



**ANTI-BRIBERY AND  
ANTI-CORRUPTION POLICY**

**FEB 2024**

## Table of Contents

---

SMJ Energy Sdn Bhd's Commitment.....	3
Background, Objective & Scope.....	3
Definitions.....	4
Anti-bribery and Anti-Corruption Policy.....	7
Recognition of Local and International Legislation.....	7
Gifts and Hospitality (G&H).....	8
Facilitations Payments.....	9
Business Associates.....	9
Responsibilities of Employees.....	9
Conflicts of Interest.....	10
Staff Declarations.....	10
Corporate Social Responsibility, Donations & Sponsorships.....	10
Anti-bribery and Anti-Corruption Compliance.....	11
Awareness and Training.....	12
Reporting of Policy Violations.....	12
Non-Compliances.....	12
Continuous Improvement.....	13
Sanctions for Non-compliance.....	13

## **1. SMJ Energy Sdn Bhd's Commitment**

SMJ Energy Sdn Bhd ("SMJE") is committed to conducting business dealings with integrity. This means avoiding practices of bribery and corruption of all forms in SMJE's daily operations. SMJE has adopted **a zero-tolerance approach against all forms of bribery and corruption** and takes a strong stance against such acts. Employees who refuse to pay or receive bribes or participate in acts of corruption will not be penalized even if such refusal may result in SMJE losing its business or not meeting the targets.

SMJE's Anti-Bribery and Anti-Corruption Policy ("this Policy") relates to SMJE's business activities in dealing with improper solicitation, bribery and other corrupt activities and issue that may arise in the course of doing business. The scenarios provided within this Policy do not limit the boundaries of the Policy which may be extended to cover all circumstances relating to bribery. Compliance to the Policy is mandatory and will be monitored with a principle-based approach.

## **2. Background**

Each Employee shall uphold high levels of personal and professional values in all business interactions and conscientiously maintain the highest degree of integrity.

The nature of SMJE's business requires its employees to engage in business with a wide range of parties, both internal as well as external. This Policy establishes the boundaries on interactions with all parties.

This Policy also provides guidance on how to act when subjected to potential acts of bribery and matters of corruption.

## **3. Objective**

This Policy sets out SMJE's position on bribery in all its forms and matters of corruption that might confront SMJE in its day-to-day operations.

## **4. Scope**

This policy applies to all Directors and Employees of SMJE.

## 5. Definitions

The following definitions are included in this policy.

<p><b>Bribery</b></p>	<p><i>Bribery is defined as any action which would be considered as an offence of giving or receiving 'gratification' under MACCA.</i></p> <p><i>In practice, this means offering, giving, receiving, or soliciting something of value in an attempt to illicitly influence the decisions or actions of a person a position of trust within an organization.</i></p> <p><i>'Gratification' is defined in the MACCA to mean the following:</i></p> <ul style="list-style-type: none"><li><i>(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.</i></li><li><i>(b) any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity.</i></li><li><i>(c) any payment, release, discharge or liquidation of any loan, obligation, or other liability, whether in whole or in part.</i></li><li><i>(d) any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction, or percentage.</i></li><li><i>(e) any forbearance to demand any money or money's worth or valuable thing.</i></li><li><i>(f) any other service or favor 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</i></li><li><i>(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).</i></li></ul> <p><i>Bribery may be 'outbound', where someone acting on behalf of SMJE attempts to influence the actions of someone external, such as a government official or client decision-maker.</i></p> <p><i>It may also be 'inbound', where an external party is attempting to influence someone within SMJE such as a decision-maker or someone with access to confidential information.</i></p> <p><i>Bribery and corruption are closely related. However, corruption has a wider remit. See 'Corruption' definition below.</i></p>
-----------------------	--

<b>Business Associate</b>	An external party with whom the organization has, or plans to establish, some form of business relationship. This primarily include counterparties and business partners, i.e. clients, customers, joint ventures, joint venture partners, consortium partners, outsourcing providers, contractors, consultants, subcontractors, suppliers, vendors, advisers, agents, distributors, representatives, intermediaries and investors (ISO 37001 definition).
<b>Corruption</b>	The Transparency International definition of corruption is 'the abuse of entrusted power for personal gain.' For the purpose of this policy, corruption, is defined primarily as any action which would be considered as an offence of giving or receiving 'gratification' under the Malaysian Anti-Corruption Commission Act 2009 (MACCA) ('Bribery' as defined above). In addition, corruption may also include acts of extortion, collusion, breach of trust, abuse of power, trading under influence, embezzlement, fraud or money laundering.
<b>Conflict of interest</b>	When a person's own interests either influence, have the potential to influence, or are perceived to influence their decision making of SMJE.
<b>Donations and Sponsorship</b>	Charitable contributions and sponsorship payment made to support the community.
<b>Directors</b>	Directors include all independent and non-independent directors, executive and non-executive directors of SMJE and shall also include alternate or substitute directors.
<b>Exposed Position</b>	A staff position identified as vulnerable to bribery through a risk assessment. Such positions may include but is not limited to any role involving procurement or contract management; financial approvals; human resource; relations with government officials or government departments; sales; positions where negotiation with an external party is required; or other positions which SMJE has identified as vulnerable to bribery.
<b>Facilitation payment</b>	A payment or other provision 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.
<b>Corporate Gift</b>	Something given from one organization to another, with the appointed representatives of each organization giving and accepting the gift. Corporate gifts may also be promotional items given out equally to the general public at events, trade shows and exhibitions as a part of building SMJE's brand. The gifts are given transparently and openly, with the implicit or explicit approval of all parties involved. Corporate gifts normally bear SMJE name and logo and are of nominal value. Examples of corporate gifts include items such as diaries, table calendars,

	pens, notepads, plaques, and festive gifts such as hampers, oranges and dates.
<b>Personal Gift</b>	Something given from one individual to another, with the intention of creating or enhancing a personal relationship. The gifts are given in a private setting, without the knowledge or approval of SMJE management of one or both parties. Personal gifts may include cash, cash equivalents such as credit cards, bitcoin or savings accounts, electronic items, watches, luxury pens, property, vehicles, free fares, shares, interest free loans, lottery tickets, travel facilities, entertainment, services, club memberships, any forms of discount or commission, jewelries', decorations, souvenirs, vouchers, or any other valuable items.
<b>Employees</b>	All individuals directly contracted to SMJE on an employment basis, including permanent and temporary employees and Directors.

## **6. Anti-Bribery and Anti-Corruption Policy**

- a)** All forms of bribery and corruption are prohibited. SMJE upholds a zero-tolerance approach. In addition to bribery, Employees must not participate in any corrupt activity, such as extortion, collusion, breach of trust, abuse of power, trading under influence, embezzlement, fraud, or money laundering.
- b)** Bribery may take the form exchange of money, goods, services, property, privilege, employment position or preferential treatment. Employees shall not therefore, whether directly or indirectly, offer, give, receive, or solicit any item of value, in the attempt to illicitly influence the decisions or actions of a person in a position of trust within an organization, either for the intended benefit SMJE or the persons involved in the transaction.
- c)** This Policy applies equally to its business dealings with commercial ('private sector') and government ('public sector') entities, and includes interactions with their directors, Employees, agents, and other appointed representatives at all levels. Even the perception of bribery is to be avoided.
- d)** This Policy applies to all countries worldwide, without exception and without regard to regional customs, local practices, or competitive conditions.
- e)** No Employee will suffer demotion, penalty, or other adverse consequences for refusing to pay or receive bribes or other illicit behaviour, even if such refusal may result in SMJE losing business or experiencing a delay in business operations.
- f)** SMJE recognises the value of integrity in its Employees and Directors. SMJE's recruitment, training, performance evaluation, remuneration, recognition, and promotion for all Employees, shall be designed to recognise integrity. SMJE conducts due diligence on employees who holds or may be holding, Exposed Positions.
- g)** SMJE does not offer employment to prospective Employees in return for previous favour/in exchange of improper favour.
- h)** SMJE awards contracts and employee positions purely based on merits. Support letters in all forms shall not be recognised as part of the business decision making process.

## **7. Recognition of Local and International Legislation**

- a)** SMJE is committed to conducting its business ethically and in compliance with all applicable laws and regulations, including but not limited to MACCA, Malaysian Penal Code (revised 1977) (and its amendments), the Companies Act 2016 (Malaysia), the US Foreign Corrupt Practices Act 1977 (amended 1998), and the UK Bribery Act 2010. These laws prohibit bribery and corruption. Organizations are mandated to establish and maintain accurate books and records as well as adequate measures to prevent corrupt practices.
- b)** In cases of conflict between mandatory law and the principles contained in this Policy the law shall prevail.

## **8. Gifts and Hospitality (G&H)**

G&H means any gift, travel, accommodation, trips, services, entertainment and any other gratuitous item, event, benefit, or things of value received from or offered to any person in connection with SMJE business activities.

SMJE prohibits both the giving and receiving of G&H to influence business decisions. Employees must comply with all applicable policies, procedures, laws and regulations related to the use of G&H in all locations in which SMJE operates.

### **a) Giving G&H**

G&H may be given to others at SMJE's expense only if the G&H meet all of the following criteria:

- I. consistent with customary business practices in Malaysia (e.g., fruit baskets, cookies and cakes, chocolates etc.);
- II. values are in line with the Limits of Authority.
- III. cannot be construed as a bribe or pay-off.
- IV. is not in contravention of applicable law or ethical standards; and
- V. public disclosure of the facts will not embarrass and/or cause reputational damage to SMJE and/or its Staff.

In connection with the SMJE's purchases of goods and services, payments should be made only in the country of the seller's or provider's place of business or in the country in which the product was delivered or service rendered. All such payments shall be consistent with corporate and trade practice.

### **b) Receiving G&H**

Staff shall neither seek nor accept for themselves or others any G&H without a legitimate business purpose from any person or business organization that does or seeks to do business with, or is a competitor of SMJE. However, SMJE recognizes that the occasional acceptance of a reasonable and modest G&H may be a legitimate way to network and build good business relationship. Such G&H shall never influence business decision-making processes or cause others to perceive as an influence.

- I. In the application of the Policy:
  - (a) Staff may accept for themselves common courtesies usually associated with customary business practices.
  - (b) Exercise proper care and judgement before accepting any G&H offered or provided by third parties.
  - (c) Accepting a gift in cash or cash equivalents for himself/herself or for his/her family/household members (e.g., stocks or other forms of marketable securities) of any amount is strictly prohibited.
  - (d) No G&H should be entertained from third parties who are involved in tender or bidding process or when a business decision relating to third parties is pending.

**c) For Giving or Receiving G&H:**

Staff is discouraged from giving or receiving gifts to subordinates, superiors or amongst other staff (except given in the event of team birthdays, farewell, retirement celebrations and/or office parties).

## **9. Facilitation Payments**

- a)** SMJE adopts a strict stance that disallows facilitation payments.
- b)** Employees are expected to notify their immediate superior when encountered with any requests for a facilitation payment. In addition, if a payment has been made and Employees are unsure of the nature, their immediate superior must be notified and consulted.

## **10. Business Associates**

- a)** As part of SMJE's commitment to combat bribery, SMJE expects all Business Associates to refrain from bribery.
- b)** If suspicion of bribery and corruption arises in the dealings with any Business Associate, SMJE shall seek an alternative provider of the services / goods.
- c)** SMJE expects all Business Associates acting on behalf SMJE to contractually agree to refrain from bribery and corruption, and to adhere to this policy.
- d)** If SMJE is not satisfied that bribery and corruption prevention has been upheld, due diligence shall be undertaken with regards to any Business Associate intending to act on SMJE's behalf.
- e)** The extent of the due diligence should be risk-based and shall include a bribery risk assessment. Due diligence may include a search through relevant databases, checking for relationships with public officials, and documenting the reasons for choosing one particular Business Associate over another.
- f)** SMJE shall endeavour to include clauses in all contracts enabling SMJE to terminate any contract in which bribery or corruption has been observed.
- g)** SMJE strives to build and strengthen its relationships with Business Associates. In ensuring that the Business Associate adhere to industry best practice and accepted standards of behavior.

## **11. Responsibilities of Employees**

- a)** Employees are responsible for understanding and complying with this Policy. In particular, the role of all Employees includes the following:
  - I. Be familiar with applicable requirements and directives of the policy and communicate them to subordinates.
  - II. Promptly record all transactions and payments accurately and in reasonable detail.
  - III. Always raise suspicious transactions to immediate superiors for guidance on next course of action;
  - IV. Promptly report violations or suspected violations through appropriate channels.

## **12. Conflict of Interest**

- a)** Conflicts of interest arise in situations where there is a personal interest that might be considered to interfere with that person's objectivity when performing duties or exercising judgement on behalf of SMJE. Employees should avoid or deal appropriately with situations in which personal interest could conflict obligations or duties. Employees must not use their position, official working hours, Company resources and assets for personal gain or to SMJE's disadvantage.
- b)** Employees shall avoid any situation which involves or may involve a conflict between their personal interests and the interests of SMJE. Staff are expected to act in a manner consistent with giving their full-time services to SMJE and to avoid situations which might give rise to questions as to whether they have acted in the best interest of SMJE. Conflicts of interests arising with a selected company of individuals and entities, including:
  - I. Dealing with suppliers, customers, agents, and competitors.
  - II. Personal dealings with suppliers and customers.
  - III. Outside employment and activities outside SMJE.
  - IV. Board membership.
  - V. Family members and close personal relationships; and
  - VI. Investment activities.

## **13. Staff Declarations**

- a)** Under circumstances of suspicious behaviour, allegations and/or investigations relating to bribery or corruption, SMJE reserves all rights to request the relevant Director/Employee to declare information regarding assets owned as deemed necessary.

## **14. Corporate Social Responsibility, Donations & Sponsorships**

SMJE is committed to being a responsible member of the business community in which it operates and will provide support to those in need which may include donations or sponsorships of events, initiatives, and activities.

The general principles with regard to activities related to corporate social responsibility, donations and sponsorships are set out below:

- a)** Corporate Social Responsibility ("CSR") programme or activities are voluntary integration of SMJE' economic, social and environmental concerns into its business, reflected in its contributions, programs or activities directed towards bringing meaningful impact to lives wherever it operates taking into considerations its impact on the well-being of current and future generations. In undertaking CSR activities, SMJE will examine the legitimacy of the CSR activity and ensure that it is not made to influence a business outcome.
- b)** Philanthropy/charitable donations have a narrower, more limited scope than

CSR. It refers to one-off contributions/donations (in cash/in-kind) made to communities, charitable or nonprofit groups or individuals to provide temporary relief and promotes goodwill focusing on education, community wellbeing and environment. This also includes one-off collaborations with key stakeholders or via commercially driven initiatives, as an alternative platform to support business requirements. Other than the act of providing monetary support or in kind, sample of this covers causes such as community building, relief of natural disasters, company-wide fundraising efforts, pledge drives or blood donation drives are included in this category. There is no contractual obligations and branding return on investment agreement between both parties. Donations may be made on ad-hoc basis, however SMJE has little impact on how the money will be invested or used once it has been provided. SMJE will allow charitable donations if such donations are aligned to its business objectives and not considered to be a bribe with the intention of influencing someone to act improperly, or as a reward for having acted improperly.

- c) Political donations include the giving or providing, directly or indirectly, of cash, equipment, personnel time or other benefits to a political party, or to an individual who is standing for elected office, or to an individual or organisation who is nominated by or connected with a candidate for office, a political party or a member of a political party, SMJE does not make or offer monetary or in-kind political contributions to political parties, political party officials or candidates for political office.
- d) Sponsorships are activities that require SMJE to provide monetary or in-kind resources to another party in return for benefits that would be accorded to SMJE i.e. visible branding opportunities. It serves as platform to promote, SMJE brand, capability and leadership. Any sponsorship shall be formalized via a legally binding document. SMJE will allow sponsorships if such sponsorships are aligned to its business objectives and not considered to be a bribe with the intention of influencing someone to act improperly, or as a reward for having acted improperly.

## **15. Anti-bribery and Anti-Corruption Compliance**

- a) SMJE via its nominated compliance department / officer shall ensure that there is oversight of the implementation of compliance controls related to this Policy.
- b) SMJE via its nominated compliance department / officer shall conduct regular risk assessments to identify the bribery and corruption risks potentially affecting SMJE. SMJE via its nominated compliance department / officer shall also review the suitability of this Policy from time to time, taking into account relevant developments in the legislature as well as evolving industry and international standards.

- c) SMJE, via its nominated compliance department / officer shall implement and effectively manage routine anti-bribery and anti-corruption measures as deemed appropriate to ring-fence the Organization against possible legislative liabilities, as well as undertake ad-hoc measures deemed required based on circumstantial requirements that present during the course of operations.

## **16. Awareness and Training**

- a) SMJE conducts awareness programmes for all Employees to refresh awareness of anti-bribery and anti-corruption measures and to continuously promulgate integrity and ethics.
- b) In addition, SMJE provides anti-bribery and anti-corruption training to:-
  - I. New recruits; and
  - II. Employees promoted/transferred to Exposed Positions.
- c) SMJE, via its nominated compliance department/officer may at any time recommend that certain training be repeated to any Employee / Company of Employees in any operating unit / Region if deemed necessary based on circumstantial requirements.
- d) SMJE Human Resources shall maintain all records of training in collaboration with the compliance department.

## **17. Reporting of Policy Violations**

Employees who encounter actual or suspected violations of this Policy are required to report their concerns. Each Employee has a responsibility to ensure that suspected - bribery and corruption incidents are reported promptly. SMJE practices an open door policy and encourages all Employees to share concerns and suggestions with superiors and colleagues who are able to address them in an appropriate manner.

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.

## **18. Non-Compliance**

- a) SMJE via its nominated compliance department / officer shall conduct regular validation to ensure compliance to this Policy. Such validation exercises may be conducted either independently or by external consultants.
- b) Non-compliance identified by the validation or identified through other risk assessments undertaken shall be reported to the board of SMJE.

## **19. Continuous Improvement**

- a) SMJE is committed to continually improving its policies and procedures relating to anti-bribery and anti-corruption. Company Compliance & Integrity may therefore endeavour to develop further integrity measures and certify SMJE's anti-bribery procedures as adequate where certification is available.

## **20. Sanctions for Non-Compliance**

- b) SMJE regards bribery and corruption as serious matters. Non-compliance may lead to disciplinary action, up to and including termination of employment. Further legal action may also be taken in the event that SMJE's interests have been harmed as a result of non-compliance.
- c) SMJE shall notify the relevant regulatory authority if any identified bribery or corruption incidents have been proven beyond reasonable doubt.
- d) Where the notification to the relevant regulatory authorities has been done, SMJE shall provide full co-operation to the said regulatory authorities, including further action that such regulatory authority may decide to take against convicted Employees.