



- Code of Business Conduct for Third Parties-
- Anti-Bribery & Anti-Corruption Policy-
- Special Complaint Policy -

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# INTRODUCTION

- Code of Business Conduct for Third Parties (“Code”), refers to formulated guidelines and good business practices that apply to the Third Parties during their business dealing with WTCH group .



- Third Parties include but are not limited to vendors, suppliers, service providers, contractors, sub-contractors, advisers, agents, distributors and dealers that whom have business dealing with WTCH group.



- It is crucial, for you as WTCH group Third Parties to read, understand and adhere to the practices as stipulated in the Code as available at WTCH group corporate website:-
- [https://www.warisantc.com/pdf/Policy/EN%20WTCH%20%20Special%20Complaint%20Policy%20\(Website\)%2020220613.pdf](https://www.warisantc.com/pdf/Policy/EN%20WTCH%20%20Special%20Complaint%20Policy%20(Website)%2020220613.pdf)

# PRACTICES OF CODE OF BUSINESS CONDUCT FOR THIRD PARTIES

## 1.Assets: -

If WTCH group provides any assets/ properties to the Third Parties for the purpose of performing the business dealings, the Third Parties must protect it from any loss, damage, misuse, illegal use and theft.



## 2. Information of WTCH group: -

The Third Parties shall:

- (i) safeguard all information/ documents of WTCH group and only provide access to their personnel on a need-to-know basis; and
- (ii) not disclose it to any parties without the prior written consent of WTCH group.

This obligation is to survive and continue after the expiration/termination of the contract/ business dealing, unless otherwise agreed between the parties and/or stipulated in the contract.



# PRACTICES OF CODE OF BUSINESS CONDUCT FOR THIRD PARTIES

## 3. Information of the Third Parties: -

The Third Parties must not misrepresent and falsify any information submitted to WTCH group and must keep proper records of all documentations relating to the business dealing with WTCH group.



## 4. Media: -

If the Third Parties receive any queries from media relating to WTCH group, they shall forward to WTCH group and obtain the prior written approval of WTCH group before responding or disclosing any information to the media.



## 5. Reputation:



The Third Parties shall not do anything that is prohibited by the applicable laws or this Code which will or may harm the image and reputation of WTCH group, failing which, WTCH group has the right to terminate the business dealing with the Third Parties without any liability.

# PRACTICES OF CODE OF BUSINESS CONDUCT FOR THIRD PARTIES

## 6. Conflict of Interest: -

The Third Parties must declare any conflict of interest or potential conflict of interest to WTCH group in writing, including any relationship exists between the Third Parties and WTCH group's employees and competitors.

## 7. Anti-Bribery & Anti-Corruption, Gift, Hospitality & Donations/ Sponsorship: -

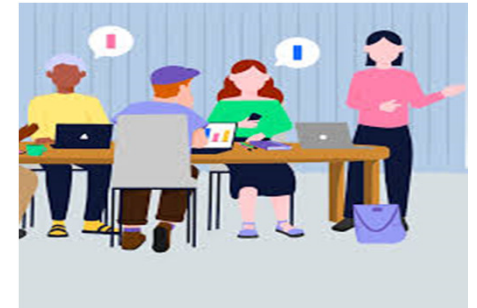
The Third Parties must undertake periodic reviews and assessments to identify any bribery and corruption risks and ensure that they have adequate procedures in place to address such risks and immediately report any real or suspected bribery/corruption to WTCH group.



# PRACTICES OF CODE OF BUSINESS CONDUCT FOR THIRD PARTIES

## 8. Fraud: -

The Third Parties must immediately report to WTCH group on any suspected fraud, falsification of records or other irregularities in the business dealing with WTCH group and cooperate with any investigation.



## 9. Environment, Health, Safety & Labor: -

In providing works/ services to WTCH group, the Third Parties shall ensure a safe and healthy environment, put in place policies and measures relating to environment, health & safety (“EHS”) and attend EHS awareness briefing organized by WTCH group (if any). - The Third Parties shall also comply and implement procedures to monitor compliance and prevent contravention with applicable laws and regulations relating to environmental, human rights and labour matters.

# BREACH OF CODE OF BUSINESS CONDUCT FOR THIRD PARTIES

- May result in termination of the contract and/or business dealings between Third Parties and WTCH group with no further liability to the Third Parties and WTCH group may enforce its rights and seek remedies available to it under the contract at law and/or in equity.





## SECTION 17A(1) MACC ACT - OFFENCE



A commercial organisation commits an offence if a person associated with the commercial organisation corruptly gives, agrees to give, promises or offers to any person any gratification whether for the benefit of that person or another person with intent –

- (a) to obtain or retain business for the commercial organisation; or
- (b) to obtain or retain an advantage in the conduct of business for the commercial organisation.

## PERSON ASSOCIATED

- A director, partner or an employee of the commercial organisation
- A person who performs services for or on behalf of the commercial organisation (determined by reference to all relevant circumstances and not merely the nature of relationship between him and the commercial organisation)



## SECTION 17A(8) MACC ACT COMMERCIAL ORGANISATION



- A company incorporated under the Companies Act 2016 and carries on a business in Malaysia or elsewhere
- A company wherever incorporated and carries on a business or part of a business in Malaysia

# GRATIFICATION



- (a) money, donation, gift, loan, fee, reward, valuable security, property or interest in property being property of any description whether movable or immovable, financial benefit, or any other similar advantage;
- (b) any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;
- (c) any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;

## GRATIFICATION *(Continued)*



(d) any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;

(e) any forbearance to demand any money or money's worth or valuable thing;

(f) any other service or favour of any description, including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted, and including the exercise or the forbearance from the exercise of any right or any official power or duty; and

(g) any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding paragraphs (a) to (f);

## SECTION 17A(2) MACC ACT - PENALTY

- Fine – Not less than 10 times the sum/ value of the gratification or RM1 million whichever is higher;
- Imprisonment – Not exceeding 20 years; or
- Both



## SECTION 17A(3) MACC ACT - DEEMED LIABILITY



Director, controller, officer, partner or a person who is concerned in the management of the affairs of the commercial organisation (“Senior Management”) at the time of commission of the offence is deemed to have committed that offence.

## SECTION 17A(4) MACC ACT - DEFENCE



If a commercial organisation is charged under S17A(1) MACC Act, it is a defence for the commercial organisation to prove that it had in place adequate procedures to prevent persons associated with it from undertaking such conduct.

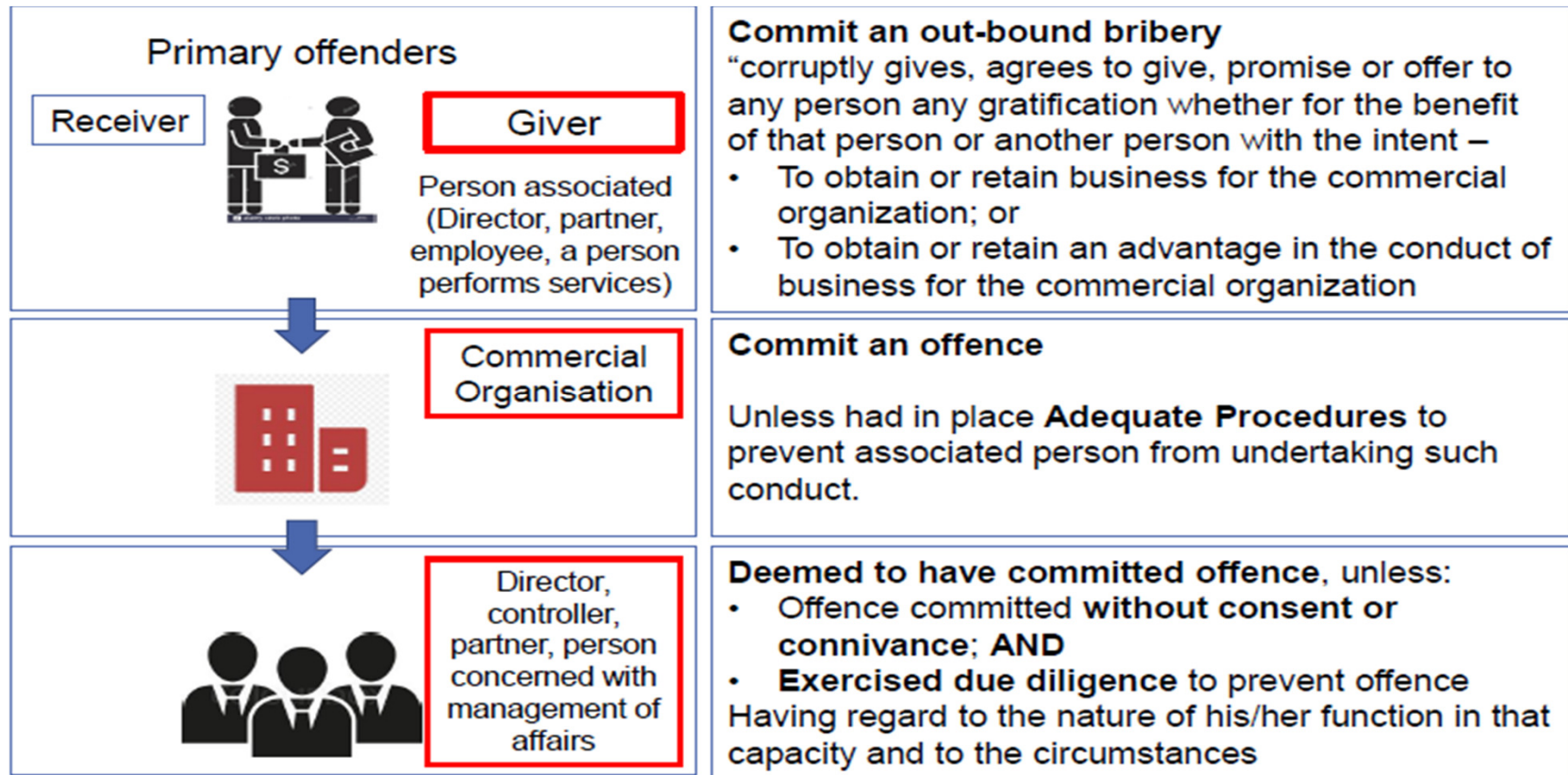


## SECTION 17A(3) MACC ACT - DEFENCE

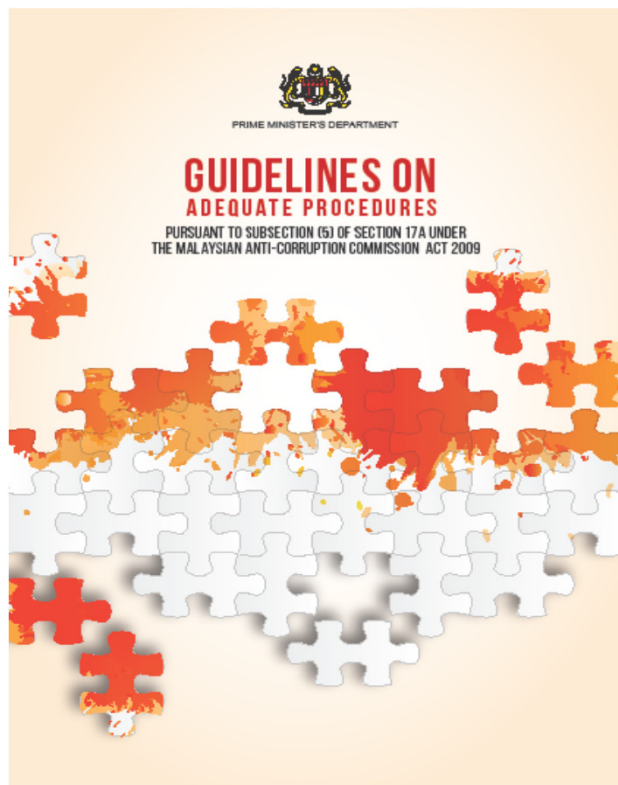


Deemed offence unless the Senior Management can “prove that the offence was committed without his consent or connivance and that he exercised due diligence to prevent the commission of the offence as he ought to have exercised, having regard to the nature of his function in that capacity and to the circumstances.”

# SECTION 17A MACC ACT – SUMMARY



# SECTION 17A(5) MACC ACT – ADEQUATE PROCEDURE



Pursuant to this Section 17A(5), the Prime Minister's Department issued the Guidelines on Adequate Procedures.

Commercial organisations are to take reasonable & proportionate measures to ensure that their businesses do not participate in corrupt activities for their advantage/ benefit.

# ADEQUATE PROCEDURE – T.R.U.S.T PRINCIPLES



# TOP LEVEL COMMITMENT

Top level management to ensure commercial organisation:

- (i) Practices highest level of integrity & ethics;
- (ii) Complies with applicable laws & regulations on anti-corruption;
- (iii) Effectively manages key corruption risks.

THRU:

- (a) Establishing anti-corruption compliance programme;
- (b) Promoting a culture of integrity;
- (c) Communicating policies & commitments on anti-corruption to internal & external stakeholders



## TOP LEVEL COMMITMENT *(Continued)*

- (d) Encouraging use of whistleblowing channel;
- (e) Assigning & adequately resourcing a competent person/ function to be responsible for all anti-corruption compliance matters;
- (f) Ensuring lines of authority for personnel overseeing anti-corruption compliance programme is appropriate;
- (g) Ensuring audit, risk assessment, control measures results are reported to all top level management (including full Board of Directors) and acted upon.



# RISK ASSESSMENT



- Comprehensive corruption risk assessment (“CRA”) to identify, analyse, assess and prioritise internal & external corruption risks of the commercial organisation.
- To conduct CRA every 3 years or whenever there is change of law/ business.
- CRA may include:
  - (a) Opportunities for corruption & fraud activities;
  - (b) Financial transactions disguising corrupt payments;
  - (c) Business activities in higher corruption risk countries/ sectors;
  - (d) Non-compliance of anti-corruption laws by parties acting on behalf of commercial organisation;
  - (e) Relationships with 3<sup>rd</sup> party in its supply chain (agents, vendors, contractors & suppliers) likely to expose commercial organisation to corruption.

# UNDERTAKE CONTROL MEASURES



- Put in place reasonable and appropriate controls and contingency measures to address corruption risks arising from weaknesses in governance framework, processes & procedures:
  - (a) **Due diligence** (background checks, documentation verification & interviews): on directors, employees, agents, vendors, contractors, suppliers, consultants, directors & senior management of counterparty etc. prior to entering into any relationship & periodically thereafter
  - (b) **Whistleblowing channel**: may be used anonymously by internal & external parties to raise concerns on real/ suspected corruption incidents in good faith free from retaliation.



# UNDERTAKE CONTROL MEASURES

(Continued)



**(c) Policies & Procedures:** establishing policies & procedures to cover:

- General anti-bribery & corruption
- Conflict of interest
- Gifts, entertainment, hospitality & travel
- Donations & sponsorships
- Facilitation Payment
- Financial controls such as separation of duties & approving powers/ multiple signatories
- Non-financial controls such as pre-tendering process
- Managing & improving any inadequacies in the anti-corruption monitoring framework
- Record keeping for managing documentation related to the adequate procedures.

# SYSTEMATIC REVIEW, MONITORING & ENFORCEMENT

- Conducting regular reviews to assess performance, efficiency & effectiveness of anti-corruption programme

Through:

- (a) Establishing a monitoring programme on scope, frequency & methods for review;
- (b) Identifying competent person(s) to perform internal audit on anti-corruption measures;
- (c) Conducting continual evaluations & improvements on policies & procedures;
- (d) Considering external audit at least every 3 years to obtain assurance on compliance to anti-corruption policies & procedures;
- (e) Monitoring compliance of Third Parties;
- (f) Terminate business dealings against non-compliant Third Parties.



# TRAINING & COMMUNICATION

- Develop & disseminate training & communications relevant to its anti-corruption management system covering policy, training, reporting channel & consequences of non-compliance

THRU:

- (a) Messages on corporate website;
- (b) Emails, newsletters, posters;
- (c) Code of business conduct for Third Parties;
- (d) Seminars;
- (e) Town-hall sessions.



## OTHER SECTIONS IN MACC ACT

- Sections 16(a) & 17(a) – Soliciting/ Receiving Gratification (Bribe)
- Sections 16(b) & 17(b) – Offering/ Giving Gratification (Bribe)
- Section 18 – Intending to Deceive (False Claim)

### Penalty (Section 24):

- Fine – Not less than 5 times the sum/ value of the gratification/ false claim or RM10,000 whichever is higher; and
- Imprisonment – Not exceeding 20 years.



## WHISTLEBLOWING CHANNEL



Special Complaint Policy ("SCP") equivalent to Whistleblowing Policy put in place to provide employees, customers, vendors & public to raise concerns of wrongdoings including those concerning bribery & corruption and fraud. You are encouraged to speak up and report to us on such wrongdoings.

Whistle-blower must act in good faith and have reasonable grounds for believing the information/ evidence submitted is true.

Complaint may be made anonymously.

Whistle-blower is protected against retaliations. Those who retaliate are subjected to disciplinary actions.



## WHISTLEBLOWING CHANNEL (Continued)

- Complaint can be made in writing (hardcopy/online submission/email), face-to-face or through SCP hotline.
- All complaints & supporting documents/information received are kept in strictest confidence.
- Complaint to be addressed to the Group Integrity Officer ("GIO") and if the GIO is implicated, to the chairperson of the Board Audit Committee.
- Refer information on next slide, on reporting channel details for Whistleblowing /Special Complaint.



# WHISTLEBLOWING REPORTING CHANNEL

Mode	Description
WTCH Group's SCP E-mail	<a href="mailto:wtch.scp@warisantc.com">wtch.scp@warisantc.com</a>
WTCH Group's SCP Hotline (Toll Free)	1800-888-245
WTCH Group's SCP Form (Print Version)	<a href="#"><u>Special Complaint Policy Form</u></a>
WTCH Group's SCP Online Form	<a href="#"><u>Special Complaint Policy e-Form</u></a>
Send Report to:	Group Integrity Officer (GIO)
If GIO is implicated in the report, send report to:	The Chairman of Audit Committee , c/o WTCH Secretarial Department
Address:	No.62-68, Jalan Sultan Azlan Shah, 51200 Kuala Lumpur

# DO'S

- 1.Do Take a stand - ZERO tolerance on Corruption & Bribery.
- 2.Do ensure a safe and healthy environment for everyone including the public and personnel of WTCH group.
- 3.Do Comply with the Anti-Bribery & Anti-Corruption (“ABAC”) laws & regulations.
- 4.Do take time and put an effort to Understand the risks, prevent, detect and report acts or suspected acts of bribery, corruption and/or fraud immediately as WE encourage a ‘Speak Up’ culture.
- 5.Do Keep accurate and transparent records.
- 6.Do declare the conflict of interest of dealings with WTCH group.



# DON'TS

1. Don't give, promise or accept bribes.
2. Don't offer, give or accept gift, entertainment & hospitality which violates the ABAC laws & regulations .
3. Don't provide false declaration in the declaration pledge form on ABAC or Conflict of Interest.
4. Don't provide false or misleading statements to those conducting investigation of irregularities;
5. Don't misuse the assets for business dealings and purposes not related to WTCH group.
6. Don't falsify documents or submit fictitious claim.
7. Don't install unauthorized software or download non-work materials into the assets provided by WTCH group.

# QUESTIONS

If you have any questions pertaining to this briefing, please feel free to contact us at:

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