



# Anti-Bribery & Anti-Corruption Policy & Guidelines

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## Abbreviations

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

ABAC	Anti-Bribery and Anti-Corruption		LOA	Limit of Authority
Board	Board of Directors		MACC	Malaysian Anti-Corruption Commission
CoC	Code of Conduct and Code of Ethics		AC	Audit Committee
CSR	Corporate Social Responsibility		SSM	Suruhanjaya Syarikat Malaysia
CEO	Chief Executive Officer		SAG or the Company	Signature Alliance Group Berhad
GCEO	Group Chief Executive Officer		SAG Group or the Group	Signature Alliance Group Berhad and its subsidiaries
HR	Human Resources			

## 1.0 Introduction

### 1.1. General Information

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

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 Guidelines 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 anti-bribery and anti-corruption 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 Policy & Guidelines.

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

- a. Directors of SAG, both executive and non-executive, unless otherwise stated in this policy;
- b. All employees within the Group; and
- c. Business partners, suppliers, sub-contractors, contractors, consultants, agents, representatives and others performing work or services for or on behalf of the Group.

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

### 1.2. Anti-Bribery and Anti-Corruption Policy Statement

SAG adopts zero tolerance approach towards all forms of bribery and corruption. The Group promotes the value of good governance and integrity in carrying out its business activities.

SAG is committed to:

- Establish, maintain, and periodically review an anti-bribery and anti-corruption programme which includes clear policies and objectives that adequately address corruption risks;
- Promote the values of integrity and good corporate governance in all business dealings. All employees are expected to comply with all applicable laws and regulations including our internal policies pertaining to anti-bribery and anti-corruption;
- Create and maintain a trusted and confidential whistleblowing channel in relation to the reporting of suspected and/or real corruption incidents or inadequacies in the anti-corruption compliance programme;
- Provide adequate training, awareness and communication to ensure employees comprehend the requirements, benefits, and their role and responsibilities for anti-bribery and anti-corruption and corruption risk management; and

- Conduct continual review and improvements on the Group's policies and procedures in relation to anti-bribery and anti-corruption.

Employees who engage in any corrupt practices shall be subjected to disciplinary action in accordance with the Company's Employee Handbook, Code of Conduct and Code of Ethics.

## **2.0 Key Definition**

### **2.1. Audit Committee**

This refers to the AC of SAG, who review the financial reporting and compliance matters, external audit, internal audit, risk management and internal control activities of the Group.

### **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 Board of SAG.

### **2.4. Business Partners**

Business partners are referring to any party with which the Group has a commercial relationship with but is not in a position to exercise a significant or controlling influence over, such as customers, business dealers, joint ventures partners, jointly control operations, business representatives, business alliances and associate companies of SAG.

### **2.5. Code of Conduct and Code of Ethics**

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

### **2.6. 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.

### **2.7. 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.

### **2.8. 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.

## **2.9. Employee**

This refers to any person who is in the employment of the Group, but not limited to Management, Managers, Executives and Non-Executives. This also includes temporary staff and interns.

## **2.10. 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 anti-bribery and anti-corruption.

## **2.11. 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 public official or a person with certifying/ approval function to expedite the necessary action in the capacity of abovementioned person.

## **2.12. 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's branded products or promotional items, hamper, and festive gifts.

## **2.13. Group Chief Executive Officer**

Defined as the executive responsible for carrying out corporate policies established by the Board, acting as the main point of communication between the Board and corporate operation.

## **2.14. Guidelines on Adequate Procedure**

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 SAG.

## **2.17. Public Officials**

This includes, without limitation, an officer to the federal and state government, local authorities, candidates for public office, officials of any political party, and officials of state-owned enterprises other than SAG.

## **2.18. Management**

This refers to the management team of the Group, includes all CEOs, heads of respective subsidiaries and heads of respective shared services unit.

### **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's profile.

### **2.20. Whistleblower**

This refers to a person (internal or external) raising or reporting concerns of wrongful activities or wrongdoings as defined in this Policy & Guidelines.

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

### **3.2. Group Chief Executive Officer**

- a. Provides overall direction on the establishment, implementation and periodic review of Policy & Guidelines;
- b. Ensures the integration of 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 Policy & Guidelines requirements;
- c. Supports the resource allocation and investment in a robust and effective Policy & Guidelines;
- d. Supports adequate training and awareness programmes for the employees of the Group;
- e. Promotes appropriate anti-bribery and anti-corruption culture within the Group; and
- f. Support other relevant management personnel in preventing and detecting bribery and corruption.

### **3.3. Management**

- a. Provides direction on the establishment, implementation and periodic review of Policy & Guidelines within respective subsidiaries, business unit or shared services unit, whichever is applicable;
- b. Ensures the integration of the Policy & Guidelines requirements into respective subsidiaries, business unit or shared services unit's key functions such as sale, operation, fulfilment and enhance the underlying controls on these key functions so as to support the Policy & Guidelines' requirements;
- c. Monitors the compliance of Policy & Guidelines requirements and assess such compliance and report the result of the assessment of respective subsidiaries, business unit or shared service unit to Group Chief Financial Officer quarterly;
- d. Supports the resource allocation and investment in a robust and effective Policy & Guidelines within respective subsidiaries, business unit or shared services unit;

- e. Supports adequate training and awareness programmes for the employees of respective subsidiaries, business unit or shared services unit;
- f. Communicates on the Policy & Guidelines for respective subsidiaries, business unit or shared services unit, both internally and externally;
- g. Promotes appropriate anti-bribery and anti-corruption culture within respective subsidiaries, business unit or shared services unit; and
- h. Support relevant personnel in preventing and detecting bribery and corruption within respective subsidiaries, business unit or shared services unit.

### **3.4. Employees**

- a. Executes the 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 Policy & Guidelines; and
- c. Reports on suspected bribery or corruption via the whistleblowing channel of SAG.

### **3.5. Group Chief Financial Officer**

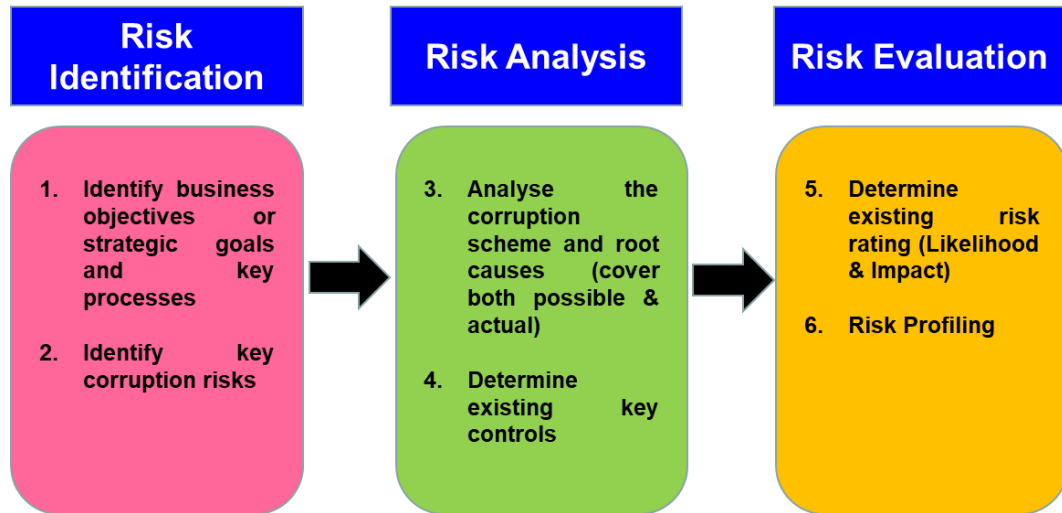
- a. Ensures that the Policy & Guidelines are adhered to within the Group;
- b. Reports on non-compliance cases to the AC, including follow-up action status on the said cases;
- c. Attends to inquiries about SAG's Policy & Guidelines and its practices within the Group; and
- d. Facilitates the corruption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

### **3.6. Amendments to Policy & Guidelines**

If there is any requirement to update, improve, and/ or amendments made to this Policy & Guidelines, the proposed changes shall be submitted for authorisation and for approval by the Board. 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 Board, through the AC, 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 SAG'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. AC of SAG 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.

## 5.0 Gift & Corporate Hospitality

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

### 5.1. "No Gift" Policy

- a. SAG has adopted a "No Gift" policy whereby, subject only to certain narrow exceptions. SAG's employees and directors (executive and non-executive), family members or agents acting for or on behalf of SAG's employees, directors or their family members are prohibited from, directly or indirectly, receiving or providing gifts.
- b. SAG 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 SAG and external parties as a gift can be seen as a bribe that may tarnish SAG's reputation or be in violation of anti-bribery and corruption laws.

A 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 SAG from its directors and employees in the performance of their duties and obligations.

It is the responsibility of directors and employees to inform external parties involved in any business dealings with SAG 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 SAG 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 SAG 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).
- Gifts from SAG to employees and directors and/or their family members in relation their sickness or death (e.g. the condolence money or flower and get-well gift from SAG to support the employees);

- Gifts in the form of cash or cash equivalent from external party(s) as sponsorship for SAG's official function, event and celebration (e.g. lucky draw gifts for annual dinner);
- Token gifts of nominal value normally bearing the SAG 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; or
- Gifts to charitable organisations or the equivalent who have no business dealings with SAG (e.g. monetary gifts or gifts in-kind to charitable organisations).

### 5.3. Purchase of Gift and Corporate Hospitality

- a. Purchase requisition pertaining gift and corporate hospitality shall be a reasonable amount, subject to approval in line with the LOA. 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 public 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 situations/ condition as stipulated in Clause 5.2 and Clause 5.3(a), is only permitted to the employee with the Management's approval or Management with the GCEO's approval, whichever is applicable and further subject to Clause 5.3(c) or 5.3(d).
- c. Any purchase of gift or corporate hospitality in nature exceeding RM2,000 shall require a **second approval** from the GCEO.
- d. Entertainment offered by an employee or director of the Group to external party(s) requires approval by the Management and entertainment expenses exceeding RM2,000 per occasion shall **further require GCEO's approval**, this is in line with the claims processing procedure.
- e. Purchase requisition pertaining to gifts and corporate hospitality for officials 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 officials.
- f. Purchase requisition on gift or corporate hospitality shall be indicated with purpose of requisition, including client or vendor name or representative details.
- g. In the event of any dispute between any internal practices, existing policy and or procedure already imbedded within the constitution of the organisation prior to the commencement of this Policy & Guidelines. All disputes on **limits** set in Clause 5 of this Policy & Guidelines shall prevail over all other documentation.

### 5.4. Gift Acceptance

- a. Under no circumstances that an employee or director of the Group shall receive or solicit for personal gift from an external party. All employee, director of SAG or his/her family/household members are not allowed to accept gifts in the form of cash or cash equivalent i.e. bonds, loans, air tickets or use of vacation property from an external party.
- b. Although the general principle is to immediately refuse or return such gifts, accepting a gift on behalf of SAG is allowed only in very limited circumstances, whereby refusing the gift is likely to seriously offend and may sever SAG's business relationship with the third party.
- c. A gift received which exceeding RM500 in value or such other amount which may be of value is considered gift with commercial value, by the employee of the Group from external party(s) requires declaration to the respective Management as per reporting line and Human Resource ("HR") Department. HR shall record such declaration and report to GCEO for review and subsequently maintain such record.

### **5.5. Entertainment Acceptance**

- a. Under no circumstances that an employee and director of the Group shall accept or solicit entertainment in the exercise of their duties and responsibilities towards the Company which is regarded detrimental to SAG.
- b. Nevertheless, business lunches or dinners are an accepted mode of hospitality. But should be infrequent and non-lavish. The sole purpose shall be for enhancement of a business relationship and not for reciprocity. Employees and directors 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.
- c. Entertainment received by an employee from external party(s) requires declaration to the respective Management as per reporting line and HR. HR shall record such declaration and report to GCEO for review and subsequently maintain such record.

## **6.0 Corporate Social Responsibility**

- a. All Corporate Social Responsibility ("CSR") related sponsorships and donations shall be made in accordance with SAG's policies with prior approval by authorised personnel in line with the LOA.
- b. Given the nature of SAG's business, government agencies or local authority bodies may request for sponsorship and/ or donations in respect of CSR events. As part of SAG's commitment to CSR and sustainable development, as a general matter, SAG 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 employee or director 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. The Board and Management 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. SAG needs to be certain that donations to foreign-based charities or beneficiaries are not disguised illegal payments to public 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 resources (including funds and facilities) of SAG Group shall not be used for or contribute to any political organisation or candidate.
- c. The Policy & Guidelines, in accordance with SAG'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 SAG; 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.
- d. SAG 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 GCEO to determine the authenticity of such requests.
  - e. Donation and sponsorship are only permissible with prior approval by the Management and if such donation and sponsorship exceeding RM5,000 per occasion and entity shall further require second approval by GCEO. All donations and sponsorship payment shall be supported with an official letter of request/announcement /notice from the requesting external party and proof of receipt.
  - f. Donation or sponsorship which are more than RM25,000 for a single individual or entity shall be subject to the approval by the Board.

## **7.0 Facilitation and Extortion Payments**

- a. Facilitation payment to external party, in particular, public 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 Group Chief Financial Officer 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, public 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 to be disguised or translated in personnel remuneration package.
- c. Subject to the fulfilment of criteria in Clause 7.1(a), facilitation payment request shall be approved by the GCEO.

### **7.2. Exception to Facilitation Payment (Extortion Payment)**

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

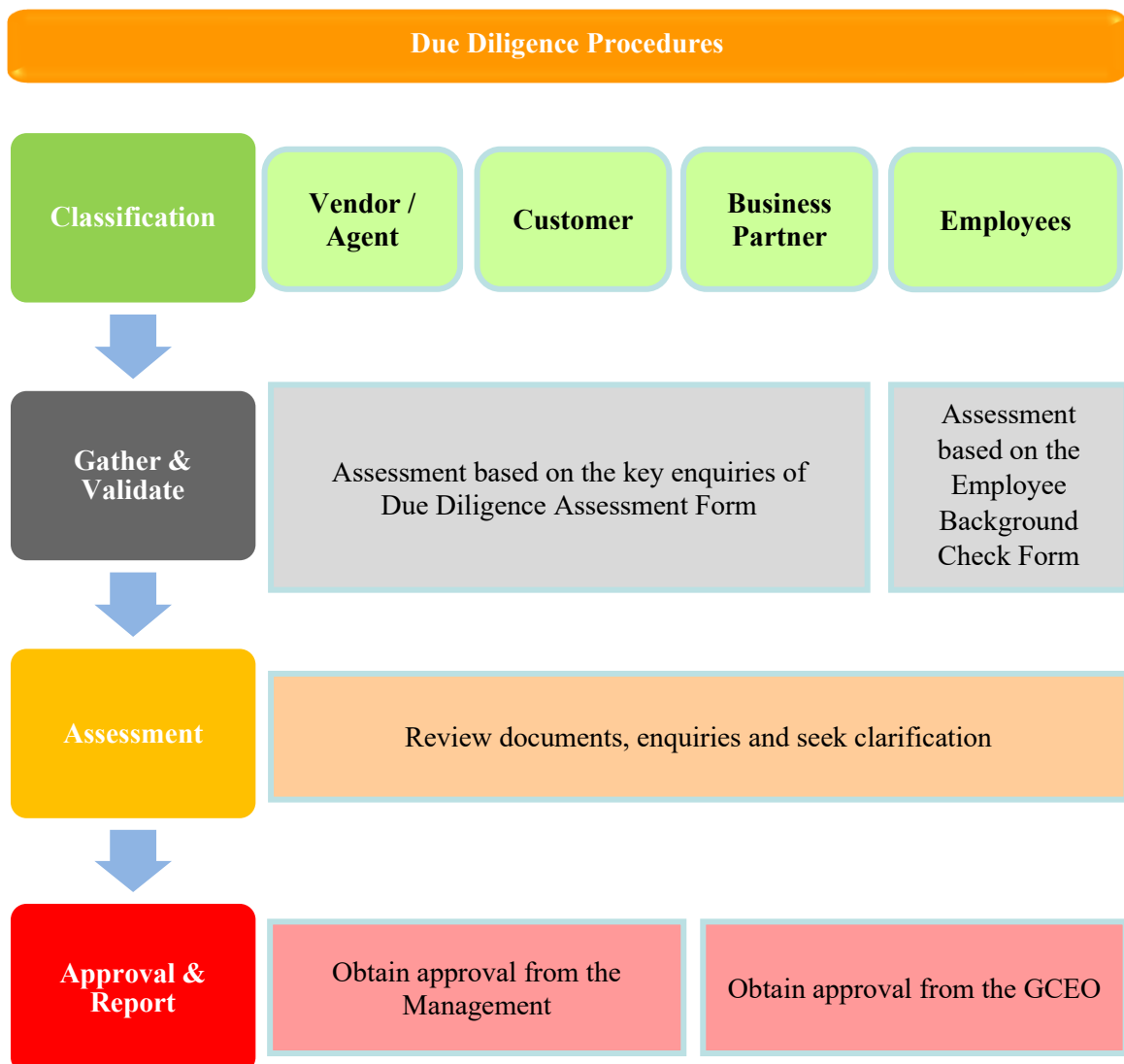
## 8.0 Due Diligence Procedures and Dealing with External Parties

SAG 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.

SAG 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. SAG 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 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 (Please refer to **Appendix A** for **Vendor ABAC Declaration Form**);
  - v. All contracts/agreement entered with vendors, sub-contractors or agents to incorporate a provision whereby SAG retains right to audit third party compliance with the Policy & Guidelines; and
  - vi. All agents/sub-contractors/vendors/suppliers 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 SAG's employee to undertake an assessment on the vendors', sub-contractors', or agents' background and reputation, including their conflict of interest (Please refer to **Appendix B** for **Due Diligence Assessment Form**). The key components of vendor/ sub-contractor/ agent due diligence procedures cover the following but may vary depending on the circumstances:
  - i. Corporate profile;
  - ii. Company search via Suruhanjaya Syarikat Malaysia ("SSM") or equivalent authorities in the respective countries of operation;
  - iii. Financial background;
  - iv. Directorship;
  - v. Past records of criminal, bribery or corruption cases;
  - vi. Past records of works or experience; and
  - vii. 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 Management prior to entering into the relationship.

## 8.2. Dealing with Customers

- a. In ensuring that SAG dealings with its customers (save and except retail customers) complies with relevant rules, regulations and the Policy & Guidelines requirements, the safeguard procedures below are required:
  - i. All new customers are subject to background assessment and conflict of interest check prior to entering into a business dealing; and
  - ii. A standard anti-bribery and anti-corruption clause shall be included in all contracts / agreement entered with customers to enable the Company to terminate the contract in the event of any proven bribery or corruption activities by the customers in the dealing with the Company in the event the said contracts / agreement are prepared by SAG. If the contracts are prepared by clients, the Company shall provide the Policy & Guidelines of SAG to customers and use their best endeavour to obtain the customer's written acknowledgement.
  
- b. A Due Diligence Assessment Form shall be used in guiding the employee of SAG to undertake an assessment on the customers' background and reputation, 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 search via SSM 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 the Management prior to entering into the relationship.

### **8.3. Dealing with Business Partners**

- a. To ensure that the Business Partners complies with relevant rules, regulations and the Policy & Guidelines requirements when dealing with SAG, a standard anti-bribery and anti-corruption clause shall be included in all contracts / agreement entered with Business Partners to enable the Company to terminate the contract in the event of any proven bribery or corruption activities by the Business Partners in the dealing with the Company.
- b. 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 SAG.
- c. Due diligence assessment shall be carried out to ensure business partner is not likely to commit bribery and corruption activities in the course of its partnership with SAG. Conflict of interest check shall also be carried out during due diligence and make 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 search via SSM 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) 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 GCEO prior to acceptance of the candidate.
- d. Newly recruited employee(s) shall be provided with an onboarding programme, including the briefing on SAG’s Policy & Guidelines, CoC and Employee Handbook.

**8.5. Dealing with Public Officials**

A public official is defined as without limitation, candidates for public office, officials of any political party, and officials of state-owned enterprises other than SAG. 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.

SAG shall not provide non-business travel and hospitality for any public official or his/ her family/household members without permission from the GCEO.

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 of the respective countries.

**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.

Whistleblowers 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 whistleblower 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 whistleblower to facilitate further investigation, if required:

- a. Whistleblower’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 whistleblower wishes to remain anonymous*

**9.2. How to Report**

Whistleblowers shall report their concerns using the reporting channels as stated in the *Whistleblowing Policies & Guidelines Document*, which is available on the SAG’s corporate website.



\*Note: Best practice is to have a Whistleblowing Committee

**10.0 Internal / External Assessment**

- a. As part of the internal monitoring process, Group Chief Financial Officer shall review the underlying controls of anti-bribery and anti-corruption and identify any non-compliance incidences on a quarterly basis.
- b. If any of SAG Group’s key stakeholders as defined in Clause 8.0 are found to have breached any anti-bribery and anti-corruption rules and regulations or this Policy & Guidelines, such breach may result to the following actions taken:

Key stakeholders	Actions taken
Employee	Disciplinary action by SAG Group in accordance with the Employee Handbook and CoC of SAG which includes termination of employment.
Vendor/agents/customers/ Business Partners	Subject to the Management’s approval: <ul style="list-style-type: none"> <li>i. Retain business dealings;</li> <li>ii. Discontinue business dealings with immediate effect;</li> <li>iii. Termination of contract with immediate effect; or</li> <li>iv. Legal proceedings if required.</li> </ul>

- b. SAG shall engage with independent consultant to 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. Training programme on Policy & Guidelines shall be provided to SAG’s new employees (save and except foreign factory worker) and awareness of this Policy & Guidelines shall be made to all SAG’s employees.
- b. This Policy & Guidelines shall be communicated to the key stakeholders as defined in Clause 8.0, as appropriate to their roles and taking into account the corruption risk assessment.
- c. Updates on this Policy & Guidelines with regards to its content as well as regulatory requirement affecting the anti-bribery and anti-corruption practices shall be communicated to SAG’s employees and key stakeholders, defined in Clause 8.0.

## 12.0 Appendices

### Appendix A – Vendor/Contractor/Agent Contractor/Agent ABAC Declaration Form

#### Vendor/Contractor/Agent ABAC Declaration Form

Our company, \_\_\_\_\_ (Company Name), (which includes its Directors, officers and Employees who intend to conduct business transaction(s) with the Signature Alliance Group Berhad (“SAG”) and its subsidiaries, hereinafter referred to as the “SAG Group”) hereby confirm that:

- a. The Anti-Bribery & Anti-Corruption Policy & Guidelines was provided and we have read and understood the policy (which is available on [www.sagrp.com.my](http://www.sagrp.com.my)). We agree and undertake to abide by all the terms and condition of the said 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 Anti-Bribery & Anti-Corruption Policy & Guidelines, we shall report such act to SAG as soon as reasonably practicable.
- d. In the event we are in breach of the Anti-Bribery & Anti-Corruption Policy & Guidelines, SAG Group may immediately terminate the contract/ agreement entered without any liability whatsoever on the part of the SAG Group to us. This is without prejudice to any other rights or remedies that the SAG Group may have or any other appropriate action which the SAG Group may seek under the terms of the applicable contract / agreement or the applicable rules and regulations.
- e. We shall indemnify you against any and all liability, loss, damages, costs, legal costs and other expenses of any nature whatsoever incurred or suffered by you whether direct or consequential arising out of any breach of the Anti-Bribery & Anti-Corruption Policy & Guidelines herein by us i.e. any dispute, claims or proceedings brought against you by a third party or authority against you by reason of any action by us.


Yours sincerely,

\_\_\_\_\_  
Name of Company Director (or Equivalent):

Name of Company:

Company stamp:

## Appendix B - Due Diligence Assessment Form

	<b>Signature Alliance Group Berhad</b>  <b>Due Diligence Assessment Form</b>	Ref. No: Signature Alliance Group Berhad-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 SAG 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 anti-bribery & anti-corruption 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)**

	<b>Signature Alliance Group Berhad</b>  <b>Due Diligence Assessment Form</b>	Ref. No: Signature Alliance Group Berhad-DD-00
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<b>3.0 General checklist</b>			
<b>Description</b>	<b>Yes</b>	<b>No</b>	<b>Remarks (if Yes)</b>
7. Do any shareholders, directors or Senior Management of the Company have connections with public official / politician (including immediate family member)?			

**Attachments required:**

1. Form 49 or equivalent SSM documents
2. SSM search report or CTOS Lite report
3. Company's code of conduct (if any)
4. Company's Anti-Bribery & Anti-Corruption Policy & Guidelines (if any)
5. Any other background research/ news (if any)

Assessed by:

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 Signature Alliance Group 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 Signature Alliance Group Berhad, and that a successful background check is not a guarantee of employment.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

### Appendix D - Employee Background Check Form

	<b>Signature Alliance Group Berhad</b> <b>Employee Background Check Form</b>	Ref. No: Signature Alliance Group Berhad-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		
<b>Total points</b>				

**Appendix D - Employee Background Check Form**

	<b>Signature Alliance Group Berhad</b>  <b>Employee Background Check Form</b>	Ref. No: Signature Alliance Group Berhad-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:

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 Signature

Name:

Date: