

**BIB INSURANCE BROKERS SDN BHD  
ANTI-BRIBERY AND CORRUPTION POLICY**

**1. Purpose**

To set out the policy, framework and responsibilities of the **Associated Person**, ie: directors, employees, trainees, seconded staffs, casual workers, agency staffs, volunteers, interns, partners, contractors, subcontractors, consultants, agents, representatives, and others performing work or services for or on behalf of, BIB Insurance Brokers Sdn Bhd and its subsidiaries ("**BIB Group**" or the "**Group**"), in regards to observing and upholding BIB Group's zero-tolerance position on corruption and bribery with reference to the following main offences stipulated in the Malaysian Anti-Corruption Act 2009 ("**MACCA**"):

- (i) Soliciting/Receiving Gratification (Bribe) (Sections 16 & 17(a) of the MACCA)
- (ii) Offering/Giving Gratification (Bribe) (Section 17(b) of the MACCA)
- (iii) Intending to Deceive (False Claim) (Section 18 of the MACCA)

To ensure that adequate procedures are implemented to prevent the occurrence of corrupt practices within BIB Group in line with the Guidelines on Adequate Procedures issued pursuant to Section 17A(5) of the MACCA ("**AP**").

**2. Scope**

This Policy applies to all directors, employees (whether temporary, fixed-term, or permanent), trainees, seconded staff, casual workers, agency staff, volunteers, interns, agents, of BIB Group (including BIB Group's overseas subsidiaries and branches (if any)). BIB Group also expects partners, contractors, subcontractors, consultants, representatives and others performing work or services for or on behalf of BIB Group, or any other person or persons associated with BIB Group, to comply with this policy when performing such work or services.

Where the anti-bribery and corruption requirements of the host country are more stringent than those of Malaysia, the overseas subsidiaries and branches (if any) must apply their respective host country requirements and the Company shall inform BIB Insurance Brokers Sdn Bhd ("**BIB**") of the more stringent requirements for rationalization across BIB Group, if applicable.

If applicable, Joint venture companies in which a Group Company is a non-controlling shareholder and associated companies are encouraged to adopt similar principles and standards.

**3. Policy Statement**

BIB Group has a zero-tolerance position for bribery and corrupt activities.

BIB Group is committed to acting professionally, fairly, and with integrity in all our business dealings and relationships and is committed to implementing and enforcing systems that ensure corruption and bribery is prevented.

In particular, the Board of Directors and Senior Management of BIB Group do not condone or consent to any Associated Persons:

- (i) corruptly soliciting, receiving or agreeing to receive any gratification whether for himself or for any other person; or
- (ii) corruptly giving, agreeing to give, promising or offering to any person any gratification whether for the benefit of himself or of another person, including with intent:
  - (a) to obtain or retain business for the Company; or
  - (b) to obtain or retain an advantage in the conduct of business for the Company.

BIB Group will uphold all laws and regulatory requirements relating to anti-bribery and corruption in all the jurisdictions in which it operates.

Engagement in any bribery or corrupt practices or activities will result in severe negative consequences. The Associated Person may face disciplinary actions by the employer and prosecutions by the relevant authorities which may include fines and imprisonment up to 20 years.

#### **4. Principles**

##### **4.1 Code of Conduct & Ethics**

This Policy must be read in conjunction with the BIB Group's Code of Conduct & Ethics.

##### **4.2 Responsibilities and Commitments**

###### **(i) Company's Board of Directors and its respective Committees (if any)**

- (a) Provide oversight for maintaining highest level of corporate integrity and ethics, compliance with applicable laws and regulatory requirements on anti-corruption, and managing the key corruption risks of the Company;
- (b) Receive and review reports on the implementation of this Policy; and
- (c) Managing whistleblowing cases.

###### **(ii) Company's Senior Management**

- (a) Ensure that the Company practices the highest level of integrity and ethics;
- (b) Ensure that the Company complies fully with applicable laws and regulatory requirements on anti-corruption;
- (c) Effectively manage the key corruption risks of the Company;
- (d) Establish the "tone from the top" (ie the Company's general stance against the use of corrupt practices in relation to its business activities);
- (e) Ensure that adequate and clear policies, procedures and control systems are in place to minimize and mitigate opportunities for corruption in the Company and to respond to suspected or real corruption incidences in the Company;
- (f) Monitor, periodically review and improve upon the effectiveness of the Company's anti-corruption compliance program including internal control system, training and communication;
- (g) Promote a culture of integrity within the Company;
- (h) Develop a communication plan and a training program on Company's policies and commitments on anti-corruption for relevant internal and external parties;
- (i) Encourage the use of whistleblowing and other appropriate channels in relation to any suspected or real corruption incidences or inadequacies in the anti-corruption compliance program;
- (j) Adequately resource the Compliance Department for the purpose of attending to application of any policies and procedures anti-corruption policy and procedural matters. The responsibility to ensure compliance with the anti-corruption policies and procedures, however, lies with the respective business/functional units;

- (k) Ensure that lines of authority for personnel tasked with responsibility for overseeing the implementation of the anti-corruption compliance program are appropriate; and
- (l) Act upon and report to the Board of Directors the results of any audit, reviews of risk assessment, control measures and performance in relation to the anti-corruption compliance program.

**(iii) Responsibility of Associated Persons**

Each director, employee (whether temporary, fixed-term, or permanent), trainee, seconded staff, casual worker, agency staff, volunteer, intern, agent, partner, contractor, subcontractor, consultant, representative and person/entity performing work or services for or on behalf, of the Group:

- (a) shall observe and uphold BIB Group's zero-tolerance position on corruption and bribery;
- (b) shall observe BIB Group's policies and procedures;
- (c) shall raise concerns about improper conduct or wrongful act at the earliest opportunity, and in an appropriate way through the various communication channels including as set out in the BIB's Whistleblowing Policy.

**4.3 Role of Compliance function**

- (i) The Company's Compliance Department shall coordinate and monitor the implementation of this Policy taking into consideration the Company's risk assessment in relation to corruption.
- (ii) This Policy, subsidiary policies and procedures may not provide answers to all questions regarding bribery and corruption. Queries on the scope of applicable laws or the application of any policies and procedures or the Company's position against, bribery and corruption shall be referred to the Compliance Department.

**4.4 Risk Assessment**

Each Company's Compliance Department shall be responsible to undertake the following :

- (i) Each business/functional unit shall conduct a comprehensive corruption risk assessment for its respective business/functional unit every three (3) years and as and when necessary, including when there is a change in law or circumstance of the business, to identify, analyse, assess and prioritise the internal and external corruption risks of the business/functional unit.
- (ii) The corruption risk assessment shall include the following:
  - (a) opportunities for corruption and fraud activities resulting from weaknesses in the business/functional unit's governance framework and internal systems/procedures;
  - (b) financial transactions that may disguise corrupt payments;
  - (c) business activities in countries or sectors that pose a higher corruption risk;
  - (d) non-compliance of external parties acting on behalf of the Company with regard to legal and regulatory requirements related to anti-corruption. Note that given the wide definition of Associated Person, the Company can be liable for the acts of such third parties; and
  - (e) relationships with third parties in its supply chain (e.g. agents, vendors, contractors, and suppliers) which are likely to expose the Company to corruption.
- (iii) The Company's Compliance Department shall collate and synthesize the corruption risk assessment from the business/functional units to provide a translation of the moderated risk for the Company which shall be incorporated into the overall risk dashboard /general risk register of the Company.

- (iv) The Senior Management shall review the Company risk assessment report and consider improvements on Company's policies and procedures in relation to corruption.
- (v) The Company risk assessment report together with the Senior Management's recommendations shall be presented by the Compliance Department to the Company's Board of Directors for review.

#### **4.5 Control Measures**

The following control measures shall be implemented by each Company:

##### **(i) Due Diligence**

- (a) To ensure that Associated Persons share BIB Group's stance against corruption, each Company shall undertake due diligence to assess the integrity of Associated Persons, which shall include background checks or document verification or conducting interviews, prior to entering into any formalized relationship with them and periodically thereafter. Where the initial assessment result is high risk, an enhanced due diligence shall be conducted on Associated Persons.
- (b) Where the Associated Person is a company, due diligence shall be conducted on its directors and senior management as well.
- (c) The departments responsible to conduct the relevant due diligence are as follows :
  - (1) Board Members – Company Secretary department
  - (2) Employees – Human Resources department
  - (3) Contractors, Suppliers – Compliance Department
  - (4) Consultants, Brokers, Professional Firms (eg Audit, Investment Banks, Lawyers) – Compliance Department

##### **(ii) Reporting Channel**

- (a) Internal and external parties are encouraged to raise concerns in relation to real or suspected corruption incidents or inadequacies of the Company's anti-corruption program at the earliest opportunity, and in an appropriate way.
- (b) Please refer to BIB Group's Whistleblowing Policy for details on how such concerns may be raised.
- (c) Where relevant, the BIB Group shall report the details of the corruption incidents to the Commission or police officer.

##### **(iii) Conflict of Interest**

- (a) A conflict of interest is a situation in which a person or organization is involved in multiple interests, financial or otherwise, and serving one interest could involve working against another.
- (b) BIB Group seeks to ensure that a conflict of interest does not adversely affect the interests of the Group, its shareholders, clients and other stakeholders through the identification, prevention and management of the conflict of interest.
- (c) All Heads of Departments shall:

- (1) actively seek to identify and mitigate conflict of interests in their department;
- (2) determine the best course of action to resolve, manage or avoid the conflict of interest; and
- (3) document relevant process and procedures accordingly.

(d) Associated Persons shall declare any personal interest he/she or persons connected to the Associated Person may have in any Company decision/matter he/she is involved in.

**(iv) Gifts and Entertainment**

The receipt and giving of gifts and entertainment shall be governed by the Group's Code of Conduct & Ethics and Gifts and Entertainment Policy

**(v) Donation and Sponsorship Policy**

Donations and sponsorships shall be governed by the Group's Donation and Sponsorship Policy.

**(vi) Facilitation Payments**

(a) Facilitation payment is payment made to secure or expedite the performance of an action or a service that the Company is entitled to, eg. where a government official is given money or goods to perform (or speed up the performance of) an existing duty.

(b) BIB Group shall not make facilitation payments.

**(vii) Financial Controls**

All expenses and claims shall be governed by the Group's Guidelines of Reimbursement Claims.

**4.6 Review, Monitoring and Enforcement**

**(i) Review**

(a) Internal/External audit shall review the Company's anti-corruption program and measures to assess the compliance, performance, efficiency and effectiveness of the same. The review shall be undertaken at least once every three (3) years.

(b) The Senior Management shall review the audit report and consider improvements on the Company's policies and procedures in relation to corruption.

(c) The audit report together with the Senior Management's recommendations shall be presented to the Company's Board of Directors for review.

**(ii) Monitor**

(a) All Heads of Departments shall monitor the performance of their personnel in relation to this Policy and report any non-compliance to the Company's Senior Management and/or to any other Company's designated person or committee.

(b) The Senior Management, Compliance Head and Human Resources shall review the non-compliance and consider the course of action to be taken, including:

- (1) whether disciplinary action should be initiated against the personnel involved;
- (2) whether reports should be made to the Officer of the Commission or police officer;
- (3) what immediate actions should be taken to address the breach; and
- (4) improvements that should be made on the Company's policies and procedures in relation to corruption.

- (c) The non-compliance report together with the Senior Management's recommendations shall be presented by the Compliance department to the Company's Board of Directors for review.

**(iii) Enforcement**

Human Resources department shall take such disciplinary action as appropriate against personnel found to be non-compliant with this Policy.

**4.7 Training and Communication**

**(i) Communication**

- (a) The Company shall develop a communication plan on the Company's policies and commitments on anti-corruption for relevant internal and external parties. The communication plan shall take into account the guidance set out in the AP under paragraphs 4.5.2, 4.5.3 and 4.5.4.

- (b) Legal department shall develop provisions relating to the Company's stance against the use of corrupt practices in relation to its business activities and channels available for the reporting of corrupt practices for incorporation in the relevant Company documents.

**(ii) Training**

Human Resources department shall develop and implement a training program on Company's policies and commitments on anti-corruption for relevant internal and external parties. The training program shall take into account the guidance set out in the AP under paragraphs 4.5.5 and 4.5.6.

**5. Definition**

**"AP"** means Guidelines on Adequate Procedures issued pursuant to Section 17A(5) of the MACCA;

**"BNM"** means Bank Negara Malaysia;

**"Company"** means each company in the Group;

**"Commission"** means Malaysian Anti-Corruption Commission.

**"corruption"** means an act of giving or receiving of any gratification or reward in the form of cash or in kind of high value for performing task in relation to his or her job description;

**"gratification"** means

(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);  
“**BIB Group or Group**” means BIB Insurance Brokers Sdn Bhd and its subsidiaries;  
“**MACCA**” means Malaysian Anti-Corruption Commission Act 2009;  
“**SC**” means Securities Commission.