

**KHIND HOLDINGS BERHAD AND GROUP OF COMPANIES
ANTI-BRIBERY AND ANTI-CORRUPTION**

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KHIND HOLDINGS BERHAD AND GROUP OF COMPANIES ANTI-BRIBERY AND ANTI-CORRUPTION

1. Introduction

- 1.1 Khind Holdings Berhad (“Khind” or the “Company”) and its group of companies (“Khind Group” or “Group”) is committed to the highest standards of ethics and integrity in the conduct of its businesses and operations.

This Anti-Bribery and Corruption Policy (“ABC Policy” or “Policy”) sets out Khind’s approach in combating bribery and corruption and where applicable, it should be read in conjunction with Khind’s other policies and procedures. If there is any conflict or inconsistency, the stricter provision shall prevail.

- 1.2 This Policy applies to all Directors (including executive, non-executive and independent), all level of employees, and all Associated Persons when acting for or on behalf of the Group.
- 1.3 This Policy shall be applicable to all of the Group's business activities in all countries and territories in which the Group operates.

2. Policy Statement

- 2.1 Khind adopts a zero-tolerance approach towards bribery and corruption of all forms. Directors, Employees, and Associated Persons shall not abuse the power entrusted to them to carry out business for the Khind Group for personal gain.
- 2.2 All Directors, Employees, and Associated Persons are prohibited from giving, authorising, promising, offering, soliciting, accepting or agreeing to accept any corrupt gratification. They are also expected to not engage in or permit any activities that may put the Group at risk of bribery or corruption offence, whether for personal gain or to gain a Business Advantage.
- 2.3 The Group takes the upholding of its anti-bribery and corruption stance seriously and expects the same from stakeholders internal and external to the Group’s business.
- 2.4 Directors, Employees, and Associated Persons are expected to refuse to give or receive a bribe when solicited or offered one.
- 2.5 Any Directors or Employees found to be involved in bribery or corruption activities will be subjected to disciplinary actions, including dismissal. Associated Persons found to have breached this Policy will have their business relationship reviewed, including consideration of termination.
- 2.6 Khind commits that no individual will suffer any detrimental treatment from the Group for refusing to take part in bribery or corruption.

3. Interpretation

- 3.1 “**Associated Persons**” include any third party (individual or organisation) working for or on behalf of the Khind Group in any capacity, including but not limited to, agents, contractors, consultants, suppliers, service providers, associate companies, business partners, and joint venture partners or entities.
- 3.2 “**Bribery**” is an act of corruptly giving, agreeing to give, authorising, promising, offering, soliciting, accepting, or agreeing to accept any gratification, whether directly or indirectly.
- 3.3 “**Business Advantage**” means when Khind Group is placed in a better position (financially, reputationally or in any other way which is beneficial) than it would otherwise have been had the bribery not taken place.

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- 3.4 “**Corruption**” is the abuse of entrusted power for private gain, as defined by Transparency International.
- 3.5 “**Directors**” include all directors of Khind Group.
- 3.6 “**Employees**” include all employees of Khind Group including full-time, part-time, and contract and temporary employees.
- 3.7 “**Gratification**” as defined in the MACC Act 2009 includes:
- (a) money, donation, gift, loan, fee, reward, valuable security, property or interest in property being property of any description whether movable or immovable, financial benefit, or any other similar advantage;
 - (b) any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;
 - (c) any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;
 - (d) any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;
 - (e) any forbearance to demand any money or money's worth or valuable thing;
 - (f) any other service or favour of any description, including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted, and including the exercise or the forbearance from the exercise of any right or any official power or duty;
 - (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).
- 3.8 “**Third Party**” means any individual or organisation with whom you may come into contact during the course of your work for the Group, and includes actual and potential customers, distributors, service providers, suppliers, agents, government and public bodies, including their representatives, advisors, officers and politicians.

4. Facilitation Payments

- 4.1 Facilitation payments, sometimes known as “speed” or “grease” payments, are payments made to secure or expedite a routine or necessary action (such as government processes or service) to which a person is otherwise legally entitled without making any payment.
- 4.2 Facilitation payment may take the form of cash payment, benefit, gift, or hospitality includes improper cash payment, benefit, gift, or hospitality.
- 4.3 Khind views facilitation payments as bribes, no matter how small the amount, and hence, it is strictly prohibited.
- 4.4 What is not a facilitation payment? – Payments are not considered as facilitation payments if they fulfil the following conditions:
- (a) the service is open and available to everyone;
 - (b) the fee is in accordance with an official and published list or rate;

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- (c) the fee is not payable to individuals but to the organisation or entity; and
- (d) a legal and official receipt can be provided.

5. Gifts, Entertainment, Hospitality and Travel

- 5.1 Gifts, entertainment, hospitality or travel (“GEHT”) is a form of gratification. If GEHT is deemed to be able to influence business judgement, it is construed as a bribe and is prohibited.
- 5.2 All Directors, Employees, and Associated Persons of the Group shall not give or receive GEHT from Third Parties which may affect or may be perceived to affect business judgement.

In other words, the GEHT shall never influence or be perceived to be able to influence business decision-making process and GEHT shall not be associated with any contractual negotiations.

- 5.3 Gift, entertainment, and hospitality shall be guided by the following principles:

Intention	The intention is to build goodwill or show appreciation. It shall be unsolicited and shall not be given as a way of persuading the recipient, to influence a business decision, or to obtain a favourable treatment.
Modest	The value is not excessive or of such that it may put undue pressure on the recipient or influence a business decision.
Proportionate	Its value or circumstance is proportionate to the occasion or the recipient’s position.
Conform to the recipient’s policies and applicable laws	It shall be in line with the rules or policies governing the recipient, in addition to applicable laws and regulations.
Moment	It is not given within a sensitive period where a negotiation/ decision regarding a Business Advantage is expected from the recipient (such as period when contract negotiation is underway or when decision on commercial issues or awarding of project is pending)
Made openly	It can be given/received openly and can be discussed amongst colleagues without giving rise to any ethical concerns or embarrassment.
Infrequent	It is not given/received frequently as it may be regarded as an indicator of inappropriate influence.
Non-cash	It shall not be given in the form of cash, apart from wedding angpow and bereavement money.

- 5.4 Travelling-related expenditures (such as travel tickets, meals or accommodations incurred for legitimate business activities, e.g., an audit or factory visit provided to third parties by the Group, or vice versa) shall be guided by the following principles:

Relevance	They are <u>necessary</u> to perform a legitimate <u>business-related activity</u> . <u>Non-business-related</u> travel are considered <u>hospitality</u> and shall abide by the principles and rules governing hospitality.
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Travelling expenses for personal purposes (such as entertainment off working-hours or extension of travelling period for sightseeing) shall be borne by the respective individuals.

Appropriate

The travelling-related expenditures are appropriate and reasonable in relation to the circumstances such as length of trip and seniority of the traveller.

- 5.5 All GEHT provided, received or declined must be recorded in Khind's GEHT Register which is maintained by Human Resource/ Finance Department/ Compliance Officer.

6. Donations and Sponsorships

- 6.1 Khind Group does not make any contributions to political-related parties or organisations. We only make charitable donations that are legal and ethical under local laws and practices. However, the Group does not prohibit Directors and Employees from making political contributions or donations in their personal capacity which shall not be associated with the Group.
- 6.2 To avoid actual or perceived conflict of interest, the Group does not make or receive any donations or sponsorship to or from a regulator, customer, or entities related to them if the Group is currently in contract negotiation, awaiting project awards, or decisions on commercial issues.
- 6.3 All donations and sponsorships are subject to due diligence and conflict of interest checks to avoid conflict of interest situations and potential or perceived corrupt situations.
- 6.4 All donations and sponsorships made under the Group's name shall be approved by authorised personnel.

7. Business Incentives (including Business Rewards, Rebates, Commissions, and others)

- 7.1 Business incentives which are questionable may be constituted as a bribe. As such, Khind Group will not provide or receive business rewards, rebates, commissions, or other incentives which are questionable or are contradictory with anti-corruption laws and regulations.
- 7.2 All business-related incentives, whether given or received, shall be:
- (a) documented, either as part of the Group's incentive program or business contract or, if received, they shall be declared and documented in the Group's records; and
 - (b) applicable to all or its applicability based on business-based parameters (e.g. applicable to all customers or applicable to customers exceeding certain order amount).

8. Business Dealings with Integrity

- 8.1 Khind Group places great emphasis on integrity and ethical business practices in selecting its Directors, Employees and Associated Persons. As such, we will perform due diligence checks on Directors, Employees and Associated Persons before their employment, appointment, or engagement.
- 8.2 Khind Group may mandate its Associated Persons to have in place policies and procedures to prevent corruption when doing business with, for, or on behalf of Khind Group.

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- 8.3 We highly encourage other Associated Persons to have in place policies and procedures (which are in line with applicable laws and regulations) to prevent corruption activity, especially when performing work or service for or on behalf of Khind Group.
- 8.4 Khind Group conducts its business openly and transparently. Directors and Employees of Khind Group shall not collude or enter into “side agreements” with external parties without the Group’s knowledge to circumvent, or benefit from, a business arrangement of Khind Group. “Side agreements” also refer to informal, verbal arrangements.

9. Conflict of Interest Situations

- 9.1 Directors, Employees, and Associated Persons shall avoid situations which may pose actual, potential, or perceived conflict of interests, such as having a financial arrangement or interest or other relationship with a Khind Group personnel.
- 9.2 When there is an actual, potential, or perceived conflict of interest situation which cannot be avoided, the Director, Employee, or Associated Person shall declare the situation to the Group as soon as possible for further assessment and mitigative actions to be undertaken.

10. Recordkeeping

- 10.1 It is vital that proper, accurate, and complete records of all transactions made by Khind Group and in relation to the Group’s business are maintained, as these would serve as evidence that the transactions made were bona fide, and were not made with a corrupt or unethical intent.

Directors, Employees, and Associated Persons (in relation to transactions relating to Khind Group’s businesses) shall be responsible for maintaining these records.
- 10.2 These records, which may include corporate records, timesheets, work records, supply records, bank statements, accounts, receipts, invoices and other supporting documentation, shall be retained for at least seven years or longer, in line with applicable laws and regulations, following the period which they relate.

11. Training and Communication

- 11.1 Training on Khind Group’s ABC policies and procedures shall be part of the induction process for Directors and Employees and regular training will be provided as necessary.
- 11.2 Our zero-tolerance approach to bribery and corruption shall be communicated to our Associated Persons at the outset of our business relationship with them and as appropriate thereafter.

12. Reporting Channels

- 12.1 We have put in place the Whistle-Blowing Procedures to provide a platform for all Directors, Employees, Associated Persons, and members of the public to report any acts of bribery or corruption in a confidential manner that protects the whistle-blower from any risk of reprisals.
- 12.2 No individuals will be discriminated against or suffer any retaliation from the Group or by the Group’s personnel for whistle-blowing in good faith.
- 12.3 Our Whistle-blowing Procedures are publicly available at <http://www.khind.com/pdf/Whistle-blowing.pdf>.

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13. Audit and Investigation

- 13.1 In the event of suspected bribery or corruption, Khind will institute an audit or investigation, which may be conducted internally or by an external party.
- 13.2 For Associated Persons, Khind Group reserves the right to appoint an auditor to audit your books and records, if the Group reasonably suspects that the work performed with, for, or on behalf of the Group involves corruption.

14. Support

- 14.1 Directors, Employees or Associated Persons with any concerns or queries or requiring support and advice on compliance with this Policy may seek advice or assistance from their immediate superiors (for Employees), their respective contact persons in Khind Group (for Associated Persons), or Group Compliance Committee members, details of whom are as follows:

Name	Position	Email address
Wong Lai Peng	Group Financial Controller	laipeng.wong@khind.com
Simon Ng	Group HR Director	simon.ng@khind.com
Chan Sai Yip	Group Finance Manager	saiyip.chan@khind.com
Evonne Tan	Special Officer	evonne@khind.com