



JAWALA INC.
— SUSTAINABLE FORESTRY COMPANY —

JAWALA INC.

Anti-Bribery & Anti-Corruption

POLICY & GUIDELINES

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Abbreviations

In this Policy & Guidelines, the following abbreviations shall have the following meaning unless otherwise stated:

ABAC	Anti-Bribery and Anti-Corruption	CSR	Corporate Social Responsibility
BOD	Board of Directors	HR	Human Resources
CEO	Chief Executive Officer	LOA	Limit of Authority
CFO	Chief Financial Officer	MACC	Malaysian Anti-Corruption Commission
CoC	Code of Conducts	RMC	Risk Management Committee
COO	Chief Operating Officer	SSM	Suruhanjaya Syarikat Malaysia

1.0 Introduction

1.1. General Information

The Anti-Bribery & Anti-Corruption (“ABAC”) Policy & Guidelines (here-in-after referred to as “Policy & Guidelines”) defines the policies and procedures for Jawala Inc. (“Jawala” or “the Company”) and its subsidiaries (collectively known as “Jawala Group” or “the Group”). Rules (including Circulars and Letters) from the regulators shall automatically supersede the existing operating policies and procedures herein stated.

The main objectives of this Policy & Guidelines are as follows:

- To ensure the policies and guidelines / practices are oriented towards embedding ABAC stance organisation wide, with guidance from Guideline on Adequate Procedures and requirements of Malaysian Anti-Corruption Commission (“MACC”) Act 2009, introduced via the MACC (Amendment) Act 2018;
- To ensure adequate and standardised ABAC policies and guidelines are consistently applied throughout the Group by all relevant staff; and
- To ensure that business operations within the Group are strictly adhering to the ABAC Policy & Guidelines.

The Policy & Guidelines are applicable to the following key stakeholders:

- a. Directors of Jawala, both executive and non-executive, unless otherwise stated in this Policy & Guidelines;
- b. every employee within the Group; and
- c. suppliers, sub-contractors, consultants, agents, representatives, business partners and others who performing work or services for or on behalf of the Group.

It is the intention of Board of Directors (“BOD”) of Jawala to ensure that these procedures serve as our commitment to prohibit bribery and corruption in the business conduct within the Group.

1.2. Policy Statement

Jawala adopts zero tolerance approach towards all forms of bribery and corruption. The Group promote the value of good governance and integrity in carrying out its business activities.

Jawala is committed to:

- Establish, maintain, and periodically review an ABAC programme which includes clear policies and objectives that adequately address corruption risks;
- Promote the values of integrity and good corporate governance in all business dealings. All employees are expected to comply with all applicable laws and regulations including our internal policies pertaining to ABAC;
- Create and maintain a trusted and confidential whistleblowing channel in relation to the reporting of suspected and / or real corruption incidents or inadequacies in the anti-corruption compliance programme;

- Provide adequate training, awareness and communication to ensure employees comprehend the requirements, benefits, and their role and responsibilities for ABAC and corruption risk management; and
- Conduct continual review and improvements on the Group’s policies and procedures in relation to ABAC.

Employees who engage in any corrupt practices shall be subjected to disciplinary action in accordance with the Company’s Employee Handbook and CoC.

2.0 Key Definition

2.1. Anti-Bribery and Anti-Corruption Policy & Guidelines

This refers to the ABAC Policy & Guidelines established by Jawala.

2.2. Bribery

ISO 37001:2016 defines bribery as offering, promising, giving, accepting or soliciting of an undue advantage of any value (which could be financial or non-financial), directly or indirectly, and irrespective of location(s), in violation of applicable law, as an inducement or reward for a person acting or refraining from acting in relation to the performance of that person’s duties.

2.3. Board of Directors

This refers to as the BOD of Jawala.

2.4. Business Partners

Business partners are referring to person who involve in joint ventures business, jointly control operation and associate companies of Jawala.

2.5. Chief Executive Officer

Defined as the highest-ranking executive in a company, responsible for carrying out corporate polices established by the BOD, acting as the main point of communication between the BOD and corporate operation.

2.6. Code of Conducts

This refers to as the formalised work and business ethics enforced within the Group.

2.7. Corporate Hospitality

This refers to any considerate care of guests offered in the manner that complete expenses are borne by the company itself. This includes meals, refreshments, accommodation and entertainment, sport activities, flight ticket, transportation and etc.

2.8. Corruption

The MACC Act 2009 defines corruption as the act of giving or receiving of any gratification or reward in the form of cash or in-kind of high value for performing a task in relation to his/her job description.

2.9. Donation

This refers to the gratification given out by the Group for charity, humanitarian aid or to support local community welfare, whether in-kind or by way of financial contribution.

2.10. Employee

This refers to any person who is in the employment of the Group, but not limited to executives, non-executives and contract employees.

2.11. Extortion Payment

This refers to money that is forcibly extracted from the Group or its employee by real or perceived threat to health, safety and liberty and is outside the scope of ABAC.

2.12. Facilitation Payment

This refers to illegal or unofficial payment made in return for services that the Group is legally entitled to receive without making such payment. For example, a payment made to government official or a person with certifying / approval function to expedite the necessary action in the capacity of abovementioned person.

2.13. Gift

Appendix A provision 3.1 of Jawala Inc. CoC defines this as to include tokens of appreciation or respect regardless whether the same is consumable or not, in connection with matters related to any Group company's business but shall exclude items of nominal value such as stationery, calendars, desk diaries, tokens or other souvenirs in connection with business events which carries the giver's company name or corporate logo for advertising or marketing purposes.

2.14. Government Officials

“Government Official” means any elected or appointed official of a Government Entity of any country; representatives or employees of a Government Entity at any level, including Forestry Department, customs, immigration and transportation workers; military personnel; representatives of political parties; candidates for political office; directors, managers or employees of state-owned or controlled entities; and any entity hired by a Government Entity for any purpose.

2.15. Guideline on Adequate Procedure

This refers to the document issued by the Prime Minister's Department in December 2018, pursuant to Section 17A (4) and (5) of the MACC Act 2009.

2.16. ISO 37001:2016

This refers to the international standards on requirements and guidance for establishing, implementing, maintaining, reviewing and improving an anti-bribery management system.

2.17. Limit of Authority

This refers to the approved documents stipulating the approving authority and authority limits allowed for the BOD and Management at Jawala.

2.18. Management

This refers to the management team of the Group, includes Managers and above.

2.19. Risk Management Committee

This refers to the RMC of Jawala, providing oversight of Enterprise Risk Management (“ERM”) and corruption risk assessment of the Group.

2.20. Sponsorship

This refers to support, either financially or by way of product and / or services for an event or activities organised by a profit / non-profit organisation, local communities, government departments or agencies, primarily aimed at raising awareness about the Group profile.

2.21. Whistleblower

This refers to a person (internal or external) raising or reporting concerns of wrongful activities or wrongdoings as defined in the Whistleblowing Policy & Guideline of Jawala.

2.22. Whistleblowing Policy & Guidelines

This refers to the Whistleblowing Policy & Guidelines of Jawala, applicable to the Group.

3.0 Responsibility

3.1. Board of Directors

- a. Sets commitment towards prohibition of bribery and corruption in the business conduct within the Group;
- b. Approves the ABAC Policy & Guidelines;
- c. Ensures the alignment of ABAC Policy & Guidelines to the strategy of the Group;
- d. Maintains oversight on ABAC governance, ensuring that best practices of ABAC management system is established, implemented, maintained and reviewed to adequately address the Group’s bribery and corruption risks, including the Policy & Guidelines; and
- e. Promotes appropriate ABAC culture within the Group.

3.2. Chief Executive Officer

- a. Provides overall direction on the establishment, implementation and periodic review of ABAC Policy & Guidelines;
- b. Ensures the integration of ABAC Policy & Guidelines requirements into key organisation functions such as human resource management, procurement and finance, and enhance the underlying controls on these key functions so as to support ABAC Policy & Guidelines requirements;
- c. Supports the resource allocation and investment in a robust and effective ABAC Policy & Guidelines;
- d. Supports adequate training and awareness programmes for the employees of the Group;
- e. Communicates on the ABAC Policy & Guidelines, both internally and externally;
- f. Promotes appropriate ABAC culture within the Group; and
- g. Support other relevant management personnel in preventing and detecting bribery and corruption.

3.3. Chief Financial Officer / Executive Director

- a. Ensures that the ABAC Policy & Guidelines are adhered to within the Group;
- b. Reports on non-compliance cases to the RMC, including follow-up action status on the said cases;
- c. Attends to inquiries about Jawala's ABAC Policy & Guidelines and its practices within the Group; and
- d. Facilitates the corruption risk assessment periodically.

3.4. Employee

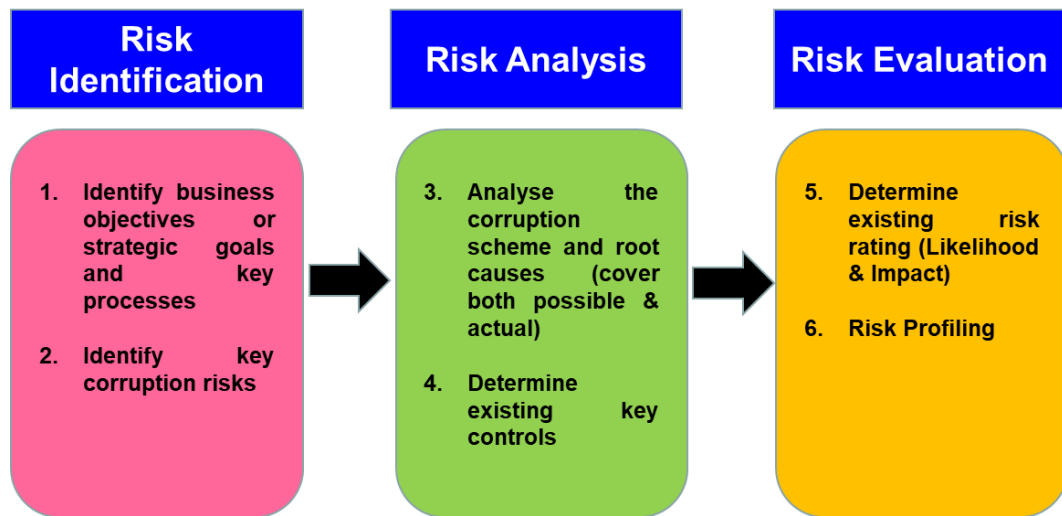
- a. Executes the ABAC Policy & Guidelines, including enhancement of underlying controls on affected functions under his / her responsibility, as elaborated in this Policy & Guidelines;
- b. Adheres to the requirement of the ABAC Policy & Guidelines; and
- c. Reports on suspected bribery or corruption via the whistleblowing channel of Jawala.

3.5. Amendments to Policy & Guidelines

If there is any requirement to update, improve, and / or amendments made to this Policy & Guidelines, proposed changes shall be submitted for authorisation and for approval by the BOD. Key information on addition of new policy / procedure and deletion or variation of existing policy / procedures shall be indicated for version control purpose.

4.0 Corruption Risk Assessment Approach

- a. The corruption risk assessment process is depicted in the diagram below:



- b. The BOD, through the RMC, shall oversee and ensure accountability of corruption risk identified with the corresponding controls to be implemented.
- c. The risk parameters (i.e. financial impact, customer relationship and reputation / media) are established to evaluate the consequences of a risk, namely likelihood of occurrence and criticality of impact, based on Jawala's risk appetite.
- d. Risk Registers are developed to capture both possible and actual corruption scheme(s), root causes, existing key controls and impact. The risks are then evaluated based on the likelihood of occurrence and criticality of impact (i.e., Low, Medium, High and Extreme) to provide a basis for Management in strategic decision-making process and mitigation of corruption risks.
- e. RMC of Jawala shall conduct regular risk assessment i.e. at least once every three (3) year and / or when there is a change in law or circumstance of the business to ensure the identified corruption risks are remains relevant and adequate mitigating controls are discussed and implemented.
- f. Specific anti-corruption plan shall be identified by the respective Heads of Department and reported to the CEO / CFO for review and monitoring.

5.0 Gift and Corporate Hospitality

Jawala recognises the importance of gift and corporate hospitality giving or acceptance, donation and sponsorship activities to maintain good rapport with its vendors, customers and government officials. The policies and procedures set out below are to safeguard the Group's reputation and to protect its employee from allegation of soliciting bribe, corruption or exercising undue influence on external party(s) for personal gain.

Due consideration should be given to gifts or benefits extended to external parties in public or private sector. It is the responsibility of the person extending such a gift to ensure that it is deemed reasonable and consistent with the purpose and hence not misconstrued as a bribe or in contravention with any existing Corrupt Practices Act, or other prevalent legislation, in any country where we conduct our business including Malaysia.

5.1. Gift & Corporate Hospitality Policy

This policy sets out the procedures and guidelines for the giving or receiving of gifts or corporate hospitality by directors, officers and employees to or from third parties.

Generally, the acceptance of gifts or corporate hospitality events / invitations from customers, existing and / or potential, business partners, suppliers, contractors, industry players or members of the public is prohibited as it may create a situation of conflict or potential conflict of interest.

Where circumstances make it impossible, difficult or impractical to reject the gifts or hospitality events / invitations, employees should immediately declare such gifts or hospitality events / invitations to their Manager and HR. This applies to all except perishables items and those of a token value of less than RM500.00.

The offering or receiving of gifts in excess of RM500 to/from a third party shall require pre-Approval by the relevant approving authority stated below:

Approving Authority Limit (RM) or its equivalent in local currency:-

Range limit	Approval level
RM500 to RM1,000	Any one COO / CFO / CEO/ Executive Director
More than RM1,000	1 Executive Director and COO / CFO / CEO

(Reference: Appendix A of the CoC)

As business lunches / dinners are an accepted mode of hospitality, these need not be declared but care must be exercised while accepting such meals. These should be infrequent and non-lavish. The sole purpose must be for enhancement of a business relationship and not for reciprocity.

As a general guide, approval will be required if the meal exceed RM100 per non-managerial employee and / or RM200 per manager and above.

Any violation of this policy constitutes misconduct, and may result in disciplinary action taken against an employee.

In the event of any dispute between any internal practices, existing policy and or procedure already imbedded within the constitution of the organisation prior to the commencement of this ABAC Policy & Guidelines. All disputes on **limits** set in Clause 5 of this ABAC Policy & Guidelines shall prevail over all other documentation.

5.2. Exceptions to the Gift & Corporate Hospitality Policy

Although generally Jawala practices a Gift & Corporate Hospitality Policy, there are certain exceptions to the general rule whereby the receiving and provision of gifts are **not permitted** in the following situations:

- It could influence any business decisions, or could be perceived as something that could influence any business decisions (e.g. accepting any Gift or Hospitality from a supplier who is involved in a pending purchasing decision);
- It is in the form of cash or cash equivalents (e.g. gift certificates, gift / shopping cards, any vouchers which can be converted or traded for cash, cheques, money or postal orders, shares of stock, securities or other forms of marketable instruments or interests) of any amount;
- It is not consistent with what is customary and routine in our business;
- It is excessive in value and frequent;
- It is inappropriate in nature;
- It is provided around the time of any pending business decision (exception exists for standard working meals where appropriate pre-approval is granted); or
- It violates any applicable laws or regulations.

Any deviation from the above due to business needs or circumstances will require declaration and / or approval according to the requirements set out in the subsequent provisions.

5.3. Purchase of Gift and Corporate Hospitality

- a. Purchase requisition pertaining gift and corporate hospitality shall be a reasonable amount, subject to the approval in accordance with the LOA. Such gifts and hospitality shall fulfil **ALL** the following conditions prior to approval:
 - i. They are intended to maintain good rapport with the vendors / customers of the Group and government officials; as a guide RM500.00 per person per year.
 - ii. They are limited, customary and lawful under the circumstances;
 - iii. They do not have or perceived to be affecting action(s) or decision(s) of the receiving party;
 - iv. There shall be no expectation of any specific favour, benefit or advantages from the intended recipients;
 - v. There shall not be any corrupt / criminal intent; and
 - vi. The giving out of gift or corporate hospitality shall be transparent.
- b. Purchase of gift or corporate hospitality, subject to the fulfilment of condition as stipulated in Clause 5.2 and Clause 5.3(a), is only permitted to the Management and above within the Group.
- c. Purchase requisition pertaining to gift and corporate hospitality for government official from the public sector, it shall be restricted to statutory limit of the respective countries.
- d. Purchase requisition on gift or corporate hospitality shall be indicated with purpose of requisition, including client or vendor name or representative details.

5.4. Gift Acceptance

- a. Under no circumstances that an employee of the Group shall receive or solicit for personal gift from an external party.

- b. Although the general principle is to immediately refuse or return such gifts, accepting a gift on behalf of Jawala is allowed only in very limited circumstances, whereby refusing the gift is likely to seriously offend and may sever Jawala's business relationship with the Third Party. However, in no circumstances may an employee, director or his/her family/household members accept gifts in the form of cash or cash equivalent.
- c. In reference to Appendix A paragraph 4.2 of the CoC, employees may accept gifts of nominal value such as stationery, calendars, desk diaries, tokens or other souvenirs in connection with business events which carries the giver's company name or corporate logo for advertising or marketing purposes. The declaration and recording of gifts of such nature is not necessary.
- d. In reference to Appendix A paragraph 4.3 of the CoC, gifts of an estimated value of RM500 or more may be accepted only with Approval in writing. Employees are to declare and record the gifts received at the Gifts and Hospitality Registry to be administered by HR. Upon approval, the approver will assist the employee to determine the appropriate course of action with regards to accepting, donating, re-distributing, returning, or contributing the gift to the gifts pool.
- e. In reference to Appendix A paragraph 4.4 of the CoC, without prejudice to the mandatory principles set out above, approval is required for gifts of an estimated value of more than RM500; however, employees are nevertheless required to declare and record the details at the Gifts and Hospitality Registry.
- f. For a more comprehensive details on the Gift procedures and provisions to be practiced at Jawala, reference to In reference to Appendix A paragraph 4 of the CoC.

5.5. Entertainment Acceptance

- a. Under no circumstances that an employee and Director of the Group shall accept or solicit entertainment in the exercise of their duties and responsibilities towards the company which is regarded detrimental to Jawala.
- b. Employees and Directors of the Group shall exercise proper care and judgment prior to accepting any entertainment from external party. This is vital to safeguard the Group's reputation and to protect its employee from allegation of soliciting bribe or corruption.
- c. Any entertainment received by an employee or Director of the Group from external party(s) requires declaration to the HR Department and reviewed by the CEO.
- d. Corporate hospitality in the form of entertainment or events paid for and attended by Jawala's business partners (such as occasional and non-lavish meals, sports, musical and theatrical events) may be appropriate and corporate hospitality of such nature does not require Approval, if there is a genuine business purpose for attending the event and attendance at such an event is customary in the context of a Group's business.
- e. As business meals are an accepted mode of corporate hospitality, these need not be declared but care must be exercised while accepting such meals. They should be infrequent and non-lavish. Should the meals be regular and exorbitant, employees are

encouraged to declare and record. The sole purpose must be for enhancement of a business relationship and not for reciprocity.

- f. Corporate hospitality (other than occasional and non-lavish business meals) of an estimated value of RM200 or more per person per occasion, may be accepted only with approval. Employees are to declare and record at the Gifts and Hospitality Registry.
- g. No approval is required for Hospitality, of an estimated value of less than RM200 per person per occasion; however, employees are required to declare and record the details at the Gifts and Hospitality Registry.
- h. If employees are in doubt about the value of any Hospitality, the value of such Hospitality shall be deemed to be RM 200 or more for the purposes of this policy and the acceptance thereof shall be subject to the approval procedures set out herein.

6.0 Corporate Social Responsibility, Donation and Sponsorship

6.1 Corporate Social Responsibility

- a. All Corporate Social Responsibility (“CSR”) related sponsorships and donations shall be made in accordance with Jawala’s policies with prior approval by authorised personnel in line with the LOA.
- b. Given the nature of Jawala’s business, government agencies or local authority bodies may request for sponsorship and / or donations in respect of CSR events. As part of Jawala’s commitment to CSR and sustainable development, as a general matter, Jawala provides such assistance in appropriate circumstances and in an appropriate manner.
- c. Such requests shall be examined for legitimacy and not be made to improperly influence a business outcome. The proposed recipient shall be a legitimate organisation and appropriate due diligence shall be conducted in particular to ascertain whether any Public Officials are affiliated with the organisation. Any red flags shall be resolved before committing any funds to the programme. Even requests determined to be legitimate shall be carefully structured to ensure that the benefits reach their intended recipients.
- d. If any employees or Directors are in any doubt as to whether a charitable contribution or social benefit is appropriate, Management shall seek legal consultation accordingly.

6.2 Donation and Sponsorship

- a. The Group shall ensure that all sponsorships and donations are not used as a subterfuge for bribery or used to circumvent or avoid any of the provisions of the CoC, including in particular, the prohibition on bribery. Jawala needs to be certain that donations to foreign-based charities or beneficiaries are not disguised illegal payments to government officials, and shall ensure that the charity does not act as a conduit to fund illegal activities in violation of international anti-money laundering, anti-terrorism and other applicable laws.
- b. The resources (including funds and facilities) of Jawala Group shall not be used for or contribute to any political organisation or candidate.
- c. The Policy & Guidelines, in accordance with Jawala's commitment to contribute to the community coupled with its values of integrity and transparency, all sponsorships and donations shall comply with the following:
 - ensure such contributions are allowed by applicable laws;
 - obtain all the necessary internal and external authorisations;
 - be made to well established entities having an adequate organisational structure to guarantee proper administration of the funds;
 - be accurately stated in the company's accounting books and records; and
 - not to be used as a means to cover up an undue payment or bribery.

Examples of red flags to look out for are as follows:

- The proposed recipient / organisation have affiliations with a public official or their relatives are involved;
 - The contribution is made on behalf of a public official;
 - There is a risk of a perceived improper advantage for Jawala; or
 - The proposed recipient is based in a high-risk country, the request comes from a high-risk country or the activity takes place in a high-risk country.
- d. The Company requires employees to use good judgment and common sense in assessing the requests. When in doubt, employees shall seek for legal advice or escalate the matter to the CEO to determine the authenticity of such requests.
 - e. Donation and sponsorship are only permissible with prior approval by the CEO. All donations and sponsorship payment shall be supported with an official letter of request from the requesting external party and proof of receipt.
 - f. Donation or sponsorship which are more than RM25,000 are subject to ratification by the BOD.

7.0 Facilitation and Extortion Payments

- a. Facilitation payment to external party, in particular, government officials, is strictly prohibited as it is seen as a form of bribery and corruption. Extortion payment to external party, on the other hand, is not categorised as an illegal activity by legal means, as the health, safety and liberty of one is paramount.
- b. The CFO shall maintain a record of such event and report the payment to the relevant authority.

7.1. Facilitation Payment

- a. Facilitation payment to external party, in particular, government officials, is strictly prohibited as it is seen as a form of bribery and corruption, unless it can be proven that such payment is legitimate and supported by an official receipt.
- b. Facilitation payment shall not be in any way or form be disguised or translated in personnel remuneration package.
- c. Subject to the fulfilment of criteria in Clause 7.1(a), facilitation payment request may be approved by the ED / CEO.

7.2. Exception to Facilitation Payment (Extortion Payment)

- a. Extortion payment to any party shall not be made unless the employee(s) and or their families health, safety and or liberty are threatened.
- b. Subject to the fulfilment of criteria in Clause 7.2(a), extortion payment request may be approved by the ED / CEO.

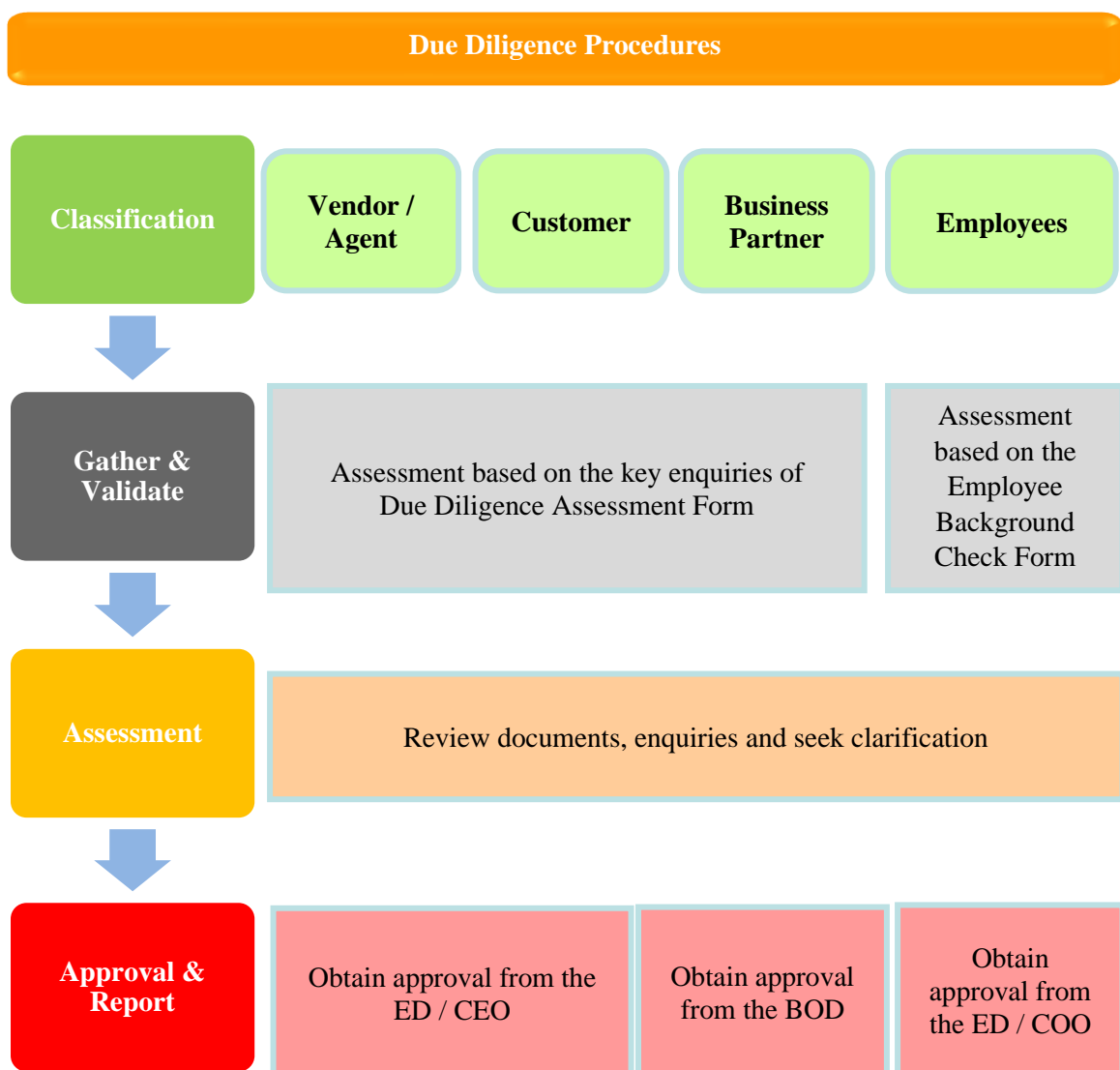
8.0 Due Diligence Procedures and Dealing with External Parties

Jawala recognises the objective of due diligence procedures on customers, business partners, vendors and employees to evaluate the risk of bribery and corruption associated with these parties. This also serves as a basis for decision making, whether to accept or reject before entering into any contractual arrangement or business dealing.

Jawala Group shall require due diligence procedures to be applied on the key stakeholders below:

- i. Vendors or agents;
- ii. Customers;
- iii. Business partners; and
- iv. Employees.

The diagram below depicts the due diligence process flow:



8.1. Dealing with Vendors or Agents

- a. Jawala is committed to uphold the highest standard of ethics and integrity in all aspects of its procurement activities by:
 - i. Adhering to the procurement policies and procedures;
 - ii. Avoiding dealing with any vendor, sub-contractors, or agents who known or reasonably suspected of corrupt practices;
 - iii. Ensuring that all new vendors / sub-contractors / agents are subject to background assessment and conflict of interest check prior to registration and acceptance;
 - iv. Communicating the Policy & Guidelines requirements to vendor, sub-contractors or agents (Please refer to *Appendix A* for *Vendor ABAC Declaration Form*);
 - v. All contracts / agreement entered with vendors, sub-contractors or agents to incorporate a provision whereby Jawala retains right to audit third party compliance with the Policy & Guidelines; and
 - vi. All agents / sub-contractors / vendors / suppliers are required to declare on their adherence to the Policy & Guidelines requirements via *Appendix A Vendor ABAC Declaration Form*.
- b. A Due Diligence Assessment Form shall be used in guiding Jawala’s employee to undertake an assessment on the vendors’, sub-contractors’, or agents’ background and reputation, including their conflict of interest (Please refer to *Appendix B* for *Due Diligence Assessment Form*). The key components of vendor / agent due diligence procedures cover the following but may vary depending on the circumstances:
 - i. Corporate profile;
 - ii. Company search via Suruhanjaya Syarikat Malaysia (“SSM”) or equivalent authorities in the respective countries of operation;
 - iii. Financial background;
 - iv. Directorship;
 - v. Past records of criminal, bribery or corruption cases; and
 - vi. Potential conflict with existing employees or Director of the Group.
- c. The results and / or any concern raised during this due diligence assessment shall be communicated to and with approval from the ED / CEO prior to entering into the relationship.

8.2. Dealing with Customers

- a. In ensuring that Jawala dealings with its customers complies with relevant rules, regulations and the Policy & Guidelines requirements, the safeguard procedures below are required:
 - i. All new customers are subject to background assessment and conflict of interest check prior to entering into a business dealing; and
 - ii. A standard ABAC clause shall be included in all contracts / agreement entered with customers to enable the Company to terminate the contract in the event of any proven bribery or corruption activities.
- b. A Due Diligence Assessment Form shall be used in guiding the employee of Jawala to undertake an assessment on the customers’ background and reputation, including their conflict of interest (Please refer to *Appendix B* for *Due Diligence Assessment*

Form). The key components of customers due diligence procedures cover the following but may vary depending on the circumstances:

- i. Corporate profile;
 - ii. Company search via SSM or equivalent authorities in the respective countries of operation;
 - iii. Financial background;
 - iv. Directorship;
 - v. Past records of criminal, bribery or corruption cases; and
 - vi. Potential conflict with existing employees or Director of the Group.
- c. The results and / or any concern raised during this due diligence assessment shall be communicated to the ED / CEO prior to entering into the relationship.

8.3. Dealing with Business Partners

- a. To improve the background assessment, a due diligence process shall be carried out with regards to any business partner who intend to enter into long terms business relationship with Jawala.
- b. Due diligence assessment shall be carried out to ensure business partner is not likely to commit bribery and corruption activities in the course of its partnership with Jawala. Conflict of interest check shall also be carried out during due diligence and make declaration to the BOD during evaluation. (Please refer to *Appendix B* for *Due Diligence Assessment Form*). The key components of business partner due diligence procedures cover the following but may vary depending on the circumstances:
 - i. Corporate profile;
 - ii. Company search via SSM or equivalent authorities in the respective countries of operation;
 - iii. Financial background;
 - iv. Directorship;
 - v. Past records of criminal, bribery or corruption cases; and
 - vi. Potential conflict with existing employees or Director of the Group.
- c. The results and / or any concern raised during this due diligence assessment shall be communicated to the BOD prior to entering into the relationship.

8.4. Dealing on Recruitment of Employees

- a. Background screening on shortlisted candidate(s) is required during the evaluation stage of recruitment process (Please refer to *Appendix C* for *Employee Background Check Authorisation Form* and *Appendix D* for *Employee Background Check Form*).
- b. Key considerations prior to acceptance of shortlisted candidate(s) cover the following:
 - i. Past criminal records (if any);
 - ii. Potential fraud, bribery or corruption committed in the previous organisation;
 - iii. Verification of past employment or institution of learning references, where applicable; and
 - iv. Conflict of interest, i.e. relationship with any employee, vendor, customer or Director of the Group.

- c. Recruitment due diligence result shall be vetted by the COO / ED prior to acceptance of the candidate.
- d. Newly recruited employee(s) shall be provided with an onboarding programme, including the briefing on Jawala’s ABAC Policy & Guidelines, CoC and Employee Handbook.

8.5. Dealing with Public Officials

A public or government official is defined as without limitation, candidates for public office, officials of any political party, and officials of state-owned enterprises other than Jawala. Caution shall be exercised when dealing with public officials. Providing gift, entertainment or corporate hospitality to public officials or their family / household members is generally considered a ‘red flag’ situation in most jurisdictions.

Jawala shall not provide non-business travel and hospitality for any government official or his / her family / household members without permission from the CEO / ED in consultation with a lawyer.

Other Jawala’s policies and procedures on gift, entertainment and corporate hospitality shall also be abided by, copies of which can be obtained from the Human Resource Department.

If approval is given to provide gift, entertainment or corporate hospitality to public officials, the Management shall ensure that the value of gift, entertainment or corporate hospitality shall not exceed the statutory limit which is currently, RM200.00 per person.

9.0 Reporting Procedures on Suspected Bribery or Corruption Activities

Reference shall be made to the *Whistleblowing Policy & Guidelines Document* pertaining to reporting procedures on suspected bribery or corruption activities.

Whistleblowers are encouraged to report in good faith or to raise a concern about any attempted, suspected and actual bribery or corruptions activities that violates to the Policy & Guidelines at the earliest possible stage.

Upon making a disclosure in good faith, based on reasonable grounds and in accordance with the procedures pursuant to the *Whistleblowing Policies & Guidelines Document*, the whistleblower shall be protected from any form of retaliation within the Group.

9.1. What to Report

The key information or documents below are to be provided by the whistleblower to facilitate further investigation, if required:

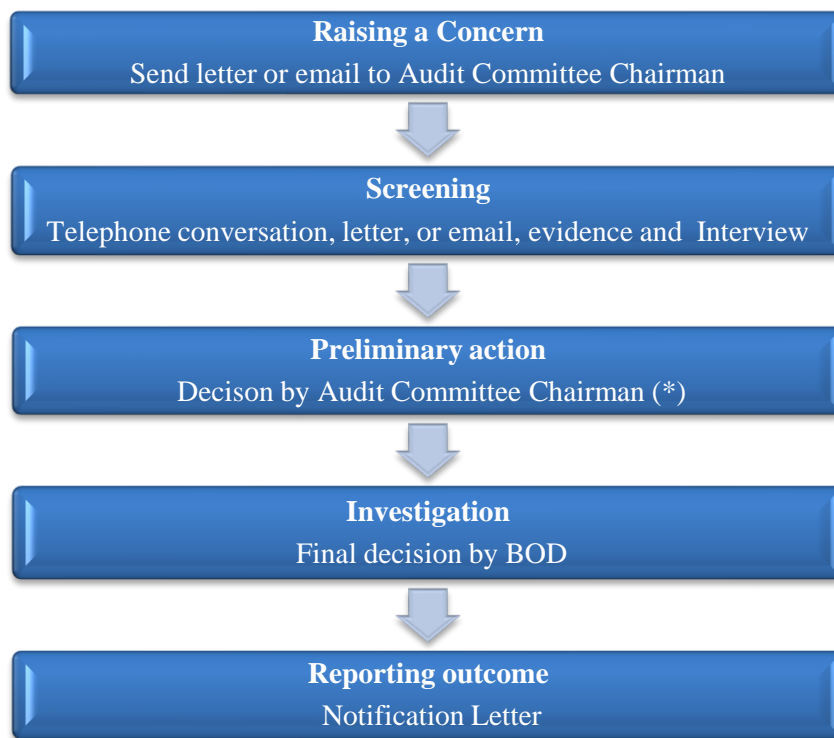
- a. Whistleblower’s contact information
 - i. Name (*)
 - ii. Designation
 - iii. Contact Number
 - iv. Email Address (*)
- b. Suspect’s information
 - i. Name

- ii. Designation
 - iii. Contact Number
 - iv. Email Address
- c. Complaints / concerns
- i. Incident date
 - ii. Affected parties
 - iii. Incident or event location
 - iv. Supporting documents (where applicable)
 - v. Other details or information which may assist the investigation

** May leave the information blank if the whistleblower wishes to remain anonymous*

9.2. How to Report

Whistleblowers shall report their concerns using the reporting channels as stated in the *Whistleblowing Policies & Guidelines Document*, which is available on the Jawala website.



*Note: Best practice is to have a Whistleblowing Committee

10.0 Internal / External Assessment

- a. As part of the internal monitoring process, CFO shall review the underlying controls of ABAC and identify any non-compliance incidences on a quarterly basis.
- b. If any of Jawala Group's key stakeholders as defined in Clause 8.0 are found to have breached any ABAC rules and regulations or this Policy & Guidelines, such breach may result to the following actions taken:

Key stakeholders	Actions taken
Employee	Disciplinary action by Jawala Group in accordance with the CoC of Jawala which includes termination of employment.
Vendor / agents / customers / business partners	<ol style="list-style-type: none"> i. Subject to BOD's approval, retain business dealings; ii. Discontinue business dealings with immediate effect; iii. Termination of contract with immediate effect; or iv. Legal proceedings if required.

- b. Jawala shall engage with independent consultant to review and assess the adequacy and implementation of this Policy & Guidelines on a regular basis i.e. every three (3) years.

11.0 Training and Awareness Programme

- a. Annual training and awareness programme on ABAC shall be provided to Jawala's employees and key stakeholders as defined in Clause 8.0, as appropriate to their roles and taking into account the corruption risk assessment.
- b. Updates on this Policy & Guidelines with regards to its content as well as regulatory requirement affecting the ABAC practices shall be communicated to Jawala's employees and key stakeholders, defined in Clause 8.0.

12.0 Appendices

Appendix A - Vendor ABAC Declaration Form

Vendor ABAC Declaration Form

Our company, _____ (Company Name), (which includes its Directors, officers and Employees who intend to conduct business transaction(s) with the Jawala Inc. (“Jawala”) and its subsidiaries, here-in-after referred to as the “Jawala Group”) hereby to confirm that:

- a. A copy of the ABAC Policy & Guidelines was provided and we have read and understood the policy (A copy of the policy is available on www.jawalainc.com.my). We agree and undertake to abide by all the terms and condition of the ABAC Policy & Guidelines at all times.
- b. We have not been convicted nor are we subject of any investigation, inquiry or enforcement proceedings by the relevant authorities of any actual or suspected bribery and corruption activities.
- c. If we have reasonable grounds to suspect any actual or suspected breach to the ABAC Policy & Guidelines, we shall report such act to Jawala as soon as reasonably practicable.
- d. In the event that we are in breach of the ABAC Policy & Guidelines, the Jawala Group may immediately terminate the contract / agreement entered without any liability whatsoever on the part of the Jawala Group to us. This is without prejudice to any other rights or remedies that the Jawala Group may have or any other appropriate action which the Jawala Group may seek under the terms of the applicable contract / agreement or the applicable rules and regulations.


Yours sincerely,

Name of Company Director (or Equivalent):

Name of Company:

Company stamp:

Appendix B - Due Diligence Assessment Form

	Jawala Inc. Due Diligence Assessment Form	Ref. No: Jawala Inc.-DD-00
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1.0 Company Background Information

Company Name		Registration Number		
Date of Incorporation		Country / location of Operations		
Principal Business				
Please list the shareholders or owners who have interest in the Company's business				
Name	Shareholders/ Director	% of Shares		Any interest within Jawala Group (Y/N)
		Number	Percentage	


2.0 Financial Performance

Description	Current year	Previous Year	Remarks
Revenue			
Gross margin			
Profit / (Loss)			

3.0 General checklist

Description	Yes	No	Remarks (if Yes)
1. Within the last three (3) years, did any of the shareholders, directors or senior management, ever been found involved into any criminal, bribery or corruption cases?			
2. Does the Company allow facilitation payment practice in its business dealings?			
3. Does the Company have any channels in place to allow reporting of any misconduct?			
4. Does the Company rely on agents or intermediaries for its business operation?			
5. Does the Company have a code of conduct or any form of formalised ABAC policy and guidelines?			
6. Does the Company have any policy to govern gift, corporate hospitality and entertainment giving and acceptance?			

Appendix B - Due Diligence Assessment Form (Cont'd)

	Jawala Inc. Due Diligence Assessment Form	Ref. No: Jawala Inc.-DD-00
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3.0 General checklist			
Description	Yes	No	Remarks (if Yes)
7. Do any shareholders, directors or Senior Management of the Company have connections with government official / politician (including immediate family member)?			

Attachments required:

1. Form 49 equivalent or SSM search report
2. CTOS report
3. Company's Code of Conduct (if any)
4. Company's ABAC Policy & Guidelines (if any)
5. Any other background research / news

Assessed by:

Reviewed by:

Signature

Name:

Date:

Signature

Name:

Date:

Appendix C - Employee Background Check Authorisation Form**Employee Background Check Authorisation Form**

I, _____, understand and agree to give consent to Jawala Inc. / Jawala Plantation Industries Sdn Bhd to conduct a background check and confirm my personal information and previous employment experience by contacting my references or previous employers to verify the details provided in the application form.

I also understand that this is necessary if I wish to meet all of the criteria for the position of _____ [job title] at Jawala Inc., and that a successful background check is not a guarantee of employment.

Signature

Date

Appendix D - Employee Background Check Form

	Jawala Inc. Employee Background Check Form	Ref. No: Jawala Inc.-HR-00
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References Name:	Contact No.:
Date called:	Time called:

No	Category	Questions	Points	Remarks (if any)
1	A	How long had the employee served the Company		
2		What was the reason for him / she leaving the previous Company		
3	B	Work Attitude		
4		Performance		
5		Punctuality		
6		Relationship with superior		
7		Relationship with peer		
8		Relationship with subordinates		
9		Willing / unwilling to accept responsibility		
10		Relationship with clients		
11		Leadership skills		
12		Job Knowledge / Professional qualification related to position applied		
13	C	Are there any misconduct / disciplinary action taken against the employee (If yes, list each incident and the details)		
14	D	Would you consider to reemploy him		
15		Would you consider others to employ him		
Total points				

Appendix D - Employee Background Check Form

	Jawala Inc. Employee Background Check Form	Ref. No: Jawala Inc.-HR-00
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Category	Points	Remarks
A	4	Consistent information provided in Employment Application Form / Interview Session
	0	Inconsistent information provided in Employment Application Form / Interview Session
B	1	Poor
	2	Satisfactory
	3	Good
	4	Excellent
C	4	No misconduct case
	0	If any misconduct case
D	4	Recommended
	0	Not recommended

Total Points	10 - 29	Poor
	30 - 40	Satisfactory
	41 - 50	Good
	51 - 60	Excellent

Background checked by:

Signature

Name:

Date: