



Anti-Bribery And Anti-Corruption

1.0 INTRODUCTION

- 1.1 City-Link Express (M) Sdn Bhd ('City-Link') is committed to conducting its business ethically and in compliance with all applicable laws and regulations in the countries it does business. An important part of that commitment is our strong opposition to Bribery and Corruption in any form.
- 1.2 City-Link operates in 6 countries around Asia. Our global network of operations offers both distinct opportunities and risks. To help protect our company and reputation, we must comply with the law, avoid doing business with those who do not respect the law, and understand and address our risks wherever they exist.

2.0 POLICY STATEMENT

- 2.1 City-Link holds committed in undertaking its conduct of business in an honest and ethical manner and shall institute such values within the company.
- 2.2 We are committed to act professionally, fairly and with integrity in all our business engagements, dealings and relationships by holding to the governance of zero tolerance toward bribery by effecting and implementing systems in addressing to bribery.
- 2.3 City-Link and its employees will adhere to all legislations that governs the conduct towards anti-bribery and corruption in all jurisdictions in which we are operating as a business concern. We shall remain bound to the laws of Malaysia, namely the Malaysian Anti-Corruption Commission Act 2009 and the Malaysian Anti-Corruption Commission (Amendment) Act 2018 and any related laws enacted in reference to our conduct.
- 2.4 Bribery and corruption offences are punishable for individuals up to 10 times the sum of gratification, or RM1.0 million, whichever is higher; maximum jail term of 20 years; or both.

3.0 SCOPE

- 3.1 This Policy applies to all employees (including full time, probationary, contract and temporary staffs ("Employees") and Directors of City-Link. This policy also applies to third party ("third parties") which would encompass any individual or corporation that is in contact during their course of their work or services for the Company, includes actual or potential customers, suppliers, contractors, distributors, business contacts, agents, advisers, consultants, government and public bodies including their representatives and officials, politicians and political parties.
- 3.2 Joint venture companies in which City-Link is a non-controlling shareholder or partner and associated companies are encouraged to adopt this Policy as the bare minimum or similar principles and standards as part of their anti-corruption framework.

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- 3.3 The Malaysian Anti-Corruption Commission in its official portal (www.sprm.gov.my) describes "corruption" as an 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 function or activity.
- 3.4 The MACC Act broadly stipulates the offences as follows:
 - a) Soliciting/Receiving Gratification (Bribe) – Section 16 & 17(a);
 - b) Offering/Giving Gratification (Bribe) – Section 17(b);
 - c) Intending to Deceive (False Claim) – Section 18;
 - d) Using/Abuse Office/Power or Position for Gratification (Bribe) – Section 23;
 - e) Offering/Giving Gratification by commercial organizations (Corporate Liability) - Section 17A;
 - f) Deemed Parallel Personal Liability for Senior Employees (Personal Liability) – Section 17A(3).
- 3.5 Corruption may include "bribery" which is any offering, promising, giving, requesting agreeing to receive, accepting a gratification or other advantages with the intention of inducing or rewarding someone to perform their job function or activity improperly. Gratification is defined to include any type of benefits in the form of payment, reward, offer, gifts or otherwise, which can cause inducement to commit a corruption offence. Form of bribery includes kickbacks, inflated commissions, expensive gifts, political donations, excessive or inappropriate entertainment.



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- 3.6 This Policy prohibits all forms of bribery and corrupt practices and draws no distinction as to whether it is made to persons in the public or private sectors. Employees engaged in the conduct of executing their tasks or acting in a position of trust as an official representative of the Company shall not be directly or indirectly involved in any act of soliciting/receiving/offering/giving gratification to any public official, customers or third parties for the purpose of exerting influence, soliciting payment or other unfair or illegal preferential treatment.

4.0 GIFTS & HOSPITALITY

- 4.1 As a general principle, all Employees subject to this policy should refrain from accepting or giving a gift to a third party if it might create a sense of obligation to compromise their professional judgment in exchange for favors or benefits.

Notwithstanding this principle, the policy does not prohibit normal and appropriate hospitality (given or received) to or from third parties and the giving or receipt of the gifts or event of hospitality must fulfill the following criteria:

- a) it does not relate to any corrupt or criminal intent of any kind;
- b) not done with the intent to influence decision making or attaining unfair advantage;
- c) executed in a transparent and open manner;
- d) it is reasonable in value; and
- e) gift made in respectful and customary purposes.

4.2 Gifts

A. Providing Gifts

- a) "Corporate Gifts" normally items reflect Company's name and logo and are of nominal value such table calendars, diaries, pens, notepads, key chains, thumb drives and plaques.

"Festive or Ceremonial Gifts" depicts traditional treats or gifts customary to an occasion such as hampers, mandarin oranges, dates, mooncakes, etc.

- b) Corporate Gifts, Festive or Ceremonial Gifts may be given to customers, Business Partners or other parties provided it is made for the following reasons :-
- i) made for a right reason – should be clear that it was given as a gesture of appreciation or a common courtesy related to festive or other ceremonial occasions;
 - ii) no expectation in return – associated with any favour or improper advantages from the receiver;
 - iii) no obligation – not to cause or induce the receiver to improperly or illegally influence business decision or cause others to perceive improper influence;
 - iv) openly made – not done secretly and undocumented;
 - v) reasonable value – any gift must commensurate with the occasion and undertaken with general business practice. The value limit shall be predetermined by the Company's Chief Executive Officer for Corporate Gifts per item per person and Festive or Ceremonial Gifts per item per entity and authorized as per Appendix 1; and
 - vi) must be legal and documented – must be in compliance with applicable laws and gift that exceeds the value limit laid down by the Company must be documented by the relevant Head of Department and submitted to Chief Executive Officer for approval (Appendix 2).

B. Accepting Gifts

- a) Where it is inappropriate to decline the gift (which may be associated with religion/culture which may take offence to the gesture) such gifts may be accepted so long as it is disclosed to the Company's Chief Executive Officer who will assess the circumstances.
- b) Employees are to uphold to the policies of anti-bribery and anti-corruption and decline with the exception to gifts given at conferences or work related meetings and corporate gifts received are of nominal value.



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- c) Employees must not directly or indirectly solicit for gifts from any party. If so, relevant Head of Department should make disclosure by filling up the form (Appendix 3) and submitting to the office of the Chief Executive Officer within 5 working days from receipt.

4.3 Corporate Hospitality

Corporate hospitality is generally corporate events or activities organized by an organization, which involves entertainment of employees and/or parties for the benefit of that organization.

A. Providing Corporate Hospitality

- a) City-Link recognizes that in providing corporate hospitality whether it is through corporate events, sports event or other public events, is an appropriate way to build network, promote goodwill and build business relationships.
- b) by exercising proportionate and appropriate corporate entertainment and hospitality is a reflection of the City-Link's courtesy and generosity. Employees must exercise due care and make right decision that such contribution is made legitimately without giving rise to any allegations of impropriety or undue influence.
- c) any act of providing corporate entertainment and hospitality must be approved by the respective Head of Department and with prior advice and approval from the Chief Executive Officer or Executive Chairman as per Appendix 1

B. Accepting Corporate Hospitality

- a) Acceptance of corporate entertainment and hospitality requires prior approval from the respective Head of Department. The Employee should only accept corporate entertainment and hospitality if it is accepted with good business ethics, on social and moral terms.
- b) should it be accepted with intent or purpose so as to attempt to secure a business advantage or influence business decisions, then it must be declined.
- c) in any situations where Employees are in doubt on the appropriateness of a corporate entertainment and hospitality offered by an external party, they should decline the offer or consult with the respective Head of Department, or alternatively seek Chief Executive Officer's approval on the advice of the respective Head of Department, if it deems necessary.

In essence the intention behind the gifts, entertainment and hospitality will always be judged, so as not to be perceived with an appearance of bad faith and impropriety which could be misunderstood for Gratification

5.0 FACILITATION OF PAYMENTS

- 5.1 Facilitation of payments is forms of payments made personally to an individual in control of a process or a decision to secure or expedite the performance of a routine or administrative duty or function (eg. to influence the timing of a process or issuing of permits). Facilitation payment is deemed as illegal and regarded as a form of corruption in Malaysia. This is strictly prohibited under this Policy.
- 5.2 Employees or third parties must not either directly or indirectly offer, promise or give any facilitation of payment to any private, government-linked and public officials for any purposes.

6.0 CHARITABLE CONTRIBUTIONS

- 6.1 All contributions given either in the form of corporate donations and sponsorship which seek to improve the image of City-Link and made with the objective in establishing cordial relations with our communities or the general public is permitted under this Policy.
- 6.2 The following general guidelines will be considered in contemplating a corporate donations and sponsorship:



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- a) corporate donations and sponsorship must not be used to obtain dishonest advantage or purpose for the Company.
 - b) be executed in a transparent manner and must be substantiated with adequate documentation reflecting recipient identity, purpose, reasons for donations and sponsorship.
 - c) such corporate donations and sponsorship must be in line with applicable laws.
 - d) be appropriate in value and not create impression that recipient is expected to return the favour or acts in a certain way because of the favour.
 - e) corporate donations and sponsorship must be accurately recorded in accounting records. Any doubt, should be cleared with the advice from Finance Department.
- 6.3 Any charitable contributions, sponsorships and corporate social responsibility activities should be reviewed by the respective Head of Department and approved by the Chief Executive Officer or Executive Chairman as per Appendix 1.
- 6.4 Company will conduct a due diligence exercise to ensure that the recipient of any corporate donations and sponsorship is legitimate and in the case of charity (under local laws) a registered charity. Recipient would be required to provide receipt for contribution and confirmation of what the funds will be used for.
- 6.5 Political contributions. Company does not make donations and sponsorship to any political associations or parties as this can be perceived as an attempt to gain an improper business advantage.

7.0 RESPONSIBILITIES

- 7.1 Employees and third parties must ensure that you read, understand and comply with this Policy. The prevention, detection and reporting of bribery and corruption are the responsibility of all those working for us and those under our control. All Employees and third parties are required to avoid any activity that may lead one to breach this Policy.

8.0 DUE DILIGENCE

- 8.1 Company will only establish business relationships with bona fide and reputable external parties. The purpose of carrying out due diligence procedures is to serve as a guide to the Employees in making right decisions in establishing relationships with external parties.
- 8.2 Employees to carry out proper due diligence process and comply with all applicable standard operating procedures before engaging with external parties. This includes informing them on Company's Anti-Bribery and Anti-Corruption Policy requiring them to submit Declaration Form (Appendix 3) prior to be engaged with the Company for business purposes.
- 8.3 Recruitment of Employees should be based on approved selection criteria to ensure that most qualified and suitable individuals are employed. This is crucial that no element of corruption is involved in the hiring process. All Employees as required to read, sign and submit the Declaration Form (Appendix 4).
- 8.4 City-Link adopts a clear separation of duties for all job functions either financial or non-financial related within the Company. All personnel involved in the preparation, verifying and approving any transaction / activity was documented in accordance with internal procedures (Accounting policies and procedures and Approved Authority Limit) and communicated to all Employees to adhere.

9.0 CONSEQUENCES FOR VIOLATION OF POLICY

- 9.1 Any Director or Employee who violates this Policy will be subject to disciplinary proceedings and expressly agrees that the Company reserves the right to terminate the directorship or employment with the Company in the event there is a commission of such act in violation of the Policy.



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Internal disciplinary actions are in addition to any criminal or civil penalties that could be imposed by law enforcement agencies. Contracts with third parties which are found to be in violation of this Policy will be terminated.

10.0 HOW TO RAISE A CONCERN

10.1 Any individual or employee with any suspicion or concerns that a violation of the Policy has occurred or may occur should raise the issue by notifying City-Link and lodge a report via the channel outlined in our Whistleblowing Policy.

- a) Phone (Malaysia): 03-5567 2200
- b) Email: integrity@citylinkexpress.com.my
- c) Letter: Board of Integrity Committee c/o Legal & Compliance Dept
Wisma City-Link, No/3A, Jalan Akitek U1/22,
Seksyen U1, Hicom-Glenmarie Industrial Park,
40150 Shah Alam, Selangor.

11.0 CONFLICTS OF INTEREST

11.1 Conflicts of interest arise where there is a personal interest that can be considered to have potential interference in exercising judgment or performing duties for City-Link. Employees and third parties must avoid such situations where their personal interest conflicts with their duties and responsibilities. Employees must not use their position, company's resources and assets, or information available to them for their personal gain or to City-Link's disadvantage.

11.2 In situations of conflicts of interest arising, Employees are required to immediately declare the matter to their immediate Head of Department.

12.0 PROTECTION

Employee who refuses to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, may feel worried over potential repercussions. City-Link is committed to ensuring that no one suffers any detrimental treatment as a result of refusing to take part in corruption or reporting concerns in good faith under this Policy. Detrimental treatment amongst others includes dismissal, disciplinary action, threats or unfavourable treatment connected with raising a concern. If an individual believes that he has been subjected to such treatment, they should contact the Chief Executive Officer or Head of Human Resource. We encourage openness and will support anyone who raises genuine concerns in good faith under this Policy, even if they turn out to be mistaken.

13.0 RECORD KEEPING

We must keep financial records and have appropriate internal controls in place which will act as evidence and support for payments made to third parties. All claims for expenses in relation to gifts, hospitality or third parties are submitted in accordance to the company's relevant policies and the reason as well as supporting materials for such expenditures is recorded accordingly. No accounts should be kept "off-book" to facilitate or conceal improper payments.

14.0 TRAINING AND COMMUNICATION

City-Link will continually provide training to all Employees on awareness and adherence to this Policy and include as part of the induction process for new Employees. Our zero-tolerance approach to bribery and corruption must be communicated to all the third parties at the outset of our business relationship and where appropriate thereafter. Wherever possible, all third parties should be sent a copy of the Policy at the outset of the business relationship or shall always refer to this Policy published on our website.

15.0 MONITORING AND REVIEW

Company will monitor compliance of the Policy and review the Policy regularly considering its suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible. All Employees are responsible for the success of this Policy and should ensure they use it to disclose any suspected wrongdoing. This Policy does not form part of Employees contract of employment and it may be amended at any time.