



**ADEQUATE PROCEDURES TO CURB AND PREVENT
BRIBERY AND CORRUPTION
T. R. U. S. T. CONCEPT**

1st June 2024

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PRINCIPLE I : QINETICS' ETHOS AND COMMITMENT**1.1 Policy Statement and Commitment**

QINETICS is committed and adopts a zero-tolerance policy against all forms of bribery and corruption in its daily operations and take a strong stance against such acts.

QINETICS and affiliated companies will take all reasonable and appropriate measures to ensure that all its directors and employees are committed to act professionally and with integrity in all their business dealings and not participate in any corrupt activities for its advantage or benefit.

The Board of Directors of QINETICS and affiliated companies take the primary responsibility for establishment and effectiveness of the anti-bribery and anti-corruption programme. As per section 4.1.3 of the National Centre for Governance, Integrity and Anti-Corruption ("GIACC") Guidelines on Adequate Procedures, QINETICS shall :

1. practise and uphold the highest level of integrity, ethics and accountability;
2. observe and comply fully with all applicable laws and regulatory requirements on anti-bribery and anti-corruption; and
3. effectively manage key corruption risks of QINETICS.

In this Policy, QINETICS means Qinetics Solutions Sdn Bhd and / or any or all of its subsidiaries and "affiliated companies" include any or all related companies, associate companies within QINETICS.

This Policy will elaborate on the principles in relation to Corruption, by providing guidance to employees on how to deal with any improper solicitation, bribery and other corrupt activities and issues that may arise in the course of doing business.

This Guidelines is issued pursuant to section 17A (5) of the Malaysian Anti-Corruption Commission Act 2009 (Act 694) ("MACC Act 2009"), as stated in the Malaysian Anti-Corruption Commission (Amendment) Act 2018 ("Amendment Act 2018").

1.2 Structural and Procedural Requirements

In order to achieve the above stated objectives and in compliance with Section 17A of the Malaysian Anti-Corruption Commission Act 2009, the Board of Directors requires QINETICS to :

1. establish, maintain and periodically review the anti-corruption compliance programmes which includes clear policies and objectives that adequately address corruption risks;
2. promote and observe a culture of integrity within the organisation;
3. issue directives on communicating QINETICS' policies and commitments to anti-corruption both internally and externally;
4. ensure that results of any audit, periodic review on risk assessment, control measures and performance scorecards are presented and reported to the top management, directors, senior management and relevant operation teams.

1.3 Related Documents

This Policy shall be read together with other related internal policies/ frameworks/ procedures/ guideline/ manuals (including but not limited to Employee Handbook and other HR's Policies and SOPs) and/ or external policies/ frameworks/ procedures/ guideline/ manuals issued by the governing authorities.

Should any clarification and explanation is required, the employee is to consult their immediate supervisor/ HODs and/ or HR department who shall refer the matter to C-Management.

1.4 Objectives of the Policy

The objectives of this Policy are amongst others: -

- To foster the growth of a business environment that is free of corruption;
- To ensure all personnel in the Company takes reasonable measures to ensure their daily activities do not involve in corrupt activities; and
- To provide guidance on how to recognise and deal with bribery and corruption issues.

1.5 Coverage of the Policy

- This Policy shall apply to all QINETICS employees.
- It is also expected that all customers, contractors, subcontractors, consultants, solicitors, agents, representatives and others performing works or services for or on behalf of QINETICS to comply with the relevant parts of this Guideline.

1.6 Compliance with Laws and Regulations

This Policy shall at all times comply with and be subject to the laws and regulations of Malaysia. In the unlikely event of any conflict or inconsistency between the provisions of Guideline and the laws and regulations of Malaysia, the latter shall prevail.

1.7 Changes to the Policy

Any changes to the Policy shall be approved by the CEO, after discussion and consensus from the Heads of Business Unit and HR Department.

This Policy shall be reviewed every three (3) years or as and when deemed necessary by the Management of QINETICS.

1.8 Definition

There are four (4) main offences prescribed by MACC Act 2009 (Amendment Act 2018):

- Soliciting/ Receiving Gratification (Bribe) as per section 16 & 17(a);
- Offering/ Giving Gratification (Bribe) as per section 17(b);
- Intending to Deceive (False Claim) as per section 18; and
- Using Office or Position for Gratification (Bribe) as per section 23.

In conjunction with the above, the Company decides to adopt this anti-bribery and anti-corruption management process. The need to implement this process is to support sustainable developmental goal by combating corruption.

1.8.1 Bribery

Under the MACC Act, “gratification” or what most people call “bribery” means offering, giving, receiving or soliciting something of value (for example money or information) in an attempt to illicitly influence the decisions or actions of a person with a position of trust within an organisation.

1.8.2 Corruption

Corruption is defined as the abuse of office or position for personal gain or the misuse of position to help others in improperly enriching themselves or getting power. Corruption has a broader definition than bribery.

PRINCIPLE II : RISK ASSESSMENT**2.1 Bribery Risk Assessment Process****2.1.1 Objectives**

The objectives of the bribery risk assessment are:

- To identify, assess, measure and rank critical bribery risk areas in QINETICS that have high potential or likely influence over operations and management of QINETICS at all levels by using a structured and measured approach in line with the size of QINETICS; and
- To discuss, review and stipulate high-level bribery prevention assessment, solutions and implementation plans.

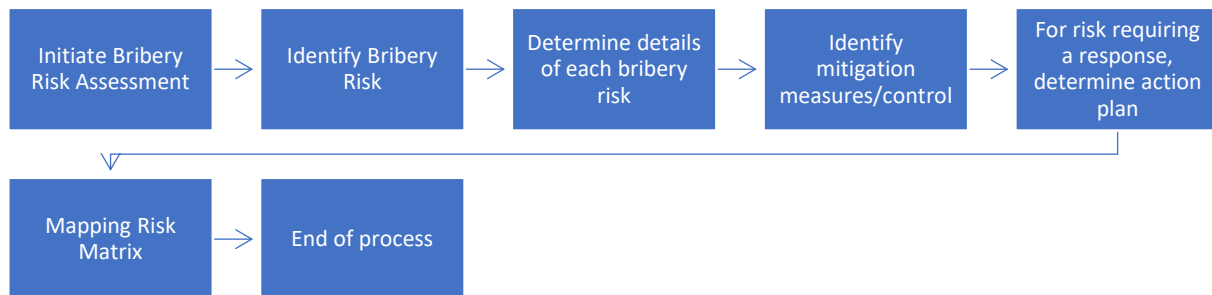
2.1.2 Approach

The Bribery Risk Assessment forms the basis of anti-bribery and anti-corruption policies. Assessment and review shall include identifying, inter alia :

- opportunities for corrupt practice arising from system loopholes and weaknesses;
- financial transactions which are disguised as routine payments when in fact made for bribery and corrupt practice;
- high-risk business activities which may give rise to corruption or exposed Berjaya to bribery and corrupt practice;
- any external parties (e.g. business associates, partners, agents, sales representatives, promoters etc.) who may give bribery or practise corruption; and
- any supply chain expose or prone to bribery and corrupt practice (both inbound and outbound).

2.1.3 Bribery Risk Assessment Process Flow

The process flow below is used by QINETICS to conduct its bribery risk assessment:



2.2 Bribery Risk Methodology

2.2.1 Initiation and Management

The Bribery Risk Assessment is initiated by the Board of Directors. The overall exercise shall be managed by the Risk and Compliance Head and his team.

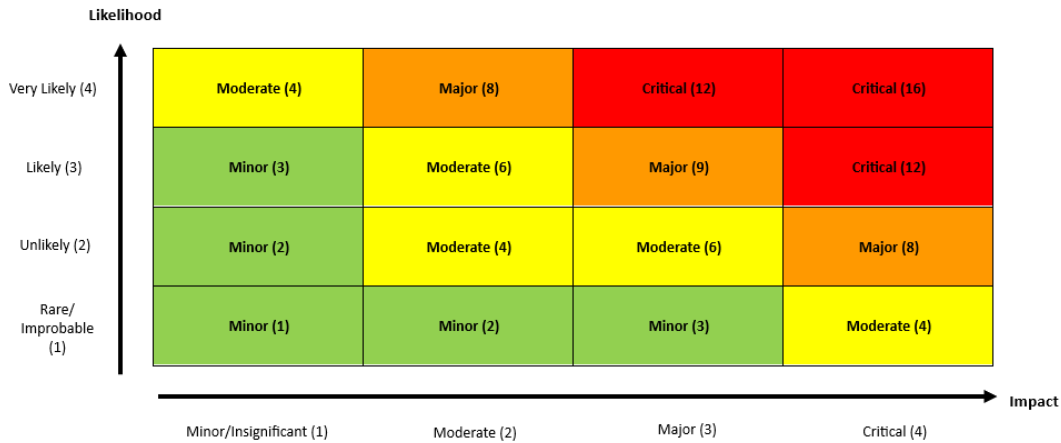
2.2.2 Identify General Bribery Risks

Using the Bribery Risk: Initial High-Level Assessment template, the main areas of bribery risk carried by the business were identified. Information established by the high-level assessment was then used to begin mapping the bribery risk templates.

2.2.3 Identify Mitigating Controls, Net Risk, Response & Action Plan

For each bribery risk identified, the mitigating controls were established and logged. An estimate was then made on the effectiveness of the controls, which in turn was used to estimate the net risk rating. From this, the risk treatment was identified, along with the probable action plans.

2.2.4 Mapping Risk Matrix



2.2.5 Present Results to Top Management, Periodic Review and Finalise

The completed bribery risk templates and risk map shall be presented to the Board of Directors of QINETICS to confirm the data and action plans.

Responsibilities for carrying out the action plans then allocated to the relevant members of the Risk and Compliance Department in QINETICS.

The Board of Directors of QINETICS shall instruct the Head of Risk and Compliance to conduct the bribery risk assessment every half yearly basis and review all compliance matters relating to QINETICS.

The results of the Bribery Risk Assessment are included in Bribery and Corruption Risk Assessment Manual (see Schedule 1).

PRINCIPLE III : UNDERTAKE CONTROL MEASURES

3.1 Anti-Bribery and Anti-Corruption Policy

Bribery and corruption in any and all forms as they relate to QINETICS' business activities are strictly prohibited.

Bribery and corruption may take any form, including but not limited to, anything of value or valuable consideration, such as money, donations, goods, services, property, entertainment, hospitality, travel perks, privilege, employment position or preferential treatment or granting of favour, practising favouritism, third party payments whether in cash or kind or withholding of punitive action in return for any valuable consideration. QINETICS employees and its business associates shall not therefore, whether directly or indirectly, promise, offer, give, receive or solicit any item of valuable consideration, in the attempt to illicitly influence the decisions or actions of a person in a position of trust within an organisation, either for the intended benefit of QINETICS or the persons directly or indirectly involved in the transaction.

The anti-bribery and anti-corruption policy applies equally to all of QINETICS business dealings with the private sector and the Government entities. The mere or probable appearance of bribery and corruption or any likelihood of perceived bribery and corruption must be avoided at all cost, especially when dealing with Government officials, departments, agencies or related entities or bodies.

QINETICS is committed to conducting its business ethically and in compliance with all applicable anti-bribery and anti-corruption laws and regulations in every country where businesses are conducted. The anti-bribery and anti-corruption policy therefore apply to all countries worldwide, without exception and without regard to regional customs, local practices or competitive conditions.

No QINETICS employees or external party shall suffer demotion, pay-cut, penalty or other adverse consequences (including but not limited to being freeze-out or transfer out) in retaliation for refusing to pay or receive bribes or participate in other illicit or immoral behaviour, even if such refusal may result in QINETICS losing businesses or experiencing delay in operations or failure to conclude any contracts.

Employees who, in the course of their activities relating to their employment at QINETICS, encounter actual or suspected violations of this policy are required to forthwith (or at earliest possible moment) report their concerns using the available reporting channels. Reports made in good faith, either anonymously or otherwise, shall be addressed in a timely manner and without incurring fear of reprisal regardless of the outcome of any investigation.

Retaliation in any form against employee where the person has, in good faith, reported a violation or possible violation of this policy is strictly prohibited. Any QINETICS employees found to have deliberately acted against the interests of any person who has in good faith reported a violation or possible violation of this policy shall be subject to disciplinary proceedings including demotion, suspension, dismissal or such other actions (including legal action) which QINETICS shall pursue at its absolute discretion. QINETICS reserves the right to any legal recourse against any external parties who have violated its Anti- Bribery and Anti-Corruption policy.

3.2 Audit and Compliance

Regular audits shall be conducted to ensure compliance to this policy. Such audits may be conducted internally by QINETICS or by an external party. Audit documentation should include performance improvement action plans, periodic reviews, regular training and periodic updates. The results of audits shall be reported to the top management, directors and senior management at appropriate intervals.

3.3 Sanctions for Non-Compliance

Non-compliance as identified by the audit and any risk areas identified through this and other means shall be reported to the top management in a timely manner in accordance with the level of risk identified.

QINETICS regards any form of bribery and acts of corruption as serious contravention of law and will apply appropriate penalties to all parties involved.

For QINETICS employees, involvement or non-compliance may lead to disciplinary actions including termination of employment. For external parties, involvement or non-compliance may lead to penalties including termination of contract or services. Further legal actions shall be taken in the event that QINETICS interests have been affected or harmed by the results on non-compliance by individuals and organisations.

3.4 Monitoring and Continuous Improvement

QINETICS is committed to continuously improve the operations and effectiveness of its anti-bribery and anti-corruption initiatives.

QINETICS shall monitor its operating environment, identify changes in bribery risk, and seek opportunities for improving the anti-corruption initiatives.

The top management of QINETICS shall ensure regular assessments of the anti-corruption initiatives are carried out, to ensure its scope, policies, procedures and controls match the latest bribery and corruption related risks faced by QINETICS.

QINETICS endeavours to impact the business environment where it operates. This includes supporting initiatives in the private and public sectors which are likely to improve the integrity of its operating environment.

3.5 Due Diligence

Due diligence is carefully carried out to know one's business partner when dealing with such business representatives, agents or associates to achieve the necessary deliverables. Due diligence is conducted in order to assess the nature and extent of bribery risks relating to planned or on-going relationships with specific categories of business associates or specific categories of employees in management and decision-making positions.

3.5.1 Due Diligence Approach

The due diligence process should be comprehensive and aimed at obtaining sufficient and reasonable information and documents for purposes of assessing bribery and corruption risks when there is an identifiable bribery risk or probable exposure to such bribery risk posed by certain activities, dealings, projects, transactions, business associates or potential employees.

In relation to organisations or corporations, the following factors must be taken into consideration :

- legitimacy, goodwill and corporate governance of a business associate (e.g. check on annual filings, announcements made to and / or replies to queries made by the Companies Commission of Malaysia ("CCM"), Bursa Malaysia ("Bursa") and Securities Commission Malaysia ("SC") or such other authorities);
- identity of controlling shareholders or ultimate beneficial owners, parties acting in concert, board of directors and top management of the business associates and whether they had or are having reputation for committing fraud, condoning bribery, acts of dishonesty, practise financial fraud or discrepancies or such other similar misconduct;
- had been or is currently being investigated, convicted, reprimanded, sanctioned, delisted or barred from participation from any tenders or dealings arising from bribery or such other similar criminal conduct.

With regards to QINETICS employees, due diligence should be conducted to :

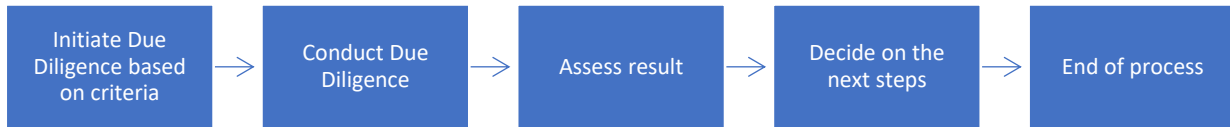
- verify the accuracy of a prospective employee's qualifications;
- obtain satisfactory references from a prospective employee's former employers;
- to ascertain and conclude if prospective employees have been involved in any bribery by checking with the prospective employee's former place of employment and conducting basic Web search.

Though there is no conclusive methodology for carrying out any due diligence check, as a general rule, the process should be as follows :

- identify the correct party to undergo a due diligence check;
- conduct due diligence check through whatever reasonable means and methods;
- review and use available results before deciding on next probable steps (i.e. continue or stop or put on hold pending further investigations).

All results of due diligence checks should be properly documented and retained for entire duration of business relationship. A further review or update on existing records should be carried out as and when required or requested by the management involved at that level or for that transaction or exercise.

3.5.2 Due Diligence Process



a) Business Associates

The criteria for conducting due diligence based on bribery risk includes :

- Bidding for a major project (if contract sum exceeds more than RM2,000,000).
- To be employed as an agent or intermediary when dealing with government departments or officials.
- Sales agency where the commission is derived from a significant percentage of the sale value (if commission exceeds more than 3% of contract value).
- Where a senior manager and/or top management of any affiliated companies, considers due diligence to be to QINETICS advantage.

Due diligence can be conducted by using the following methods :

- Google search using the name of the business associate + 'corruption' + reported cases etc.
- Check that QINETICS is legally compliant.
- Hire private investigator.

Senior manager and/or top management to assess results and make decision :

- Continue with appointment; or
- Cease appointment; or
- Terminate relationship; or
- Obtain further information.

Determine next steps and relevant parties :

- Procurement, legal advisor and / or due diligence service provider.

b) Prospective / Existing Employees

The criteria for conducting due diligence on employees based on bribery risk includes :

- all potential employees before or when joining QINETICS;
- when appointed or promoted to any management position (including when already in management);
- when appointed to a position which involves working with external parties (such as vendors, suppliers, contractors, government agencies, clients or customers); and
- where a senior manager of any affiliated companies, considers due diligence to be to QINETICS' advantage.

Due diligence will be conducted using the following methods :

- Google search using the name of the person;
- verify with Malaysian Anti-Corruption Commission ("MACC") and police databases;
- bankruptcy search; and
- check with MACC, SC and CCM on their records for successful prosecution or civil proceedings against the person.

Senior managers who are tasked to assess proposals, evaluate and make decisions :

- continue with appointment; or
- cease appointment; or
- terminate employment; or
- obtain further information.

Determine next steps and relevant parties include :

- Human resources, legal advisor and / or due diligence service provider.

3.6 Policy on Conflicts of Interest

Conflicts of interest arise when a person directly or indirectly has an involvement through family relationship, related parties, related companies, company shareholdings or employment position or through position of authority giving rise to conflict of interest or where their personal interests override or compromises the best interests of QINETICS.

All employees and candidates are required to declare in writing any conflict of interest, actual or potential or perceived, as soon as they become aware of it. If any employee has any doubt whether a deal, activity or event may give rise to conflict of interest, the employee must forthwith report that deal, activity or event to his immediate supervisor or manager for guidance.

Conflict of interest is to be declared to the employee's immediate supervisor or manager, who will discuss the matter with the top management and take appropriate actions. HR Department shall make a record of disclosed conflicts of interest for future reference.

Prospective employees are to disclose all conflicts of interest with QINETICS during the hiring process so they can be discussed with the hiring manager.

3.7 Policy and Procedures for Gifts, Entertainment, Hospitality and Travel

QINETICS is fully committed to conducting business with integrity. This means avoiding practices of bribery and corruption in any and all forms in QINETICS' daily operations and dealings.

3.7.1 Receiving Gifts

To protect against any undue obligations of or influence on the employee to any external parties, the employee shall declare to the Company (within 2 days) to Superior, on any gifts, hospitality and entertainment, other than gifts which are an exchange of corporate souvenirs, food, hampers, flowers or vouchers and tokens of insubstantial value, made to himself or herself or any member of his or her immediate family by principals, agents, dealers and any parties who have business dealings with QINETICS. QINETICS shall decide how the gift shall be disposed of.

Henceforth:

- employees are prohibited from directly or indirectly receiving any gifts, kickbacks, payments in kind or guarantees in any form that may compromise their judgment and decision making.
- any gift offered by an external party that is of significant value should be politely declined and returned without offending or disrupting the business relations with that party, with the explanation that acceptance of the gift is not permitted under QINETICS' policy.
- notwithstanding the above, the following may be received by employees :
 - corporate gifts of insignificant value (defined as less than RM100) such as diaries, pens, calendars and notebooks;

- items given equally to all participants during official functions such as a door gift, provided that the items are of insignificant value;
- festive hampers and other perishable goods of market value of less than RM400 in total for the package. Such items must be delivered to the main office and distributed amongst the recipient's team by end of the business day after receipt. The organisation giving the festive hamper should not be disclosed if possible; and / or
- gifts given at an official event where refusal would be offensive, e.g. for presenting at a conference, or where the donor is very insistent. Such gifts must be declared to the recipient's manager, who will decide whether the gift can be retained by the recipient or kept by QINETICS.
- no employees shall ever accept gifts in the form of cash or cash equivalent or in any other form, including but not limited to :
 - cash, angpows, commission, cheques, loans, credits cards in any currency, lottery tickets, coupons or gift vouchers of any kind;
 - shares or equity interest in any registered company;
 - personal discounts or perks not offered to the public;
 - awards or prizes of significant value (more than RM100);
 - trade point cards of any retailer; and / or
 - all other gifts from external providers which might or be perceived to influence the behaviour of the recipient.
- immediate family members of employees are strictly prohibited from receiving gifts from any external providers having financial dealings with QINETICS, where the provision of such gifts may influence the actions of the employees in the course of performing their duties in QINETICS.

3.7.2 Giving / offering gifts

QINETICS expects its employees to compete fairly and ethically for all business opportunities. Employees may provide meals, refreshments or entertainment to customers, contractors or suppliers provided that is done with approval, in the ordinary and proper course of business and could not reasonably be seen as bribes or improper encouragement. All such expenditures must be properly recorded in the books and records of QINETICS.

Employees are expected to exercise good and fair judgment when offering gifts to external parties. Gifts should not be excessively extravagant or costly i.e. estimated value at RM400, and must not be given with corrupt intent or intent to influence or to receive a favour in return. Gifts should be given openly and transparently and feature company branding, where possible.

Giving of gifts should not be done frequently and / or during specific time periods, such as during tenders or contract negotiations, to ensure that no influence is exerted on the decision-making process.

Employees must not offer gifts, commissions, gratuities, or other payments to prospective or existing customers, contractors or suppliers without prior written approval of Berjaya.

3.7.3 Giving and Receiving Hospitality

The practice of giving and receiving reasonable and proportionate hospitality is regarded as acceptable corporate business activity. Hospitality may take many forms but generally it consists of meals, travel or transportation, accommodation and recreation.

Hospitality given and received by employees who have interactions with external parties as part of their role should be clearly related to the business between both parties. It should not be exorbitant, received or given

so frequently that reasonable questions might be raised on the true intentions or integrity of the giver or receiver and not be so lavish as to indicate some corrupt intent may be involved.

Employees are absolutely prohibited from either paying for or participating in any activities that might bring QINETICS into disrepute or controversies.

Such activities include lavish or immoral entertainment activities such as gambling, hostess entertainment, karaoke with the presence of guest relations officers or their equivalent, massages, unregulated violent sports, illicit drugs and intoxication by alcohol.

Employees are free to accept hospitality from friends and relatives, provided the hospitality does not influence their actions in any way in the course of performing their duties with QINETICS. If hospitality is provided which can or appear to influence the actions of the person, they should immediately bring the matter to their supervisor or reporting manager's attention and if necessary, make a conflict-of-interest declaration.

(a) Hospitality and Entertainment

Employees are allowed to utilise the entertainment expenses as specified in the HR policies and SOPs and the claims for such expenses are subject to the applicable approval established by QINETICS.

Third Parties engaged to provide services for QINETICS must not receive or provide any hospitality to anyone on behalf of QINETICS.

(b) Business Meals

Employees including Directors may accept or offer reasonable hospitality such as business meals or refreshments provided during a business meeting with legitimate business reasons. For avoidance of doubt, any expenses not listed hereinbelow shall be considered as entertainment to which Clause 3.8.2 above is applicable.

Business meals or refreshments should fall within the following situations:

- (i) it is business-related (e.g., business conference, meeting or other legitimate business discussion);
- (ii) venues are modest and should not contain elements of entertainment that could create negative public perception; or
- (iii) it is for participation in a permissible social and celebratory event that will not improperly influence business decisions, such as:
 - festive open house;
 - appreciation dinners;
 - gala fund-raisers;
 - business dinners;
 - networking events;
 - corporate sports and/or recreation events that emphasise on wellness;
 - celebratory events, including:
 - events to recognise the success of QINETICS;
 - events to recognise a contribution such as a successful business partnership;
 - events commemorating a milestone anniversary of the external stakeholders, other external parties or government agencies;
 - awards ceremonies to celebrate success; or
 - opening or launching ceremonies for a new project or facility.

Employees may participate in an event other than events related to Business Dealings, subject to the applicable approval established by QINETICS.

Directors and Employees are expected to exercise proper judgement in handling gifts and hospitality, and behave in a manner consistent with the general conduct set out in the following code of conduct:

- Shall not allow his private interests to come into conflict with his duties at QINETICS;
- Shall not use his position as a Director or Employee of QINETICS to further his private interests;
- Shall not bring disrepute and discredit to QINETICS; and/or
- Shall not disclose or divulge confidential information relating to QINETICS and its work to unauthorised persons.

The above is to safeguard QINETICS reputation, as well as to protect Directors and Employees from allegations of impropriety or undue influence.

3.7.4 Government Officials

In the event that employees are hosting Government officials, reasonable care must be taken to ensure that the hospitality provided is reasonable and proportionate and does not generate a sense of obligation towards QINETICS.

3.7.5 Violations

Non-compliance to this policy will be considered as major misconduct and the employees involved will be subject to disciplinary action, which may include suspension, demotion or dismissal. Such offence may also be escalated and reported to the relevant enforcement authorities for further action.

3.8 Policy on Donations, Sponsorships and Political Donations

QINETICS is seriously committed to give back to the wider community by providing both financial and non-financial support and social services for recognised causes in the society. However, such donations and benefits may be misused by certain parties as a subterfuge for corruption.

Requests for donations and sponsorships should be subject to due diligence check or such other reasonable searches to ensure legitimacy and authenticity of recipient organisations.

QINETICS does not generally make financial or in-kind contributions to political parties, political party officials or candidates for political office. As a general rule, use of QINETICS' facilities, equipment and resources by political parties for any political campaign or political party function is not permitted. The top management of QINETICS may make an exception to the general rule by making political donation under limited circumstances. Thus, donations must be made to the official bank account of the party and an official receipt retained as proof. Provision of non-financial support such as venues, vehicles, sound equipment, tables, chairs and such other equipment at QINETICS' expense should not be used to influence political decisions and are to be recorded for review and audit purposes.

3.9 Policy on Facilitation Payment

A "facilitation payment" is defined as any payment or any other additional provision over and above the ordinary payment made personally to an individual in control of a process or decision. It is given to secure or expedite a routine or administrative duty or function. Although such payments may be customary under certain circumstances, the laws of many countries, including Malaysia, strictly prohibit it.

QINETICS has a zero-tolerance policy for use of facilitation payments in relation to its business operations and any contracts. This Policy strictly prohibits facilitation payment by either directors, employees, business associates, agents or any representatives acting for and on behalf of QINETICS.

Employees are expected to immediately notify their head of department or the Head of Risk and Compliance when they encounter any requests for facilitation payment. If facilitation payment had been made in part or in full by any employees and subsequently discovered because of requests for further payments or for whatever reasons, the head of department or Head of Risk and Compliance must be immediately notified of those payments so that further remedial actions can be taken.

3.10 Policy on Financial Controls

Financial controls are the management systems and processes implemented by the organization to manage its financial transactions properly and to record these transactions accurately, completely and in a timely manner.

QINETICS requires all necessary financial controls to be in order to ensure that financial transactions are properly processed and recorded to prevent occurrence of bribery and corruption.

QINETICS requires separation of duties so that the same person cannot both initiate and approve a payment.

QINETICS requires tiered levels of authority for payment approval. In practice, this means that larger transactions require several levels of senior management approval.

Cash is often used as a vehicle for bribery and corruption due to the difficulty of tracking when and how it is employed. Therefore, QINETICS requires that the use of cash in daily operations is restricted to the minimum, with a full record of receipts maintained for all cash payments.

In general, employees' reimbursements for expenditure on behalf of QINETICS shall only be made on the basis of official receipts. Handwritten receipts are to be avoided wherever possible.

The categorisation and descriptions of all payments and transactions shall be accurately and clearly recorded in QINETICS' accounts, in line with existing applicable legislation and internal controls.

QINETICS shall carry out periodic financial audits at regular intervals. The reviews shall be carried out by an independent person or organisation.

3.11 Policy on Non-Financial Controls

Non-financial controls are the management systems and processes implemented by the organization to help it ensure that the procurement, operational, commercial and other non-financial aspects of its activities are being properly managed and monitored.

QINETICS is committed to implementing the necessary non-financial controls to mitigate any bribery risks that may arise through the procurement process.

Where possible and reasonable, QINETICS should award contracts through a competitive process, on the basis of the best value for money.

QINETICS holds a policy of separation of duties, such that wherever practical, the operational employees and departments ordering goods and services are kept separate from employees or departments conducting procurement and / or making payment.

3.12 Policy for Document Control and Record Keeping

QINETICS shall maintain all relevant records on the controls used for the adequate procedures.

Policies and procedures should be stored in a secure location with restricted access to making changes. Records in relation to and concerning adequate procedures (i.e. due diligence checks, searches, conflicts of interest declarations, reports and such other confidential documents) must be kept in a safe place and backed up regularly.

The Head of Risk and Compliance has overall duties and responsibility for document control and record keeping of anti-bribery and anti-corruption related documents.

The Head of Risk and Compliance shall monitor and check condition of documents and records at the filing locations periodically to prevent damage, deterioration or loss or tampering.

4.0 PRINCIPLE IV : SYSTEMATIC REVIEW, MONITORING AND ENFORCEMENT

4.1 Policy and procedures on Monitoring, Reviewing and Enforcing the Anti-Corruption Initiatives

Regular reviews are conducted to assess the performance, efficiency and effectiveness of the anti-bribery and anti-corruption programme and ensure the programme is strictly enforced. The reviews will form the basis of any efforts to improve existing anti-bribery and anti-corruption controls in place in QINETICS.

For this purpose, QINETICS is committed to :

- plan, establish, implement and maintain a bribery risk-based monitoring programme, which covers scope, frequency and methods for review;
- identify and source for competent person(s) to perform an internal audit, in relation to the organisation's anti-bribery and anti-corruption measures;
- conduct continual evaluations and improvements on the organisation's policies and procedures in relation to corruption;
- consider an external audit by a qualified and independent third party at least once every two years to obtain assurance that the organisation is operating in compliance with its policies and procedures in relation to corruption;
- monitor the performance of employees in relation to any anti-bribery and anti-corruption policies and procedures to ensure their understanding and compliance with the organisation's stance in their respective roles and functions; and
- conduct disciplinary proceedings against employees found to be non-compliant to the programme.

The results of reviews and audits carried out by the Head of Risk and Compliance and the audit department shall be reported to the top management for consideration and implementation of such recommendations.

5.0 PRINCIPLE V : TRAINING AND COMMUNICATION

5.1 Communication Policy

QINETICS shall ensure that communications are conducted both internally and externally regarding the anti-corruption programme.

- Communications will include information on key policies and procedures, including anti-bribery policy; conflicts of interest; gifts, donations, entertainment; facilitation payments; reporting channel etc.
- Communication channels may include personal briefings, email, internet, intranet, training, seminars, face-to-face briefings, phone calls etc.

5.2 Communication Plan

Objective : To raise awareness on the anti-bribery and anti-corruption programme

- General understanding and awareness on integrity, corporate governance and anti-bribery and anti-corruption programme;
- Detailed information on the policy, compliance issues and reporting concerns;
- Applicable law and rights of all parties; and
- Where to obtain further information and assistance.

5.3 Training Policy

QINETICS shall conduct adequate training to ensure all employees exposed to bribery and corruption risk are aware of QINETICS' policies and procedures set out to establish the anti-corruption programme.

- Where relevant, training may also be provided for business associates which may expose QINETICS to corruption risk such as agents, intermediaries and others acting on behalf of QINETICS.
- Vendors, suppliers and contractors procuring goods and services to QINETICS may also receive training if deemed appropriate.
- Training, seminars and workshops for employees considered to be in high-risk positions should be done at least once every half yearly, with a record kept of such trainings, seminars and workshops organized or provided and attendance of all participants.
- Training, seminars and workshops should be tailored to the roles and responsibilities of such employees and shall include latest development on law, compliance issues and examples of likely corruption scenarios, whichever is applicable.

6.0 OFFENCES

Engaging in bribery and corruption is illegal according to both local and international legislation. Employee must be aware that under the MACC Act, if you participate in bribery and corruption, you may be subject to:

- Imprisonment up to 20 years; and
- A fine at least five times the sum or value of the relevant bribe (gratification).

7.0 RECORD KEEPING AND RETENTION PERIOD

QINETICS is committed to proper record keeping and retention of all records, to enable the Company to comply with any requests from the relevant authorities.

All departments shall ensure that all records, operational work documents, other documents, and transactions are kept in proper filing formats.

Each department shall ensure that all due diligence, records, operational work documents, other documents, and transactions are retained for a period of at least seven (7) years after the relationship is terminated/exited/completed.

- END OF POLICY -

SCHEDULE 1 : BRIBERY & CORRUPTION RISK ASSESSMENT MANUAL

Risk Descriptions	Existing Controls	New Risk Mitigating Controls
<p>A. Procurement (general purchases, capital expenditures, goods and services, events etc.)</p> <ol style="list-style-type: none"> 1. Excessive reliance on or insistence on dealing with or appointing specific third party, agents or a single supplier in procurement process notwithstanding compliance with due process and comparative quotations. 2. Collusion in selecting supplier or vendor without due process or comparative quotations. 3. Collusion in selecting service provider for continuing a service contract without due process or comparative quotations. 4. Collusion in approving for purchase of low quality or off-specification supply or goods. 5. Splitting purchase orders to avoid getting authorization and circumventing spending limit. 6. Without sourcing for new supplier or vendor, employee repeatedly extends contract with same supplier or vendor on same terms and conditions and for excessive period of time. 7. Excessive purchases (both quantity and quality) even though the goods or items are slow moving or of limited usage. 8. Making high-value purchase without just cause from a unique or exclusive supplier. 9. Unjustifiable purchase of goods, gifts, items or services inconsistent with company policy and business needs. 10. Purchase from fictitious suppliers or vendors. 11. Employee and / or their immediate family members received exorbitantly high value gift in itself or through lucky draw, hampers, entertainment packages or luxury travel incentives. 12. Soliciting for or accepting bribe or any form of gratification from supplier, vendor or service provider in return for awarding contract or promise to purchase goods or services. 13. In return for orders or purchases or award of contract, supplier or vendor provides sample, free or trial services (eg. equipment, maintenance, pest control, gardening etc. at employee's or immediate family's premises). 14. Employee's extravagant lifestyle and status does not commensurate with salary or income derived from current job posting. 15. Employee has direct or indirect interest in the supplier, vendor or service provider's company. 	<ul style="list-style-type: none"> • SOP for Purchase Requisition. • Sourcing for comparative quotations (at least two other quotes) prior to making purchases or appointing service provider. • Regular price review on goods, products, items and services to ensure competitive pricing. • Company search on new suppliers and vendors. • Annual review on major suppliers and vendors. • Approval matrix for expenditure and purchases. • Multiple levels of vetting, approval and internal review before execution of agreement. 	<ul style="list-style-type: none"> • QINETICS Adequate Procedures to Curb and Prevent Bribery and Corruption : T.R.U.S.T. Concept. • Anti-Bribery and Anti-Corruption awareness, training and communication for all employees worldwide. • Contract / agreement with vendor or third party shall include Qinetics' commitment towards Anti-Corruption. • Declaration on conflict of interest.

Risk Descriptions	Existing Controls	New Risk Mitigating Controls
<p>B. Finance</p> <ol style="list-style-type: none"> 1. No or insufficient supporting documents for cash transactions or bank transfer transactions. 2. Overpayment for goods and services contrary to invoices, purchase orders and delivery orders issued. 3. Payment for goods and services which are not ordered or delivered. 4. Payment to fictitious suppliers, vendors or service providers. 5. Cash payment exceeding authorized limits to facilitate one off payment, deals or transactions. 6. Issuance of credit notes or giving of rebates and discounts as means of paying commission, bribes or granting of gratification. 7. Frequent and unjustifiable write-offs of any debts or accounts receivable as means of paying commission, bribes or granting of gratification. 8. Certification for payment of any incomplete or defective work, which is submitted as progressive claims. 9. Foreign offshore bank accounts which are operated without prior approval of the finance department or board of directors. 10. Bank accounts (whether local or foreign) are maintained and operated but not reflected in balance sheet. 11. Unusual or irregular payments to third parties in foreign countries that have no business dealings or contractual relationship with Qinetics. 	<ul style="list-style-type: none"> • SOP on payment process. • Approval matrix for expenditure and purchases. • Dual approval for cheque signatories or online bank transfer. • Audit by external auditor. 	<ul style="list-style-type: none"> • QINETICS Adequate Procedures to Curb and Prevent Bribery and Corruption: T.R.U.S.T. Concept. • Anti-Bribery and Anti-Corruption awareness, training and communication for all employees worldwide.

Risk Descriptions	Existing Controls	New Risk Mitigating Controls
<p>C. Sales and Marketing</p> <ol style="list-style-type: none"> 1. Provide gifts, donations, entertainment or commission to close deals, increase or retain sales or unfairly gain advantage over competitors. 2. Collusion or acting in cohort with a particular group of suppliers to fix demand and supply conditions, minimum or maximum prices or award of contract. 3. Engage same event organizer or event management firm without sourcing for comparative quotations from other companies providing same services. 4. Unnecessary appointment of consultant or specialist with no added value to project or with vague job descriptions or unable to justify or substantiate work carried out. 	<ul style="list-style-type: none"> • SOP on sales, event, entertainment, travelling and payment. • Approval matrix for expenditure and purchases. 	<ul style="list-style-type: none"> • QINETICS Adequate Procedures to Curb and Prevent Bribery and Corruption: T.R.U.S.T. Concept. • Anti-Bribery and Anti-Corruption awareness, training and communication for all employees worldwide.

Risk Descriptions	Existing Controls	New Risk Mitigating Controls
<p>D. Strategic Relation / Government Liaison</p> <ol style="list-style-type: none"> 1. Close personal relationships between employees and government personnel or between their immediate family members. 2. Use of unauthorized agents or third parties to develop, secure or maintain business relationship or granting of favour or contract with any companies in foreign countries. 3. Unusual or unauthorized payments through improper channels to government agencies or third party to secure, retain or influence business decision or to secure new or existing government contract. 4. Provisions for sponsored events for public servants or their immediate family members, including but not limited to, fully paid travel, lodging, entertainment and hospitality expenses with or without allowance or further reimbursements. 5. Any political donations, large cash payments or advance payments made to any politicians or political parties without reasonable justification or for ambiguous purposes. 6. Giving of angpows to government staff and official during any festive events. 7. Engaging agents, consultants, middleman or runners to facilitate fast track processing with government agencies or to secure business and contract. 8. Giving exorbitantly high value gift in itself or through lucky draw, hampers, entertainment packages or luxury travel incentives to government authorities or officials and / or their immediate family members. 	<ul style="list-style-type: none"> • SOP on entertainment and travelling. • Approval matrix for expenditure and purchases. 	<ul style="list-style-type: none"> • QINETICS Adequate Procedures to Curb and Prevent Bribery and Corruption: T.R.U.S.T. Concept. • Anti-Bribery and Anti-Corruption awareness, training and communication for all employees worldwide. • Declaration on conflict of interest.

Risk Descriptions	Existing Controls	New Risk Mitigating Controls
<p>E. Gift, Entertainment, Hospitality and Travel</p> <ol style="list-style-type: none"> 1. Giving exorbitantly high value gift in itself or through lucky draw, entertainment packages or luxury travel incentives to government authorities or officials, bankers, politicians, suppliers and customers and / or their immediate family members. 2. Receiving and / or accepting exorbitantly high value gift in itself or through lucky draw, entertainment packages or luxury travel incentives from any suppliers or contractors (whether for the employee or his immediate family members or relatives) in return for favour of any kind. 	<ul style="list-style-type: none"> • SOP on sales, event, entertainment and travelling • SOP on payment. • Approval matrix for expenditure and purchases. 	<ul style="list-style-type: none"> • QINETICS Adequate Procedures to Curb and Prevent Bribery and Corruption: T.R.U.S.T. Concept. • Anti-Bribery and Anti-Corruption awareness, training and communication for all employees worldwide. • Maintain guest attendance lists when organizing open house events that involved government officials and politicians.

Risk Descriptions	Existing Controls	New Risk Mitigating Controls
<p>F. Donations, Sponsorship, Corporate Social Responsibility (“CSR”) and Political Contribution</p> <ol style="list-style-type: none"> 1. Any large cash payments or advance payments made to any politicians or political parties without reasonable justification or for ambiguous purposes. 2. Any large charitable contributions or sponsorship (whether in cash or any items in value) in local and foreign countries. 3. Any donations made through CSR programmes to unregistered or non bona fide charity organization or under suspicious circumstances. 4. Any unusually high amount of cash received from any unknown individual or money deposited to bank account without denoting any specific purpose for the deposit. 	<ul style="list-style-type: none"> • SOP on payment. • Approval matrix for expenditure and purchases. 	<ul style="list-style-type: none"> • QINETICS Adequate Procedures to Curb and Prevent Bribery and Corruption: T.R.U.S.T. Concept. • Anti-Bribery and Anti-Corruption awareness, training and communication for all employees worldwide. • Declaration on Conflict of Interest

Risk Descriptions	Existing Controls	New Risk Mitigating Controls
<p>G. Tax</p> <ol style="list-style-type: none"> 1. Unusual payments or any payments exceeding that which are payable to tax authorities when made for purposes of securing reduction or waiver of tax liabilities. 2. Giving high value gift in itself or through lucky draw, entertainment packages or luxury travel incentives to government authorities and / or their officers or their immediate family members to secure favour of any kind. 3. Any form of tax evasion (whether under declared or concealment of duties and tax payable to relevant authorities). 	<ul style="list-style-type: none"> • SOP on sales, event, entertainment and travelling • SOP on payment. • Approval matrix for expenditure and purchases. • Tax audit by external auditor. 	<ul style="list-style-type: none"> • QINETICS Adequate Procedures to Curb and Prevent Bribery and Corruption: T.R.U.S.T. Concept. • Anti-Bribery and Anti-Corruption awareness, training and communication for all employees worldwide.

Risk Descriptions	Existing Controls	New Risk Mitigating Controls
<p>H. Supply Chain</p> <ol style="list-style-type: none"> 1. Cash payments or giving of high value gift in itself or through lucky draw, entertainment packages or luxury travel incentives to custom authorities and / or their officers or their immediate family members to secure release of goods or equipment that are being held up. 2. Logistic service providers, customer clearance agents or warehouse suppliers are directly appointed without sourcing for comparative quotations from other similar service providers. 	<ul style="list-style-type: none"> • SOP on Purchase Requisition. • Approval matrix for expenditure and purchases. 	<ul style="list-style-type: none"> • QINETICS Adequate Procedures to Curb and Prevent Bribery and Corruption: T.R.U.S.T. Concept. • Anti-Bribery and Anti-Corruption awareness, training and communication for all employees worldwide.

Risk Descriptions	Existing Controls	New Risk Mitigating Controls
<p>I. Hiring / Employment / Sourcing for Service Providers</p> <ol style="list-style-type: none"> 1. Hiring employees with history of criminal records and / or misconduct. 2. Payment of salary and allowance to phantom employees. 3. Vague job scope for hiring agents / consultant with unusual payment terms. 4. Hiring employees with close family relationship to directors or senior management which may give rise to conflict of interest. 5. Collusion with hiring agent to hire employee who are unqualified or has fictitious qualifications. 6. Excessive reliance on third party agent or consultant to hire employees even though a hiring team is already in existence and capable of carrying the same task. 7. Foreign workers' agents or team building event organizers are directly appointed without comparative quotations or tendering in return for kick-backs. 8. Collusion with agents or any third party by appointing several foreign workers agents which are related with common director or shareholder. 9. Awarding staff training contract to external trainer / service provider company whom HR personnel has personal interest in or close family relationship with. 	<ul style="list-style-type: none"> • SOP on recruitment and selection. • SOP on Payment. • Reference check with potential candidates' previous employers and reporting managers. • Verification on potential candidate's qualifications and previous working experience. • Approval matrix for expenditure and purchases. 	<ul style="list-style-type: none"> • QINETICS Adequate Procedures to Curb and Prevent Bribery and Corruption: T.R.U.S.T. Concept. • Anti-Bribery and Anti-Corruption awareness, training and communication for all employees worldwide.

Risk Descriptions	Existing Controls	New Risk Mitigating Controls
<p>J. Other Areas</p> <ol style="list-style-type: none"> 1. Receiving and / or accepting exorbitantly high value gift by itself or through lucky draw, entertainment packages or luxury travel incentives from anyone (whether for the employee or his immediate family members or relatives) in return for disclosure of any corporate confidential information, trade secret, research and development formula to competitors or any third party. 2. Giving exorbitantly high value gift by itself or through lucky draw, entertainment packages or luxury travel incentives to anyone and / or their immediate family members in order to obtain corporate confidential information or trade secret of any third party. 3. Any form of corrupt practice in the course of employment, carrying out responsibility or exercise of duty. 4. Any form of insider trading or market manipulation through legal or illegal share trading in Bursa Malaysia or such other stock exchanges pursuant to unauthorized or illegal access to confidential and material information which will affect movement of share price. 	<ul style="list-style-type: none"> • SOP on Payment. • Approval matrix for expenditure and purchases. 	<ul style="list-style-type: none"> • QINETICS Adequate Procedures to Curb and Prevent Bribery and Corruption: T.R.U.S.T. Concept. • Anti-Bribery and Anti-Corruption awareness, training and communication for all employees worldwide. • Non-Disclosure Agreement (between supplier and employee or relevant parties having confidential information). • Declaration on conflict of interest.