

Anti-Bribery and Corruption

Effective Date: 11/8/2020

Reviewed Date: 09/04/2024

1. PREAMBLE

Sunway University has adopted a ZERO TOLERANCE policy against bribery and corruption. Sunway University (from now on referred to as “the University”) is committed to conducting its business according to all applicable laws, rules, regulations, and the highest ethical standards. The University’s Code of Conduct sets out our core principles. This Anti-Bribery and Corruption Policy (now referred to as the “ABC Policy”) elaborates on those principles.

2. PURPOSE

The purpose of this ABC Policy is to guide the University’s employees and/or any person(s) associated with the University (from now on referred to as “Associates” – as defined in Section (4) concerning how to deal with bribery and corruption related issues that may arise in the course of business. It reiterates the University’s commitment to full compliance by its employees and associates with the Malaysian Anti-Corruption Commission (MACC) Act 2009 and the MACC (Amendment) Act 2018, and any other local anti-bribery or anti-corruption laws that may be applicable. This Policy complements and should be read with our Code of Conduct.

3. SCOPE

3.1 This Policy applies to the University’s employees and associates and reflects the standards to which the University expects its employees and associates to adhere when acting on the University’s behalf. Where appropriate, the University’s associates, partners, agents, vendors, suppliers, contractors, consultants and other third-party service providers shall sign a separate agreement to undertake to comply with this Policy.

3.2 This Policy is intended to supplement all applicable laws, rules, and other internal policies and not to supplant local or international laws.

4. DEFINITIONS

4.1 ‘**Associates**’ is defined as business associates, partners, agents, vendors, suppliers, contractors, consultants and any other third-party service providers or persons who perform services for or on behalf of the University.

4.2 ‘**Bribery**’ is defined as the act of giving, agreeing to provide, promises or offering to any person any gratification (including payment of cash, gifts, or excessive entertainment, or an inducement of any kind offered or given to any person) with the intent (a) to obtain or retain business for the company, or (b) to obtain or retain an advantage in the conduct of business for the company.

4.3 ‘**Corruption**’ is defined as the abuse of entrusted power for private gain.

4.4 ‘**Contractor or third-party service provider**’ is defined as an entity or individual who provides and receives payment for services or goods related to any aspect of the University’s operations and includes subcontractors.

- 4.5 **‘Employees’** is defined as all employees, including company directors and its subsidiaries.
- 4.6 **‘Entertainment / Hospitality Expenses’** are defined as meals, drinks, lodging, travel or other expenses given to or received from people who may have facilitated the creation of a business relationship with the University. This includes expenses incurred by a prospective client, customer or business partner. Expenses can contribute to achieving a business outcome, including attendance at social, cultural or sporting events.
- 4.7 **‘Family Members’** includes spouse(s), children (including step-children and adopted children), parents, step-parents, siblings, step-siblings, grandparents, grandchildren, in-laws, uncles, aunts, nieces, nephews, and first cousins, as well as other persons who are members of the household.
- 4.8 **‘Gifts’** refers to money, goods or services, which, if given appropriately, are a mark of friendship or appreciation. Gifts should be given without expectation of consideration or value in return.
- 4.9 **‘Money Laundering’** is defined as the process of introducing money, property or other assets derived from illegal and criminal activities into the legal financial and business cycle to give it a legitimate appearance. It is a process to clean ‘dirty’ money to disguise its criminal origin.
- 4.10 **‘Public Officials’** includes officers of Public Bodies, candidates for public office, officials of any political parties and officials of any state-owned enterprises.
- 4.11 **‘Public Bodies’** include the Government of Malaysia, the State Government, any local and statutory authority, national or state department, registered societies, registered sports governing bodies, and company or subsidiary of any public bodies.

5. POLICY STATEMENT

- 5.1 The University has adopted a **ZERO TOLERANCE** policy against bribery and corruption. The University’s employees and associates **MUST NOT** offer, promise or give a bribe to anyone and **MUST NOT** request, agree to accept or take a bribe from anyone. Bribery is a crime with severe penalties, including prison sentences and significant financial penalties. Depending on the circumstances, these penalties can be applied to a company and its employees and associates or a combination of any of them. All employees are reminded that they will be subjected to stern disciplinary action, including dismissal, as well as civil and criminal liability if they are found to violate this policy.
- 5.2 The University is committed to taking all necessary measures to ensure that our businesses do not participate in corrupt activities and to implement adequate procedures effectively to comply with the provisions of Section 17A of the amended MACC Act 2009.
- 5.3 We recognise that local laws for the University’s businesses outside Malaysia may sometimes be less restrictive than the principles outlined in this Policy. Nevertheless, the University and its associates will be expected to comply with the principles set out in this Policy concerning conduct in all jurisdictions where we operate, even where compliance with this Policy prohibits conduct that the local law of a particular jurisdiction may otherwise permit. The prevailing criteria will be this Policy’s principles and best practices standards.

6. GIFTS, ENTERTAINMENT AND HOSPITALITY

- 6.1 Gifts, Entertainment and Hospitality are usually assessed as high-risk areas for bribery. The University has adopted a “NO GIFT” Policy whereby, subject only to certain narrow exceptions, the University’s employees are prohibited from, directly or indirectly, receiving or providing gifts. The University requires employees and directors to abide by this policy to avoid conflict of interest or the appearance of conflict of interest for either party in ongoing or potential business dealings between the University and external parties, as gifts can be seen as a bribe that may tarnish the University’s reputation or be in violation of anti-bribery and corruption laws.

However, the University recognises that the exchange of business courtesies, such as modest gifts, hospitality and entertainment (including meals and invitations to attend promotional events or parties), particularly during festive periods, is customary and legitimate to create goodwill and/or strengthen business and commercial relationships. Such courtesies are allowed if they are not lavish, appropriate and reasonable in the light of accepted business practices of the relevant businesses that the University operates in and are not intended to influence the decisions of the person involved improperly.

- 6.2 The University’s employees or associates must not give or request favours or offer or accept gifts or any personal benefit or privilege of any kind with a value that could in any way influence (for example, by causing the person to act or fail to act in violation of a legal duty, by causing the person to abuse or misuse their position, by securing an improper advantage, contract or concession, etc.) the judgment of the recipients or a third party in their business dealings with or on behalf of the University or any other party.

- 6.3 The basic rules on Gifts, Entertainment and Hospitality expenses are:

6.3.1 **Bona fide:** Made for the right reason: if a gift, entertainment or hospitality, it should be given clearly as an act of appreciation; if travel expenses, then for a bona fide business purpose.

6.3.2 **No obligation:** The activity will not create any obligation or expectation on the recipient.

6.3.3 **No undue influence:** The expenditure will not be seen as intended for, or capable of, achieving undue influence about a business transaction or public policy engagement.

6.3.4 **Made openly:** It will not be performed in secret and be undocumented – if it is, then the purpose becomes questionable.

6.3.5 **Legality:** It is compliant with relevant laws.

6.3.6 **Accords with stakeholder perception:** The activity would not be viewed unfavourably by stakeholders were it made known to them.

6.3.7 **Proportionate:** The value and nature of the expenditure are not disproportionate to the occasion.

6.3.8 **Conforms to the recipient’s rules:** The gift, hospitality or expense reimbursement will meet the organisation’s regulations or code of conduct.

- 6.3.9 **Infrequent:** The giving or receiving of gifts, entertainment and hospitality is not overly frequent between the giver and the recipient.
- 6.3.10 **Documented:** The expense will be fully documented, including purpose, approvals, and value.
- 6.3.11 **Reviewed:** Management reviews the records of entertainment and hospitality expenses and the effectiveness of the policy and procedures.
- 6.4 When unsure, employees and associates should consult their Head of Department, Ketua Eksekutif, Chief Executive Officer, Sunway Education Group, or contact within the University, as applicable.

The University's Policies on Gifts, Entertainment and Hospitality further elaborates detailed guidelines on gifts, entertainment and hospitality.

7. DONATIONS, SPONSORSHIP AND CORPORATE RESPONSIBILITIES (CR)

- 7.1 As a responsible corporate citizen, the University is committed to contributing to the well-being of the people and nation in Malaysia and the countries where it operates. It is, however, important that the University policies make all donations and sponsorships and that prior authorisation from the University's designated approvers for donation and sponsorship requests be received.

- 7.2 Employees must ensure that all sponsorships and donations are not used as a subterfuge for bribery or to circumvent or avoid any of the provisions of the University's Code of Conduct, including, in particular, the prohibition on corruption.

Employees of the University need to be sure that donations to local or foreign-based charities or beneficiaries are not disguised as illegal payments or bribes to government officials and must 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.

- 7.3 Generally, all sponsorships and donations must comply with the following:
 - 7.3.1 Ensure such contributions are allowed by applicable laws;
 - 7.3.2 Obtain all necessary internal and external authorisations;
 - 7.3.3 Be made to well-established entities having an adequate organisational structure to guarantee the proper administration of the funds;
 - 7.3.4 Be accurately stated in the company's accounting books and records;
 - 7.3.5 Not to be used as a means to cover up an illegal payment or bribery;
- 7.4 Examples of red flags to look out for are as follows:
 - 7.4.1 The proposed recipient/organisation has affiliations with a Public Official or their relatives are involved;
 - 7.4.2 The contribution is made on behalf of a Public Official;
 - 7.4.3 There is a risk of a perceived improper advantage for the University;

7.4.4 The proposed recipient is based in a high-risk country; the request comes from a high-risk country, or the activity occurs in a high-risk country.

7.5 Corporate Responsibility (CR)

7.5.1 As part of the University's commitment to corporate responsibility and development, as a general principle, the University provides such assistance in appropriate circumstances and an appropriate manner. However, such requests must be carefully examined for legitimacy and not be made to influence a business outcome improperly.

7.5.2 The proposed assistance recipient must be a legitimate organisation, and appropriate due diligence must be conducted. Even requests determined to be fair must be carefully structured to ensure that the benefits reach their intended recipients.

The University's Policy on Donations, Sponsorships and Corporate Responsibility further elaborates detailed guidelines on donations, sponsorship and corporate responsibility.

7.6 The University requires employees to use good judgment to assess requests for donations and sponsorships. When in doubt as to whether a charitable contribution or social benefit is appropriate, employees should seek further advice from Ketua Eksekutif or Chief Executive Officer, Sunway Education Group or Chief Executive Officer, Education and Healthcare Division, Sunway Group.

8. POLITICAL CONTRIBUTIONS

8.1 Regarding general policy, the University does not make or offer monetary or in-kind political contributions to political parties, political party officials or candidates for political office.

8.2 If any contribution is made, it must be permissible under applicable laws, must not be made with any promise or expectation of favourable treatment in return and must be accurately reflected in the University's accounting records. Under no circumstances, however, will any employee be compensated or reimbursed in any way by the University for a personal political contribution.

9. FACILITATION PAYMENTS AND KICKBACKS

9.1 "Facilitation Payments" is defined as payments made to secure or expedite the performance of a person performing a routine or administrative duty or function. "Kickbacks" are payments made in return for a business favour or advantage.

9.2 The University prohibits all its employees from making or accepting facilitation payments or "kickbacks". Associates must avoid any activity leading to a facilitation payment or kickback being made or received.

9.3 Any request for a facilitation payment MUST be refused, and the matter MUST be reported immediately to the University through the Whistleblowing Procedures (as listed in Section 14 – "Whistleblowing: Raising a Concern or Complaint").

- 9.4 All employees are reminded that offering and/or receiving “facilitation payments” / “kickbacks” is a significant misconduct as listed in the Acts of Misconduct in the University’s Disciplinary Procedures.

10. MONEY LAUNDERING

- 10.1 The University strongly objects to practices related to money laundering, including dealing in the proceeds of criminal activities.
- 10.2 To avoid violating anti-money laundering laws, employees must always conduct reasonable customers and counterparty due diligence to understand the business and background of the University’s prospective business customers and counterparties and determine the origin and destination of money, property and services.

11. DEALING WITH ASSOCIATES AND THIRD PARTIES

- 11.1 The University’s dealings with associates and third parties, which include contractors, suppliers, agents, consultants, joint venture partners, introducers, intermediaries, etc., must be carried out in compliance with all relevant laws and consistent with the values and principles of the University’s Code of Conduct. As part of this commitment, all forms of bribery and corruption are unacceptable and must not be tolerated.
- 11.2 To help ensure that we only do business with associates and third parties that share the University’s standards of integrity, we must do the following:
- 11.2.1 Conduct reasonable due diligence, where practical and relevant, to assess the integrity of the University’s prospective business counterparties. Do not conduct business dealings with associates and third parties reasonably suspected of engaging in bribery and improper business practices.
- 11.2.2 All third parties are made aware of the University’s Code of Conduct and this ABC Policy and our expectations of them.
- 11.2.3 Appropriate background checks, where practical and relevant, should be conducted on the company, its directors, and top management. This can be done through your jurisdiction’s due diligence process and procedures. The scope and extent of the due diligence required will vary depending on the circumstances of each proposed transaction.
- 11.2.4 Respective departments should also monitor significant associates, especially contractors and suppliers, as part of their regular review of the performance of the associates and third parties. The University has the right to terminate its services if these associates, third parties, pay bribes or act in a manner inconsistent with the Code of Conduct and this ABC Policy.

12. DEALING WITH PUBLIC OFFICIALS

- 12.1 The University strives to build transparent and fair relationships with government agencies and public officials. The University’s employees and associates must exercise caution when dealing with public officials, and appropriate action must

be taken to comply with applicable laws and regulations of bribery and corruption in Malaysia.

- 12.2 The University's employees are prohibited from providing gifts, entertainment or hospitality to public officials or their family/household members in exchange for future benefits or results.

13. RECRUITMENT OF EMPLOYEES

- 13.1 The University provides equal opportunity for qualified and competent individuals from various multicultural and multiracial backgrounds to be employed by the company, sourced locally and internationally.

The recruitment of employees should be based on approved selection criteria to ensure that only the most qualified and suitable individuals are employed. This is crucial to ensure that no corruption is involved in hiring employees.

In line with this, for all recruitments:

- 13.1.1 Where applicable, proper background checks should be conducted to ensure that the potential employee has not been convicted in any bribery or corruption cases nationally or internationally;
- 13.1.2 Offers of employment should not be given in exchange for or to reward any benefit the University receives. The University should not offer employment, procure and/or create an opening within the University in exchange for a personal benefit or seek an unfair advantage in any business negotiation or as an inducement for future business.

14. WHISTLEBLOWING: RAISING A CONCERN OR COMPLAINT

- 14.1 Our success in combating all forms of bribery and corruption hinges on our commitment to adhere to this Policy. Therefore, we are responsible for promptly reporting any suspected infringements of this Policy.
- 14.2 If you have any suspicions or concerns regarding the conduct to which this Policy applies, or if you become aware of any action in conflict with this Policy, you must report those concerns or actions to your line manager, human resources department or the University Management, or write your concerns, confidentially, via the Sunway's Whistleblowing platform:

Email to: whistleblowing@sunway.com.my
Direct line: +603 5639 8025
Fax to: +603 5639 8027
Write to: Head of Internal Audit Department
Level 4, Menara Sunway,
Jalan Lagoon Timur, Bandar Sunway,
46150 Petaling Jaya,
Selangor Darul Ehsan, Malaysia.

- 14.3 Any University employee who fails to report known or suspected violations may be subject to disciplinary action, including termination of employment. In Malaysia, any person who knows and fails to report an act of giving and offering bribes is committing an offence under Section 25 (1) and (2) of the MACC Act 2009.

- 14.4 Any report made by Section 14.2 will be treated with utmost confidentiality. No employee or associate acting in good faith will suffer adverse consequences to his employment or retaliation for reporting or for refusing to engage in prohibited conduct, even if such refusal results in loss of business opportunities to the University.
- 14.5 If you believe that you have suffered any detrimental treatment due to refusing to participate in bribery or because of reporting concerns under this policy in good faith, you should raise the matter through the Whistleblowing platform.

15. TRAINING AND COMMUNICATIONS

- 15.1 The University's employees and associates will be provided with regular anti-corruption compliance training programmes to educate them about the requirements and obligations of anti-bribery and corruption laws and this Policy.
- 15.2 For successful compliance with this policy, the University's Management will be responsible for ensuring continuous efforts to communicate, train and educate all the University's employees and associates.
- 15.3 Records about training, education and communication programmes of the University's employees and associates are kept and maintained by the Human Resources Department and Purchasing Department for reference.

16. ROLES, RESPONSIBILITIES, AND DELEGATIONS

- 16.1 This Policy is reviewed and approved by the Sunway Education Group's Executive Committee, and oversight of this Policy has been delegated to the University Strategic Management Committee, which monitors the effectiveness of and compliance with this Policy.
- 16.2 The University Strategic Management Committee sets the tone at the top, providing leadership and support for the Policy and taking responsibility for its effectiveness within their business units. The University Strategic Management Committee is responsible for implementing, communicating and training activities to ensure every employee understands and complies with this Policy.

Policy owner:	Human Resource Department
Approving Committee:	SEG EXCO
Frequency of review:	3 years
Related policy:	1. Code of Conduct 2. Gift, Entertainment and Hospitality 3. Whistleblowing

17. SYSTEMATIC REVIEW AND MONITORING

- 17.1 The University recognises that managing an anti-bribery and corruption programme is continuous. A systematic review and monitoring process is necessary to meet its objectives. The University Strategic Management Committee will review the effectiveness and compliance with the anti-bribery and corruption programme and policy.

- 17.2 The scope of the review should include evaluations of the design, effectiveness and compliance and provide recommendations for improvements, where required, to ensure that the anti-bribery and corruption programme and policy remain relevant and adequate.

18. RECORD KEEPING

- 18.1 The respective department's employees and the Financial Services Department will keep financial records and have appropriate internal controls, which will evidence the business reasons for making and receiving payments from any person.
- 18.2 Employees must ensure that all expense claims relating to hospitality, gifts or expenses incurred to associates and/or any person are submitted according to the University's applicable policy and specifically record the reason for such expenditure. Employees shall ensure that all expense claims comply with this policy's terms and conditions.
- 18.3 All accounts, invoices, contracts and other documents and records relating to dealings with associates and/or any person shall be prepared and maintained with strict accuracy and completeness.
- 18.4 All associates are reminded that no records shall ever be kept "off-book" to facilitate or conceal improper payments. All record-keeping and Document Management Systems shall fully align with the University's operating policies.

19. EFFECTIVE DATE

- 19.1 The Sunway Education Group Executive Committee approved the Policy and is effective as of 11th August 2020.

20. CHANGES LOG

Date	Clause	Brief description of changes
11/8/2020		Policy adoption
09/4/2024		Inclusion of responsibility and frequency of review