

ROYAL RELOCATION MALAYSIA ANTI-BRIBERY & ANTI-CORRUPTION POLICY & PROCEDURES

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1. Introduction

ROYAL RELOCATION MALAYSIA is committed to conducting its business ethically in every country where we do business, as well as complying with all applicable laws. This includes compliance with Malaysian Anti-Corruption Commission Act 2009.

The purpose of this document is to provide guidance to ROYAL RELOCATION MALAYSIA employees concerning compliance with ABC. This guidance relates to specific acts of bribery and corruption and also to related matters such as proper reporting and accounting and the selection and management of agents and other company intermediaries.

This policy may be 'localized', as necessary, with approval from ROYAL RELOCATION MALAYSIA's Director/ Managing Director. The Director of ROYAL RELOCATION MALAYSIA has been appointed to monitor compliance with this policy and to grant approvals as required by this document.

2. Definition

The term **Agent** in this policy is defined as agents, representatives, consultants, contractors, suppliers, or any other intermediary that provides services.

3. Policy Statement

Bribery is the offering, promising, giving, accepting or soliciting of an advantage as an inducement for action which is illegal or a breach of trust. A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage.

It is our policy to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption. We are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and implementing and enforcing effective systems to counter bribery.

We will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate. However, we remain bound by the laws in Malaysia in respect of our conduct both at home and abroad.

Bribery and corruption are punishable for individuals by up to ten years' imprisonment and a fine. If we are found to have taken part in corruption, we could face an unlimited fine, be excluded from tendering for public contracts and face damage to our reputation. We therefore take our legal responsibilities very seriously.

4. Scope

This policy applies to all of the Royal Relocation Malaysia's activities. For Employee, partners, Booker, Customers and suppliers, we will seek to promote the adoption of policies consistent with the principles set out in this policy.

Within the organization, the responsibility to control the risk of bribery occurring resides at all levels of the organization. It does not rest solely within assurance functions, but in all business units and corporate functions.

This policy covers all personnel, including all levels and grades, those permanently employed, temporary staff, contractors, suppliers, non-executives, customers, volunteers, consultants any other person or persons associated with us (including third parties), or any of our subsidiaries or their employees,

5. Recognizing Bribery and Corruption

Bribery and corruption have a number of definitions. Here are two –

- a. Bribery means giving or receiving an undue reward (or offering to do so) to influence the behavior of someone in government or business, in order to obtain business or financial or commercial advantage in a way which breaches an expectation of good faith or impartiality.
- b. Corruption means the abuse of an entrusted power for private gain.

Some specific situations in which bribery and corruption risks typically arise are scheduled in Procedures below.

It is irrelevant whether the person who receives the bribe works in the public or private sector. A bribe could involve:

- The direct or indirect promise, offer, authorization, or provision of anything of value
- The offer or receipt of any kickback, loan, fee, commission, reward, or other advantage.
- The giving of contributions or donations designed or stipulated to influence the recipient to act in the giver's favor.

The purpose of a bribe is often to obtain, retain or "facilitate" business, where the person receiving the bribe is, or may be, in a position to provide that kind of business advantage to the party offering the bribe. This may involve sales initiatives, such as tendering and contracting; or, it may simply involve the handling of administrative tasks such as licenses, customs, taxes or import/export matters. It does not matter whether the act of bribery is committed before or after the tendering of a contract or the completion of an administrative task.

The party offering a bribe might be:

- An employee, officer or director
- Any person acting on behalf of Royal Relocation Malaysia (e.g., third parties)
- Individuals and organizations representing Royal Relocation Malaysia that authorize someone else to carry out these acts.

And the recipient of a bribe could (but not always) be a government official. For the purposes of this policy, a government official could be any of the following or their relatives:

- A public official, whether foreign or domestic
- A political candidate or party official
- A representative of a government-owned/controlled organization
- An employee of a public international organization or non-governmental organization.

6. How to Raise a Concern

This policy cannot provide employees with comprehensive solutions to every potential bribery or corruption situation that may arise. In case of uncertainty about the correct response to any situation employees are required to discuss the situation with their manager, who will consult with the Director and/or then if necessary with Managing Director's about any ethical or legal problems.

We all have a responsibility for helping detect, prevent and report instances of bribery and any other suspicious activity or wrongdoing. ROYAL RELOCATION MALAYSIA is absolutely committed to ensuring that all of us have a safe, reliable, and confidential way of reporting any suspicious activity. We want each and every employee to know how they can speak up without fear of doing so.

If an employee is concerned that a corrupt act of some kind is being considered or carried out – either within ROYAL RELOCATION MALAYSIA, by any of our third–parties or by any of our competitors – they should, in the first instance, report it to the Director / Managing Director immediately.

Investigation, Remediation, Discipline

If ROYAL RELOCATION MALAYSIA determines that an employee or Agent has not complied with any provision of this policy, it will take appropriate action, which may include ending of an employee's employment or an Agent's contract, initiating proper legal action and/or notifying the proper authorities regarding the violation.

7. Procedures

7.1 ABC Policies and Specific Procedures

A. Code of Conduct – General Policy

The Code requires all employees, agents and others working on behalf of ROYAL RELOCATION MALAYSIA to comply with all applicable laws in all countries where ROYAL RELOCATION MALAYSIA operates.

B. Localized Risk Assessment

Business practices around the world can be deeply rooted in the attitudes, cultures and economic prosperity of a particular region – any of which can vary. Business management must regularly and at least annually assess the vulnerability of each country business unit to the risk of bribery and corruption. Proper risk assessment allows for evaluation and mitigation of the risk of bribery and corruption in a particular country or region.

C. Due Diligence

Depending upon the degree of risk, as determined by localized risk assessments, anti-corruption due diligence reviews may be needed for hiring of employees and the vetting of agents and other third- parties who work or will work on behalf of ROYAL RELOCATION MALAYSIA. ABC due diligence should also be performed as part of an acquisition process and when establishing a joint venture.

D. Accurate Books and Record-Keeping

Royal Relocation Malaysia must keep financial records and have appropriate internal controls in place, which will evidence the business reason for making payments to third parties.

Finance department must declare and keep a written record of all hospitality or gifts accepted or offered, which will be subject to managerial review.

Royal Relocation Malaysia must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with our expenses policy and specifically record the reason for the expenditure.

All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness. No accounts must be kept "off-book" to facilitate or conceal improper payments.

E. Effective Internal Control and Monitoring

ROYAL RELOCATION MALAYSIA maintains a system of internal accounting controls which can be found in other documentation. Business management are responsible for monitoring adherence to this policy and procedures designed to prevent or detect bribery and corruption. The approvals and documentation standards identified in this policy and procedure document will be subject to regular review.

F. Training and Awareness

Training on this policy forms part of the induction process for all new employees. All existing employees will receive regular, relevant training on how to implement and adhere to this policy. In addition, all employees will be asked to formally accept conformance to this policy on an annual basis.

Our zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter.

8. Where do Bribery and Corruption Risks

8.1 Typically Arise?

This section deals with some specific situations that may present concern about the potential for bribery or corruption.

A. Use of Agents

Because the actions of an Agent can expose Royal Relocation Malaysia to liability under ABC laws, a level of due diligence appropriate to the market should be undertaken prior to their appointment and retention or at renewal of any agreement. Relationships with Agents that do not comply with this policy or raise red flags should be brought to the attention of the Managing Director who will decide what will happen with the relationship; this may include additional compliance steps or an immediate cessation of the relationship.

If required by the risk assessment, provisions to the following effect should be included in an Agent's agreement:

- Agent will not pay or take bribes.
- Agent will be paid by check or wire to the Agent and not to another third party organization.
- Agent must acknowledge familiarity with and adherence to ABC laws.
- Agent will be required to maintain adequate books and records and allow them to be inspected by Royal Relocation Malaysia.
- Agent will inform Royal Relocation Malaysia if Agent learns of actual or attempted bribery affecting Royal Relocation Malaysia business, and will cooperate with any ABC related investigation by Royal Relocation Malaysia.

- Royal Relocation Malaysia will be able to terminate the Agent's agreement if, in Royal Relocation Malaysia view, that Agent has violated any of the ABC provisions of the agreement.

Particular care must be taken before Royal Relocation Malaysia establishes an agency arrangement to understand that Agent's connection, if any, to a government official. In selecting Agents, it is important to establish whether:

- A government official has any ownership connection with the Agent,
- The Agent is a candidate for political office or a consultant to a government, or
- The Agent is a government official or has close family or business ties with a government official

Any concerns about an Agent's relationship with a government official must be discussed with and approved by the Managing Director.

B. Hospitality and Entertainment

Bona fide hospitality and promotional, or other business expenditure which seeks to improve the image of Royal Relocation Malaysia, better to present products and services, or establish cordial relations, is recognized as an established and important part of doing business.

Hospitality, entertainment, or other business expenses provided to government officials, business partners and customers for these purposes are permitted, as long as they are reasonable and proportionate. In the case of government officials, hospitality entertainment or other similar expenses require prior authorization from the Managing Director.

Hospitality, entertainment or other similar expenses are not permitted IF:

- it might influence the outcome of a business transaction, whatever the value of the expense, or a reasonable individual could interpret it that way.
- for the purpose of facilitating or expediting any decision to award new business, to renew existing business or to take any other action.
- given for personal benefit, friendship, personal acquaintances or family purposes

In addition:

- i. Entertainment events attended must always be ethically acceptable and not against applicable law and Royal Relocation Malaysia policy. For example, so-called "adult entertainment" events and events at venues such as massage parlors or the like are not acceptable, nor is any event that would insult a person's race, religion, or sex.
- ii. Hospitality or entertainment given or received in the form of cultural and sporting events is permitted without prior approval as long as it does not violate the above provisions of this policy and is not more than of a [RM500](#).

- iii. Any travel arrangements for government officials, business partners or customers must be pre- approved. Reasonable meeting, travel or accommodation expenses are permitted if:
 1. A bona fide business expense (i.e., within the normal scope of the business),
 2. related to the promotion, demonstration or explanation of products or needed for the performance of a contract, and
 3. only for persons directly related to the business (e.g., not spouses, relatives, etc.)
- iv. The Managing Director must approve travel arrangements that could be deemed excessive.
- v. With respect to consumables, these must be consumed at the event, otherwise they should be considered a gift (see E below)

Payments for all hospitality and entertainment must be made directly by Royal Relocation Malaysia to the service provider. Detailed and itemized receipts of such expenses must be submitted with the appropriate method for payment or reimbursement, i.e., employee's expense Royal Relocation Malaysia.

A log of all entertainment received and given by Royal Relocation Malaysia staff must be maintained which includes:

- the attendees by name,
- Attendees position in Royal Relocation Malaysia or other company,
- location/type of venue,
- purpose of the meeting, and
- the cost per attendee (estimated if not known)

All requests, approvals, entertainment logs and expense Royal Relocation Malaysia must be filed and maintained for review by management.

C. Marketing Events

Distribution of marketing or promotional materials, in accordance with industry customs and practices is permitted, such as the following:

1. Trials, samples, review or desk copies of Royal Relocation Malaysia product in reasonable quantities,
2. Promotional events open to a wide audience,
3. Premium items/promotion goods such as t-shirts, bags, etc., are allowable if they are clearly connected to Royal Relocation Malaysia promotions and marketing efforts and items clearly carry irremovable Royal Relocation Malaysia branding.

Where joint promotional activities are carried out, there should be a proper written arrangement, approved by the Finance Director, with full details and supporting documentation for any of the costs being reimbursed.

D. Donations, Contributions and Sponsorships

Royal Relocation Malaysia supports and encourages the right of all employees to personally participate in the political process on an individual basis but does not permit the use of corporate resources (such as Royal Relocation Malaysia property and/or employee work time) for political activities.

To ensure that charitable contributions, donations and sponsorships made on behalf of Royal Relocation Malaysia are not used to circumvent Royal Relocation Malaysia anti-bribery policies all charitable contributions, donations and sponsorships require the prior written approval of the Managing Director. Royal Relocation Malaysia will not reimburse as the following:

- direct or indirect contributions by employees or agents to political parties at any level of government, party officials or organizations or individuals engaged in politics
- direct or indirect contributions by employees or agents to parties seeking election to political office (as above)

E. Giving and receiving gifts

In many countries where Royal Relocation Malaysia does business there are generally accepted customs regarding the exchange of business gifts to strengthen business relationships. They should never be used to obligate, or appear to obligate, the recipient.

They are never gifts of cash, cash vouchers, certificates with a set negotiable value, or other cash equivalents.

Gifts that are repetitive (no matter how small) may be perceived to be an attempt to create an obligation to the giver and are therefore inappropriate to give or receive.

Employees may never seek or request gifts, or personal preferential treatment in any matter, from any person or organization.

Gifts of less than RM500.

Royal Relocation Malaysia policy generally permits the giving and receiving of business gifts of less than RM500 that are customary business courtesies and are reasonable in value and frequency.

In addition, during holidays or festivals, it may be customary for gifts to be given on a personal basis.

Employees are required to ensure there is a clear distinction between the gifts given on a personal basis and those given on behalf of Royal Relocation Malaysia. Under no circumstances are employees to misrepresent personal gifts and/or use such customs to circumvent Royal Relocation Malaysia's gifts policy.

Gifts greater than RM500

In order for any gift greater than RM500 to be made by an employee to a person or organization that has or seeks a business relationship with Royal Relocation Malaysia or with which Royal Relocation Malaysia seeks such a relationship, approval must be obtained from the Managing Director.

If a gift is offered to an employee that is greater than RM500 it should normally be refused. However, if offence may be caused or return is impractical then it must be discussed with the Managing Director. If return is not practical, Royal Relocation Malaysia may elect to donate it to charity or make some other appropriate disposal of the gift to charity.

Gifts involving government officials

In all cases when a gift is made to or received from a government official that has or seeks a business relationship with Royal Relocation Malaysia or with which Royal Relocation Malaysia seeks such a relationship, approval must be obtained from the Managing Director and must be recorded.

Recording gifts

A log of gifts greater than RM500 given or accepted will be kept and will include a record of the gift's nature and value, the names of the giver and the recipient, the reason or occasion for the gift, and the fact of the approval of the giving or retention of the gift. Such logs must be filed and maintained for review by management.

F. Facilitation Payments

Facilitation payments are defined as “any facilitating payment or expediting payment to a foreign official, political party, or party official the purpose of which is to expedite or to secure the performance of a routine governmental action.” **They are illegal under Malaysia law and the laws of many other countries, and are against Royal Relocation Malaysia policy.**

No Royal Relocation Malaysia employee or Agent may willingly offer to make, or make, a facilitation payment. There may be circumstances in which individuals are left with no alternative but to make payment in order to protect against loss of life, limb or liberty. If these payments are made, they should be reported to the Managing Director as soon as practical.

G. Payments to Facilitate Tax Evasion

Royal Relocation Malaysia will not facilitate the evasion of tax by a customer, supplier or other third party, including government officials and contractors, by making payments to off-shore bank accounts or by other means which have no commercial basis or clearly could be construed by tax authorities to be to facilitate tax evasion by the recipient.

9. What to do if you are a victim of bribery or corruption

It is important that you tell the Company Secretary/ Director/ Managing Director or the confidential helpline as soon as possible if you are offered a bribe by a third party, are asked to make one, suspect that this may happen in the future, or believe that you are a victim of another form of unlawful activity.

10. Penalty (Section 24 Malaysian Anti-Corruption Commission Act 2009 (Act 694).)

Corruption is punishable by imprisonment not exceeding 20 years and a fine of not less than five times the sum or value of the gratification that is the subject matter of the offence, where the gratification is capable of being valued or is of a pecuniary nature, or 10,000 ringgit, whichever is higher.

Nic Lee
Managing Director
