

### **3.0 Unofficial Facilitation Payment Procedures**

- 3.1 I-Berhad also prohibits “facilitation payments”, which are small and unofficial, to an individual to induce and incentivise the individual to expedite or secure a routine function that an individual is ordinarily obligated to perform.
- 3.2 The Employees and Service Providers are prohibited from making facilitation payments on the I-Berhad’s behalf.
- 3.3 In any circumstances, if facilitation payment is offered or demanded to or from you, you must report it immediately or at the earliest opportunity to the immediate supervisor and/or head of department regardless of the amount and whether the payment is made or otherwise.
- 3.4 In addition, if a payment has been made and you are unsure of the nature, your immediate supervisor and/or head of department must be immediately notified and consulted.

### **4.0 Dealing with Government or Public Officials Procedures**

- 4.1 I-Berhad is operating in an industry where dealing with government/public officials and politically exposed person (“PEPs”) are inexorable and a high degree of risk exists when we interact with government/public officials and PEPs who may be in a position (actual or perceived) to make or influence decisions that affect our business. PEPs are as defined below:

- (a) foreign PEPs – individuals who are or who have been entrusted with prominent public functions by a foreign country. For example, Heads of State or Government, senior politicians, senior government, judicial or military officials, senior executives of state-owned corporations and important political party officials;
  - (b) domestic PEPs – individuals who are or have been entrusted domestically with prominent public functions. For example, Heads of State or Government, senior politicians, senior government (includes federal, state and local government), judicial or military officials, senior executives of state-owned corporations and important political party officials; or
  - (c) persons who are or have been entrusted with a prominent function by an international organisation which refers to members of senior management. For example, directors, deputy directors and members of the Board or equivalent functions.
- 4.2 In dealing with government or public officials, you shall not seek to inappropriately influence them to obtain a commercial advantage or business favour.
- 4.3 You must not directly or indirectly exert, or attempt to exert, any improper or illegal influence on public officials.
- 4.4 If anything is required by any government, government agencies, regulatory bodies, statutory bodies (whether local or foreign), you must always consult immediate supervisor and/or head of department before responding to such requests and supported by official receipts for such payments.
- 4.5 Any improper or secret payments or transfer of items of any value (including facilitation payments) to public officials is strictly prohibited. If you have any doubts on whether such payments constitute an improper, secret and/or facilitation payments, you must always consult immediate supervisor and/or head of department.

## **5.0 Dealing with Service Providers Procedures**

- 5.1 All the Service Providers that I-Berhad Group contracts with or hires to carry out any external functions on behalf of the Group, which includes without limitation to agents, consultants, contractors, subcontractors, resellers, customs brokers, business contacts, professional advisors, joint venture partners and any other parties supplying goods and services must comply with the Company's Policy and Procedures on Anti-Bribery and Anti-Corruption.
- 5.2 Appropriate background check shall be conducted before appointing the Service Providers, to understand the background of the prospective Service Providers and whether the Service Providers run their business with integrity.
- 5.3 All Service Providers must be made aware of the Company's Policy and Procedures Anti-bribery and Anti-Corruption. Where commercially possible, Service Providers will be required to confirm in writing that they are aware of and will comply with the Company's Policy and Procedures on Anti-Bribery and Anti-Corruption and to include such provision in their respective letters of engagement.
- 5.4 Furthermore, the remuneration payable to the Service Providers must be clear, reasonable for the services rendered and not provided with incentives to act improperly.
- 5.5 Continuous monitoring shall be performed regularly or periodically to monitor the performance and business practices of the Service Providers to ensure ongoing compliance.
- 5.6 Employees shall notify the respective head of department should there be any questions arising from the background check or assessment conducted prior to the engagement of the Service Providers or during the on-going monitoring, evaluation or assessment of the appointed Service Providers.
- 5.7 Where reimbursements are paid to any Service Provider, you are to ensure that such payments made are for proper reimbursements and not for reimbursements that can be tied to giving any form of gratification for improper purposes.



5.8 Any improper or secret payments or transfers of items of value through intermediaries, or a third party, with the knowledge that all or part of the payment will contribute directly or indirectly as an improper, secret or facilitation payments to a public official is also strictly prohibited.

5.9 Any Service Provider which has been found to be in breach of the Company's Policy and Procedures on Anti-Bribery and Anti-Corruption shall be terminated and barred from dealing with the Group (or "blacklisted").

## **6.0 Kickbacks Procedures**

6.1 Kickbacks are bribes (usually negotiated before and paid after the contract is awarded) paid to procure or secure the award of a contract by the Group, by kicking part of the contract sum back to the party awarding or person responsible for making the decision to award the contract, either directly or through an intermediary. The giving or receipt of Kickbacks is strictly prohibited.

## **7.0 Red Flags**

The following situations are commonly regarded as "red flags" which indicates possible acts of bribery or corruption:-

- (a) A third party being reported to be engaging in, or has been accused of engaging in improper business practices, improper conduct or has a reputation for paying bribes or requiring bribes;
- (b) A third party demands gifts, benefits, commission or fees before committing or agreeing to sign a contract;
- (c) A third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- (d) A third party refuses to provide or provide insufficient, false, or inconsistent information in response to due diligence questions;

- (e) A third party requests the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us, or a shell entity serves as an intermediary especially when domiciled in secrecy haven;
- (f) There are signs that the third party is not acting on his own behalf, but is trying to conceal the true beneficial owner's identity;
- (g) A third party has a reputation of having a "special relationship" with the government, political party or other public official or has been specifically requested by a public official;
- (h) A third party refuses to sign a commission or fee agreement or insists on the use of a side-letter relating to the payment of funds;
- (i) A third party requests an unusually large or disproportionate commission, retainer, bonus or other fee or an unexpected additional fee or commission to "facilitate" a service;
- (j) A third party requests payment in cash or cash equivalent such a money order and refuses to provide an invoice or receipt;
- (k) A third party refuses to provide an invoice or receipt for a payment, or you receive an invoice or receipt that appears to be non-standard or customized;
- (l) A third party requests that a transaction is structured to evade normal record-keeping or reporting requirements;
- (m) A third party refuses to abide by the ABAC Policy or this ABAC-SOP or does not demonstrate that it has adequate internal anti-bribery and anti-corruption policies and procedures in place;
- (n) A third party offering an unusually generous gift or lavish benefits or entertainment.

## **8.0 Compliance with Laws and Regulations**

These Procedures shall at all times comply with and be subject to the laws and regulations of Malaysia, including but not limited to the MACC Act 2009. In the unlikely event of any conflict or inconsistency between these Procedures and the laws and regulations of Malaysia, the latter shall prevail. The staffs are required to report any suspicions on breaches of the Procedures. I-Berhad shall make a report to the relevant enforcement authority upon actual conviction by a Director or Employee i.e. breach of regulation or statutory law following the internal investigation and final decision made by the Company.

## **9. Disciplinary Actions**

I-Berhad regards bribery and corruption as a serious matter. Directors and Employees who fail to comply with these Procedures will be subject to (i) disciplinary actions by the Company, including termination and (ii) the legal consequences in accordance with applicable law. Further legal action may also be taken in the event that I-Berhad's interests have been harmed as a result of the non-compliance.

## **10. Record Keeping**

Proper and complete records of business activities of the Group (including payments for gifts, entertainment, donations and charitable contributions) should be kept and maintained for a minimum period of seven (7) years, subject to the prevailing laws and regulations on record keeping in order to facilitate any audit and compliance reviews.

## **11. Whistleblowing Framework**

A robust framework for whistleblowing and reporting any form of improper conduct, wrongdoings, bribery, corruption, fraud and/or abuse by any Directors or Employees as well as any Service Providers shall be put in place to allow such acts to be reported via the appropriate channels, whilst protecting the identity of the person reporting, in order to deter, prevent and uncover such acts.

Directors and Employees are required to report any suspicions on breaches of the Policy and Procedures on Anti-Bribery and Anti-Corruption to their respective superiors or in accordance with the Group's Whistleblowing Policy.

## **12. Communication and Training**

The Group shall conduct adequate awareness programs, trainings and refresher courses for all relevant personnel on a regular basis to ensure they continue to have a clear understanding and awareness of the compliance risks and will continuously carry out their duties with a high level of integrity and ethical standards.

## **13. Compliance Officer**

A Compliance Officer shall be appointed by the Group CEO be in charge of the Group's anti-bribery and anti-corruption compliance activities. The duties and responsibilities of the Group Compliance Officer include:-

- (a) overseeing the implementation of the anti-bribery and anti-corruption compliance by the Group;
- (b) providing advice and guidance to the Group on the anti-bribery and anti-corruption related matters;
- (c) ensuring that the anti-bribery and anti-corruption compliance by the Group conforms to the regulatory requirements.
- (d) continually looking to improve and update the anti-bribery and anti-corruption procedures to be in line with the changes in the industry and business structure;
- (e) reviewing and reporting on the performance of the anti-bribery and anti-corruption compliance to the regulatory body (if required), the management and Board of the Company; and
- (f) carrying out investigation of any acts of bribery and corruption or violation of the Policy and Procedures on Anti-Bribery and Anti-Corruption, if appointed by the Group CEO/Audit Committee.

## **14. Revisions**

I-Berhad is committed to continually improving its policies and procedures relating to anti-bribery and anti-corruption. These Procedures will be updated, amended or revised from time to time to ensure their adequacy in implementation and enforcements.

**15. Effective Date**

These Procedures is approved by the Group CEO and made effective as of 24 November 2021.