

Anti-Bribery and Anti- Corruption Manual

**ADEQUATE PROCEDURES TO
COMBAT CORRUPTION BASED ON
T. R. U. S. T.
PRINCIPLES**

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GLOSSARY

This glossary includes the terms used in this document.

Bribery and Corruption	Any action which would be considered as an offence of giving or receiving 'gratification' under the Malaysian Anti-Corruption Commission Act 2009 (MACCA). In practice, this means offering, giving, receiving or soliciting something of value in an attempt to illicitly influence the decisions or actions of a person a position of trust within an organisation. Bribery may be 'outbound', where someone acting on behalf of KAJIMA attempts to influence the actions of someone external, such as a Government official or client decision-maker. It may also be 'inbound', where an external party is attempting to influence someone within KAJIMA such as a senior decision-maker or someone with access to confidential information.
Business Associate(s)	An external party with whom KAJIMA has, or plans to establish, some form of business relationship. This may include clients, customers, joint ventures, joint venture partners, consortium partners, outsourcing providers, contractors, consultants, subcontractors, suppliers, vendors, advisers, agents, distributors, representatives, intermediaries and investors. A business associate may also be referred to as a third party, particularly if the associate is acting on behalf of the organisation.
Conflict of Interest	When a person's own interests either influence, have the potential to influence, or are perceived to influence their decision making at KAJIMA.
Corporate Gift	Something given from one organisation to another, with the appointed representatives of each organisation giving and accepting the gift. Corporate gifts may also be promotional items given out equally to the general public at events, trade shows and exhibitions as a part of building the company's brand. The gifts are given transparently and openly, with the implicit or explicit approval of all parties involved. Corporate gifts normally bear the company name and logo. Examples of corporate gifts include items such as diaries, table calendars, pens, notepads and plaques.
Corporate Liability	Section 17A of the Malaysian Anti-Corruption Commission (MACC) Act that was newly enacted in 2018 to introduce a statutory Corporate Liability offence. A company may be liable of an offence for the corrupt practices of its employees and/or any person(s) associated with KAJIMA in cases where such corrupt practices are carried out for the benefit or advantage of the company.
Directors	Persons that fulfil the following criteria : (a) Currently reside in Malaysia; (b) Occupying the position of director; and (c) Registered in KAJIMA's Register of Directors.
External Party (ies)	Organisations or individuals external to KAJIMA who can or may exert influence on the organisation.

External Provider	Any person or business that provides (or wishes to provide) products or services to or does business with KAJIMA, with or without a written contract. This may include suppliers, vendors, contractors, consultants and agents.
Government Official	Any agent, representative, official, officer, director, or employee of any government or any department, agency, or instrumentality thereof (including but not limited to any officer, director, or employee of a state-owned, operated or controlled entity) or of a public international organisation, or any person acting in an official capacity for or on behalf of any such government, department, agency, instrumentality, or public international organisation.
Gratification	<p>'Gratification' is defined in the MACCA to mean the following:</p> <ul style="list-style-type: none"> (a) <i>money, donation, gift, loan, fee, reward, valuable security, property or interest in property being property of any description whether movable or immovable, financial benefit, or any other similar advantage;</i> (b) <i>any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;</i> (c) <i>any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;</i> (d) <i>any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;</i> (e) <i>any forbearance to demand any money or money's worth or valuable thing;</i> (f) <i>any other service or favour of any description, including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted, and including the exercise or the forbearance from the exercise of any right or any official power or duty; and</i> (g) <i>any offer, undertaking or promise, whether conditional or unconditional, of any Gratification within the meaning of any of the preceding paragraphs (a) to (f).</i> <p>'Corruption' is defined as any action which would be considered as an offence of giving or receiving 'Gratification' under the MACCA.</p> <p>In practice, this means offering, giving, receiving or soliciting something of value in an attempt to illicitly influence the decisions or actions of a person a position of trust within an organisation.</p>
Hospitality	The considerate care of guests, which may include refreshments, accommodation and entertainment at a restaurant, hotel, club, resort, convention, concert, sporting event or other venue such as company offices, with or without the personal presence of the host. Provision of travel may also be included, as may other services such as provision of guides, attendants and escorts; use of facilities such as a spa, golf course or ski resort with equipment included.
KAJIMA	Kajima (Malaysia) Sdn. Bhd.
KTMS	Kajima Total Management Systems

Kajima Asia Pacific Holdings Pte. Ltd.	A company incorporated in the Republic of Singapore which is the immediate holding company Kajima Overseas Asia Private Limited (the immediate holding company of KAJIMA).
KAJIMA Group of Companies	This represents: (a) Kajima Corporation (ultimate holding Company of KAJIMA); (b) Kajima Overseas Asia Private Limited (immediate holding Company of KAJIMA); and (c) Any companies directly or indirectly owned by the company referred in paragraph (a) and (b).
MACC	Malaysian Anti-Corruption Commission
MACCA	Malaysian Anti-Corruption Commission Act 2009 (Act 694) is an Act to provide for the establishment of the Malaysian Anti-Corruption Commission, to make further and better provisions for the prevention of corruption and for matters necessary thereto and connected therewith.
Personnel	Employees of KAJIMA.
Relative	As per Section 3 of the MACCA 2009, 'relative', in relation to a person, means: (a) A spouse of the person; (b) A brother or sister of the person; (c) A brother or sister of the spouse of the person; (d) A lineal ascendant and descendant of the person; (e) A lineal ascendant and descendant of a spouse of the person; (f) A lineal descendant of a person referred to in item (b); (g) The uncle, aunt or cousin of the person; or (h) The son-in-law or daughter-in-law of the person.
Retaliation	One or more of the following: (a) Interference with the lawful employment or livelihood of a person, including discrimination, discharge, demotion, suspension, disadvantage, termination or adverse treatment in relation to the complainant's employment, career, profession, trade or business or the taking of disciplinary action; (b) Withholding of payment that is due and payable under a contract; (c) Refusal to enter into a subsequent contract; (d) Action causing injury, loss or damage; (e) Intimidation or harassment; and (f) A threat to take any of the actions above.
Stakeholders	Individuals or groups concerned with, or affected by KAJIMA's policy and practice, including, but not limited to, Personnel, customers, government bodies, suppliers and contractors.
Whistleblower	A person that makes a report of improper conduct under the Policy.
Whistleblowing	Deliberate, voluntary disclosure or reporting of individual or organisational malpractice by a person who has or had privileged access to data, events or information about an actual, suspected or anticipated acts of corruption within the organisation or by an organisation that is within its ability to control.

PRINCIPLE I: TOP LEVEL COMMITMENT

1.1 Managing Director's Statement

1.1.1 Commitment

The Managing Director, being representative of the Top Management of KAJIMA, takes the primary responsibility for the establishment and effectiveness of the anti-corruption programme. As per section 4.1.3 of the *GIACC Guidelines on Adequate Procedures*, this means the company:

1. Practices the highest level of integrity and ethics;
2. Complies fully with the applicable laws and regulatory requirements on anti-corruption; and
3. Effectively manages the key corruption risks of the company.

1.1.2 Requirement

In order to achieve this goal, the Managing Director requires that KAJIMA:

1. Establishes, maintains and periodically reviews the anti-corruption compliance program which includes clear policies and objectives that adequately address corruption risks;
2. Promotes a culture of integrity within the organisation;
3. Conducts corruption risk assessments once every three (3) years or when instructed by the Managing Director;
4. Issues instructions on communicating the company's policies and commitments to anti-corruption both internally and externally;
5. Encourages the use of reporting/whistleblowing channels in relation to real or suspected corruption incidences, or inadequacies in the anti-corruption compliance program;
6. Assigns and adequately resources a competent person to be responsible for anti-corruption compliance, including advice and guidance;
7. Ensures that the lines of authority for the person responsible for the programme are appropriate, reporting to the top management or equivalent; and
8. Ensures that the results of any audit, review on risk assessment, control measures and performance are reported to the top management or equivalent, company directors and relevant management.

The memo issued by the Managing Director on 29 May 2020 establishes the top-level commitment of KAJIMA in the area of anti-corruption.

PRINCIPLE II: RISK ASSESSMENT

2.1 Corruption Risk Assessment Process

2.1.1 Objectives

The objectives of the corruption risk assessment are:

- i. To identify, measure and rank critical corruption risks in KAJIMA that has the potential influence over the overall operations and management of KAJIMA using a structured approach in line with the size of the company; and
- ii. Discuss high-level corruption prevention solutions and implementation plans.

2.1.2 Approach

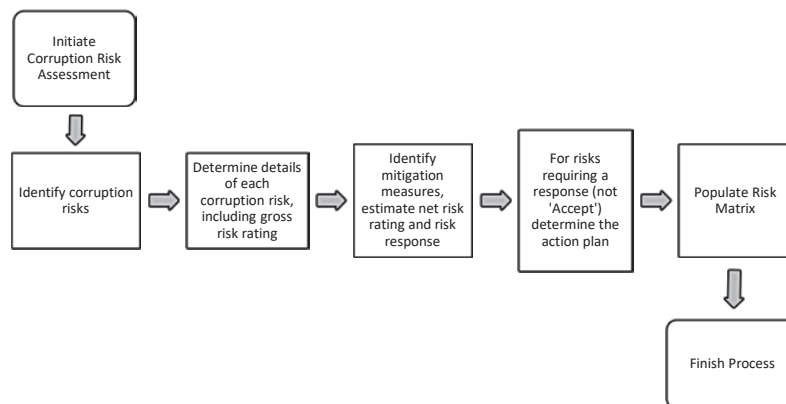
The corruption risk assessment forms the basis of the anti-corruption programme. Assessments are to be conducted periodically, at least once every three (3) years.

Assessments are to include:

- i. Opportunities for corruption arising from system weaknesses;
- ii. Financial transactions which may disguise corruption payments;
- iii. High-risk business activities;
- iv. External parties (business associates / agents) where corruption is likely to be present; and
- v. Supply chain corruption opportunities (inbound and outbound).

2.1.3 Corruption Risk Assessment Process Flow

The process below is used by KAJIMA to conduct its corruption risk assessment:



2.2 Corruption Risk Assessment Methodology

2.2.1 Initiation and management

The corruption risk assessment was initiated by the Managing Director. The exercise was managed by the KTMS Manager.

2.2.2 Identify General Corruption Risks

Using the corruption risk assessment template, the main areas of corruption risk carried by the business were identified.

Information established by the high-level assessment was then used to begin populating the corruption risk templates.

2.2.3 Identify Mitigating Controls, Net Risk, Response & Action Plan

For each corruption risk identified, the mitigating controls were logged. An estimate was then made on the effectiveness of the controls, which in turn was used to estimate the net risk rating. From this, the risk treatment was identified, along with the action plan.

2.2.4 Populate Risk Matrix

Using the net risk rating, the corruption risks identified were placed on the risk matrix to show the exposure of the company to corruption risk. The risk parameter used is based on the company's existing risk framework as follows:

(1) Likelihood of Occurrence

- a. For each corruption risk identified, the KTMS Manager shall determine the likelihood that it may occurs.
- b. Consideration shall also be given to the present and past known occurrences, if any.
- c. The rating of the Probability (P) shall be in accordance to the **Probability Scoring Matrix** below:

LIKELIHOOD	DESCRIPTION	QUANTIFICATION	RATING
Almost Certain	Very high probability	>75% chance	5
Likely	Considerate probability	51% - 75% chance	4
Possible	Some probability	26% - 50% chance	3
Unlikely	Little probability	10% - 25% chance	2
Rare	Very low probability	<10% chance	1

(2) Severity of Consequences

- a. For each corruption risk identified, the KTMS Manager shall determine the consequences it might or may have caused.
- b. The rating of the Impact (I) shall be in accordance to the **Impact Rating Table** below:

POTENTIAL IMPACT	FINANCIAL IMPACT	LEGAL / COMPLIANCE	STAKEHOLDERS - CUSTOMERS	RATING
Critical	> 30% of budget item (e.g. revenue)	Major scrutiny & investigations, including criminal charges & possible regulatory action.	Loss of major customer and serious threat to future growth	5
Major	21% - 30% of budget item (e.g. revenue)	Potentially significant government scrutiny, may include some criminal charges	Strained key relationships & significant recovery costs, threat to future growth	4
Moderate	11% - 20% of budget item (e.g. revenue)	Routine litigations, subject to regulatory proceedings	Loss/decline of relationships & moderate recovery costs	3
Minor	5% - 10% of budget item (e.g. revenue)	Moderate fines & penalties, may subject to regulatory proceedings	Minimal decline in relationships & some recovery costs	2
Insignificant	<5% of budget item (e.g. revenue)	Notice of violation & minimal penalties	Minimal customer complaints & recovery costs	1

Risk matrix: 5x5

PROBABILITY	IMPACT					INHERENT RISK	SUM 'P' AND 'I' SCORES
	1	2	3	4	5		
5	6	7	8	9	10	Low	4 or Less
4	5	6	7	10	9		
3	4	5	6	7	8	Medium	5 - 7
2	3	4	5	6	7		
1	2	3	4	5	6	High	8 - 10

2.2.5 Present Results to Top Management, Review and Finalise

The completed corruption risk templates and risk map were presented to the Top Management to confirm the data and action plans. Responsibilities for carrying out the action plans then allocated to the relevant members of the company.

The Managing Director instructed the corruption risk assessment to be refreshed in three (3) years' time.

PRINCIPLE III: UNDERTAKE CONTROL MEASURES

3.1 Anti-Bribery and Anti-Corruption Policy

“Corruption” is the abuse of entrusted power for personal gain (Transparency International).

According to MACCA, “gratification” or what most people call “bribery” means offering, giving, receiving or soliciting something of value (for example money or information) in an attempt to illicitly influence the decisions or actions of a person with a position of trust within an organisation.

Bribery may occur in two forms: ‘outbound’ and ‘inbound’.

Bribery may be ‘outbound’, where someone acting on behalf of KAJIMA’s attempts to influence the actions of someone external, such as a government official or client decision-maker. For example, a personnel offers a bribe for a project to the relevant authorities in a tender exercise.

It may also be ‘inbound’, where an external party is attempting to influence someone within the company such as a senior decision-maker or someone with access to confidential information. An example would be a situation where a contractor offers a bribe to a personnel who is also a member of a tender committee to gain an advantage in the tendering process.

Essentially, a bribe is given to create a sense of obligation in the recipient in order to influence them. A “bribe” may include cash or cash equivalents (vouchers, coupons, shares, etc.), loans, donations, hospitality (meals, entertainment, travel, accommodation, recreational activities, etc.), offers of employment, goods, services, release of confidential information or anything that could be considered to have value.

Corruption has a broader definition than bribery, but covers much of the same ground.

3.1.1 KAJIMA’s Anti-Bribery and Anti-Corruption Policy

- a) KAJIMA’s policy is that corruption in all its forms as it relates to KAJIMA’s activities is prohibited.
- b) Corruption may take the form of anything of value, such as money, goods, services, property, privilege, employment position or preferential treatment. Personnel and business associates shall not therefore, whether directly or indirectly, offer, give, receive or solicit any item of value, in the attempt to illicitly influence the decisions or actions of a person in a position of trust within an organisation, either for the intended benefit of the company or the persons involved in the transaction.
- c) The anti-bribery and corruption policy applies equally to its business dealings with commercial (‘private sector’) and Government (‘public sector’) entities. Even the possible appearance of corruption is to be avoided, in particular when dealing with Government officials.

- d) KAJIMA is committed to conducting its business ethically and in compliance with all applicable anti-corruption laws and regulations in every country where we do business, without exception and without regard to regional customs, local practices or competitive conditions.
- e) KAJIMA shall conduct regular risk assessments to identify the corruption risks affecting the business, set anti-corruption objectives, and assess the effectiveness of the controls in achieving those objectives.
- f) No personnel or external party will suffer demotion, penalty or other adverse consequences in retaliation for refusing to pay or receive bribes, or participate in other illicit behaviour, even if such refusal may result in KAJIMA losing business or experiencing a delay in operations.
- g) Personnel who, in the course of their activities relating to their employment at KAJIMA, encounter actual or suspected violations of this policy, are required to report their concerns using the available reporting channels. Reports made in good faith, either anonymously or otherwise, shall be addressed in a timely manner and without incurring fear of reprisal regardless of the outcome of any investigation.
- h) Retaliation in any form against personnel where the person has, in good faith, reported a violation or possible violation of this policy is strictly prohibited. Any personnel found to have deliberately acted against the interests of any person who has in good faith reported a violation or possible violation of this policy shall be subjected to disciplinary proceedings including demotion, suspension, dismissal or other actions (including legal action) which KAJIMA may pursue. The same policy applies to external parties who have reported a violation or possible violation of this policy.

3.1.2 Responsibilities of KAJIMA Directors and Personnel

- a) All KAJIMA directors and personnel are required to carry out their responsibilities and obligations relating to the Company's anti-corruption policy, which includes the following:
 - i. Be familiar with applicable requirements and directives of this policy, understand and communicate them to subordinates;
 - ii. Promptly record all transactions and payments in KAJIMA's books and records accurately and with reasonable detail;
 - iii. Ask Integrity Unit if any questions about this policy arise or if there is a lack of clarity about the required action in a particular situation;
 - iv. Always raise suspicious transactions and other "red flags" (indicators of corruption) to immediate superiors or Integrity Unit directly for guidance on the next course of action;
 - v. Be alert to indications or evidence of possible violations of this policy;

- vi. Sign an Integrity Declaration upon implementation this policy and when there are significant changes to this policy ;
 - vii. Declare any actual or potential conflicts of interest as soon as they become aware of them;
 - viii. Promptly report violations or suspected violations through appropriate channels;
 - ix. Attend mandatory anti-corruption training as required by the Company; and
 - x. Not misuse your position or KAJIMA's name for personal advantage.
- b) When dealing with Business Associates, all KAJIMA directors and personnel shall not:
- i. Express unexplained or unjustifiable preference for certain parties;
 - ii. Exert improper influence to obtain benefits from them; and
 - iii. Directly or indirectly demand or accept any form of corrupt payments, in cash or in kind for a specific favour or improper advantage from them.
- c) When dealing with external parties in a position to make a decision to KAJIMA's benefit (such as a government official or business associate), KAJIMA directors and personnel shall not:
- i. Offer, promise or make any attempt at dishonestly influencing the person's decision by directly or indirectly offering or making a promise of corrupt payments, in cash or in kind;
 - ii. Be involved in any discussions regarding business or employment opportunities, for the benefit of the external party;
 - iii. Otherwise misuse the resources, decision-making authority and other delegated powers given by the company, in order to illicitly secure an outcome which would be to the commercial advantage to themselves and/or the company; and
 - iv. Make any attempt at dishonestly influencing the external parties' decisions by offering, promising or conferring advantage.
- d) KAJIMA Section Head/Senior Managers are responsible for ensuring that KAJIMA policies and procedures are properly communicated and complied with within their section or function, and that subordinates in position which have been identified as exposed to corruption or high risk attend relevant training. Section Head/Senior Managers are also required to communicate the anti-bribery and corruption principles as contained in this Manual to the business associates.
- e) KAJIMA Section Head/Senior Managers also have an obligation to report any violation or breaches of this Policy to Integrity Unit.

3.1.3 Staff Declarations

- a) All personnel shall confirm in writing by signing the **Integrity Declaration Form [Form KABACM-03-01-IDF(1)]** that they have read, understood and will abide by the **KAJIMA's Anti-Bribery and Corruption Policy (Section 3.1.1)** and **Responsibilities of KAJIMA Directors and Personnel (Section 3.1.2)** sections of this policy. A copy of this confirmation shall be documented and retained by Human Resource Section for the duration of the personnel's employment. The Company Secretary shall also document copy of this confirmation during the directors' appointment.
- b) Integrity Unit reserves the right to request information regarding personnel's assets in the event that the person is implicated in any corruption-related accusation or incident.

3.1.4 Human Resource

- a) KAJIMA recognises the value of integrity in its directors, personnel and business associates. The Company's recruitment, training, performance evaluation, remuneration, recognition and promotion for all personnel, including management, are designed and regularly updated to recognize integrity.
- b) As per existing Human Resource policies, prospective personnel who have improperly favoured KAJIMA in a previous role will not be given advantage for employment opportunities.

3.1.5 Audit and Compliance

Regular audits shall be conducted to ensure compliance to this policy. Such audits may be conducted internally by KAJIMA or by an external party. Audit documentation should include performance improvement action plans. The results of audits shall be reported to the top management, directors and senior management as appropriate.

3.1.6 Sanctions for Non-Compliance

- a) Non-compliance as identified by the audit and any risk areas identified through this and other means shall be reported to the top management in a timely manner in accordance with the level of risk identified.
- b) KAJIMA regards acts of corruption as serious matters and will apply penalties in the event of non-compliance to this policy. For personnel, non-compliance may lead to disciplinary action, up to and including termination of employment.

- c) For external parties, non-compliance may lead to penalties including termination of contract. Further legal action may also be taken in the event that KAJIMA's interests have been harmed by the results on non-compliance by individuals and organisations.

3.1.7 Monitoring and Continuous Improvement

- a) KAJIMA is committed to continuously improve the operations and effectiveness of its anti-corruption initiatives.
- b) KAJIMA shall monitor its operating environment, identify changes in corruption risk, and seek opportunities for improving the anti-corruption initiatives.
- c) The Managing Director shall ensure regular assessments of the anti-corruption initiatives are carried out, to ensure its scope, policies, procedures and controls match the corruption related risks faced by the company.
- d) KAJIMA endeavours to impact the business environment where it operates. This includes supporting initiatives in the private and public sectors which are likely to improve the integrity of its operating environment.

3.2 Due Diligence

3.2.1 Introduction

A due diligence check is an information gathering exercise aimed at ensuring that any corruption risks brought about by business associates, projects, transactions and business activities are identified so that the company is able to take the necessary action to mitigate the risk should the company decide to proceed with the relationship or project.

The essential requirement of due diligence is to know one's partner. Companies assess their Business Associates and the details of transactions to identify and avoid the risk that Business Associates and certain projects could involve corruption.

3.2.2 KAJIMA's Commitment

- a) KAJIMA is committed to ensuring that its business is protected from any and all corruption risks posed by projects, business associates or prospective personnel, in line with KAJIMA's Anti-Bribery and Anti-Corruption Manual.
- b) Personnel are responsible for conducting due diligence checks on all business associates, as well as certain projects, transactions and activities; also prospective and existing personnel, especially where a significant corruption risk has been identified.
- c) The personnel conducting the due diligence should take into account any corruption risk assessments, resources available and the magnitude of the project, transaction or activity to determine the extent of the due diligence check.

3.2.3 Due diligence approach

- a) Due diligence is conducted in order to assess the nature and extent of corruption risks relating to:
 - i. Specific categories of transactions, projects, or activities;
 - ii. Planned or on-going relationships with specific categories of business associates; and
 - iii. Specific categories of personnel in certain positions.
- b) The due diligence process should be aimed at obtaining sufficient information in order to assess the corruption risks posed by certain activities, projects, transactions, business associates or potential personnel where a more than minor corruption risk has been identified.
- c) The purpose of the due diligence process is to further evaluate the scope, scale and nature where a significant corruption risk has been identified.

- d) There may be distinctions between due diligence processes for (1) projects, transactions, and activities, (2) business associates, and (3) personnel.
- e) In relation to these categories there are certain factors that may be taken into consideration by KAJIMA, as follows:

1) Projects, Transactions and Activities

- i. Structure, nature, and complexity (e.g. direct or indirect sale, level of discount, contract award and tender procedures);
- ii. Financing and payment arrangements;
- iii. Scope of the organisation's engagement and available resources;
- iv. Level of control and visibility;
- v. Business associates and other third parties involved (including public officials);
- vi. Links between any parties in (v) above and public officials;
- vii. Competence and qualifications of the parties involved;
- viii. Client's reputation;
- ix. Location; and
- x. Reports in the market, in the press, or online.

2) Business Associates

- i. The legitimacy of the entity, as demonstrated by indicators such as:
 - 1. Corporate registration documents;
 - 2. Annual filed accounts;
 - 3. Tax identification number; or
 - 4. Stock exchange listing information.
- ii. Whether business associates have the necessary licences, qualifications, experience and resources needed to conduct business for which it is being contracted;
- iii. Whether and to what extent the business associate has an anti-bribery management system;
- iv. Whether the business associate has a reputation for corruption, fraud, dishonesty, or similar misconduct, or has been investigated, convicted, sanctioned, or debarred for corruption or similar criminal conduct;
- v. The identity of shareholders (including the ultimate beneficial owner(s)) and top management of the business associates, and whether they:
 - 1. Have a reputation for corruption, fraud, dishonesty, or similar misconduct;

2. Have been investigated, convicted, sanctioned or debarred for corruption or similar criminal conduct;
3. Have any direct or indirect links to KAJIMA's customer or client to a relevant public official which could lead to corruption; or
4. The structure of the transaction and payment arrangements.

3) Personnel

- i. The due diligence process on persons should be conducted depending on their proposed functions and corresponding corruption risk.
- ii. Corruption-related due diligence checks should be incorporated into existing Human Resource functions in order. Some actions that can be taken while conducting due diligence include:
 1. Verifying the accuracy of a prospective personnel's qualifications;
 2. Obtaining satisfactory references from a prospective personnel's former employers;
 3. Taking reasonable steps to ascertain if a prospective personnel has been involved in corruption, including but not limited to:
 - Checking sanctions lists;
 - Checking lists of public agencies;
 - Checking with the prospective personnel's former place of employment;
 - Conducting a basic web search; and
 - Verifying that the company is not offering employment to a prospective personnel in return for preferential treatment;
- iii. Taking reasonable steps to identify the prospective personnel's relationship to public officials, if any.

NOTE: Other criteria may also be included if considered relevant.

3.2.4 Documentation

- a) Personnel embarking on due diligence checks should document and retain the results of any due diligence exercises that have been conducted. This documentation may later be referenced for future assessments.
- b) Any future re-assessment of a project, transaction, activity, business associate, or prospective personnel should also be documented and retained by the appropriate document control function.

3.2.5 Conducting Due Diligence

- a) The due diligence checks should be conducted in accordance with existing processes within KAJIMA.
- b) All new and potential business associates should be subjected to a pre-qualification process, which includes due diligence, which is governed by the internal company policies.
- c) Due diligence may be conducted in a variety of ways, including but not limited to:
 - i. Questionnaires [**Form KABACM-03-02-DDC(2)**];
 - ii. Web searches;
 - iii. Checks against government, judicial, and international databases;
 - iv. Checking through screening tools/solutions (i.e. CTOS, Experian [formerly known as RAMCI], Thomson Reuters);
 - v. Checking publicly available debarment lists of organisations that are restricted or prohibited from contracting with public or government entities kept by national or local governments or multilateral institutions, such as the World Bank; or
 - vi. Contracting with a third party due diligence service provider.
- d) The due diligence findings should be taken into consideration when KAJIMA is deciding how to manage a transaction, project, or relationship with business associates or prospective and existing personnel. Actions include, but are not limited to:
 - i. Postponing/Suspending a project or relationship;
 - ii. Discontinuing a project or relationship;
 - iii. Revising the terms of any project or relationship; or
 - iv. Blacklisting any Business Associate or Personnel.
- e) The respective Section Head and/or Senior Manager has overall responsibility for required due diligence checks. During the due diligence process, the following should be considered and determined:
 - i. Operational responsibility for the due diligence;
 - ii. Timeline for conducting the due diligence;
 - iii. Objective of the due diligence;
 - iv. Process/method for conducting due diligence;
 - v. Issues to be identified by the due diligence;
 - vi. Level of detail of the due diligence; and
 - vii. Approving authority of the due diligence.

The due diligence process should be updated regularly in order to take into account any changes of methods and new available information.

3.3 Reporting Concerns (Whistleblowing) Policy

3.3.1 Recognition of laws and regulations

The implementation of this policy is in line with the Whistleblower Protection Act 2010, the Companies Act 2016, Malaysian Anti-Corruption Commission Act 2009 (including its amendments), Personal Data Protection Act 2010 and all applicable laws and regulations in Malaysia.

3.3.2 What can be reported?

- a) The whistleblowing channels may be used to report any potential or actual incidents of corruption, as well as other forms of serious misconduct or violations of KAJIMA's policies in this Anti-Bribery and Anti-Corruption Manual. Examples include:
- i. Theft, pilferage, misappropriation, embezzlement or attempt of the same of the company's money or property;
 - ii. Fraud, dishonesty, cheating, falsification or attempt of the same in connection with the company's business, money or property;
 - iii. Soliciting or accepting bribes or other forms of illegal gratification;
 - iv. Participating in unauthorized financial transactions;
 - v. Conflict of interest;
 - vi. Spreading malicious rumours about the company;
 - vii. Gross negligence and neglect of duty;
 - viii. Unauthorized disclosure of the company's confidential information, including commercial or manufacturing secrets, calculations or designs;
 - ix. Commission of any subversive act;
 - x. Commission of any act that brings disrepute, embarrassment or affects the legitimate interest of the company or ruins the image of the company;
 - xi. Habitual breach of any of the company's order or any law applicable to the establishment of rules made thereunder;
 - xii. Conduct which is likely to cause injury or endanger the life or safety of another person within the company's premise;
 - xiii. Misrepresentation of the company to others;
 - xiv. Criminal offences; and/or
 - xv. Endangering the environment.

- b) This policy will not apply to personal grievances concerning an individual's terms and conditions of employment, or other aspects of working relationship, complaints of bullying or harassment or disciplinary matters. Such complaints should be dealt under the existing Human Resource procedures in the Employees' Code of Conduct adopted by KAJIMA.

3.3.3 Reporting Channels

- a) KAJIMA shall make provision for the reporting of corruption and other forms of misconduct, including violations of policies in this Anti-Bribery and Anti-Corruption Manual through designated secure channels, available to directors, personnel and external parties including business associates.
- b) Disclosures may be made through any of the designated reporting channels, in strict confidence:
 - i. Designated telephone number (+603-2272 2525, Ext: 1801);
 - ii. Designated email (whistleblowing@kajima.com.my); or
 - iii. Letter to Head of Integrity Unit, as the case may be.
- c) Personnel may not wish to report through the designated channels, but instead choose to report their concerns to their Section Head/Senior Manager, Human Resource Section, or some other trusted person. In such cases, where the report can be substantiated and the matter is of a serious nature, the person or function receiving the information should advise the whistleblower to lodge a report with the reporting channels. Whistleblowers are encouraged to use the available channels to ensure the confidentiality of the report.
- d) Protected disclosures should be factual and not speculative or in the nature of a conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

3.3.4 Managing whistleblowing reports

- a) Reports relating to the Managing Director, or director of the company should be directed to the designated email under Kajima Asia Pacific Holdings Pte. Ltd. (reportingdesk@kajima.com.sg).
- b) All other whistleblowing reports received will be channelled to Integrity Unit for processing. The Integrity Unit shall then report to the Managing Director who shall have the ultimate oversight.

All reports received shall be recorded in a secure system, with highly restricted access. A minimum of two (2) named persons, maximum three (3) named persons only, shall have access to the original whistleblowers' reports.

3.3.5 Reporting to External Bodies

- a) Personnel and business associates should utilise the whistleblowing channels to lodge reports regarding issues they are concerned about. It would not normally be appropriate for personnel to disclose their concerns to an external party (i.e. government authorities such as the MACC or the police, etc.) unless they have first followed the procedures of the company to their full extent. However, KAJIMA recognises that on occasion there may be an exceptionally serious issue which warrants reporting to an external body. The disclosure must be made in good faith, not malicious, and not made for the purpose of personal gain.
- b) Once sufficient information has been secured through KAJIMA's investigation showing that a corruption incident occurred, the Integrity Unit should forward reports to the MACC or the police. Reports which include all the following items should be submitted to the MACC or the police:
 - i. Material evidence of an incident of corruption;
 - ii. Specific details of the transaction(s);
 - iii. Names of specific individuals; and
 - iv. Other information considered substantial by the Integrity Unit.
- c) All reporting to the MACC or the police must be done at the earliest opportunity once the materiality of the case is proven.
- d) The Integrity Unit may also choose to forward unsubstantiated reports to the MACC or the police.
- e) Investigations of internal matters should be conducted separately from any MACC investigation.

3.3.6 Assurances and Protection against Retaliation

- a) KAJIMA is committed to the enforcement of this policy and provides assurance that the whistleblower will not suffer any form of retribution, victimization or detriment, for reports that are provided in good faith (i.e. was not done with malicious intent without substantiation in order to damage another person or organisation). Such protection is accorded even if the investigation later revealed that the whistleblower is mistaken regarding the facts, rules and procedures involved.
- b) The Integrity Unit shall provide oversight on whistleblowing matters including protection for all whistleblowers.
- c) Anyone who retaliates against a whistleblower will be subjected to disciplinary action, which may include termination of employment, demotion, or other legal redress.

- d) No unfair treatment will be allowed against a whistleblower by virtue of his/her having submitted a report under this policy. KAJIMA condemns any kind of discrimination, harassment, victimization or any other unfair employment practice adopted. KAJIMA will protect all whistleblowers against any unfair practice including retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like, including any direct or indirect use of authority to obstruct the whistleblower's right to continue to perform his/her duties including making further protected disclosure.
- e) In addition, if a whistleblower is required to give evidence in criminal or disciplinary proceedings, KAJIMA will arrange for the whistleblower to receive legal advice about the procedure.
- f) If the whistleblower can prove that they have been subjected to retribution, victimization, or detriment because of using this policy, disciplinary action will be taken against the perpetrator.
- g) Anyone who reveals the identity of a whistleblower without prior agreement from the whistleblower will be subject to disciplinary measures, including, but not limited to, the termination of contract or removal of directorship.

3.3.7 Protection of Anonymity

- a) The identity of the whistleblowers shall be kept confidential to the full extent possible unless otherwise required by law or legal proceedings by or against the company.
- b) The identity of the whistleblower shall be protected, encrypted and shall not appear in any reports and updates.
- c) Only Members of the Integrity Unit are authorised to access full details (including information on whistleblower's identity) of the whistleblower reports.
- d) Anonymous disclosure is permitted. However, whistleblowers are strongly advised to disclose some contact information to in order for the relevant parties to be able to conduct follow-up, obtain further information if necessary and keep whistleblower informed.
- e) While all whistleblowing reports will be assessed, managed and investigated in a fair and timely manner, KAJIMA may decide to close cases which lack material evidence, particularly where the report originates from an anonymous source and further information cannot be obtained.

3.3.8 False or malicious reports

KAJIMA will take disciplinary action against any whistleblower who makes a false report or knowingly slanders and/or commits a defamation on others. Disciplinary actions may include termination of employment, demotion, or other legal redress.

3.3.9 Investigation

- a) The Integrity Unit shall decide whether or not to further investigate the case. In the event the Integrity Unit decides to proceed with an investigation, they shall appoint a Lead investigator who will be responsible for appointment of an Investigating Team.
- b) Investigators are required to conduct a process towards fact-finding and analysis such as the following:
 - i. Investigators shall derive their authority and access rights from the Integrity Unit when acting within the scope of their investigation;
 - ii. The investigator(s) shall have access to all documents, rights to interview personnel as well as keeping original copies of important documents when deemed necessary. Subjects, whistleblower and any party who are required directly or indirectly during the investigation shall give full support to the investigators. Interview of the whistleblower shall only be carried out by the Lead Investigator;
 - iii. Technical and other resources may be drawn upon as necessary to augment the investigation. All investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behaviour, and observance of legal and professional standards; and
 - iv. Investigators shall maintain strict confidentiality at all times.
- c) The identity and personal information of the whistleblower as well as the person implicated in the protected disclosure may be revealed to the Lead Investigator or any other processes that are deemed necessary to assist investigations, subject to consent of the whistleblower.
- d) The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the whistleblower that an improper or unethical act has indeed been committed.
- e) Subjects of the investigation (“subjects”) shall have a duty to co-operate with the investigator to the extent that such co-operation sought does not merely require them to admit guilt.
- f) Subjects should not interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated.

- g) Unless there are compelling reasons not to do so, subjects will be given the opportunity to respond to the material findings of the investigation. No allegation of wrongdoing against a subject shall be considered as maintainable unless there is compelling evidence in support of the allegation.
- h) The subjects have the right to be informed of the outcome of the investigation. If allegations are not substantiated, the subject should be consulted as to whether the disclosure of the investigation results would be in the best interest of him/her and the company.
- i) The investigation shall be completed as early as possible, preferably within 30 business days and any delay beyond a reasonable time period will be justified in the investigation report. The Integrity Unit will provide oversight on the investigations to ensure they are completed in a timely manner.
- j) Right of legal counsel support shall be provided by the company to the whistleblower if the whistleblower is subpoenaed by the Court as a witness or required by the authorities to cooperate in the investigation, should the Managing Director decide to involve the authorities.
- k) Upon the completion of the investigation, the whistleblower will be accorded the privilege to be notified on the outcome of their report.
- l) The Integrity Unit, shall present a summary of whistleblowing reports received and their outcomes to the Top Management annually or as when instructed.

3.4 Policy on Conflicts of Interest

3.4.1 Definition of “Conflicts of Interest”

- a) A conflict of interest arises in a situation where an individual is in a position to take advantage of their role in the company and/or using the company’s confidential information, assets or intellectual property for their personal benefit, including the benefit of their family and friends. These conflicting interests will have the effect of unduly influencing that person’s business judgments, decisions or actions, to the detriment of their employer.
- b) Having a conflict of interest is not necessarily wrong. However, conflicting interests can make it difficult for that individual to work objectively and efficiently when making judgments, taking decisions, or pursuing certain actions, and may also have legal and regulatory consequences. This is why transparency in the form of disclosure is critical. As KAJIMA recognises the value of integrity in its directors and personnel, the existence of conflict of interest will undermine the values of good faith, fidelity and integrity as expected by KAJIMA of its directors and personnel.

3.4.2 KAJIMA’s Responsibility

- a) It is the responsibility of all KAJIMA directors and personnel to adhere to the principles set out in this policy and to declare their conflicts of interest, both upon implementation of this policy and when there’s changes to Policy on Conflicts of Interest, and ad hoc as they arise.
- b) The Company Secretary of KAJIMA is responsible for managing the statutory conflict of interest declarations of the Directors.
- c) Every Section Head and/or Senior Manager is responsible for adherence to this policy within their area of section responsibility, to lead by example, and to provide guidance to those KAJIMA personnel reporting to them.
- d) Integrity Unit is responsible for providing guidance on conflicts of interest. Integrity Unit is also responsible for the system managing the conflict of interest disclosures.
- e) Human Resource Section is responsible for ensuring that new personnel are given access to the conflict of interest disclosure system as part of the on-boarding procedure. Human Resource Section should also inform the new personnel that any actual, potential or perceived conflicts should be declared. Integrity Unit will work with Human Resource Section to ensure the relevant materials are provided to new personnel.

3.4.3 Policy

- a) Conflicts of interest occur when a person's own interests either influence, have the potential to influence, or are perceived to influence their decision-making at KAJIMA. KAJIMA therefore defines conflicts of interest broadly:
 - i. **actual** conflicts of interest (the person faces a real, existing conflict);
 - ii. **potential** conflicts of interest (the person is in or could be in a situation that may result in a conflict, but this has not fully materialised); and
 - iii. **perceived** conflicts of interest (the person is in or could be in a situation that may appear to be a conflict, even if this is not the case).
- b) All three types of conflicts, regardless of whether it arises due to a business or personal relationship, are a potential risk to the company, the person(s) involved, and any external party implicated, such as a business associate. Therefore, all actual, potential or perceived conflicts that may arise as a result of a business or personal relationship should be declared.
- c) A conflict of interest may arise from the person's own assets, income or other factor which could influence their decision-making; or when their decision-making could be affected by a '**Closely Related Person**' such as a friend or relative.

A '**Closely Related Person**' is defined as: "The person's relatives as defined by the MACC Act 2009 Section 3, or someone with whom the person has a personal friendship, or anyone living in the same household as the person. A broader term than 'relative' or 'immediate family'."

- d) The situations under which conflicts of interest may arise include, but are not limited to:
 - i. When you, in the exercise of your authority, give preference to your interests or the interests of your family/household members, associates or friends rather than to the interests of KAJIMA;
 - ii. When you are in a position to influence decisions that are to be made by KAJIMA with respect to dealings with a business, enterprise or entity owned or partially owned by you, your family/household members, associates or friends;
 - iii. When you participate in or influence the purchase of goods and services from any Company or person in which or through which you have or will obtain a direct or indirect interest or benefit.
 - iv. When you are involved or expect to be involved in the hiring, supervision, management or career planning in respect of any of your relatives at KAJIMA.

- v. When you are involved with the commission or omission of any act which gives an undue advantage to an outside party in its dealings with KAJIMA without any prior approval from your Section Head and/or Senior Manager, whether or not such act or omission results in you obtaining a personal gain, benefit or advantage in business transactions or dealings involving KAJIMA; or
- vi. When you support people or organisations which compete with or against KAJIMA in some way, in return for your personal advantage.

3.4.4 Directors and Personnel

- a) It is the policy of KAJIMA that the disclosure and management of conflicts of interest is the responsibility of its personnel at all levels.
- b) All directors and personnel should take the necessary steps to understand what a conflict of interest is, avoid such conflicts where possible and declare them if they do arise. Directors and personnel in positions where such conflicts are likely should also attend any training provided.
- c) Some conflicts of interest are insignificant and can be managed through disclosure and monitoring, with no further action is required. Some, however, represent a high risk to the reputation or business interests of KAJIMA, and these should be avoided. 'Avoiding' a conflict of interest means directors and personnel take decisions or actions to ensure a conflict of interest does not occur, be it actual, potential or perceived.
- d) Directors and personnel are fully responsible for the information declared in the **Conflict of Interest Disclosure Form [Form KABACM-03-04-CIDF(1)]**.
- e) If in doubt about what circumstances might create a conflict of interest, personnel shall consult their Section Head/Senior Manager, Human Resource Section or Integrity Unit. Directors shall seek advice from the Company Secretary.
- f) Declarations of conflicts of interest shall be made during the on boarding process, where there's changes to the **Policy on Conflict of Interest (Section 3.4)**, upon transfers within the company, as well as when a conflict actually arises ('ad hoc').
- g) Addressing a conflict of interest is the responsibility of the discloser's Section Head/Senior Manager, Human Resource Section and other relevant authorities who will evaluate and make a decision whether to retain or remove the personnel from the project and/or company, or implement other mitigating actions to reduce the risk posed by the conflict.

- h) If the discloser is not comfortable with discussing the issue with their Section Head/Senior Manager, they should contact Human Resource Section or Integrity Unit in order to discuss how to manage the conflict. For directors, the person should disclose the conflict to the Integrity Unit who consider the declaration and decide the appropriate actions needed. The Integrity Unit should work with the Company Secretary to document the conflict and manage the situation to a satisfactory outcome.
- i) Before embarking on an active or anticipated procurement or tender exercise, personnel participating in the exercise in any way whatsoever, shall be expected to make a conflicts of interest declaration. Members of tender team should disclose the conflict to the Managing Director for further action.
- j) Directors and personnel should disclose all forms of conflict of interest as soon as they arise or as the person becomes aware of them.
- k) Disclosure gives transparency to actual, potential, or perceived conflicts; however, disclosure alone is not always sufficient. This policy also requires that a conflict of interest be addressed so that the risk the conflict presents is effectively mitigated. Specifically, KAJIMA expects the personnel's Section Head/Senior Manager, Human Resource Section, or Integrity Unit and any relevant authorities to:
 - i. Treat the information disclosed by the person confidentially and without bias. Disclosers should be commended for their declaration and not penalised for the additional work the disclosure may create for their immediate supervisor(s) and team(s);
 - ii. Fairly evaluate the conflict of interest situation, including the risks to the business interests and reputation of the company;
 - iii. Seek guidance, if needed, from their own Section Head/Senior Manager and from supporting functions, including Integrity Unit, or Human Resource Section;
 - iv. Make a pragmatic decision to address the conflict of interest. This should be done in such a way that any risks to KAJIMA are minimized, the ongoing operation of the department is not unnecessarily disrupted, and the personal interests of the discloser are protected as far as possible;
 - v. Communicate the decision and its reasoning to the discloser, and follow up to ensure the person understands and complies with it; and
 - vi. Ensure the disclosure is documented by the discloser by completing the **Conflict of Interest Disclosure Form [Form KABACM-03-04-CIDF(1)]**.

3.4.5 Business Associates

- a) Business associates are required to declare any conflicts of interest which arise as a part of their commercial relationships with KAJIMA by completing the **Conflict of Interest Disclosure Form [Form KABACM-03-04-CIDF(2)]**.
- b) Business associates are required to declare conflicts of interest prior to service engagement to the relevant KAJIMA functions. They are also required to make an ad hoc declaration to in the event that they become aware of a conflict of interest during their activities with KAJIMA.
- c) Failure to declare a conflict of interest may result in KAJIMA applying sanctions to the business associates including suspension of work, termination of contract and blacklisting.

3.5 Policy on Gifts, Entertainment, Hospitality and Travel

3.5.1 Anti-corruption commitment

- a) The practice of giving and receiving of gifts and hospitality is a normal and accepted part of business activity across the world. A meal between business associates is a valuable opportunity to strengthen stakeholder relationships; corporate gifts such as pens and stickers featuring a company logo can be powerful reminders of your services.
- b) The area of gifts and hospitality is often flagged as being at high risk for corruption as they may be used by external parties to encourage a sense of obligation towards the giver and to prepare the way for a corrupt act. Negligence, inexperience and ignorance to the potential risk of corruption increases the likelihood of gifts and hospitality being used as a means of corruption.
- c) As some societies have gift giving cultures and stress on the importance of good hospitality, it may prove difficult for Personnel to know where to draw the line. In order to support personnel and business associates as they navigate the difficult territory around gifts and hospitality, this policy aims to provide clear guidance on how and when gifts and hospitality, and other related benefits, may be given and received. This policy is intended to avoid conflict of interest, or even the appearance of conflict of interest between the personnel and business associates in the completed, ongoing or potential business dealings.

3.5.2 Receiving Gifts

- a) KAJIMA maintains a 'No Gifts' Policy, meaning that directors and personnel, including their relatives, are prohibited from directly or indirectly, receiving any personal gifts, kickbacks or guarantees in any form that may compromise a Personnel's good judgement and decision making which may not be in the Company's best interest.
- b) It is the duty of the personnel and director to inform any business associate involved in business dealings with KAJIMA that the company practices a 'No Gift Policy', and request the business associate to respect KAJIMA's policy.
- c) Under no circumstances should personnel and director solicit personal gifts or free services from external parties. Such actions may lead to the appearance that the business judgment of the personnel may seem compromised or prejudiced.
- d) Relatives of directors and personnel are strictly prohibited from receiving gifts from any business associates who have financial dealings with KAJIMA, where provision of the gift may influence the actions of the personnel in the course of performing their duties with KAJIMA.

- e) Under no circumstances may any personnel or director, and/or their relatives, accept gifts in the form of cash or cash equivalent or in any other form, including but not limited to:
 - i. Cash, commission, cheques, loans, credit cards in any currency;
 - ii. Shares/equity interest in any registered company;
 - iii. Lottery tickets;
 - iv. Personal discounts; coupons or gift vouchers exchangeable for cash or goods;
 - v. Personal event tickets (concerts, Formula 1, etc.);
 - vi. Awards or prizes of any monetary value;
 - vii. Reward point cards of any retailer;
 - viii. Club membership, personal sponsorship and/or
 - ix. All other gifts of significant value from business associates.
- f) Any gift offered must be politely declined and returned without offending or disrupting the business relations with the other party, with the explanation that acceptance of the gift is not permitted under the KAJIMA's policy.

3.5.3 Limited Exceptions for Giving and Receiving Gifts

- a) Even though KAJIMA practices a "No Gifts" Policy, there are certain limited exceptions where the giving and receiving of gifts is allowed such as:
 - i. The exchange of gifts takes place at a company-to-company level (e.g. gifts exchanged between companies as part of an official company visit, signing ceremony or launch event);
 - ii. Gifts from KAJIMA to external institutions or individuals in relation to official functions, events and celebrations or as a token of appreciation, celebration and recognition;
 - iii. Gifts from KAJIMA to its personnel in relation to an internal or externally recognised function, event and celebration (e.g. in recognition of a personnel's long service to the company);
 - iv. Token gifts of nominal value normally bearing the company logo (e.g. t-shirts, pens, diaries, calendars and other small promotion items) that are given out equally to public, customers, partners and key stakeholders attending events such as conferences, exhibitions, training, trade shows, sales and marketing events, etc. and deemed as part of the company's brand building or promotional activities;

- v. Gifts to business associates who have no business dealings with the company such as monetary gifts or gifts in-kind to charitable organisations, sporting events, educational institutions, community organisations or any other organisations or entities that fulfil KAJIMA's philanthropic policies and objectives (e.g. charitable donations, sponsorship, fund to particular schools, special events, etc.)
- b) **Only Corporate Gifts** of insignificant value can be received by KAJIMA personnel from business associates. Corporate gifts of insignificant value refer to gifts with a market value below **RM200** per item ('the specified limit') which also feature a company's logo or branding.
- c) For corporate gifts under the specified limit, the recipient may keep the gift, and the gift does not have to be reported. Note that bundles of gifts such as a wall calendar, desk notebook & pen given together are counted as one item.
- d) If a business associate still insists on giving a gift even after explanation of the company's No Gifts Policy, or it is offensive or not practical to refuse the gifts, personnel must follow the procedure for receiving gifts. Directors should pass the gift to the Company Secretary, who will liaise with Integrity Unit to manage the gift in the most appropriate way.

3.5.4 Instances of Specific Types of Gifts

In Malaysia, the culture of receiving gifts is highly relational and actions that can be taken depend on a variety of factors. There are several specific areas where the exchange of gifts requires further clarification, such as in the case of festive hampers or personal gifts from friends and family.

a) Gifts for personal occasions

Gifts may be received by KAJIMA directors and personnel provided the receipt of the gift is **not connected to the duties of the person** and no sense of obligation towards the giver is created. Examples of acceptable gifts might include, but not limited to:

- i. Gifts from colleagues for birthdays, retirement, transfers, engagements, weddings, or /and new-born children;
- ii. Gifts from spouses, children including in-laws and legally adopted children, parents including in-laws and siblings including in-laws;
- iii. Gifts from relatives and friends for birthdays, weddings, engagements or weddings of Personnel or children, or any other religious or cultural festival; and
- iv. Gifts of low value that are easily perishable such as fruits, desserts, soft drinks, flowers and others.

b) Festive hampers and perishable items

Whenever festive hampers are delivered, the hamper should be refused, if possible. If refusal is not possible, it shall be directed to the Administration Manager who shall perform the task of managing the hampers, and will keep the hampers at a designated location until it can be dealt with.

The following actions may be taken by the Administration Manager to manage festive hampers:

- i. If a hamper includes perishable items, it may be opened by the Administration Manager and distributed amongst the Personnel present, but the identity of the giver should not be disclosed; or
- ii. If the hamper does not contain perishable items, it can be donated to a charitable organisation and approved by the Managing Director.

Personnel who received such hampers must immediately report the incident to their Section Head/Senior Manager, who shall document the case in their **Gifts Log [Form KABACM-03-05-GL]**. The Section Head/Senior Manager shall then inform Integrity Unit of the case for further action to be taken.

c) Gifts delivered off-site

No gifts or hampers of any kind from parties who have financial dealings with KAJIMA are to be delivered to personnel off-site, that is any location other than KAJIMA, including their house.

- i. If gifts or hampers are delivered to personnel off-site, the item(s) must be refused and the incident reported to the Section Head/Senior Manager immediately.
- ii. In the event the item(s) cannot be refused, Human Resource Section and Integrity Unit must be notified immediately and the item delivered to the Integrity Unit's office at the earliest possible opportunity.
- iii. Integrity Unit shall update the **Gifts Log [Form KABACM-03-05-GL]** accordingly and decide what further action is required, with help requested from Human Resource Section if necessary and the Section Head/Senior Manager will be notified of the decision.

d) Vouchers offered by Business Associate

In some areas of business operations, personnel may encounter business associates who will offer items such as vouchers. Vouchers are considered a form of cash equivalent and should be declined, if offered. Personnel who received such offers must immediately report the incident to their Manager, who shall document the case in their **Gifts Log [Form KABACM-03-05-GL]**. The Manager shall then inform Integrity Unit of the case for further action to be taken.

A **Letter for Gift Senders** (Sample Letter refer **Appendix page 47**) and **KAJIMA's Anti-Bribery and Anti-Corruption Manual** should also be sent by Section Head/Senior Manager to the Business Associate offering the vouchers.

e) Discounts offered to KAJIMA Personnel by Business Associates

Any offers of discounts or special services by business associates to personnel must only be made within an official arrangement between KAJIMA and the business associate which has been approved by the management. Such arrangements must be generally available to personnel and the Section Head/Senior Manager must be notified by the recipient. Examples of personal discounts provided by Business Associates may include (amongst others):

- i. Air tickets, hotel rooms, spa days and similar arrangements;
- ii. Corporate rates for flights, hotel accommodation, etc;
- iii. Food discounts at the restaurants;
- iv. Home renovation;
- v. Car maintenance;
- vi. Provision of electronic items and equipment; and
- vii. Catering for weddings, banquets and other special events.

If Personnel are offered personal discounts outside the conditions stated above, they are required to report the incident to their Section Head/Senior Manager who will record the case in the **Gifts Log [Form KABACM-03-05-GL]**. Section Head/Senior Manager shall send the completed Gifts Log to Integrity Unit for documentation. This is to avoid any perceived conflicts of interest, as per KAJIMA's **Policy on Conflicts of Interest (Section 3.4)**. Any responses to be sent to the business associate will be provided by Integrity Unit and sent by Section Head/Senior Manager.

3.5.5 Giving gifts

- a) Personnel are expected to exercise good judgement when offering gifts to external parties. Gifts should not be excessively extravagant, and must not be given with corrupt intent. Gifts should be given openly and transparently, and feature company branding, where possible.
- b) The giving of gifts should not be done frequently and/or during specific time periods, such as during tenders or contract negotiations, to ensure that no influence is exerted on the decision making process.
- c) All gifts shall be pre-approved by the Directors before they are given out. The process and procedure for procuring gifts for external stakeholders must be in compliance with KAJIMA's **Pre-approval for Entertainment and Meal Compensation Entitlement Policy and Procedure**.

- d) Any gifts given to government officials must be recorded by the Section Head/Senior Manager and reported to Integrity Unit.

3.5.6 Giving and receiving hospitality

- a) The practice of giving and receiving reasonable and proportionate hospitality is regarded as a normal business activity. However, personnel are prohibited from receiving or giving hospitality where this may have some influence or bearing on the person performing their duties, resulting in a conflict of interest. Even the perception that illicit behaviour is occurring can be damaging and should be avoided.
- b) Hospitality involving external parties which falls within the guidelines of the table below can be conducted without prior approval by personnel who have interactions with external parties as part of their role at KAJIMA.
- c) Hospitality may take many forms, but generally it consists of meals, travel or transportation, accommodation and recreation.
- d) Hospitality is allowed to be given and received provided that it fulfils the following criteria:
 - i. Business-related, i.e. there is a direct relationship between the business activity and the people giving and receiving the hospitality;
 - ii. Hospitality is not provided to spouses or other non-business guests;
 - iii. KAJIMA host of the appropriate seniority is present at the occasion. 'Appropriate' in this case is defined as a person of the same job grade as the threshold, or one level below; and
 - iv. The cost of the hospitality does not exceed the thresholds in the table below.
- e) **Guidelines**

Beneficial Parties	Threshold: Malaysia (per event)
Client, Design Firm, Consultant, Sub-con, etc.	Up to RM 500
Staff of KAJIMA Group of Companies	Up to RM 500

- f) Conversely, approval must be obtained from the Directors if the hospitality that is given or received does not fulfil the criteria in (d) and if any of the following occur:
 - i. The cost of the hospitality exceeds the thresholds as set out in the table above; and/or
 - ii. Any non-business guests of the invitee(s) are included.

- g) Approval must be obtained through submission of the **Application for Pre-approval Entertainment/Gift Form**.
- h) If prior written approval is not requested, personnel are strictly prohibited from giving or receiving of such hospitality in accordance with KAJIMA's **Pre-approval for Entertainment and Meal Compensation Entitlement Policy and Procedure**.
- i) Hospitality should not be given to the same recipient or group of recipients frequently and over an extended period except where it relates to an internally recognised function amongst KAJIMA Group of Companies. Similarly, hospitality should not be received from the same giver or group of givers on a frequent basis or over an extended period.
- j) KAJIMA personnel are free to accept hospitality from friends and relatives, provided the hospitality does not influence their actions in any way in the course of performing their duties with KAJIMA. However, if hospitality is provided which might influence (or appear to influence) the actions of the person, they should discuss the matter with their Section Head and if necessary, make a conflicts of interest declaration.
- k) KAJIMA Personnel are permitted to attend open house and similar events organised by external providers, under the following conditions:
 - i. The Section Head/Senior Manager is aware of the event;
 - ii. The event is not held at the home of an external provider; and
 - iii. Hospitality is not lavish, and KAJIMA personnel receives treatment which is no different from hospitality provided for other guests.
- l) **Personnel travelling on business**
 - i. All expenses for personnel travelling on KAJIMA's business shall be paid for by KAJIMA unless otherwise specified in the relevant work or service contract. Offers by external parties to pay for all or part of such travel expenses which are not covered by a contractual arrangement must be refused. In cases of doubt or uncertainty, the arrangements must be discussed with the Section Head/Senior Manager prior to travel commencing.
 - ii. Personnel travelling on KAJIMA business where an assessment or decision concerning an external party is involved, such as a factory audit, site inspection or a quality assessment, must not receive gifts of any kind from the external party prior to, during or after the visit. Hospitality should be refused wherever possible. Where it is not practical to refuse, for example an invitation to the site canteen during an inspection, hospitality must be kept to the absolute minimum.
 - iii. Personnel attending conferences and seminars on behalf of the company should have all expenses (including attendance fees) paid for by KAJIMA. Any sponsorships proposed by external providers must be preapproved by the respective Section Head/Senior Manager.

3.5.7 Government Officials

- a) KAJIMA may pay for reasonable and proportionate travel expenses for government officials, where the reason for travel is directly related to KAJIMA's business. KAJIMA must not pay for luxury travel such as first-class tickets or penthouse suites at lavish hotels.
- b) In the event that KAJIMA personnel are hosting government officials, care must be taken to ensure that the hospitality provided is reasonable and proportionate and does not generate a sense of obligation towards KAJIMA. Hospitality must be in proportion to the standard of living of the officials and of a nature which would not raise concerns should it become public knowledge.
- c) Under some forms of international legislation, employees of state-owned enterprises (SOE) are considered to be government officials. KAJIMA personnel should bear this in mind when hosting SOE employees, including government-linked companies (GLCs).

3.5.8 Prohibited Activities

- a) In the course of their duties, KAJIMA personnel are absolutely prohibited from either paying for or receiving certain gifts, or participating in any activities that might bring the company into disrepute. Such activities include lavish or immoral entertainment activities such as:
 - i. Gambling;
 - ii. Hostess entertainment;
 - iii. Karaoke with the presence of guest relations officers or their equivalent;
 - iv. Massages;
 - v. Unregulated violent sports;
 - vi. Illicit drugs; and
 - vii. Intoxication by alcohol.
- b) KAJIMA personnel are expected to exercise good judgement in such matters, and should discuss with the Section Head/Senior Manager any concerns they might have regarding a request or offer from an external party to engage in activities that might reasonably be considered to bring the company into disrepute.

3.5.9 Violations

Non-compliance to this policy will be considered as major misconduct and the personnel involved will be subjected to disciplinary action, which may include dismissal. The offence may also be escalated to the relevant enforcement authorities for further action.

3.6 Policy on Donations, Sponsorships and Political Donations

- a) KAJIMA takes its responsibility to the wider community seriously, and provides both financial and non-financial support for recognised causes. However, such donations and benefits may be misused by certain parties as a subterfuge for corruption. It is therefore essential that KAJIMA personnel ensure that donations and sponsorships are used for the purposes intended, that is to the benefit of the wider community, and not as a cover for corruption or prohibited political payments.
- b) Charitable contributions, sponsorships and community benefits for external parties must be made according to the **KAJIMA's Charitable Donations and Sponsorships (Section 3.6.1)** section of this policy to ensure consistency and uniformity across the organisation.

3.6.1 Charitable Donations and Sponsorships

- a) Charitable donations and sponsorships are allowed if they are requested for legitimate reasons and are permitted by the laws and regulations of Malaysia. All donations and sponsorships requests are subject to the proper existing procedures.
- b) Charitable donations and sponsorships that are made to secure business deals are prohibited, no matter what form they take, whether they are given directly or indirectly.
- c) No charitable donations and sponsorships can be made to individuals, unless approved by either the Managing Director.
- d) Charitable donations and sponsorships can only be made to legitimate organisations which have been registered with the Registrar of Societies (ROS) or certain government agencies. These may include, but are not limited to:
 - i. Associations;
 - ii. Clubs;
 - iii. Societies;
 - iv. Institutions;
 - v. Religious bodies;
 - vi. Non-Government Organisations (NGO);
 - vii. Schools and universities; and
 - viii. Others as recommended by Section Head/Senior Manager, which have been subject to due diligence and approved by the Managing Director.

- e) Requests may be made for activities related to the following:
 - i. Education;
 - ii. Environment;
 - iii. Healthcare;
 - iv. Religion;
 - v. Sports;
 - vi. Welfare;
 - vii. Emergencies such as:
 - a. Fire;
 - b. Flood;
 - c. Landslide; and
 - viii. Others as recommended by Section Head/Senior Manager, which have been subject to due diligence and approved by the Managing Director.
- f) All parties requesting for charitable donations and sponsorships shall be subject to a due diligence check, which may include:
 - i. The legitimacy of the recipients;
 - ii. Checks to ensure the donation is permitted by the laws and regulations;
 - iii. Checks to ensure donations are not made immediately before, during or after contract negotiations/significant events; and
 - iv. Checks to ensure the entity is not being used as a channel for corruption.
- g) If a donation request is made by an organisation with ongoing KAJIMA business relations, the request should not be entertained before, during or soon after a contract negotiations/significant events.
- h) The company's principle is that company personnel or sections are not allowed to request for donations. However, any inbound offers that KAJIMA receives for sponsorship shall be assessed to ensure the legitimacy of the request, and that there are appropriate controls in place to prevent a donation from influencing KAJIMA's decision-making. Any inbound offers for sponsorship should be discussed with Integrity Unit prior to any further action. Integrity Unit will then keep a record of such sponsorship offers.

3.6.2 Political Donations

- a) KAJIMA does not make financial or in-kind contributions to political parties, political party officials or candidates for political office.
- b) If a contribution is made, it must be allowed under the relevant laws and made without any expectation or promise of favourable treatment towards the company as a result.
- c) Any such payments must be made to an official bank account in the country where the person or party resides and should not be made to any third party's bank accounts. No offshore payments are allowed. All such payments must be accurately reflected in KAJIMA's accounts and disclosed in the annual report.
- d) Good faith payments to a government entity required by a contract or law are permitted, provided the payment is made to the official bank account of the government.
- e) Use of KAJIMA facilities, equipment and resources by political parties for any political campaign or political party function is not permitted except by prior permission by the Managing Director.

3.7 Policy on Facilitation Payments

3.7.1 Definition of “facilitation payment”

- a) A “facilitation payment” is defined as a payment or other provision made personally to an individual in control of a process or decision. It is given to secure or expedite a routine or administrative duty or function.
- b) Facilitation payments are classified as acts of corruption (“gratification”) under the MACC Act and are illegal. Therefore, requests for facilitation payments must be refused.

3.7.2 KAJIMA's Commitment

- a) KAJIMA prohibits either the giving, offering, or promising of facilitation payments of all kinds by both personnel and business associates acting on behalf of the company. Personnel are also prohibited from receiving or requesting such payments whether in cash or in kind.
- b) If a personnel or business associate clearly identifies a demand for payment as a facilitation payment, the request must be refused. The personnel or business associate must immediately report the incident to Integrity Unit. They can also choose to report via the whistleblowing channels.

For more information on whistleblowing policy and procedure, please refer to the section on **Reporting Concerns (Whistleblowing) Policy**.

- c) If a personnel or business associate is unsure whether the request constitutes a bribe or otherwise, they are advised to contact Integrity Unit for further guidance before deciding the best course of action.
- d) Only in the event that a personnel was threatened and/or at risk of harm (i.e. safety and liberty) is it permitted to make the payment. The personnel must immediately report to Integrity Unit and copy their Section Head in the report.
- e) KAJIMA shall conduct its own internal investigation into cases of facilitation payments. If an internal investigation is initiated, Integrity Unit shall conduct the investigation based on the available information at hand.
- f) If there is sufficient evidence, Integrity Unit shall advise the personnel involved to make a report to the MACC or police. Integrity Unit may decide to also report to the authorities, i.e. MACC or the police.
- g) Reports are to be collated by Integrity Unit and reported to the Managing Director to be reviewed during annual meetings or as and when instructed ('ad hoc meetings').

3.8 Policy on Financial Controls

- a) Financial controls are the management systems and processes implemented by the organization to manage its financial transactions properly and to record these transactions accurately, completely and in a timely manner.
- b) KAJIMA requires the necessary financial controls in order to ensure its financial transactions are properly processed and recorded to prevent the occurrence of corruption.
- c) KAJIMA requires the separation of duties, so that the same person cannot both initiate and approve a payment.
- d) Cash is often used as a vehicle for corruption due to the difficulty of tracking when and how it is employed. Therefore, KAJIMA requires that the use of cash in daily operations is restricted to the minimum, with a full record of receipts maintained for all cash payments.
- e) In general, personnel reimbursements for expenditure on behalf of the company shall only be made on the basis of official receipts. Handwritten receipts are to be avoided wherever possible.
- f) The categorisation and descriptions of all payments and transactions shall be accurately and clearly recorded in KAJIMA's accounts, in line with existing applicable legislation and internal controls.
- g) The company shall carry out periodic financial audits at regular intervals. The reviews shall be carried out by an independent person or organisation, as per the requirements of the Companies Commission of Malaysia (SSM).

3.9 Policy on Non-Financial Controls

- a) Non-financial controls are the management systems and processes implemented by the organization to help it ensure that the procurement, operational, commercial and other non-financial aspects of its activities are being properly managed.
- b) KAJIMA is committed to implementing the necessary non-financial controls to mitigate any corruption risks that may arise through the procurement process.
- c) Where possible and reasonable, KAJIMA should award contracts through a competitive process, on the basis of the best value for money.
- d) KAJIMA holds a policy of separation of duties, such that wherever practical, the operational personnel or sections ordering goods and services are kept separate from personnel or sections conducting procurement and/or making payment.

3.10 Policy for Document Control and Record Keeping

It is important for the company to maintain records on the controls used for the adequate procedures.

- a) Policies and procedures should be stored in a secure location with restricted access to making changes.
- b) Records arising from the procedures (i.e. due diligence checks, conflicts of interest declarations, etc.) must be kept in a safe place, and backed up regularly.
- c) KAJIMA's Head of Integrity Unit has overall responsibility for the document control and record keeping of anti-corruption related documents.
- d) The Head of Integrity Unit shall monitor and check the condition of the documents and records at the filing locations periodically to prevent damage, deterioration or loss.

3.11 Policy on Dealing with Business Associates

3.11.1 Definition of “business associate”

A “business associate” includes, but is not limited to a commercial client, joint venture associate, consortium associate, outsourcing provider, contractor, consultant, sub-contractor, supplier, vendor, advisor, agent, distributor, representative and other intermediaries.

3.11.2 KAJIMA's Commitment

- a) KAJIMA is committed to establishing fair and mutually beneficial relationships with its business associates, especially those who apply similar or higher standards of integrity, in order to ensure KAJIMA's operations remain free of corruption.

- b) KAJIMA is also committed to communicating its anti-bribery and corruption policies and standards to its business associates, to help ensure a full understanding of the company's stance on these issues. This may include communication of KAJIMA's Anti-Bribery and Anti-Corruption Manual, and other relevant documents. Training for certain business associates where significant corruption risk has been identified may also be mandated by the company.
- c) Furthermore, KAJIMA is committed to closely monitor its business associates to ensure they continue to adhere to the Company's standards. This can be achieved by ensuring that these principles are considered during their performance evaluation. KAJIMA will ensure its business associates have made signed commitments to conduct business with integrity, both at the start of the commercial relationship and periodically thereafter. This may include the use of contract clauses, integrity pacts and other instruments.
- d) KAJIMA is committed to carrying out due diligence to protect against working with business associates that do not adhere to KAJIMA policies on corruption, or anti-corruption legislation. The due diligence conducted is designed to assess the integrity of prospective or existing business associates and enable the management to make an informed decision on whether the associate is an entity that KAJIMA should maintain a commercial relationship with.
- e) Due diligence checks on business associates may be based on a corruption risk assessment, in order to determine the category of associate and therefore the level of review required.
- f) For more information on conducting due diligence on business associates, please refer to the section on **Due Diligence (Section 3.2)**.

PRINCIPLE IV: SYSTEMATIC REVIEW, MONITORING AND ENFORCEMENT

4.1 Policy and procedures on Monitoring, Reviewing and Enforcing the Anti-Corruption Initiatives

- a) The company recognises that incidents of corruption related the business operations would have a severe detrimental effect on the reputation, status and wellbeing of the company, its directors and management. The company is therefore committed to assessing the performance, efficiency and effectiveness of the anti-corruption programme in-depth, and ensuring the programme is enforced vigorously.
- b) The Managing Director will ensure that regular reviews are conducted on the programme. The reviews will form the basis of any efforts to improve the existing anti-corruption controls in place in the organisation.
- c) For this purpose, KAJIMA is committed to:
 - i. plan, establish, implement and maintain a corruption risk-based monitoring programme, which covers the scope, frequency, and methods for review;
 - ii. identify and resource competent person(s) to perform an internal audit, in relation to the organisation's anti-corruption measures;
 - iii. conduct continual evaluations and improvements on the organisation's policies and procedures in relation to corruption;
 - iv. consider an external audit by a qualified and independent third party at least once every three years to obtain assurance that the organisation is operating in compliance with its policies and procedures in relation to corruption;
 - v. monitor the performance of Personnel in relation to any anti-corruption policies and procedures to ensure their understanding and compliance with the organisation's stance in their respective roles and functions; and
 - vi. conduct disciplinary proceedings against Personnel found to be non-compliant to the programme.
- d) The results of reviews and audits shall be reported to the Managing Director and Top Management for consideration and implementation of recommendations.

PRINCIPLE V: TRAINING AND COMMUNICATION

5.1 Communications Policy

- a) The Managing Director will ensure that communications are conducted both internally and externally regarding the anti-corruption programme.
- b) Communications will include information on key policies and procedures, including anti-bribery and corruption; conflicts of interest; gifts, entertainment, hospitality and travel; facilitation payments; reporting channel; due diligence; donations and sponsorships, etc.
- c) Communication channels may include personal briefings, email, internet/intranet, face-to-face briefings, phone calls etc.
- d) Communications shall be conducted when there are new policies and procedures or updates made.

5.1.1 Anti-Corruption Programme Communication Plan

Objective: To raise awareness on the anti-corruption programme

- General understanding and awareness on integrity and the anti-corruption programme
- More detailed information on specific items
- Where to obtain further help and information



KAJIMA (MALAYSIA) SDN. BHD. (185918-U)

NO.	WHAT	HOW	TO WHOM	BY WHO	WHEN	LANGUAGES
1	<p>The importance of integrity for KAJIMA, with information on the anti-corruption programme</p> <ul style="list-style-type: none"> - message from top management - why the anti-corruption programme is needed, what it will do for the company - main policies - location of documentation (policies & procedures) - implications for participating in corruption - where to obtain help and further information 	<p>Team Briefings</p> <p>Email blasts</p> <p>Online Information (Internet)</p> <p>Printed materials</p> <p>Vendor communications</p>	Internal & external parties	Head of Integrity Unit	At launch of the anti-corruption programme	English
2	<p>Bulletin updates</p> <ul style="list-style-type: none"> - updates on policies and procedures - incidents in the news - case studies 	<p>Email blast</p> <p>Team Briefings</p> <p>Information Centre (Internet)</p>	Internal parties	Head of Integrity Unit	6 months after launch of programme	English
3	<p>Briefing for contractors and vendors</p> <p>Includes:</p> <ul style="list-style-type: none"> - Guidelines on gifts & hospitality - Information on whistleblowing 	<p>Email blast</p> <p>Information Centre (Internet)</p>	Contractors, suppliers / vendors, Strategic Business Partners	Head of Integrity Unit	Vendor briefing	English

5.2 Training Policy

- a) KAJIMA shall conduct adequate training to ensure all personnel exposed to corruption risk are aware of the company's policies and procedures set out to establish the anti-corruption programme.
- b) Where relevant, training may also be provided for business associates which may expose KAJIMA to corruption risk such as agents, intermediaries and others acting on behalf the company.
- c) Where relevant, training may also be provided for business associates which may expose the company to corruption risk.
- d) Training for personnel considered to be in high-risk positions should be done at least once every 12 months, with a record kept of training provided and attendance. Training should be tailored to the role and include examples of likely corruption scenarios.

KAJIMA (MALAYSIA) SDN BHD (185918-U)

MEMORANDUM

To : All Staff
c.c : -
From : Hiroyuki Otaka
Ref No. : KM/FA/MEMO/021/2020
Date : 29th May 2020
Subject : **MANAGING DIRECTOR'S STATEMENT OF COMMITMENT**

A) COMMITMENT

I, Hiroyuki Otaka, being the representative of the Top Management takes the primary responsibility for the establishment and effectiveness of the anti-corruption compliance programme at Kajima (Malaysia) Sdn. Bhd. ("KAJIMA"). As per section 4.1.3 of the *GIACC Guidelines on Adequate Procedures*, this means we are committed to the Company:

1. Practising the highest level of integrity and ethics;
2. Complying fully with the applicable laws and regulatory requirements on anti-corruption; and
3. Effectively managing the key corruption risks of the Company.

B) REQUIREMENT

In order to achieve this goal, I, in my position as Managing Director, requires that KAJIMA:

1. Establishes, maintains and periodically reviews the anti-corruption compliance program which includes clear policies and objectives that adequately address corruption risks;
2. Promotes a culture of integrity within the organization;
3. Conducts corruption risk assessments at least once every three (3) years or when instructed by the Top Management;
4. Issues instructions on communicating the Company's policies and commitments to anti-corruption both internally and externally; and
5. Encourages the use of reporting/whistleblowing channels in relation to real or suspected corruption incidences, or inadequacies in the anticorruption compliance program.

KAJIMA (MALAYSIA) SDN. BHD.

To achieve the success of the programme, Mr. Akira Urushiyama, Head of Integrity Unit, has been appointed to be responsible for anti-corruption compliance, including advice and guidance, supported by Ms. Phoebe Poh and Mr. Khoo Lain Ban. Mr. Akira Urushiyama will report directly to me on all matters related the anti-corruption programme. The results of any audit, review on risk assessment, control measures and performance regarding the anti-corruption programme will also be reported to me, company directors and other relevant members of the top management.

Please provide every support to Mr. Akira Urushiyama and his team to ensure the programme is a success.

Thank you.

Regards,



Hiroyuki Otaka
Managing Director

HO/TM/AU/lbkhoo/PF

Letter for Gift Senders [SAMPLE]

Date:

Name of gift giver

Designation

Name of the company

Company address

Dear Sir/Madam,

Re: APPRECIATION LETTER TO xxx'S BUSINESS PARTNERS

On behalf of Kajima (Malaysia) Sdn. Bhd. ("KAJIMA"), I would like to express my sincere appreciation and gratitude to you for _____ (*type of gifts*) received on _____ (*date*).

However, it is KAJIMA's No Gift Policy that prohibits employees from accepting gifts from any business partners. We have a long-standing request of our partners that no gifts are to be received or offered to any employee. Thus, we regret that _____ (*type of gifts*) will be returned to your good selves.

We seek your understanding and cooperation in this matter to ensure that we conduct our business dealings in a manner that is consistent with the highest ethical standard. We would like to take this opportunity to thank you for your time and sustained support.

Should you require further clarification on the matter, please don't hesitate to contact the undersigned at KAJIMA or _____ (email address).

Thank you.

.....

Name of recipient

Designation