

ANTI BRIBERY AND ANTI CORRUPTION POLICY

Introduction

This document is issued pursuant to subsection (5) of section 17A of the Malaysian Anti-Corruption Commission Act 2009 (Act 694) ("MACC Act 2009"), as stated in the Malaysian Anti-Corruption Commission (Amendment) Act 2018 ("Amendment Act 2018").

The provision of section 17A under MACC Act 2009 (Amendment Act 2018) establishes the principle of a criminal liability (corporate liability) for the corrupt practices of its employees and/ or any person(s) associated with the organisation in cases where such corrupt practices are carried out for the organisation's benefit or advantage.

Commitment

Fajarbaru Builder Group Bhd and its subsidiaries ("FAJARBARU") have taken great pride in its core value of integrity, respect and professionalism in conducting business across the board. Adherence and observance of the core value is the key to ensure its continued growth and excellent success with all its valued business partner. FAJARBARU has adopted a zero-tolerance approach against all forms of bribery and corruption. We commit to maintain and preserve the highest standard of integrity, transparency and accountability in our business operation. This means avoiding practices of bribery and corruption of all forms in the company's daily operations.

Definitions

"Bribery": the offering, promising, giving, accepting or soliciting of an advantage as an inducement for action which is illegal, unethical or a breach of trust. A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage and can take the form of gifts, loans, fees, rewards or other advantages.

"Corruption": the abuse of entrusted power for private gain.

"Conflict of Interest": Occurs when an individual or organisation is involved in multiple interests, one of which could possibly corrupt, or be perceived to corrupt, the motivation for an act in another.

"Donation": A Donation is a voluntary contribution in the form of monetary or non-monetary gifts to a fund or cause for which no return service or payment is expected or made. Contributions to industry associations or fees for memberships in organisations that serve business interests are not necessarily considered Donations.

"Employee(s)": For the purposes of this policy this includes all individuals working at all levels and grades, including directors, managers, officers, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, casual workers and agency staff,

volunteers, interns, agents, sponsors, or any other person associated with us, or any of our subsidiaries or joint ventures or their employees, wherever they are located.

“Gifts, Invitations & Hospitality”: Invitations given or received to social functions, sporting events, meals and entertainment, gifts or customary tokens of appreciation.

“Third Party”: Any individual or organisation you come into contact with during the course of your work for us. This includes actual and potential customers, suppliers, business contacts, Intermediaries, government and public bodies, including their advisors, representatives and officials, politicians and political parties.

Objective

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

The principal objectives of this Policy are:

- a) To signify/indicate the Guidelines on Adequate Procedures as issued/published by Malaysian Institute of Integrity pursuant to subsection (5) of section 17A under the MACC Act 2009 (Amendment Act 2018).
- b) To ensure FAJARBARU has proper record on the Guidelines on Adequate Procedures for proper reference and application.

Scope

This policy applies to all Directors and Employees of FAJARBARU.

It is also expected that all customers, contractors, subcontractors, consultants, solicitors, agents, representatives and others performing work or services for or on behalf of FAJARBARU will comply with the relevant parts of this Policy when performing such work or services.

Policy and Procedures

We adopt an Anti-Bribery and Anti-Corruption Policy (“ABC Policy”) which sets out the principles and procedures to help prevent corruption by, on behalf of, or against the organisation, and to detect, report and deal with any breach which may occur.

Strict Prohibition

All employees are prohibited from, either directly or indirectly, inducing / soliciting / seeking / offering and receiving any and all sort of benefits, incentives, commissions, gifts and advantages, either in cash or kind, in business dealing with FAJARBARU.

We ensure our employees and subsidiaries shall comply with the ABC Policy.

Anti-Bribery and Anti-Corruption Policy

- i. Bribery and corruption in all its forms as it relates to FAJARBARU's activities is prohibited.
- ii. Bribery and corruption may take the form of anything of value, such as money, goods, services, property, privilege, employment position or preferential treatment.
- iii. FAJARBARU's employees and its business associates 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 organisation, either for the intended benefit of FAJARBARU or the persons involved in the transaction.
- iv. The anti-bribery and corruption statement applies equally to its business dealings with commercial ("private sector") and Government ("public sector") entities, and includes their directors, personnel, agents and other appointed representatives. Even the possible appearance of bribery or corruption is to be avoided, in particular when dealing with Government officials.
- v. No employee or external party will suffer demotion, penalty or other adverse consequences in retaliation for refusing to pay or receive bribes or participate in other illicit behaviour.
- vi. FAJARBARU is also committed to conducting due diligence checks on prospective employee, particularly as it relates to appointments to positions where a more than minor bribery or corruption risk has been identified.

No Gift Practice

FAJARBARU implements No Gift Policy in its business dealing with all valued business partners. The purpose is to avoid any likely conflict of interest where any of its employee will be perceived as, in his or her position, capable of influencing a particular decision made in favour of the donor or recipient of the gift.

Gifts, Invitations & Hospitality

This policy does not prohibit normal and appropriate hospitality (given and received) to or from Third Parties.

The only form of gift-giving allowed to external parties is a corporate gift. All employees are prohibited from accepting a gift or giving a gift to a third party in the following situations:

- a) it is made with the intention of influencing a Third Party to obtain or retain business, to gain a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits;
- b) it is given in your name and not in the name of the Company;
- c) it includes cash or a cash equivalent (such as gift certificates or vouchers);
- d) it is of an inappropriate type and value and given at an inappropriate time (e.g. during a tender process); and
- e) it is given secretly and not openly.

We appreciate that the practice of giving business gifts varies between countries and regions and what may be normal and acceptable in one region may not be in another. The test to be applied is whether in all the circumstances the gift or hospitality is reasonable, justifiable and is proportionate. The intention behind the gift should always be considered.

Donations and sponsorships are permitted to ensure acceptability. However, the Company prohibits the giving and receiving of donations and sponsorships to influence business decisions.

Business Associates

We work with organisations and persons that conform to standards consistent with our ABC Policy.

As part of FAJARBARU's commitment to combat bribery, we expect all Business Associates to refrain from bribery.

Responsibilities of Employees

Employees are responsible for understanding and complying with the ABC Policy. In particular, the role of all Employees includes the following:

- a) Be familiar with applicable requirements and directives of the policy and communicate them to subordinates;
- b) Promptly record all transactions and payments accurately and in reasonable detail;
- c) Always raise suspicious transactions to immediate superiors for guidance on next course of action;
- d) Promptly report violations or suspected violations through appropriate channels;

Staff Declarations

All employees shall be deemed to have read and irrevocably and unconditionally agreed to this policy. The Human Resources Department reserves the right to request information regarding an employee's assets in the event that the person is implicated in any bribery and corruption-related accusation or incident.

Reporting Channel

All employees and business associates are encouraged to report any act of bribery and corruption directly to the following channels:

- auditcommittee@fajarbaru.com.my; or
- whistleblow@fajarbaru.com.my

All informers are reassured that their identity would be protected in accordance with the existing law enforce and applicable in Malaysia.

Violation

We would take stern disciplinary action against employee and terminate the business transaction with the concerned business partners whom is found in breach or non-compliance of the ABC Policy.

Review of the Policy

The Board will monitor compliance with the Policy and review the Policy regularly to ensure that it continues to remain relevant and appropriate.