

KCC Realty

Anti-Bribery And Anti-Corruption Policy

Revision History

Version	Effective Date
1.0	1.7.2025
2.0	1.10.2026

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

1 INTRODUCTION

- 1.1 This **ANTI-BRIBERY AND ANTI-CORRUPTION POLICY** (“**Policy**”) is applicable to the business operations of **KCC Realty**, being the collective trading name of the KCC group of companies (collectively referred to as “**KCC**”) in Malaysia.
- 1.2 In line with KCC’s commitment to conducting business ethically, KCC has adopted this Policy to set out our principles relating to Bribery and Corruption, and to guide Employees and Associated Persons on the standards of conduct expected when carrying out their duties on behalf of KCC or in their business dealings with KCC.
- 1.3 We are committed to conducting our business in an honest and transparent manner and to maintaining the highest standards of integrity and professionalism. We adopt a **zero-tolerance** towards all forms of Bribery and Corruption and is committed to complying with all applicable anti-bribery and anti-corruption laws, including the MACC Act.
- 1.4 Under the MACC Act, Bribery and Corruption-related offences include, among others:
 - 1.4.1 soliciting or receiving gratification (bribery);
 - 1.4.2 offering or giving gratification (bribery);
 - 1.4.3 intending to deceive or making false claims; and
 - 1.4.4 using office or position for gratification (abuse of power).
- 1.5 In addition, Section 17A of the MACC Act introduces corporate liability, under which a commercial organisation may be held liable where a person associated with it commits a corruption offence for the benefit of the organisation. Directors, senior management and other officers may also be deemed personally liable unless they are able to demonstrate that adequate procedures were in place to prevent such conduct.
- 1.6 Offences under the MACC Act carry severe criminal penalties, which may include substantial fines (including fines of up to RM1 million or not less than ten (10) times the value of the gratification, whichever is higher) and/or imprisonment of up to twenty (20) years, subject to the applicable law at the time of the offence.

2 SCOPE AND DEFINITIONS

- 2.1 The objectives of this Policy are to:
 - 2.1.1 provide clear guidance to Employees on how to identify, prevent and deal with Bribery and Corruption issues that may arise in the course of their employment or duties;
 - 2.1.2 raise awareness among Associated Persons of their obligations and responsibilities

when acting on behalf of, or dealing with, KCC; and

- 2.1.3 safeguard KCC, the Employees, and the Associated Persons from being implicated with any potential or actual acts of Bribery and Corruption.
- 2.2 This Policy is intended to operate consistently with applicable laws and regulations on anti-bribery and corruption. It is not intended to replace or limit any provision of any applicable laws and regulations. In the event of any inconsistency between this Policy and any applicable laws and regulations, the provisions of such laws and regulations shall prevail to the extent of the inconsistency, and the relevant provision of this Policy shall be deemed modified accordingly.
- 2.3 This Policy should also be read together with other applicable policies and procedures of KCC, as may be issued or updated from time to time.
- 2.4 In this Policy:
- 2.4.1 “**Associated Persons**” means any external party with whom KCC has, or intends to establish, a business relationship, as well as any Persons engaged to perform work or provide services for or on behalf of KCC. This includes actual and potential clients, joint venture partners, business partners, outsourcing providers, contractors, consultants, sub-contractors, delegates, suppliers, vendors, agents, distributors, representatives, intermediaries and investors.
- 2.4.2 “**Bribery**” means the act of offering, promising, giving, requesting, receiving, or soliciting Gratification with the intention to improperly induce, influence, or reward the performance or non-performance of a decision or action, whether directly or indirectly through third party intermediaries.
- 2.4.3 “**Board**” means the board of directors for the time being of KCC (or the board of directors of our subsidiaries and related companies).
- 2.4.4 “**Corruption**” means the abuse of entrusted power for personal gain or misuse of position to assist others in improperly or unlawfully enriching themselves.
- 2.4.5 “**Employees**” means all employees of KCC, including directors (both executive and non-executive), officers, and all permanent, probationary, contract or temporary employees (including interns).
- 2.4.6 “**Gratification**” shall have the meaning as prescribed under the MACC Act, which includes but is not limited to anything of monetary or non-monetary value such as money, donation, gift, loan, fee, reward, valuable security, information, property or

interest in property, employment, appointment, release, forbearance to demand any money or money's worth or valuable thing, undertaking, promise, rebate, discount, contract of employment or services and agreement to give employment or render services in any capacity.

2.4.7 **“HOD/ Head of Department”** means the most senior Employee responsible for overseeing a particular business unit or function of KCC.

2.4.8 **“MACC Act”** means the Malaysian Anti-Corruption Commission Act 2009 as amended or replaced from time to time, including but not limited to the Malaysian Anti-Corruption Commission (Amendment) Act 2018.

2.4.9 **“Persons”** means any individual, corporation, partnership, association, limited liability company, trust, governmental authority or other entity or organisation (whether or not having a separate legal personality).

2.4.10 **“Political Persons”** means any politicians, political parties, political organisations, candidates for political office, and any individuals or groups with political affiliations or intentions.

2.4.11 **“Public Officials”** means any person who is a member, officer, employee or servant of any public or governmental body, including any ministry, department, agency, statutory body, local authority, government-linked company, or any person exercising a public function, whether in Malaysia or elsewhere.

3 GIFT, HOSPITALITY AND ENTERTAINMENT

3.1 “No Gift” Policy

3.1.1 All Employees are prohibited from, directly or indirectly, offering, soliciting, or receiving any gifts in the course of their employment, except in specific circumstances as provided in **Paragraph 3.2 to 3.4** below.

3.1.2 We adopt a “No Gift” Policy. The purpose of this “No Gift” Policy is to prevent any actual, potential or perceived conflicts of interest, and to avoid any situation where gifts may be perceived as influencing business decisions or improperly inducing favourable treatment, which may expose KCC and the Employees to reputational harm or legal risk under applicable anti-bribery and corruption laws.

3.1.3 Employees are expected to inform external parties, including the Associated Persons, that KCC practises a “No Gift” Policy and that gifts are generally not permitted, except in limited circumstances as provided under this Policy.

3.2 Receiving Gifts in Limited Circumstances

3.2.1 Employees may only accept gifts in limited and exceptional circumstances, subject to **all** the following conditions being satisfied:

- (i) the gift is appropriate and customary in the context in which it is given;
- (ii) the acceptance of the gift would not create or be perceived to create any improper influence, obligation or conflict of interest; and
- (iii) prior written approval has been obtained in accordance with **Paragraph 3.2.4**, where applicable.

3.2.2 Employees shall exercise sound judgment when determining whether a gift may fall within the limited exceptions under this Policy. Where there is any doubt, the Employee shall consult the HOD before or immediately after accepting the gift. If the gift exceeds **RM 500 in value**, it shall be promptly declared in accordance with **Paragraph 3.2.4**. Gifts of nominal value not exceeding **RM 500** need not be declared, provided the conditions in **Paragraph 3.2.1** are satisfied.

3.2.3 Where it is not practicable to obtain prior written approval before accepting a gift, including where a gift is delivered to KCC's premises without prior notice, provided at short notice during meetings or events, or where refusal may be culturally sensitive, the Employee may accept the gift on a temporary basis, provided that the gift is promptly declared.

3.2.4 Where a gift is required to be declared under this Policy, the following process shall apply:

- (i) the Employee shall complete the Employee Gifts Declaration Form and submit it, together with the gift where applicable, to his/her HOD;
- (ii) the HOD shall review the declaration, provide comments on the business context and circumstances, and forward it to HR;
- (iii) HR shall acknowledge receipt of the declaration and forward it to the Director.

3.2.5 The Director shall determine the appropriate course of action. The Director's determination may include:

- (i) returning the gift on the Employee's behalf;
- (ii) donating the gift to a charitable organisation;
- (iii) sharing the gift with other Employees;
- (iv) retaining the gift for departmental display or company use; or

- (v) permitting the receiving Employee to retain the gift.

3.2.6 Under no circumstances shall an Employee, or any closely related individual (including spouses, family members, relatives or close associates), accept gifts in the form of **cash or cash equivalents**, including but not limited to loans or commissions, from any external party (including the Associated Persons).

3.3 **Providing Gifts in Limited Circumstances**

3.3.1 Gifts may only be provided where gift-giving is an authorised decision of KCC. Employees are not permitted to independently offer or provide gifts to third parties without prior written approval from KCC.

3.3.2 Gifts may only be given to third parties where **all** the following requirements are met:

- (i) the gift is lawful and consistent with customary and accepted business practices (including cultural or festive occasions);
- (ii) the gift is nominal in value and reasonable in the circumstances;
- (iii) the gift is given openly and transparently, and is not concealed or disguised in any manner;
- (iv) the gift is not given with any expectation of influence, inducement, preferential treatment, trade or business advantage, or any other improper advantage; and
- (v) the gift does not create and would not reasonably be perceived to create any act of Bribery or Corruption, conflict of interest, or obligation on the recipient.

3.4 **Exceptions to “No Gift” Policy**

3.4.1 The “No Gift” Policy will not be applicable under the following circumstances, provided that such circumstances do not contravene any provisions of this Policy and the MACC Act:

- (i) exchange of gifts between companies during official visits/ courtesy calls. Any gifts exchanged on these occasions shall be considered as the properties of KCC.
- (ii) gifts from KCC to external companies or individuals in relation to official functions, events and celebrations (for example, flower bouquets for new

company openings or door gifts offered to guests attending events).

- (iii) gifts given by KCC to the Employees during any internally recognised official function, trip, event and/or celebration, as token of appreciation for their services and dedications.
- (iv) gifts bearing KCC's logo, such as t-shirts, pens, diaries, calendars and other promotional items for brand awareness or promotional purposes.
- (v) gifts given to or received from Associated Persons, such as hampers or souvenirs during festive occasions (e.g., Chinese New Year, Hari Raya Aidilfitri and Deepavali), in accordance with cultural traditions.
- (vi) gifts provided as part of KCC's Corporate Social Responsibility (**CSR**) program.

- 3.5 Where the receipt of gifts is permitted under this Policy, the value of any such gift shall not exceed **RM500 per item**. In addition, gift exchanges shall not take place during sensitive periods, including contract negotiations, tender processes, or decision-making periods.

4 HOSPITALITY AND ENTERTAINMENT

- 4.1 Hospitality and entertainment may take various forms, including meals, refreshments, travel or transportation arrangements, accommodation, and corporate or business-related events involving Employees and Associated Persons. Hospitality and entertainment may occur at:

- 4.1.1 **personal level**, where an Employee offers or accepts hospitality while carrying out his/her duties; and
- 4.1.2 **corporate level**, where hospitality or entertainment is organised, sponsored or funded by KCC as part of corporate, marketing, branding, networking or business-related activities ("**Corporate Hospitality**").

- 4.2 As a general principle, any hospitality or entertainment must be limited, reasonable and justifiable, and must not give rise to any actual, potential or perceived bribery, corruption or conflict of interest.

- 4.3 Hospitality or entertainment may be offered or accepted in limited circumstances, if **all** the following conditions are satisfied:

- 4.3.1 it is for a legitimate business purpose, such as business meetings, conferences, training sessions, industry events or business networking activities;

- 4.3.2 it is reasonable and not lavish, having regard to the business context and relationship;
- 4.3.3 it does not create, and would not reasonably be perceived to create, any obligation, conflict of interest or expectation of special treatment; and
- 4.3.4 it is not provided or accepted during sensitive periods, including contract negotiations, tender processes or decision-making periods.

5 DONATIONS, SPONSORSHIPS AND CHARITABLE CONTRIBUTIONS

- 5.1 Employees may make donations or charitable contributions in their personal capacity, provided that such donations are not made for any improper purpose, do not create any conflict of interest, and do not adversely affect KCC's reputation.
- 5.2 Any donations, sponsorships or charitable contributions made in KCC's name or on behalf of KCC shall be made as follows:
 - 5.2.1 for donations, sponsorships or charitable contributions that form part of KCC's CSR programme or have been pre-allocated as part of KCC's approved annual budget, prior written approval from the Board shall be obtained at the budgeting stage. Individual disbursements within the approved budget may thereafter be authorised by authorized personnel;
 - 5.2.2 for donations, sponsorships or charitable contributions that are considered high-risk or sensitive, including where the donation;
 - (i) involves or is connected to Public Officials or Political Persons;
 - (ii) is requested in connection with, or close in time to, tender processes, regulatory approvals or business decisions; or
 - (iii) may reasonably give rise to reputational, legal or corruption risks to KCC,prior written approval must be obtained from the Director on a case-by-case basis, regardless of value.
 - 5.2.3 the donation, sponsorship or charitable contribution is made for legitimate purposes, such as charitable causes, community initiatives or disaster relief, and is not intended to improperly influence, and would not reasonably be perceived as influencing, any business decision or outcome;
 - 5.2.4 the donation, sponsorship or charitable contribution is not used as a subterfuge for Bribery or Corruption, and does not provide any improper advantage to KCC;

- 5.2.5 the recipient is a legitimate, registered and reputable organisation, with an appropriate organisational structure and controls to ensure proper administration and use of funds;
- 5.2.6 appropriate checking has been conducted on the receiving entity prior to the payment being made, and any red flags identified have been adequately resolved before payment being made; and
- 5.2.7 the donation, sponsorship or charitable contribution is properly approved, recorded and accurately documented.

6 POLITICAL CONTRIBUTIONS

- 6.1 KCC shall not make, offer or provide any form of political contribution, whether directly or indirectly, to any Political Persons.
- 6.2 Employees are strictly prohibited, whether directly or indirectly, from offering, promising, giving, soliciting, receiving or agreeing to receive any gift, contribution, donation or sponsorship to or from any Political Persons, where such conduct relates to, or intended to influence, KCC's business, decisions or interests.
- 6.3 Nothing in this Policy prevents Employees from making personal political contributions in their individual capacities, provided that such contributions are made solely in a personal capacity, do not involve KCC's name or resources, and are lawful under applicable laws.
- 6.4 Employees shall not use or permit the use of KCC's name, funds, resources, facilities, equipment, or working time for any political activities, campaigns or purposes. Employees are also prohibited from coercing, influencing or attempting to influence any other Persons (whether employed by KCC or otherwise) to make political contributions or to support any Political Persons.
- 6.5 Where an Employee receives any request, solicitation or pressure for a political contribution that may be connected to KCC or the Employee's role at KCC, the Employee shall promptly report such request to HOD, who shall take appropriate steps, including escalation to the Director.

7 FACILITATION PAYMENTS

- 7.1 Facilitation payments (also known as "expediting payments"), refer to payments, whether in cash or in kind, made to any person for the purpose of securing, expediting or facilitating the performance of routine or administrative actions or services.

- 7.2 Employees are strictly prohibited, whether directly or indirectly, from offering, giving, promising, requesting, soliciting or accepting any facilitation payments while performing their duties or acting on behalf of KCC, regardless of amount or circumstances.
- 7.3 If an Employee is requested to make, or is offered, any facilitation payment, the Employee shall refuse such request or offer and shall immediately report the matter to the HOD, who shall take appropriate steps, including escalation to the Director.
- 7.4 Associated Persons shall not offer, give or promise any facilitation payments to KCC or its Employees in connection with any dealings or services provided.

8 CONFLICTS OF INTEREST

- 8.1 A conflict of interest may arise where an Employee's personal interests, relationships or activities interfere, or appear to interfere, with the Employee's ability to act in the best interests of KCC. This includes situations where an Employee uses his or her position for personal benefit or for the benefit of closely related persons, or engages in external business, employment or activities that compete with or conflict with KCC's business.
- 8.2 All Employees shall avoid situations where their personal interest conflict, or may conflict, with their duties and obligations to KCC. Employees are prohibited from using their position, working hours, KCC's resources, assets or information for personal gain or in a manner that is detrimental to KCC.
- 8.3 Conflicts of interest do not necessarily involve corrupt or unlawful conduct. However, if not properly managed, they may give rise to unethical behaviour or expose KCC to legal, reputational or operational risks.
- 8.4 Employees shall refrain from any situation or activity that compromises, or may reasonably be perceived to compromise, their ability to act objectively and in the best interests of KCC.
- 8.5 KCC expects all Employees to be vigilant in identifying circumstances that may give rise to a conflict of interest. Where an Employee becomes aware of an actual, potential or perceived conflict of interest, the Employee shall promptly disclose the matter to HOD.

9 RECRUITMENT, PROMOTION AND SUPPORT

- 9.1 KCC does not tolerate favouritism, nepotism or preferential treatment in employment-related decisions, and is committed to maintaining a fair and transparent workplace.
- 9.2 The recruitment, selection and promotion of Employees shall be based on approved and objective criteria, including qualifications, skills, experience, merit and suitability for the

role. KCC shall not tolerate any form of Bribery, Corruption, undue influence or improper conduct in its hiring or promotion processes.

- 9.3 Employees shall not, whether directly or indirectly, solicit, accept or receive any bribe, kickback, gift or other improper benefit in connection with any recruitment or employment decision.
- 9.4 Appropriate background checks may be conducted on prospective Employees to assess integrity and suitability for employment. Enhanced background checks may be conducted for Employees being considered for managerial, supervisory or decision-making roles, having regard to the level of responsibility and risk associated with such positions.
- 9.5 Employment benefits, remuneration and performance rewards or bonus shall be determined based on objective factors, including skills, experience, responsibilities and performance.

10 DEALING WITH ASSOCIATED PERSONS

- 10.1 All dealings with Associated Persons shall be conducted in accordance with applicable laws and KCC's policies and procedures, including this Policy. KCC expects all Associated Persons to uphold high standards of integrity and ethical conduct.
- 10.2 KCC may, where appropriate, conduct conflict of interest checks or due diligence in respect of its Associated Persons to understand the Associated Person's business, background and reputation, and to assess any actual, potential or perceived Bribery or Corruption risks.
- 10.3 As part of its due diligence, onboarding or ongoing monitoring processes, KCC may request supporting information or documents from Associated Persons to assess their compliance with applicable anti-bribery and anti-corruption requirements. Such information or documents may include the Associated Person's anti-bribery and corruption policy, declarations or other equivalent compliance measures. Associated Persons shall cooperate reasonably with such requests.
- 10.4 Where a conflict of interest involving an Associated Person is identified, KCC reserves the right to take such measures as it considers appropriate, which may include restricting involvement in certain matters or declining or terminating the relevant engagement or business relationship.
- 10.5 KCC maintains a **zero-tolerance** approach towards Associated Persons who engage in conduct that brings KCC into disrepute and/or causes any legal implications on KCC. Non-compliance by any Associated Person with this Policy may result in potential termination of agreements or relationships with such Associated Person.

11 DEALING WITH PUBLIC OFFICIALS

- 11.1 Employees are strictly prohibited from offering, giving, promising, soliciting or authorizing any form of bribe, kickback or other improper payment or benefit, whether directly or indirectly, to any Public Official.
- 11.2 Employees shall remain vigilant when dealing with Public Officials and shall promptly identify and report any indications of Bribery or Corruption. Such indications may include, but are not limited to, requests for payments or contributions outside official channels, attempts to bypass established procedures, requests for undocumented arrangements, or any conduct that appears inconsistent with lawful and transparent processes.
- 11.3 Any gift, hospitality or entertainment involving Public Officials is strongly discouraged and shall only be offered or provided where it is strictly permitted under applicable laws, justified by a legitimate business purpose, and prior written approval has been obtained from the the Director . Where approval is granted, such gift, hospitality or entertainment shall:
 - 11.3.1 not be offered with the intention, or perceived intention, of improperly influencing or securing favourable treatment from any Public Official;
 - 11.3.2 be of reasonable and modest value;
 - 11.3.3 be offered strictly in connection with legitimate business, promotional or educational activities organised or attended by KCC; and
 - 11.3.4 be appropriate to the official role and designation of the Public Official and not related to the Public Official's personal capacity.
- 11.4 If an Employee is uncertain whether a proposed interaction with a Public Official is permissible or receives any request that may involve Bribery or Corruption, the Employee shall decline the request and immediately report the matter to the HOD, who shall escalate the matter to the Director where necessary.

12 VIOLATION OF THIS POLICY

- 12.1 KCC regards Bribery and Corruption as **serious misconduct**. Any Employee or Associated Person who engages in Bribery, Corruption or any conduct that constitutes a material breach of this Policy may be subject to appropriate action:
 - 12.1.1 in relation to **Employees**, any non-compliance with this Policy may result in disciplinary action, which shall be taken in accordance with applicable laws and KCC's disciplinary procedures. Such disciplinary action may include warnings,

suspension, demotion, or termination of employment, depending on the nature, severity, and circumstances of the breach.

12.1.2 in relation to **Associated Persons**, non-compliance with this Policy may result in appropriate actions by KCC, which may include remedial measures, suspension or termination of contracts or business relationships, restriction from future engagements, and/or the exercise of any contractual or legal rights available to KCC.

12.2 Where any breach of this Policy may constitute an offence under applicable anti-bribery and anti-corruption laws, KCC reserves the right to report the matter to the relevant authorities or regulatory bodies and to cooperate fully with any investigation or enforcement action.

12.3 Where any investigation, inquiry or enforcement action by any regulatory authority or law enforcement agency concerns any Employee and/or any Associated Person, and KCC is required or requested to provide assistance, information or documents, KCC shall cooperate fully with such investigation, inquiry or enforcement action and may make such disclosures as are necessary or appropriate in accordance with applicable laws.

13 REPORTING OF VIOLATIONS

13.1 KCC strongly encourages the reporting (whistleblowing) of any actual, suspected or attempted Bribery, Corruption or other improper conduct, including violations of this Policy.

13.2 Where an Employee, Associated Person or member of the public has reasonable grounds to suspect or believe that any Employee or Associated Person has engaged in, is engaging in, or is about to engage in any improper conduct or violation of this Policy, such concerns should be reported promptly and in good faith in accordance with **KCC's Whistleblowing Policy**.

13.3 KCC is committed to ensuring that no retaliation, reprisal or adverse action will be taken against any person who, in good faith, reports a concern or assists in an investigation. All reports received will be treated with strict confidentiality, to the extent reasonably practicable and permitted by law. Information will only be disclosed on a need-to-know basis for the purposes of investigation, compliance with legal obligations, or taking appropriate remedial action.

14 REVIEW OF THIS POLICY

14.1 KCC shall periodically review and assess the adequacy and effectiveness of this Policy to ensure that it remains appropriate, practical and aligned with KCC's business operations,

risk profile and applicable anti-bribery and corruption laws.

- 14.2 KCC may update, amend or enhance this Policy from time to time or annually. Any amended version shall be communicated to Employees and Associated Persons in an appropriate manner, which may include circulation by email, internal announcements or other reasonable means as determined by KCC. Employees and Associated Persons are expected to comply with the current version of this Policy as adopted by KCC.
- 14.3 KCC shall ensure that accurate and complete records relating to this Policy are properly maintained.
- 14.4 KCC may, from time to time, undertake additional initiatives to promote awareness, understanding and effective implementation of this Policy, including but not limited to training programmes, briefings, workshops or the circulation of guidance materials. Employees are expected to participate in such training or awareness initiatives as may be required by KCC. Where appropriate, KCC may also extend such initiatives to Associated Persons to reinforce ethical standards and anti-bribery and corruption expectations in its business dealings.