

# ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

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# ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

## 1. UBF Maintenance Sdn Bhd's Commitment

UBF Maintenance Sdn Bhd ("UBF") is committed to conducting business dealings with integrity. This means avoiding practices of bribery and corruption of all forms in the company's daily operations. UBF has adopted a zero-tolerance approach against all forms of bribery and corruption and takes a strong stance against such acts. The Anti-Bribery and Anti-Corruption Policy ("this Policy") leverages the core principles set out in the UBF's Code of Conduct and Business Ethics for its employees ("COBE") and UBF'S Code of Business Conduct for its Business Associates/Vendor ("the Vendor COBC"). The scenarios provided within this Policy do not limit the boundaries of the Policy which may be extended to cover all circumstances relating to bribery. Compliance to the Policy is mandatory and will be monitored with a principle-based approach.

## 2. Background

UBF highlighted Integrity as the first core values in the COBE & the Vendor COBC. Each Employee shall uphold high levels of personal and professional values in all business interactions and decisions. The nature of UBF business requires its employees to engage in business with a wide range of parties, both internal as well as external. This Policy establishes the boundaries on interactions with all parties. This Policy also provides guidance on how to act when subjected to potential acts of bribery and matters of corruption. This Policy shall be read hand in hand with the COBE & the Vendor COBC, the Malaysian Anti-Corruption Commission Act 2009 (Act 694) ("MACC Act 2009") as stated in the Malaysian Anti-Corruption Commission (Amendment) Act 2018 ("MACCA").

## 3. Objective

This Policy sets out UBF's position on bribery in all its forms and matters of corruption that might confront in its day-to-day operations.

All directors, employees and business associates of UBF must fully comply with applicable laws and regulations, including the MACCA. In no event shall UBF's directors, employees, and business associates take any steps to alter UBF's operating policies or procedures or to structure transactions in a manner designed to evade, avoid or circumvent the MACCA.

Any violation of the MACCA will subject its directors, employees and business associates to civil and criminal penalties.

## 4. Scope

This policy applies to all Directors, Employees and business associates of UBF. This includes Employees on secondment to Joint Ventures, affiliates or Associates. Counterparties (with whom appropriate contractual arrangements and procurement principles are warranted and have been established) are also expected to comply with

this policy when representing UBF. Business Partners are highly encouraged to adopt similar principles and standards.

## 5. Definitions

The following definitions are included in this policy.

### i) Bribery

Bribery is defined as any action which would be considered as an offence of giving or receiving 'gratification' under MACCA. In practice, this means offering, giving, receiving or soliciting something of value in an attempt to illicitly influence the decisions or actions of a person a position of trust within an organisation. It also includes any inducement or reward offered promised or provided in order to gain commercial, contractual, regulatory or business or personal advantage.

'Gratification' is defined in the MACCA to mean the following:

(a) money, donation, gift, loan, fee, reward, valuable security, property or interest in property being property of any description whether movable or immovable, financial benefit, or any other similar advantage;

(b) any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;

(c) any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;

(d) any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;

(e) any forbearance to demand any money or money's worth or valuable thing;

(f) any other service or favour of any description, including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted, and including the exercise or the forbearance from the exercise of any right or any official power or duty; and

(g) any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding paragraphs (a) to (f).

Bribery may be 'outbound', where someone acting on behalf of UBF attempts to influence the actions of someone external, such as a Government official or client decision-maker. It may also be 'inbound', where an external party is attempting to influence someone within UBF such as a decision-maker or someone with access to confidential information. Bribery and corruption are closely related. However, corruption has a wider definition as mentioned below.

### ii) Corruption

The Transparency International definition of corruption is 'the abuse of entrusted power for personal gain.' For the purpose of this policy, corruption, is defined

primarily as any action which would be considered as an offence of giving or receiving 'gratification' under the Malaysian Anti-Corruption Commission Act 2009 (MACCA) ('Bribery' as defined above). In addition, corruption may also include acts of extortion, collusion, breach of trust, abuse of power, trading under influence, embezzlement, fraud or money laundering.

- iii) **Business Associate**  
An external party with whom the organisation has, or plans to establish, some form of business relationship. This primarily include Counterparties and Business Partners (as defined in the Vendor COBC), i.e. clients, customers, joint ventures, joint venture partners, consortium partners, outsourcing providers, contractors, consultants, subcontractors, suppliers, vendors, advisers, agents, distributors, representatives, intermediaries and investors.
- iv) **Conflict of interest**  
When a person's own interests either influence, have the potential to influence, or are perceived to influence their decision making.
- v) **Donations**  
Includes donations and sponsorships to:
  - (i) registered charitable organisations and
  - (ii) customer's and supplier's events and activities.
- vi) **Directors**  
Directors include all independent and non-independent directors, executive and non-executive directors and shall also include alternate or substitute directors.
- vii) **Exposed Position**  
A staff position identified as vulnerable to bribery through a risk assessment. Such positions may include but is not limited to any role involving procurement or contract management; financial approvals; human resource; relations with government officials or government departments; sales; positions where negotiation with an external party is required; or other positions which the company has identified as vulnerable to bribery.
- viii) **Facilitation payment**  
Illegal payments intended as compensation for favourable treatment, unfair advantage or other improper services or other provision made personally to an individual in control of a process or decision. It is given to secure or expedite a routine or administrative duty or function.
- ix) **Gifts**  
Gifts refer to valuable property or service of any value (even if nominal), for which the recipient does not pay the fair value. Gifts are divided as follows:
  - (a) Courtesy Gifts are customary gifts to strengthen business relationships. Examples of Courtesy Gifts include, but are not limited to gift baskets, boxes of chocolate, wine, collectibles and flowers.
  - (b) Corporate gifts normally bear the company name and logo and are of nominal value. Examples of corporate gifts include items such as diaries, table calendars, pens, notepads, and plaques.

(c) Festive Gifts include traditional treats or gifts customary to the occasion. Examples include festive hampers, oranges and dates.

(d) Congratulatory and Compassionate gifts are customary gifts to third parties which include, but are not limited to the following:

(i) Congratulatory gifts include gifts to mark the opening of a business, graduation, weddings.

(ii) Compassionate gifts include tokens of bereavement in the event of death, gifts given following an illness / accident.

All Gifts offered and received are subject to the Gift and Hospitality Guiding Principles as elaborated in Item 8(c) of this Policy.

x) Employees

Employees shall encompass all personnel including Top management, senior management, managers, executives and non-executives under the employment of UBF. This also covers temporary staff and interns.

xi) Government Officials

Government Officials are defined broadly to include officers or employees acting on behalf of a government or public body or agency. It could also refer to officers or employees of a government international organisation, such as the United Nations. It also includes:

(i) Employees, representatives or advisors of a political party;

(ii) Candidates of political office; and

(iii) Family members (including parents, sibling, spouse, child) of all the above

xix) Hospitality

Hospitality is the collective term referring to any form of accommodation, drink, meal, entertainment, cultural or sporting event, theatre event, recreation and travel or transportation. Entertainment and travel are defined further as follows:

(a) Entertainment refers to an activity or meal intended to maintain the Group's business relationship where a Group employee is in attendance, including conference or event passes, or tickets / passes to concert or sporting events.

(b) Travel refers to domestic or international trips provided to/received from any third party, where the travel serves a legitimate business purpose above and beyond developing relationships. Costs associated with travel include airfare, hotel accommodations, and ground transportation during a trip.

All Hospitality offered and received are subject to the Gift and Hospitality Guiding Principles.

## 6. Anti-bribery and anti-corruption policy

a) All forms of bribery and corruption are prohibited. UBF upholds a zero tolerance approach. In addition to bribery, Employees must not participate in any corrupt activity, such as extortion, collusion, breach of trust, abuse of power, trading under influence, embezzlement, fraud or money laundering.

b) Bribery may take the form exchange of money, goods, services, property, privilege, employment position or preferential treatment. Employees shall not therefore, whether directly or indirectly, offer, give, receive or solicit any item of value, in the attempt to illicitly influence the decisions or actions of a person in a position of trust within an organisation, either for the intended benefit UBF or the persons involved in the transaction.

c) This Policy applies equally to its business dealings with commercial ('private sector') and government ('public sector') entities, and includes interactions with their directors, Employees, agents and other appointed representatives at all levels. Even the perception of bribery is to be avoided.

d) This Policy applies to all countries worldwide, without exception and without regard to regional customs, local practices or competitive conditions.

e) No Employee will suffer demotion, penalty or other adverse consequences for refusing to pay or receive bribes or other illicit behaviour, even if such refusal may result in the company losing business or experiencing a delay in business operations.

f) UBF recognises the value of integrity in its Employees and Directors. The recruitment, training, performance evaluation, remuneration, recognition and promotion for all Employees, shall be designed to recognise integrity. UBF conducts due diligence on employees who holds or may be holding, Exposed Positions.

g) UBF does not offer employment to prospective Employees in return for previous favour/in exchange of improper favour.

h) UBF awards contracts and employee positions purely based on merits. Support letters in all forms shall not be recognised as part of the business decision making process.

## **7. Recognition of Local and International Legislation**

a) UBF is committed to conducting its business ethically and in compliance with all applicable laws and regulations, including but not limited to MACCA, Malaysian Penal Code (revised 1977) (and its amendments), the Companies Act 2016 (Malaysia), the US Foreign Corrupt Practices Act 1977 (amended 1998), and the UK Bribery Act 2010. These laws prohibit bribery and corruption. Organisations are mandated to establish and maintain accurate books and records as well as adequate measures to prevent corrupt practices.

b) In cases of conflict between mandatory law and the principles contained in this Policy the law shall prevail.

## **8. Gifts, Hospitality and Donations**

a) UBF recognises and accepts that the occasional offer / acceptance of an appropriate Gift or Hospitality can make a valuable contribution to the development and maintenance of good business relationships. However, UBF prohibits the use of improper gifts and hospitality to influence business decisions.

b) Directors, Employees and Counterparties (when acting on behalf of UBF) must acknowledge that the practice of business gifts, entertainment and travel varies between countries and regions, and what may be normal and acceptable in one region may not be in another. The intention behind the gifts, entertainment or travel should always be considered, so that it does not create an appearance of bad faith and impropriety, and should not be misunderstood by others to be a bribe.

c) In general, offering and accepting Gifts and Hospitality is permissible, provided the following guiding principles are observed ("Gifts and Hospitality Guiding Principles"):

*Principle 1: Recipients*

The recipient's organisation permits the giving or receiving of such Gifts / Hospitality.

*Principle 2: No Cash & Personal Services*

Gifts / Hospitality in the form of cash or cash equivalents, or personal services are not allowed. However, should local custom or circumstances dictate that cash is the only appropriate form of gift; it will be strictly subject to approval of the Managing Director and shall only be in a sum not exceeding **RM500.00**.

*Principle 3: Ability to Influence*

The Gift / Hospitality will not create an actual or perceived conflict of interest. Gifts / Hospitality that appear to or are intended to establish an obligation on the recipient, or influence the impartiality of the recipient are prohibited.

*Principle 4: Value*

The Gift / Hospitality is not lavish and is proportionate under the circumstances (accounting for, among other factors, the value of the Gift / Hospitality, frequency with which Gift / Hospitality has been given to or received from said party/organisation in the past).

*Principle 5: Nature of Gift / Hospitality*

The Gift / Hospitality is appropriate and inoffensive. (i.e.: not indecent, sexually oriented or culturally insensitive).

d) With regards to accepting Hospitality in the form of Travel: Employees may accept lodging and meals provided by Counterparties, Business Partners or other stakeholders within the host country if the trip is for business purposes and prior approval has been obtained from the MD or the COO. The cost of travelling to the host country must be borne by UBF.

e) With regards to offering Hospitality in the form of Travel: Unless prohibited by law or the policy of the recipient organisation, UBF may bear the costs of transportation and lodging for Counterparties, Business Partners or other stakeholders in connection with a legitimate business purpose e.g. on-site examination of equipment, contract negotiations or training. Prior approval from the MD or the COO of UBF must be obtained.

Company donations and sponsorships are part of the UBF's commitment to society and a way of contributing to worthy causes. Unfortunately, even legitimate donations and sponsorships sometimes have the risk of creating the appearance of bribery and corruption. You must ensure that all donations and sponsorships on behalf of UBF are given through legal and proper channels. Particular care must be taken in ensuring that the charities or sponsored organisations on the receiving end are valid bodies and are able to manage the funds properly. You should also avoid situations where conflicts of interests could arise from making donations or sponsorships. Beware of making contributions to charities or sponsored organisations that may have links to clients or their families, as this could be seen as an act to influence the official's decision in gaining benefit to the company. You must obtain prior approval MD or the COO in accordance with established procedures before making donations or sponsorships on behalf of UBF. Approved donations and sponsorships should be made transparently and recorded accurately. All requests for donations and sponsorships received by the Directors must be referred to the MD or COO of UBF.

## **9. Facilitation payments**

- a) UBF adopts a strict stance that disallows facilitation payments.
- b) Employees are expected to notify their immediate superior when encountered with any requests for a facilitation payment. In addition, if a payment has been made and Employees are unsure or not aware with the nature, their immediate superior must be immediately notified and consulted. Employees must also ensure that the payment has been recorded transparently.
- c) UBF equally upholds the safety of all Employees as priority. In the event that an Employee's safety is at stake, a facilitation payment to protect the Employee is permitted if:-
  - i. that is the immediate available recourse to protect the safety of the Employee;
  - ii. the Managing Director/ the Chief Operations Officer's approval has been obtained; or, payment under the state of emergency had been undertaken, after which the Managing Director/ the Chief Operations Officer's approval must be retrospectively obtained as soon as possible.

## **10. Business Associates**

- a) As part of UBF's commitment to combat bribery, UBF expects all Business Associates to refrain from bribery and are required to comply with this Policy.
- b) If suspicion of bribery and corruption arises in the dealings with any Business Associate, UBF shall seek an alternative provider/supplier of the services / goods.
- c) UBF expects all Business Associates acting on behalf of UBF to contractually agree to refrain from bribery and corruption, and to adhere to the Vendor COBC.

d) If UBF is not satisfied that bribery and corruption prevention has been upheld, due diligence shall be carried out on all new or potential Business Associates intending to act on UBF's-behalf to ensure the entity is not likely to commit an act of bribery or corruption in the course of its works/business with UBF.

e) The extent of the due diligence should be risk-based and shall include a bribery risk assessment. Due diligence may include a search through relevant databases, checking for relationships with public officials, and documenting the reasons for choosing one particular Business Associate over another.

f) UBF shall endeavour to include standard clauses in all contracts with the Business Associates enabling UBF to terminate the contract in the event that bribery or an act of corruption has been proved to occur. Additional clauses may also be included for Business Associates acting on UBF's behalf where corruption risk has been identified.

g) UBF strives to build and strengthen its relationships with Business Associates. In ensuring that the Business Associate adhere to industry best practice and accepted standards of behaviour, Business Associates may be required to complete UBF Business Partner Compliance Verification or the Mutual Recognition form, where deemed necessary based on circumstantial requirements. Where the requirements may not be immediately apparent, UBF Compliance & Integrity shall be consulted.

h) The Vendor COBC provides guidance to Vendors on the required standards and code of business conduct when engaging in business dealings with UBF. All vendors are expected to adhere to the Vendor COBC and declare compliance to the Vendor COBC via the Vendor Integrity Pledge (VIP).

## **11. Responsibilities of Employees**

a) Employees are responsible for understanding and complying with this Policy. In particular, the role of all Employees includes the following:

i. Be familiar with applicable requirements and directives of the policy and communicate them to subordinates;

ii. Promptly record all transactions and payments accurately and in reasonable detail;

iii. Always raise suspicious transactions to immediate superiors for guidance on next course of action;

iv. Promptly report violations or suspected violations through appropriate channels;

v. Promptly complete COBE trainings and assessments, as and when required by UBF.

## 12. Conflict of interest

a) Conflicts of interest arise in situations where there is a personal interest that might be considered to interfere with that person's objectivity when performing duties or exercising judgement on behalf of UBF. Employees should avoid or deal appropriately with situations in which personal interest could conflict obligations or duties. Employees must not use their position, official working hours, UBF resources and assets for personal gain or to UBF's disadvantage.

b) The COBE sets out the procedures on how to deal with conflicts of interests arising with a selected group of individuals and entities, including:

- i. Employment of Family Members and Relatives;
- ii. Outside Employment and Activities;
- iii. Political Contribution ; and
- iv. Corporate Opportunity;

## 13. Staff declarations

a) All new recruits shall complete trainings (internal and external) on the COBE and this Policy. New recruits are expected to pass the assessment at the end of the training and attest that the COBE shall be complied with in the course of his/her employment.

b) In addition, under circumstances of suspicious behaviour, allegations and/or investigations relating to bribery or corruption, **Group Compliance & Integrity and Group Human Resources** reserves all rights to request the relevant Employee to declare information regarding assets owned as deemed necessary.

## 14. Anti-bribery and Anti-Corruption compliance

a) **Group Compliance & Integrity** shall have the oversight of the implementation of compliance controls related to this Policy.

b) **Group Compliance & Integrity** shall conduct regular risk assessments to identify the bribery and corruption risks potentially affecting UBF. **Group Compliance & Integrity** shall also review the suitability of this Policy from time to time, taking into account relevant developments in the legislature as well as evolving industry and international standards.

c) **Group Compliance & Integrity** shall be the independent authority to act effectively against bribery, including initiating investigations deemed necessary based on reasonable cause for suspicion. **The Head of Group Compliance & Integrity** shall maintain a direct reporting line to the Managing Director and Chief Operating Officers.

d) **Group Compliance & Integrity** shall implement and effectively manage routine anti-bribery and anti-corruption measures as deemed appropriate to ring-fence the organisation against possible legislative liabilities, as well as undertake ad-hoc measures

deemed required based on circumstantial requirements that presents during the course of operations.

## 15. Awareness and training

a) When necessary, UBF shall provide awareness programmes for all Employees to refresh awareness of anti-bribery and anti-corruption measures, and to continuously promulgate integrity and ethics with adequate training and assessment to ensure the Employees' thorough understanding of the UBF's anti-corruption position especially to their role within or outside the commercial organization.

b) In addition, UBF shall provide the Anti-bribery and Anti-corruption training to :-

i. New recruits; and

ii. Employees promoted / transferred to Exposed Positions.

c) **Group Compliance & Integrity** may at any time recommend that certain trainings be repeated to any Employee / Group of Employees in any department/branch offices if deemed necessary based on circumstantial requirements.

d) **Group Human Resources** shall maintain all records of trainings.

e) The training may be conducted in a variety of formats, including but not limited to :-

- i) induction programs featuring anti-corruption elements;
- ii) role specific training, which is tailored to corruption risks the position is exposed to;
- iii) corporate training programs, seminars, videos and in-house courses;
- iv) intranet or web- based programs;
- v) town hall sessions;
- vi) retreats; and
- vii) out-reach programs.

## 16. Reporting of policy violations

Employees who encounter actual or suspected violations of this Policy are required to report their concerns. Each Employee has a responsibility to ensure that suspected -bribery and corruption incidents are reported promptly. UBF practices an open door policy and encourages all Employees to share concerns and suggestions with superiors and colleagues who are able to address them in an appropriate manner. Employees can send their email to report the policy violations to the following email address :-

a. Group Compliance & Integrity: [legalteam@ubf.com.my](mailto:legalteam@ubf.com.my)

b. Managing Director: [khairulanuar@ubf.com.my](mailto:khairulanuar@ubf.com.my)

c. Chief Operations Officer: [leomjoodeck@ubf.com.my](mailto:leomjoodeck@ubf.com.my)

d. Senior General Manager: [ckcheong@ubf.com.my](mailto:ckcheong@ubf.com.my)

e. Letters to Group Compliance & Integrity at: Lot 4077, Kawasan Perindustrian Teluk Kolong, 24007 Kemaman, Terengganu, Malaysia.

Reports made in good faith, either anonymously or otherwise, shall be addressed in a timely manner and without incurring fear of reprisal regardless of the outcome of any investigation.

## 17. Non-compliance

a) Group Compliance & Integrity shall conduct regular validation to ensure compliance to this Policy. Such validation exercises may be conducted either independently by Group Compliance & Integrity and/or conducted by external consultants.

b) Non-compliance identified by the validation or identified through other risk assessments undertaken shall be reported to the Group Compliance & Integrity.

## 18. Continuous improvement

a) UBF is committed to continually improving its policies and procedures relating to anti-bribery and anti-corruption. **Group Compliance & Integrity** may therefore endeavour to develop further integrity measures and certify UBF's anti-bribery procedures as adequate where certification is available.

## 19. Sanctions for non-compliance

a) UBF regards bribery and corruption as a serious matter. Non-compliance may lead to disciplinary action, up to and including termination of employment. Further legal action may also be taken in the event that the UBF's interests have been harmed as a result of non-compliance.

b) UBF shall notify the relevant regulatory authority if any identified bribery or corruption incidents have been proven beyond reasonable doubt.

c) Where notification to the relevant regulatory authorities have been done, UBF shall provide full co-operation to the said regulatory authorities, including further action that such regulatory authority may decide to take against convicted Employees.

## 20. Communication of Policies

a) The anti-corruption policy of UBF should be made publicly available and should also be appropriately communicated to all Employees and Business Associates.

b) The communication of the UBF's policies may be conducted in a variety of formats and mediums. These may include, but are not limited to :-

(i) messages on the UBF's website;

(ii) emails, newsletters, posters.

## 21. Waiver

Any deviation or waiver from this policy must be approved in writing by Board of Directors.