

HONG LEONG ASIA LTD
ANTI-FRAUD, ANTI-BRIBERY & ANTI-CORRUPTION POLICY
(“FBC POLICY”)

1. INTRODUCTION

- 1.1. Hong Leong Asia Ltd (“**HLA**”) values its reputation and is committed to trading within the law while maintaining the highest possible ethical standards in all its business activities. It recognises that the risks from bribery are a growing concern of corporate and public life in many countries across the world.
- 1.2. HLA, in its ongoing efforts to keep its high ethical standards and with a view to upholding its position against any form of fraud, bribery and corruption, has prepared and set out a clear policy which should be implemented in conjunction with the Company’s Code of Business Conduct and Ethics (the “Code”). This FBC Policy should also be read in conjunction with all the relevant HLA Group’s policies that may be issued from time to time.

2. PURPOSE AND POLICY STATEMENT

- 2.1. The purpose of the FBC Policy is to set out the responsibilities of Group functions and business units in observing and upholding the Company’s position on fraud, bribery and corruption and applies to all HLA corporate offices and its subsidiaries and affiliates (the “HLA Group”), their agents, consultants and business partners as well as all directors, officers and employees of the HLA Group (collectively referred to as the “Employees”).
- 2.2. The HLA Group and its Employees must, at all times, comply with the FBC Policy and all relevant anti-fraud, anti-bribery and anti-corruption laws including the Singapore Prevention of Corruption Act (the “Act”); the People’s Republic of China (“PRC”) Criminal Law (which punishes criminal acts of bribery); the PRC Anti-Unfair Competition Law (which punishes acts of bribery undertaken by private parties for a business purpose); the United Kingdom Bribery Act; the United States Foreign Corrupt Practices Act; the Malaysian Anti-Corruption Commission Act 2009 and other similar laws in all the countries where the HLA Group does business.
- 2.3. Specifically, the Act:
 - 2.3.1. extends the crime of bribery to cover all private sector transactions (and is not limited to transactions involving public officials and agents);
 - 2.3.2. contains a strict liability offence of failing to prevent bribery. An organisation will only have a defence to this offence if it can show it had “adequate procedures” in place to prevent bribery;
 - 2.3.3. covers offences which are very broadly defined and it has significant extra-territorial reach; and
 - 2.3.4. includes criminal penalties for individuals and organisations. For individuals, a maximum prison sentence of ten years and/or an unlimited fine can be imposed; for companies, an unlimited fine can be imposed.
- 2.4. The Act contains a number of offences, including:
 - 2.4.1. offering, promising or giving a bribe;

- 2.4.2. requesting, agreeing to receive or accepting a bribe;
 - 2.4.3. bribing a foreign public official to obtain or retain business; and
 - 2.4.4. failing to prevent bribery by those acting on the commercial organisation's behalf.
- 2.5. Under the Act:
- 2.5.1 A **bribe** is the giving or accepting any financial or other advantage (including any gratification or "kickback"), to induce the recipient or any other person to act improperly in the performance of their functions, or to reward them for acting improperly, or where the recipient would act improperly by accepting the advantage. An advantage includes money, gifts, loans, fees, hospitality, services, discounts, and the award of a contract or anything else of value.
 - 2.5.2 A **commercial organisation** such as HLA and any of its affiliated companies and subsidiaries commits an offence if a person associated with it bribes another person for that organisation's benefit.
 - 2.5.3 A person is **associated** with the HLA Group if it performs services for or on behalf of the HLA Group. This is construed broadly and applies to consultants, finders, agents, contractors, employees, subsidiaries, intermediaries, joint venture partners and suppliers, all of whom could render the HLA Group guilty of this offence.
- 2.6. The bribery offence may be established notwithstanding that the person was not able to complete the corrupt act requested or to put the corrupt intention into action.
- 2.7. HLA adopts a zero tolerance approach to fraud, bribery and corruption of any form. All Employees must adhere to and should familiarise themselves with all relevant anti-fraud, anti-bribery, anti-corruption and related policies of the HLA Group. **Failure to comply with this FBC Policy and the Code as well as any other relevant policies which may from time to time be implemented could give rise to disciplinary action or dismissal.**
- 2.8. This FBC Policy shall apply even in circumstances and in countries where the giving and receiving of bribes or such corrupt payments may be common local practice or custom. It is not a valid defence against a charge of corruption to show that the bribe in question is customary in any profession, trade, vocation or calling, industry, jurisdiction or country. Bribery which is committed overseas may still be caught under Singapore's anti-corruption laws, that is to say, where an offence is committed by a Singapore citizen in any place outside Singapore, he/she may be dealt with in respect of that offence as if it had been committed within Singapore.

3. SCOPE OF THE FBC POLICY

- 3.1. An Employee (or someone acting on behalf of the Employee) shall not:
- 3.1.1. give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;
 - 3.1.2. give or accept a gift or hospitality during any commercial negotiations or tender process, if this could be perceived as intended or likely to influence the outcome;
 - 3.1.3. accept a payment, gift or hospitality from a third party that you know or suspect is offered with the expectation that it we will provide a business advantage for them or anyone else in return;

- 3.1.4. accept hospitality from a third party that is unduly lavish or extravagant under the circumstances;
- 3.1.5. offer or accept a gift to or from government officials or representatives, or politicians or political parties without compliance with the HLA policies enumerated in the Code or failing to follow due diligence procedures;
- 3.1.6. threaten or retaliate against another individual who has refused to commit a bribery offence or who has raised concerns under this policy;
- 3.1.7. give or make facilitation payments to government officials (typically used for securing or accelerating routine government procedures);
- 3.1.8. unless previously approved, authorise or provide travel benefits, gifts, entertainment, or political contributions for the benefit of a government official or other business contact;
- 3.1.9. enter into a consultant or sales agent agreement or arrangement that will result in contacts with government officials or other business contact without conducting due diligence, obtaining the required internal business and legal approvals, retaining all due diligence records in compliance with record retention policy, and accurately recording on HLA's book and records all related payments;
- 3.1.10. make charitable contributions or sponsorships on behalf of HLA to organizations that might be disguised vehicles or arrangements obtaining bribes or corrupt payments. HLA will only make charitable donations that are legal and ethical under local laws and practices. No donation must be offered or made without the prior approval of the CEO per the authority matrix.
- 3.1.11. offered or made without the prior approval of [the compliance manager
- 3.1.12. make any incomplete, false or inaccurate entries on HLA's books and records;
- 3.1.13. forge or alter documents;
- 3.1.14. obtain monetary benefits from insider knowledge of company activities;
- 3.1.15. disclose confidential and proprietary information to outside parties;
- 3.1.16. engage in inappropriate use, and the deliberate destruction of company records and assets; or
- 3.1.17. engage in any other activity that might lead to a breach of this Policy.

4. RESPONSIBILITIES

- 4.1 Who needs to comply with these policies?
Unless otherwise stated in this FBC Policy or the Code, all Employees of the HLA Group must comply with the FBC Policy, subject to any regional variations. The FBC Policy can be found on the company website and intranet.
- 4.2 The prevention, detection and reporting of bribery is the responsibility of all Employees throughout the HLA Group. If any instance of bribery is identified, remedial steps will be taken immediately. Managers should ensure all their Employees are aware of this FBC Policy and their responsibilities to act in accordance with its procedures. Notably each person subject to this FBC Policy must:

- 4.2.1 **Know their counterparty** – carry out adequate due diligence to ensure background checks have been completed on any third party to identify involvement in any current or previous corrupt activities.
 - 4.2.2 **Prevent bribery** – not accept or give any bribe, whether cash or other inducement, as stated above.
 - 4.2.3 **Report** – report immediately any instance of bribery in accordance with this FBC Policy and related guidance.
 - 4.2.4 **Record keeping** – keep all records relating to this FBC Policy, in compliance with the existing record retention policy, such as details of all due diligence checks or, if an Employee is asked to make a payment on behalf of the HLA Group, the Employee should always be aware of what the payment is for and always ask for and retain a receipt which details the reason for the payment. The same applies for any gifts. For additional information and guidance on gifts and hospitality, refer to the Code.
 - 4.2.5 **Training** – carry out any training assigned to embed and enforce these policies.
- 4.3 It may be a defence to a charge of bribery or corruption if the HLA Group can prove that it had implemented and enforced "adequate procedures" to prevent bribery. Managers should ensure all their Employees are aware of this FBC Policy and their responsibilities to act in accordance with its standards and that failure to do so will be viewed as a serious disciplinary issue.

5. RAISING CONCERNS AND SEEKING GUIDANCE

- 5.1 An Employee should contact his/her manager (if appropriate) and regional Legal Department if he/she has any questions or needs clarification in relation to anti-bribery or anti-corruption compliance.
- 5.2 If an Employee suspects or has evidence of any unlawful activity, the Employee must promptly report this through the Whistle Blowing reporting channel. Employees should read the whistleblowing policy in conjunction with this Anti-Fraud policy. A copy of the Whistleblowing policy can be found on HLA's intranet and corporate website.
- 5.3 The HLA Internal Audit Department has the primary responsibility to investigate all suspected acts of corruption falling under the FBC. The investigation may be assisted by Senior Management personnel from the Legal Department, Human Resources Department, and/or other relevant departments as appropriate.
- 5.4 If the investigation substantially confirms the occurrence of acts of corruption, the Head of Internal Audit will issue the relevant reports to the Audit and Risk Committee and the senior management as appropriate.
- 5.5 Employees who are found to be in violation of the FBC are subject to potential criminal and civil liabilities including imprisonment and/or a hefty fine, in addition to other appropriate disciplinary actions, such as dismissal. Employees who have knowledge of such violations but conceal such information from HLA, or who take detrimental actions against others who report such violations will also face disciplinary actions.