

Anti-Bribery and Corruption

Effective Date: 11/8/2020

Amended:

1. PREAMBLE

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

2. PURPOSE

The purpose of this ABC Policy is to provide guidance to the University’s employees and/or any person(s) associated with the University (hereinafter 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 in conjunction with our Code of Conduct.

3. SCOPE

- 3.1 This Policy applies to the University’s employees and associates and it 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 in order to undertake to comply with this Policy.
- 3.2 This Policy is intended to supplement all applicable laws, rules, and other internal policies and is not intended to supplant any 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 give, promises or offers 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 abuse of entrusted power for private gain.
- 4.4 ‘**Contractor or third party service provider**’ is defined as 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 directors of the company and its subsidiaries.
- 4.6 **'Entertainment / Hospitality Expenses'** is defined as meals, drinks, lodging, travel or other expenses given to or received from people who have or who may have facilitated the creation of a business relationship with the University. This include expenses incurred by a prospective client, customer or business partner. Expenses can be a legitimate contribution to achieving a business outcome and also includes 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 in order to disguise its criminal origin.
- 4.10 **'Public Officials'** includes officers to Public Bodies, candidates for public office, officials of any political parties and officials of any state-owned enterprises.
- 4.11 **'Public Bodies'** includes the Government of Malaysia, State Government, any local and statutory authority, national or state department, registered societies, registered sports governing bodies, company or subsidiary of any public bodies.

5. POLICY STATEMENT

- 5.1 The University has adopted a **ZERO TOLERANCE** policy against all forms of 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 and penalties can be severe including prison sentences and large 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 he/she will be subjected to stern disciplinary action, including dismissal as well as civil and criminal liability if he/she is found in violation of this policy.
- 5.2 The University is committed to take 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, in some instances, be less restrictive than the principles set forth in this Policy. The University and its associates will, nevertheless, be expected to comply with the principles set out in this Policy in respect of conduct in all jurisdictions where we operate, even where compliance with this Policy prohibits conduct that may otherwise be permitted by the local law of a particular jurisdiction. The principles and best practices standards set out in this Policy will be the prevailing criteria.

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 on-going 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, 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 is not intended to improperly influence the decisions of the person involved.

- 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 in relation to 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 is not disproportionate to the occasion.
 - 6.3.8 **Conforms to the recipient's rules:** The gift, hospitality or reimbursement of expenses will meet the rules or code of conduct of the recipient's organisation.
 - 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 given and value.
 - 6.3.11 **Reviewed:** The records of entertainment and hospitality expenses and the effectiveness of the policy and procedures are reviewed by management.
- 6.4 When unsure, employees and associates should consult his/her Head of Department or Ketua Eksekutif or Chief Executive Officer, Sunway Education Group or contact within the University, as applicable.

Detailed guidelines on gifts, entertainment and hospitality are further elaborated in the University's Policies 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 countries where it operates. It is however important that all donations and sponsorships are made in accordance with the University policies and receive prior authorisation from the University's designated approvers for donation and sponsorship requests.
- 7.2 Employees must 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 University's Code of Conduct including in particular, the prohibition on bribery.

Employees of the University need to be certain that donations to local or foreign-based charities or beneficiaries are not disguised 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 organizational structure to guarantee 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 takes place 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 in an appropriate manner. However, such requests must be carefully examined for legitimacy and not be made to improperly influence a business outcome.
 - 7.5.2 The proposed recipient of assistance must be a legitimate organisation and appropriate due diligence must be conducted. Even requests determined to be legitimate must be carefully structured to ensure that the benefits reach their intended recipients.

Detailed guidelines on donations, sponsorship and corporate responsibility are further elaborated in the University's Policy on Donations, Sponsorships and Corporate Responsibility.
- 7.6 The University requires employees to use good judgment in assessing the 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 As a matter of 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 and 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 by a person performing a routine or administrative duty or function. “Kickbacks” are typically 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” of any kind. Associates must avoid any activity that might lead to a facilitation payment or kickback being made or accepted.
- 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 major 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 are expected to always conduct reasonable customers and counterparty due diligence to understand the business and background of the University’s prospective business customers and counterparties and to 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 enter into any business dealings with any associates and third party 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 and this can be done through the due diligence process and procedures as established in your jurisdiction. The scope and extent of the due diligence required will vary depending upon 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 their services in the event that these associates third party pay bribes or act in a manner which is 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 gift, 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 any qualified and competent individual to be employed by the company from various multicultural and multiracial background, sourced local 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 element of corruption is involved in the hiring of employees.

In line with this, for all recruitments :-

13.1.1 Where applicable, proper background checks should be conducted in order 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 received by the University. 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 personal commitment to adhere to this Policy. Therefore, it is our responsibility to promptly report any suspected contraventions of this Policy.

14.2 If you have any suspicions or concerns regarding 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 report 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's 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 of bribes is committing an offence under Section 25 (1) and (2) of the MACC Act 2009.

14.4 Any report made in accordance with 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 as a result of refusing to take part 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 of this policy, the University's Management will be responsible to ensure continuous efforts to communicate, train and educate all the University's employees and associates.

15.3 Records pertaining to 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. RESPONSIBILITIES FOR THE POLICY

- 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 take responsibility for its effectiveness within their business units. The University Strategic Management Committee is responsible for the implementation, communication and training activities to ensure every employee understands and complies with this Policy.

17. SYSTEMATIC REVIEW AND MONITORING

- 17.1 The University recognises that managing an anti-bribery and corruption programme is a continuous process and a systematic review and monitoring process is necessary to ensure its objectives are being met. The University Strategic Management Committee will be responsible for overseeing the process of reviewing the effectiveness and compliance to 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 Respective department's employees and the Financial Services Department will keep financial records and have appropriate internal controls in place which will evidence the business reasons for making payments to, 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 in accordance with the University's applicable policy and specifically record the reason for such expenditure. Employees shall further ensure that all expense claims shall comply with the terms and conditions of this policy.
- 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 System shall be fully in line with the University's operating policies.

19. EFFECTIVE DATE

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