



Nehemiah

# **NEHEMIAH GROUP OF COMPANIES**

## **ANTI-BRIBERY & CORRUPTION**

### **POLICIES, PROCEDURES & GUIDELINES**

As at [October 9, 2020]  
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## SECTION OF POLICIES

### 1. DEFINITIONS AND INTERPRETATION

The following expressions shall have, where the context permits, the following meanings:-

1.1	<b>ABC-PPG</b>	means this Anti-Bribery & Corruption Policies, Procedures & Guidelines.
1.2	<b>Associate(s)</b>	means a director,  or  a shareholder,  or  an employee  of the Company,  or  a person who performs services for and on behalf of the Company, and includes (but is not limited to) agency staff, consultants, contractors, sub-contractors, representatives, trainees, volunteers, interns, agents, sponsors.
1.3	<b>Board of Directors</b>	means the Board of Directors of NEHEMIAH REINFORCED SOIL SDN BHD.
1.4	<b>Committee</b>	means the Committee of the Board of Directors and/or Top Level Management.
1.5	<b>Company</b>	means NEHEMIAH REINFORCED SOIL SDN BHD and its subsidiaries.
1.6	<b>MACC Act</b>	means the Malaysia Anti-Corruption Commission Act 2009.
1.7	<b>MACC</b>	means the Malaysia Anti-Corruption Commission.

## 1. DEFINITIONS AND INTERPRETATION

The following expressions shall have, where the context permits, the following meanings:-

1.8	<b>Third Party (ies)</b>	means any party, or a natural person, or an individual or a body corporate, firm, joint venture, partnership, association or organisation that the associate shall come in contact with in the course of work or engagement with the Company and includes (but is not limited to) agents, advisers, business associates, clients (existing or potential), customers (existing or potential), distributors, service providers, suppliers, third party vendors, and government/regulatory bodies including their advisors, representatives and officials, politicians and political parties.
1.9	<b>Top Level Management</b>	the Board of Directors of the Company, unless specifically stated otherwise.

## 2. POLICY STATEMENT

Integrity is the foundational core value of the Company. It is her very essence. Our business stands or falls depending on whether we practice integrity or otherwise. In putting this, our foundational core into practice, and with section 17A of the MACC Act coming into force on 1 June 2020, this ABC-PPG was developed in order to communicate, regulate and govern the Company's business, dealings, transactions and relationship with its associate(s), and where relevant, third parties.

The Company adopts a zero tolerance approach towards bribery and corruption. The Company unequivocally affirms its commitment towards compliance with all relevant laws, including section 17A of the MACC Act. It will not tolerate its associates or third parties being involved in any form of bribery, whether by offering, promising, soliciting, demanding, giving or accepting or behaving corruptly in the expectation of a bribe, kickback or an advantage. We must never engage a third party whom we may believe may attempt to offer a bribe in connection with the Company's business.

This ABC-PPG extends to all of the Company's businesses, dealings, transactions and relationships in all countries in which it, or its subsidiaries and associates, operates.

The Company also expects those third parties acting on its behalf to act in accordance with this ABC-PPG, and to take all and any measures to prevent corrupt practices in its dealings with us.

This ABC-PPG explains what is expected of everyone working for and with the Company, including its associate(s) and third parties.

This ABC-PPG will be regularly reviewed to ensure that it remains relevant to the Company's business and the relevant laws.

### 3. SCOPE OF ABC-PPG

The terms and conditions of this ABC-PPG are applicable to the Company at all levels and grades, which includes associates and third parties.

### 4. WHAT IS BRIBERY / GRATIFICATION AND SECTION 17A MACC ACT

4.1 Bribery / Gratification is defined below:-

***“Any person who by himself, or by or in conjunction with any other person***

***4.1.1 corruptly solicits or receives or agrees to receive for himself or for any other person;  
or***

***4.1.2 corruptly gives, promises or offers to any person whether for the benefit of that person  
or of another person,***

***any gratification as an inducement to or reward for, or otherwise account of***

***4.1.3 any person doing or forbearing to do anything in respect of any matter or transaction,  
actual or propose or likely to take place; or***

***4.1.4 Any officer of a public body doing or forbearing to do anything in respect of any  
matter of transaction, actual or propose or likely to take place, in which the public  
body is concerned.”***

4.2 As per section 17A of the MACC Act, it is an offence if an associate corruptly gives, agrees to give, promises or offers to any person, any bribe / gratification, whether for the benefit of that person, or another person, with intent to:-

4.2.1 obtain or retain business for the Company; or

4.2.2 obtain or retain an advantage in the conduct of business for the Company.

A director, controller, officer or partner, or a party concerned in the management of the Company's affairs is deemed to have committed the offence unless it is proven that the offences was committed without his consent or connivance and that due diligence was exercised to prevent the commission of the offence as ought to have been exercised, having regard to the nature of the function in that capacity and to the circumstances.

- 4.3 The penalties for an offence under section 17A of the MACC Act are as follows:-
- 4.3.1 A fine not less than 10 times of the sum or value of the gratification or RM 1 million whichever is higher; or
  - 4.3.2 Imprisonment for a term not exceeding 20 years; or
  - 4.3.3 Both of the above

## **5. IMPROPER PRACTICES**

It is NOT acceptable to:-

- 5.1 Give, agree to give, promise or offer any payment, bribe / gratification, hospitality, gift (in similar or whatever form) to obtain or retain business or advantage for the Company;
- 5.2 Accept any payment, bribe / gratification, hospitality, gift (in similar or whatever form) from a third party;
- 5.3 Give, agree to give, promise or offer any payment, bribe / gratification, hospitality, gift (in similar or whatever form) to any officer of a public body (including but not limited to government official(s), agent(s) or representative(s)) to do, or forbear from doing, any matter of transaction (actual or proposed or likely to take place), or to facilitate, expedite or reward any action or procedure;
- 5.4 Induce or reward any person to do or forbear from doing anything in respect of any matter or transaction, (actual or proposed or likely to take place);
- 5.5 Give, agree to give, accept, promise or offer any payment, bribe / gratification, hospitality, gift (in similar or whatever form) which could be reasonably be regarded to be in contravention of this ABC-PPG, the MACC Act or applicable laws and regulations; or
- 5.6 Engage / be involved in, or undertake any activity(ies) that may lead to a contravention of this ABC-PPG.

## **6. FACILITATION PAYMENTS AND KICKBACKS**

- 6.1 Facilitation Payments are payments made to typically secure or expedite the performance by a person performing a routine or administrative duty / function.
- 6.2 Kickbacks are typically payments where the bribe-taker receives a “commission” in exchange for services rendered. There is implied collusion between the relevant parties.

- 6.3 Facilitation Payments and/or kickbacks need not involve cash or other financial asset(s). So long as it is any sort of advantage with the intention to influence the relevant party(ies) in their duties, it is a form of bribery / gratification.
- 6.4 The giving of, agreement to give, promise, request, receipt of or offering of Facilitation Payments and/or kickbacks in any form, directly or indirectly, are strictly prohibited.

## **7. DONATIONS**

- 7.1 Associates are to ensure that donations are not used as a form of subterfuge for bribery or used to circumvent the relevant laws, including the MACC Act.
- 7.2 The Company needs to be certain that donations made are not disguised illegal payments, and that where donations are paid to charities (or other individual(s), party(ies), organisation(s)), such charity(ies), individual(s), party(ies), organisation(s) are not acting as a conduit to fund illegal activities in contravention of the relevant laws, including the MACC Act.
- 7.3 The Company may make donations subject to the following:-
- 7.3.1 that it is not used as a form of subterfuge for bribery or illegal payment.
  - 7.3.2 it does not contravene any applicable laws.
  - 7.3.3 all necessary internal and external authorisation(s) is / are obtained.
  - 7.3.4 donations are made to well-established entities with adequate organisational structure to guarantee proper administration of the said donations.
  - 7.3.5 such donations are accurately reflected in the company's accounting books / records.

## **8. THIRD PARTIES**

- 8.1 The Company's dealings with third parties must be carried out in compliance with all relevant laws and consistent with its foundational core values.
- 8.2 The Company expects all third parties to share the Company's foundational core values and ethical standards as their actions could potentially implicate the Company legally, and by extension, its reputation.

8.3 In that regard, it is therefore necessary for the Company to conduct appropriate counterparty due diligence before entering into any arrangements with third parties to ensure that the Company is dealing with counterparties that subscribe to acceptable standards of integrity and ethics in the conduct of their business.

8.4 The Company shall ensure that all third parties be made aware of the ABC-PPG.

## 9. GIFTS AND ENTERTAINMENT

### 9.1 Receiving Gifts

9.1.1 The Company adopts a “No Gift Policy” (subject only to certain limited exceptions stated below).

9.1.2 The Company’s associates, including family members are prohibited from directly or indirectly, receiving or providing gifts.

9.1.3 The receipt of, or provision of gifts can be regarded as a bribe / gratification in contravention of the applicable laws (including the MACC Act), which may have the consequence of tarnishing the Company’s reputation.

9.1.4 It is the responsibility of the associates to inform external parties involved in any business dealings with the Company that there is a “No Gift Policy” and to request the external party’s understanding with this policy.

9.1.5 Despite 9.4 above, the Company is cognisant that the exchange of gifts may be a delicate matter, especially in cultures or situations where gift giving is part of business etiquette. Despite communicating the “No Gift Policy”, some external parties may still insist in providing gifts to the Company’s associates and even to its family / household members. Although the general rule is that such gifts are to be refused and returned, accepting a gift on behalf of the Company is allowed only in very limited circumstances (*subject always to 9.6 below*), **if refusing the same may seriously offend and sever the Company’s business relationship with the counterparty.**

**THIS IS SUBJECT ALWAYS TO THE PROHIBITION** that without exceptions and in no circumstances that any associate or their family / household members may accept gifts in the form of cash, angpow or cash equivalent.

- 9.1.6 Should such scenario in 9.15 take place, associates shall immediately record the gift in the Gift Register (Appendix A) for submission to the Anti-Bribery Compliance Committee who will then decide whether to approve the acceptance of the gift or require the same to be returned.
- 9.1.7 In the event the Anti-Bribery Compliance Committee decides that the gift is to be returned, such gift is to be politely returned with a note of explanation about the Company's "No Gift Policy".
- 9.1.8 In the event the Anti-Bribery Compliance Committee approves the gift, she/he must also determine the treatment of gift whether to:-
- 9.1.8 (a) permit the associate concerned to retain it; or
  - 9.1.8 (b) share the gift with the other associates / employees in the department (where relevant); or
  - 9.1.8 (c) donate the gift to charity; or
  - 9.1.8 (d) retain the gift for purposes of departmental display.
- 9.1.9 In determining whether the gift is to be approved or otherwise, the Anti-Bribery Compliance Committee shall exercise proper care and judgment in each and every case, taking for following considerations into account, including (but not limited to):-
- 9.1.9(a) the nature of the gift
  - 9.1.9(b) the purpose of the gift
  - 9.1.9(c) the character of the gift
  - 9.1.9(d) the cultural norms
  - 9.1.9(e) seniority of the party providing the gift
  - 9.1.9(f) the business context
  - 9.1.9(g) reciprocity

## 9.2 Providing Gifts

- 9.2.1 Generally, the provision of gifts to third parties are prohibited.

### 9.3 Exceptions to “No Gift” Policy

The following scenarios constitute exceptions to the “No Gift” Policy of the Company:-

- 9.3.1 Token gifts of nominal value normally bearing the Company's logo (e.g. pens, diaries, calendar, t-shirts, caps and other small promotional items) that are given out to customers, suppliers, partners, delegates and are part of the Company's promotional and brand building activities;
- 9.3.2 Gifts to external parties who do not have business dealings with the Company (e.g monetary gifts / gifts in kind to charities);
- 9.3.3 Gifts by the Company to its employees, directors and/or family members in recognition of the employee's/ director's service to the Company;
- 9.3.4 Gifts by the Company to external parties in the Company's official event, celebrations / function (e.g. commemorative gifts / door gifts offered to all guests attending the event);
- 9.3.5 Exchange of gifts at a company-to-company level (e.g. the exchange of gifts between companies as part of an official company visit / courtesy call and thereafter the gift is treated as part of the company's property).
- 9.3.6 Gifts by the company to external parties such as:-
  - 9.3.6(a) sponsorship either in cash or in kind for an event such as annual dinner, sports or recreational event etc.
  - 9.3.6(b) advertisement on congratulatory messages in the media
  - 9.3.6(c) floral bouquet/wreaths for special occasions.
  - 9.3.6(d) However, these gifts are subject to approval by the Top Level Management on a case to case basis.

#### 9.4 General Principles for Gifts

9.4.1 Even in the above circumstances set forth in iii) above, the expectation is for associates to exercise proper judgment in handling gift activities and behave in a manner consistent with the general principles set forth below, that is to:-

Comply with applicable laws, including the MACC Act and to this ABC-PPG

9.4.1(a) Always exercise proper care and judgement

9.4.1(b) Avoid conflicts of interest

9.4.1(c) Refrain from taking advantage of your position or from exercising your authority to further your own interest at the expense of the Company

9.4.1(d) Conscientiously maintain the highest standard of ethics and integrity.

#### 9.5 Providing Entertainment

9.5.1 The Company is aware that providing modest entertainment may build and foster good business relationships with external clients. Therefore, eligible employees of the Company are allowed to entertain external clients as part of business networking and as goodwill towards the same.

9.5.2 It is crucial that in providing entertainment, the Company's reputation is safeguarded and that the directors and employees are protected from any allegations of impropriety or undue influence.

9.5.3 As a general rule, associates are strictly prohibited from providing or offering to provide entertainment with a view to improperly:-

9.5.3(a) obtain or retain business for the Company; or

9.5.3(b) obtain or retain an advantage in the conduct of business for the Company.

9.5.4 Any entertainment activities shall require the prior approval of the Head of Department in consultation with the Anti-Bribery Compliance Committee.

9.5.5 Only meals (lunch/dinner) is allowable as entertainment. Other forms of entertainment like karaoke, drinking sessions, wellness, local/overseas trip etc are strictly prohibited.

## 9.6 Receiving Entertainment

- 9.6.1 The Company is aware that receiving reasonable and modest entertainment by third parties may build and foster good business relationships.
- 9.6.2 It is crucial for employees and directors to exercise proper care and judgment before accepting an entertainment offered or provided by a third party.
- 9.6.3 It is crucial that in receiving entertainment, the Company's reputation is safeguarded and that the directors and employees are protected from any allegations of impropriety or undue influence.
- 9.6.4 As a general rule, associates are strictly prohibited to receive entertainment with a view to improperly:-
- 9.6.4(a) obtain or retain business for the Company; or
  - 9.6.4(b) obtain or retain an advantage in the conduct of business for the Company.
- 9.6.5 Any entertainment activities shall require the prior approval of the Head of Department in consultation with the Anti-Bribery Compliance Committee.
- 9.6.6 Only meals (lunch/dinner) is allowable as entertainment. Other forms of entertainment like karaoke, drinking sessions, wellness, local/overseas trip etc are strictly prohibited.

## 10. ASSOCIATES' RESPONSIBILITIES

Associates shall peruse and understand the terms and conditions of this ABC-PPG and shall, at all times adhere to the terms and conditions stated herein.

Associates shall behave responsibly, conscientiously, ethically and with integrity. In doing so, associates shall exercise discretion, due care and proper judgment to prevent, detect and report corruption and to avoid any activity which may lead to, or suggest a breach of this ABC-PPG.

Associates shall forthwith notify the Head of Department or Anti-Bribery Compliance Committee if she/he is made aware or suspects or has reason to believe that there is a breach of any term of this ABC-PPG or the breach is potentially or likely to take place.

Breach of the ABC-PPG may render appropriate disciplinary action being taken, which may include termination for breach.

## **11. RECORD KEEPING**

The Company shall maintain proper and complete financial records and have in place sufficient internal controls to evidence payments made to or received from third parties.

## **12. RAISING CONCERN (WHISTLEBLOWING) AND PROTECTION OF WHISTLEBLOWERS**

### **12.1 Raising Concern**

The Company encourages openness and transparency in its commitment to the highest standards of integrity and accountability. In that regard therefore, associates are encouraged to raise concerns of the Company's activities:-

12.1.1 Where there is knowledge or suspicion of potential corrupt practices or wrongdoing;

12.1.2 Where the Company's third parties' activities may negatively impact on the reputation of the Company; and

12.1.3 If she/he is made aware or suspects or has reason to believe that there is a breach of any term of this ABC-PPG or the breach is potentially or likely to take place.

Associates shall forthwith notify the Top Level Management.

### **12.2 Protection for Whistleblowers**

The Company will support anyone who raises a genuine concern that was made in good faith. The Company is committed to ensuring no unfair or detrimental treatment towards those who made the report in good faith.

## **13. TRAINING & COMMUNICATION**

Communication / dissemination of this ABC-PPG shall be made available to everyone within the Company.

Additionally, associates shall receive communications / dissemination / training, which may include training (online or otherwise), face-to-face sessions, team briefings and any other methods to ensure their thorough understanding of the Company's anti-corruption and anti-bribery position.

#### 14. PERIODIC MONITORING AND REVIEW

Anti-Bribery Compliance Committee shall monitor the effectiveness and review the implementation of this ABC-PPG. Monitoring and review contributes to the continuous improvement of this ABC-PPG. Regular checks on this ABC-PPG ensures that the design and content is sound, implementation is effective and identifies areas for improvement. Additionally, early detection of 'red-flags' and potential incidents of corruption / bribery can act as a deterrent to corruption / bribery.

#### 15. ABC-PPG AND PREVAILING LAW

##### 15.1 ABC-PPG

The Top Level Management shall be overall responsible to ensure that the ABC-PPG is adequate, effective and is in line with applicable laws, including the MACC Act.

##### 15.2 Prevailing Law on MACC Act (Act 694):-

15.2.1 Soliciting/Receiving Gratification (Bribe) [section 16 & 17(a) MACC Act 2009].

15.2.2 Offering/Giving Gratification (Bribe) [section 17(b) MACC Act 2009].

15.2.3 Intending to Deceive (False Claim) [Section 18 MACC Act 2009].

15.2.4 Using Office or Position for Gratification (Bribe) (Abuse of Power/Position) [Section 23 MACC Act 2009].

15.3 It is a defence to the offence under section 17A MACC Act if the Company has in place, **adequate procedures ("Adequate Procedures")** to prevent its associates from undertaking such corrupt practices. Therefore, the Top Level Management is to ensure that the Company has in place Adequate Procedures that is consistent with the principles embodied in a publication by the Minister in the Prime Minister's Department known as "**GUIDELINES ON ADEQUATE PROCEDURES PURSUANT TO SECTION 17A(5) OF THE MACC ACT**" ("Guidelines on Adequate Procedures"). The 5 broad principles are summarised in the acronym T.R.U.S.T which are described below:-

15.3.1 Top Level Commitment;

15.3.2 Risk Assessment;

15.3.3 Undertake Control Measures;

15.3.4 Systematic Review, Monitoring & Enforcement; and

15.3.5 Training & Communication