

EKUITI NASIONAL BERHAD

FRAUD PREVENTION & ANTI-BRIBERY AND ANTI-CORRUPTION (ABC) POLICY

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Changes Control

Version	Change Effective	Description of Changes
1	11.12.2009	First Issuance of Anti-Fraud Policy
2	12.06.2018	Second Issuance of Anti-Fraud Policy
2	12.06.2018	First Issuance of Anti-Bribery and Anti-Corruption (ABC Policy)
3	01.08.2023	Revision to Anti-Bribery and Anti-Corruption (ABC Policy)

ANTI-FRAUD POLICY

1.0 POLICY STATEMENT

- 1.1 Ekuiti Nasional Berhad (Ekuinas/Company) is committed to the highest standard of integrity, accountability, and professionalism in the conduct of its business and professional activities. Ekuinas expects to conduct its affairs in an ethical, responsible and transparent manner with its employees, directors, shareholders, consultants, contractors and the public.
- 1.2 As such, Ekuinas has established this Anti-Fraud Policy in accordance with Malaysian Anti-Corruption Commission Act 2009 and has adopted zero tolerance policy against any form of bribery, corruption activity and theft.
- 1.3 The Policy reinforce management procedures designed to the aid the prevention, detection and investigation of fraud against the Company.
- 1.4 All suspected cases of fraud will be investigated and disciplinary procedures enforced, including termination and prosecution under relevant laws, civil action, legal remedy and/or to report any criminal act to the relevant authorities.
- 1.5 Employees who participated in fraudulent acts as defined by this Policy are subject to disciplinary action, up to and including termination, pursuant to the Human Resources policies and procedures. Similarly, Directors will also be subject to action as applicable under the laws and provisions of the Companies Act.
- 1.6 Ekuinas reserves the right to press charges and/or sue director/employee(s) in accordance with the laws of Malaysia in order to force restitution of any loss that Ekuinas may have suffered.
- 1.7 The personnel files of employees disciplined due to fraud shall record the reason for the disciplinary action. Employees discharged under this policy shall not be re-employed by any company related to Ekuinas.
- 1.8 The guidelines concerning fraud reporting (whistle blowing); procedures for investigation and protection to whistle blowers shall be governed by the Whistle Blowing Policy of this manual.

2.0 OBJECTIVES

The main objectives of the Anti-Fraud Policy are:

- Identification of fraud and fraudulent activities;
- Creates a transparent and sound anti-fraud culture by prohibiting dishonest and/or fraudulent activity;
- Set out the roles and responsibilities of all level of the Company in preventing, detecting and reporting fraud.

3.0 MEANING

3.1 Fraud is any intentional act or omission, including a misrepresentation committed to secure an unfair or unlawful gain including, but not limited to, fraud, corruption, misappropriation, theft and other similar irregularities.

3.2 Criminal activities involving violence or other physical means, such as break-in thefts, attacks, robberies and so forth are excluded from the definition of fraud. Similarly, losses due to incompetence, procedural lapses, accidents, negligence, wrong decisions, or business risks are excluded from this definition.

3.3 Fraud can be classified under 2 broad categories:

3.3.1 Theft

This relates to the removal or misappropriation of cash or assets by the fraudster for personal gain at the expense of the Company. Any business asset can be stolen, whether by employees or director, acting alone or in collusion with third parties, or by external parties acting on their own.

The following violations are classified as theft in this context:

- (i) Theft, embezzlement, misappropriation, misapplication, destruction, removal, or concealment of the Company's assets including but not limited to money, tangible property or intellectual property;
- (ii) Diversion (to the benefit of an employee or an outsider) of potentially profitable transaction that would normally generate profits for the Company;

- (iii) Off-market pricing and granting of preferential rates;
- (iv) Improper and unauthorised transactions and payments carried out by the employee acting in collusion with third parties, or committed by external parties to defraud the Company;
- (v) Submission of false expense claims, covering anything from private entertainment to large purchases;
- (vi) Accepting bribes, kickbacks, commission or other favours from a third party (e.g. a supplier) as a reward for awarding the contract to that third party;
- (vii) Offering a bribe or other favours under circumstances that might lead to the inference that the gift or favour was intended to influence an employee's decision-making for the fraudster's benefit;
- (viii) Computer fraud, whereby computers may be used to disguise the true nature of a transaction or for unauthorised electronic transfer of funds;
- (ix) Inappropriate use of computer systems including hacking and software piracy;
- (x) Blackmail or extortion;
- (xi) Authorising or receiving payments for hours not worked;
- (xii) Profiteering as a result of insider knowledge of company activities;
- (xiii) Disclosing confidential and proprietary information to outside parties;
- (xiv) Dishonourable, irresponsible or deliberate act against the interests of the Company; and
- (xv) Wilful negligence intended to cause damage to the Company.

3.3.2 False Accounting and Reporting

The intention to misrepresent or alter accounting records and reporting is to present the results and affairs of the Company positively, or to conceal any irregularities and/or theft. Frequently, there are commercial pressures to report an unrealistic level of earnings, which can take precedence over controls designed to prevent fraud.

False accounting and reporting may be carried out by insiders, either employees or directors, who are in a position to override the normal controls and to present figures that are untrue.

The following actions constitute false accounting and reporting if they are committed to manipulate or conceal information for personal gain at the expense of the Company's stakeholders:

- (i) Intentional failure to record or disclose significant information to cover losses or shortfall in earnings;
- (ii) Impropriety in the handling or reporting of money or financial transactions;
- (iii) Falsification of records and expense claims;
- (iv) Forgery or alteration of any important document, such as cheques, bank draft, or any other financial document;
- (v) Destruction or removal of records;
- (vi) Keeping 2 sets of books;
- (vii) Knowingly creating and/or distributing false or misleading financial reports; and
- (viii) "Off-book" accounting or making false or fictitious entries.

4.0 SCOPE

- 4.1 The Policy is applicable to Ekuinas, Ekuinas Capital Sdn Bhd and its subsidiary companies. All staff shall be responsible to comply with the provisions stated in this Policy
- 4.2 This policy applies to any fraud, or suspected fraud, involving directors and employees as well as shareholders, consultants, vendors, contractors, outside agencies, doing business with employees of such agencies and/or any other parties with a business relationship with the Company.
- 4.2 Employees as stated in the policy refer to every staff in the Company, regardless whether in permanent or contract positions. This policy is also applicable to Directors of Ekuinas.

5.0 MANAGEMENT'S RESPONSIBILITIES

- 5.1 The Board of Directors (Board), Senior Directors (Management) and Head of Departments are expected to demonstrate their commitment to high integrity and ethical values in managing fraud risk.
- 5.2 Senior Directors and Head of Departments perform comprehensive fraud risk assessment to identify fraud risks, assess their likelihood and significance, evaluate existing control activities, and implement actions to mitigate residual fraud risks.
- 5.3 Senior Directors and Head of Departments selects, develops, and deploys preventive and detective fraud control activities to mitigate the risk of fraud events occurring or not being detected in a timely manner.
- 5.4 Ekuinas establishes a communication process to obtain information about potential fraud and deploys a coordinated approach to investigation and corrective action to address fraud appropriately and in a timely manner. This is covered under Whistle Blowing Policy.
- 5.5 Senior Directors and Head of Departments are responsible for exercising due diligence and control to prevent, detect, and to report any fraudulent act by personnel under their supervision.
- 5.6 Senior Directors and Head of Departments shall seek the assistance of Corporate Governance and Risk Management (CGRM) or external parties if required to design and implement the necessary internal controls, to examine and evaluate the adequacy and effectiveness of these controls, and to set up the necessary organisational framework and environment to ensure that all potential problems relating to fraud are addressed.

6.0 FRAUD MANAGEMENT

6.1 Anti-Fraud Culture

- 6.1.1 The directors and employees are expected to practice zero tolerance towards any fraudulent activity. Any fraud is unacceptable and that all instances of suspected fraud shall be treated seriously and dealt with swiftly.
- 6.1.2 The Company is committed to practise a culture of openness, transparency and trust to discourage any fraudulent acts being in its dealings internally and externally.
- 6.1.3 Employees are expected to demonstrate the highest standards of personal and corporate ethics, and that the Company values integrity and effort, not merely financial performance, in all dealings with staff, companies or business that the Company, through the Fund has invested in or is a potential investment (Portfolio Companies) and suppliers.
- 6.1.4 This Anti-Fraud Policy will be applied consistently to all employees regardless of position. Failure to comply with the policy will be considered as a disciplinary offence.

6.2 Internal Control System

6.2.1 The Board of Directors (Board) has the ultimate responsibility to prevent fraud by ensuring that Management has put in place a robust internal control system. Management has embedded five integral elements of an effective internal control system as per Committee of Sponsoring Organisations of the Treadway Commission (COSO) Framework, namely:

- (i) Control environment
- (ii) Risk assessment
- (iii) Control activities
- (iv) Information and communication
- (v) Monitoring activities

6.2.2 Control Environment

Control Environment is the set of standards, processes, and structures that provide the basis for carrying out internal control across Ekuinas. The Board and Management established the tone at the top regarding the importance of

internal control including expected standards of conduct at Ekuinas. The Board and Management are committed to the high integrity and ethical values in managing fraud and the emphasis place on internal controls at Ekuinas.

The control environment of The Company is built on the following factors:

(a) **Audit and Risk Management Committee (ARMC)**

ARMC is responsible for the establishment and oversight of Ekuinas' risk management framework and internal control systems. ARMC has primary risk management and internal control oversight responsibilities. ARMC is responsible in discharging its responsibility in oversight of financial reporting, disclosure, regulatory compliance, risk management, governance practices, monitoring of internal control processes and works closely with the Company's internal and external auditors.

The ARMC provides an independent review on the actions of the Management, improves the quality of the financial reporting process, and increases the confidence of the investing public in the propriety of financial reporting as detailed in the terms of reference of ARMC.

(b) **Management's Philosophy and Operating Style**

Ekuinas is a commercially driven organisation with the primary objective of delivering financial value on its investments. To ensure the results are sustainable, the Company is committed to pursuing its goals in a market-friendly, merit-based and transparent manner. The Management's philosophy and operating style encourages employees to behave responsibly in the achievement of Ekuinas' objectives.

(c) **Organisation Structure**

The organisation structure defines the lines of authority and responsibility within Ekuinas and provides the overall framework for planning, directing, and controlling of its operations. This is represented formally by an organisation chart depicting the reporting relationships among various department within Ekuinas.

(d) **Assignment of Authority and Responsibility**

Authority and responsibility are assigned through the Limits of Authority, formal job descriptions, written policy and procedural manuals, and computer system documentation.

(e) **Code of Ethics**

All employees must comply with the Company's 'Code of Ethics'. This policy emphasizes the standard of conduct by employees and

specifically requires that in the event one is offer gifts, hospitality, and/or faces potential conflicts of interest, it is to be declared with CGRM. A register of interests, gifts and hospitality must be maintained and subject to periodic review, in accordance with the Code.

(f) **Human Resources Policies and Procedures**

An individual attitude, character and behaviour will determine the likelihood for fraud. To minimise this likelihood and to reduce the opportunities for fraud, the right human resources policies and procedures are put in place, which include:

(i) **Hiring and Firing Procedures**

Potential candidates for employment are properly screened and their references thoroughly checked. Ekuinas also exercise caution when dismissing employees. The employees will be immediately removed from all sensitive jobs and denied access to the computer system. For employees who resign on their own volition, the decision to bar the employees from performing sensitive jobs is at the discretion of the departmental head.

(ii) **Continuous Education**

In achievement of zero tolerance against fraud, employees are expected to be proud of the Company and its progress and, as a result, are protective of its assets. To develop this culture, the Company educates and trains employees in the following areas:

1) **Security Measures**

Employees are well trained in all types of security measures and be taught to take security measures very seriously. Security measures will be monitored and enforced.

2) **Fraud Awareness**

Employees are made aware of fraud and how to deter and detect it. Periodic employee training includes scenarios and discussion on ethical challenges relating to fraud, abuse, kickbacks, and other relevant issues. Regular training throughout an employee's career reinforces fraud awareness and the cost of fraud to the Company.

3) *Ethical Considerations*

Employees are expected to demonstrate the ethical behaviour expected of them. Any areas in business that fall into a grey area shall be handled ethically and responsibly. Acceptable and unacceptable practices are clearly defined in the various policies so that employees know what is ethical and what is not.

4) *Disciplinary Action*

Employees must know there is zero tolerance for improper business conduct or fraudulent behaviour. Employees are clearly informed of the consequences of unethical behavior, which may be in the form of reprimand, dismissal, prosecution or other penalties to suit the severity of the crime. Punishment applies uniformly to all employees regardless of their positions or titles if they are found guilty of such act.

(g) Employee Complaint Policy

Employee grievances are addressed through a proper channel. For minor issues, the Head of the relevant department can deal with them. For major issues, a committee is set up by the Management to look into these. By having such a system in place, the Management is conveying a message to all employees that they do care and are concerned for their wellbeing. This result in the improvement of morale and staff loyalty, thereby increasing productivity and reduction of malpractices by employees.

Employee are encouraged to make suggestion that will bring about improvement in the working environment and productivity. Any proposal that is found to be workable will be adopted and the employee rewarded accordingly.

(h) External Environment

Changes in external environment may affect the operations and practices of the Company and hence its control environment. They include requirements on financial reporting and related matters imposed by the Malaysian Accounting Standards Board (MASB), requirements imposed by the Securities Commission (SC) and the Bursa Malaysia Securities Berhad (Bursa Malaysia).

6.2.3 Risk Assessment

Risk Assessment represents the process where the Company perform comprehensive fraud risk assessments to identify specific risks, assess their likelihood and significance, evaluate existing fraud control activities and implement actions to mitigate residual fraud risk.

Management also assesses the vulnerability of the Company to fraudulent financial reporting, fraudulent non-financial reporting, asset misappropriation and illegal acts including corruption, through a periodic fraud risk assessment exercise so to proactively manage the risks of fraud.

6.2.4 Control Activities

Control activities are the policies and procedures that help ensure management directives to mitigate fraud risks are carried out. Control activities ensure that necessary actions are taken to address risks to achieve the Company's objectives by preventing fraud from occurring or to detect fraud in a timely manner. Control activities occur throughout the organisation, at all levels and in all functions. They include the following activities:

(a) **Proper Authorisation and Verification of Transactions**

Employees typically perform tasks and make decisions that can affect the safety of assets within the Company and the exchange of assets with external parties. Management has established general policies and procedures to empower specific employees to properly perform those activities and/or make those decisions appropriately. This empowerment or authorisation is an important part of the Company's control procedures.

(b) **Segregation of Duties**

There is effective segregation of duties in place. Good internal control demands that no single employee be given too much responsibility. Specifically, no employee should be in a position to both perpetrate and conceal irregularities for personal gain. Management ensures that different employees are assigned the responsibilities of authoring or performing transactions, recording or checking transaction, and maintaining custody of assets.

(c) **Proper Recording of Transaction**

The appropriate design and use of adequate documents and records are important to help ensure the proper recording of transactions and events.

(d) **Security of Assets**

Assets are protected from such threats as theft, unauthorised use, and vandalism on the part of dishonest employees and outsiders. Effective supervision and segregation of duties play an important role in safeguarding assets. There are measures designed to restrict physical access to assets.

The maintenance of accurate records of assets on hand is also very important to ascertain their actual positions. There must be proper control over access to important records and documents pertaining to the assets. The records and documents should be protected through the use of fireproof safe and the maintenance of backup copies to be stored off-site. Access to these documents is restricted to authorised personnel only.

(e) **Independent Check**

Independent check on the performance of transaction processing functions and the accuracy of data files maintained by the system is another important control activity. Internal checks are used in conjunction with the segregation of duties. Those involved in each processing stage subsequent to the initiation of a transaction should perform at least a limited review of prior work. This shall provide the check and balance in the system.

(f) **Maintaining an Effective Accounting System**

The Company's accounting system consists of the records and procedures established to record, process, and report the results of all transactions and to maintain accountability for its assets and liabilities.

An effective accounting system establishes methods and records that will function as follows:

- Identify and record all valid transactions;
- Describe on a timely basis the transactions in sufficient detail to permit proper classification of transactions for financial reporting;
- Measure the value of transactions in a manner that permits recording their proper monetary value in the financial statements;

- Determine the time period in which transactions occurred to permit recording of transactions in their proper accounting period; and
- Present properly the transactions and related disclosures in the financial statements.

6.2.5 Information and Communication

The Company establishes a communication process to obtain information about potential fraud and deploys a coordinated approach to investigation and corrective action to address fraud appropriately and in a timely manner.

Information is necessary for the Company to carry out internal control responsibilities to support the achievement of its objectives. Management obtains or generates and uses relevant and quality information from both internal and external sources to support the functioning of internal control. Information systems produce reports containing operational, financial and compliance-related information that enable smooth running and control of the business.

Communication is the continual, iterative process of providing, sharing, and obtaining necessary information. Internal communication is the means by which information is disseminated throughout Ekuinas, flowing up, down, and across the Company. It enables employees to receive a clear message from management that control responsibilities must be taken seriously. External communication enables communication of relevant external information and provides information to external parties in response to requirements and expectations.

Good communications that enhance internal control are as follows:

- Employees' duties and control responsibilities are effectively communicated;
- Establishment of channels of communication for people to report suspected improprieties;
- Receptivity of management to employee suggestions of ways to enhance productivity, quality or other similar improvements;
- Adequacy of communication across the organisation and the completeness and timeliness of information and its sufficiency to enable people to discharge their responsibilities effectively;

- Openness and effectiveness of channels with Portfolio Companies, suppliers and other external parties for communicating information;
- Extent to which outside parties have been made aware of the Ekuinas's ethical standards; and
- Timely and appropriate follow-up action by Management resulting from communications received from Portfolio Companies, vendors, regulators or other external parties.

6.2.6 Monitoring Activities

Evaluations are used to ascertain whether each of the five components of internal control is present and functioning as designed and identifies controls that needed changes in a timely manner to parties responsible for taking corrective action, including senior management and the board of directors.

Key methods of monitoring performance include effective supervision, management reports and internal audit.

(a) **Effective Supervision**

Effective supervision involves assisting employees engaged in operating or data processing tasks, monitoring the effectiveness with which employees carry out their assigned tasks and safeguarding assets by watching over employees who have access to assets.

(b) **Management Reports**

Regular reports are prepared for both external and internal users. Reports are used by employees to control the operational activities of the Company, and by Management and the Board to make decisions and design strategies for the business. External users use reports to evaluate the Company's performance and its compliance with regulatory requirement.

(c) **Internal Audit**

CGRM provides an independent appraisal of the effectiveness of internal controls and of the quality of managerial performance in carrying out assigned responsibilities. Internal auditing involves reviewing the reliability and integrity of financial and operating information; reviewing the controls employed to safeguard assets; assessing employees' compliance with management policies and procedures and with any applicable laws and regulations; and

evaluating the efficiency and effectiveness with which Management carries out its responsibilities and achieves organisational objectives.

- 6.2.7 Identifying the key controls over the Company's assets is best achieved by understanding the business processes and how different types of fraud could be perpetrated and by whom. Attention and scrutiny will be given on high-volume and high-value transactions, as well as the more complex and profitable areas of the business. CGRM shall periodically examine and review the key controls that prevent fraud occurring in each of the business areas and how effective those controls are.
- 6.2.8 No internal control system is fool-proof. At best, an internal control system provides only reasonable assurance that control threats and risks are being minimised, not eliminated. The costs and benefits of control must be weighed before implementation.

7.0 FRAUD REPORTING AND FOLLOW-UP PROCEDURES

- 7.1 The Company's policy on fraud reporting (or whistle-blowing) is stated in Whistle Blowing Policy.
- 7.2 The Policy covers the scope of whistle blowing, the protection provided by the Company to whistle-blowers, procedure on making a report, and procedure for investigation of an alleged fraud.

All employees in the Company (both new and existing) are expected to have read and understood the contents of the Policy, and to abide accordingly.

ANTI-BRIBERY AND ANTI-CORRUPTION (ABC POLICY)

1.0 POLICY STATEMENT

- 1.0 Ekuinas is committed to foster the highest standard of integrity, accountability, and professionalism in the conduct of its business and professional activities. Ekuinas aspires to conduct its affairs in an ethical, responsible and transparent manner.
- 1.1 As such, the Company has formulated this Anti-Bribery and Anti-Corruption Policy (ABC Policy) in accordance with Malaysian Anti-Corruption Commission Act 2009 and has adopted zero tolerance policy against all forms of bribery and corruption.
- 1.2 The Policy elaborates upon those principles, providing guidance to employees on how to deal with improper solicitation, bribery and other corrupt activities and issues that may arise during the course of business. Ekuinas' investment policies involves Direct Investment and Outsourced Programme. For investment in a non-controlling interest companies, investment companies are encouraged to adopt similar principles and standards while Portfolio Companies are expected to adopt this Policy.
- 1.3 The Policy is not designed to provide definitive answers to all questions with regards to bribery and corruption. Rather, they are designed to provide employees with a basic introduction to how Ekuinas combats bribery and corruption in furtherance of the Company's commitment to lawful and ethical behaviour at all times.
- 1.4 Some of the guidelines are also designed to prevent situations in which bribery and corrupt practices may take root. If you have any doubt about the scope of applicable laws or the application of the group's policies concerning the fight against bribery and corruption, you should contact the Head of Corporate Governance and Risk Management (CGRM) immediately.
- 1.5 **All employees are responsible to complete all training organised in relation to ABAC and keep themselves up to date with the latest policies and processes, in particular the ABAC Policy and ensure that the highest standards of compliance are followed.**
- 1.6 This Policy should be read in conjunction with the Ekuinas' Code of Ethics and the Whistle Blowing Policy.

2.0 OBJECTIVES

The purpose of this ABC Policy is to:

- Provide the standard of behaviour that all employees and Directors must adhere to;
- Implement measures to identify and prevent bribery and corruption;
- Set out our responsibilities, and of those working or providing work or services for or on behalf of Ekuinas in observing and upholding our position on bribery and corruption; and
- Provide the method to raise concerns and report any violation of this policy.

3.0 MEANING

3.1 Bribery is an inducement or benefit offered, requested, promised or provided in order to gain any favourable commercial, contractual, regulatory or personal advantage. This can be in the context of giving or receiving. It may come in a form of monetary or non-monetary inducement. All forms of bribery and corruption are unacceptable and prohibited.

4.0 SCOPE

- 4.1 The Policy is applicable to Ekuinas, Ekuinas Capital Sdn Bhd and its subsidiary companies. All staff shall be responsible to comply with the provisions stated in this Policy.
- 4.2 This policy applies to all employees and Board of Directors (BOD) at Ekuinas. Ekuinas also expects that consultants, contractors, agents, representatives and others performing work or services for or on behalf of Ekuinas to comply with the relevant parts of the ABC Policy when performing such work or services.
- 4.3 Portfolio Companies are expected to adopt this Policy while for investment in a non-controlling interest companies, investment companies are encouraged to adopt similar principles and standards.

5.0 AREAS OF CONCERN

5.1 Gift and Hospitalities

- 5.1.1 The culture of corporate gift and hospitality is a practice that is not generally viewed as corrupt whether it is hosted by Ekuinas or by external parties. Corporate activities such as sporting events, dinners, golf tournaments are example of activities held to build and establish network or business relationship. However, care must be taken when engaging in any activities that is perceived as overly generous and which may give rise to a corrupt purpose.
- 5.1.2 Employees/Directors will not accept any gift that may compromise our judgement made on behalf of Ekuinas. Employees/Directors are expected to refuse any offers or hospitality such as travel and accommodation, unless they are related to a legitimate business activity.
- 5.1.3 Third parties must not offer, promise, give, request, agree to receive or accept any gift and hospitalities on behalf of Ekuinas unless it has been specifically agreed in their written service contract and approved by Ekuinas.
- 5.1.4 Any giving or receiving gifts or business courtesies (exceeding the business norms) from/ to vendors, portfolio companies, clients and other third parties with business relationship that may influence, or perceived to be able to influence decision making or there is potential / perceived conflict of interest, must be reported to the Corporate Governance & Risk Management Department (CGRM) or the Audit and Risk Management Committee (ARMC). In addition, any gifts valued more than RM500 from / to any party are to be declared and will require the CEO's approval.**
- 5.1.5 Receiving and provision of gifts are permitted in the following situations:
- Exchange of gifts at the company-to-company level;
 - Gifts from company to external institutions or individuals in relation to the company's official functions, events and celebrations (e.g. door gifts offered to all guests attending the event);
 - Gifts from Ekuinas to employees/Directors (e.g. in recognition of an employee's/Director's service to the Company, wedding gift, new born gift);
 - Gifts of nominal value normally bearing the Ekuinas' logo or (e.g. notebook, pens, USB drive, and other small promotional items) that are given out for attending events such as conferences, exhibitions, training, etc. and deemed as part of the company's brand building or promotional activities; and

- Gifts to external parties who have no business dealings with Ekuinas but requires prior approval (e.g. monetary gifts or gifts in-kind to charitable organisations).

5.2 **Facilitation payments**

5.2.1 Facilitation payments are payments made to expedite and facilitate the performance by authorities. Any employee or director must not offer, promise, give, request, accept or receive anything regarded as facilitation payment. **Any request/ demand or offerings must be reported by the employee to Head of Department or Head of Corporate Governance and Risk Management (CGRM).**

5.3 **Entertainment**

- 5.3.1 Entertainment shall only be for official purposes, of which diplomacy is required in execution of any of the Company's business transaction. Entertainment provided must be within the guidelines stipulated by Ekuinas' Code of Ethics.
- 5.3.2 It is crucial for employees and Directors to exercise proper care and judgement before accepting entertainment offered by third party. This is to protect employees and Directors from any allegation of impropriety and safeguard Ekuinas' reputation.

5.4 **Corporate Social Responsibility (CSR), political contribution, donation and sponsorship**

- 5.4.1 An act of making or offering monetary or in-kind political contribution to political parties, political party officials or candidates for political office is prohibited unless the employee choose to make personal political contribution.
- 5.4.2 **No form of Corporate Social Responsibility (CSR), donation and sponsorship must be used as a conduit to circumvent, avoid or evade anti-corruption laws or facilitate fraud, illegal payments or money laundering activities.**
- 5.4.3 **All contributions are carefully evaluated such as conducting due diligence on the beneficiary and the purpose of the programme to ensure it meets the intended objectives.**

5.4.4 Refer to CSR Policy and Standard Operating Procedures for responsibilities and procedure in handling donations and sponsorships.

5.5 Liability for acts of agents

5.5.1 The MACC Act recognises that corrupt payments are often channelled through agents in order to create a buffer between the bribe giver and the bribe receiver and such arrangements are expressly covered under Section 17 of the MACC Act.

5.6 Non-controlling Investment

5.6.1 Ekuinas may be held responsible for the illegal activities at the Portfolio Companies and Outsourced Fund Programme (OFM). Therefore, it is crucial to ensure any companies that Ekuinas has a controlling interest in has an Anti-Bribery and Anti-Corruption culture and/or policy in the company.

5.6.2 In the event Ekuinas neither hold controls nor holds a minority interest, Ekuinas should make reasonable efforts to influence adoption of similar ABC Policy and comply with anti-bribery and anti-corruption laws. Controls must be in place to prevent any potential bribery or corruption.

6.0 REPORTING

6.1 It is the responsibility of any employee / Director to submit a report if is found or suspected that any person has breached or about to violate this policy or applicable law, whether deliberately or inadvertently. The report should be submitted according to the procedures stated within the Whistleblowing Policy.

7.0 PROVISION FOR REVIEW

- 7.1 Ekuinas reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding unless the same is notified in writing. This policy shall be updated and review from time to time in ensuring that future related issues and treatment are incorporated into this Policy. Amendments and revision of this Policy or any part thereof shall be made known to the ARMC for recommendation to the Board of Directors for their approval and adoption accordingly.