A MEMBER OF LION GROUP

PARKSON 百盛

PARKSON RETAIL ASIA LIMITED

ANTI-BRIBERY AND CORRUPTION POLICY

Version	**:**	**1**
Effective date	**:**	**2 January 2020**
Custodian	**:**	**Group Risk & Compliance Department**
Prepared by	**:**	**Lion Group ABC Working Committee**
Approved by	**:**	**Tan Sri Albert Cheng** **Chairman, Lion Group ABC Working Committee**

TABLE OF CONTENTS

No.	Description	Page
1.0	INTRODUCTION	3
2.0	SCOPE OF APPLICABILITY	3
3.0	DEFINITIONS	3
4.0	CONFLICT OF INTEREST	4
5.0	GIFT, ENTERTAINMENT, HOSPITALITY AND TRAVEL	4
6.0	CORPORATE SOCIAL RESPONSIBILITY, DONATIONS AND SPONSORSHIPS	4
7.0	POLITICAL CONTRIBUTIONS	6
8.0	FACILITATION PAYMENT	6
9.0	DEALING WITH THIRD PARTIES / BUSINESS ASSOCIATES	7
10.0	FINANCIAL AND NON-FINANCIAL CONTROLS	11
11.0	RECRUITMENT OF EMPLOYEES	13
12.0	APPOINTMENT OF BOARD MEMBERS / DIRECTORS	13
13.0	WHISTLEBLOWER POLICY	14
14.0	RECORD KEEPING	14
15.0	MANAGING AND IMPROVING ANTI-BRIBERY AND CORRUPTION FRAMEWORK	15
16.0	COMMUNICATION AND TRAINING	16

1.0 INTRODUCTION

Parkson Retail Asia Limited ("PRAL") has adopted a zero tolerance policy against all forms of bribery, fraud and corruption. Lion Group's Code of Business Ethics & Conduct ("CoBEC") (S19A) and Employee Code of Conduct (S19B) set out PRAL's core principles in this regard. PRAL's Anti-Bribery and Corruption Policy (hereinafter referred to as the "ABC Policy") elaborates upon those principles, providing guidance to all parties stated in section 2.0 below ("stakeholders") concerning how to deal with improper solicitation, bribery and other corrupt activities and issues that may arise in the course of business.

This ABC Policy is not intended to provide definitive answers to all questions regarding bribery and corruption. Rather, it is intended to provide stakeholders, particularly employees with a basic introduction to how PRAL combats bribery and corruption in furtherance of the Group's commitment to lawful and ethical conduct at all times. Please contact Lion Group's Risk & Compliance Department immediately if you need clarifications about the scope of applicable laws or the application of the Group's policies concerning the fight against bribery and corruption.

Engaging in bribery or corrupt practices can have severe consequences for you and for PRAL. You may face dismissal, fines and imprisonment, and the company may face damage to reputation, financial loss and disbarment from business and other negative consequences.

This ABC Policy is available at www.parkson.com.sg.

2.0 SCOPE OF APPLICATION

This ABC Policy is intended to apply to every director and employee of PRAL as defined in the CoBEC. Joint-venture companies in which PRAL is a non-controlling co-venturer and associated companies are encouraged to adopt these or similar principles and standards.

Although this ABC Policy is specifically written for PRAL's directors and employees, PRAL expects that contractors, sub-contractors, suppliers, customers, business associates, consultants, agents, representatives and others performing work or services for or on behalf of PRAL will comply with it where relevant when performing such work or services.

If a law conflicts with this ABC Policy, you should comply with the law. If you have any questions about any of these conflicts, please consult Lion Group's Risk & Compliance Department.

The above scope of application is not exhaustive.

3.0 DEFINITIONS

For the purpose of this ABC Policy, the following definitions are adopted:

(a) "Lion Group" or the "Group" is any of the public or private companies within Lion Group and / or its subsidiaries.
(b) "PRAL" means Parkson Retail Asia Limited and/or its subsidiaries, who is a member of the Lion Group.

(c) "Director" is a director (executive and non-executive) of the companies within PRAL, except otherwise stated in this ABC Policy.
(d) "Employee" is any person who is employed by PRAL, either part time or full time, not limited to executives, non-executives, secondees and any individuals on direct hire.
(e) "Family member" includes spouse(s), children (including stepchildren and adopted children), parents, step-parents, siblings, step-siblings, grandparents, grandchildren, in-laws, uncles, aunts, nieces, nephews, and first cousins, as well as any other persons who are members of the household.
(f) "Business associate" is any third party whether an individual, enterprise, or any form of incorporated legal entity by whatever name who does not have an employment relationship with PRAL but some degree of involvement in PRAL's business dealings. Business associates provide services to or on behalf of PRAL and includes but not limited to supplier of production raw materials, appointed distributors, agents, contractors, logistics service providers, information technology or information system vendors, event management companies, external company secretaries, lawyers and consultants.
(g) "Group Chairman's Office" refers to Group Executive Chairman or Group Executive Director.
(h) "Public Official" - the definition under the Appendix (v) and (iv) of the Guidelines on Adequate Procedures issued by the Malaysia Prime Minister's Department is adopted by PRAL.

4.0 CONFLICT OF INTEREST

PRAL expects all directors and employees of PRAL to act in accordance with the highest standards of personal and professional integrity in all aspects of their duties and employment. The following policies & guidelines set out the general conduct and behaviour of the directors and employees in respect of Conflict of Interest in discharging their functions & duties:

(i) CoBEC (S19A – Part B)
(ii) Employee Code of Conduct (S19B – Part 7)

5.0 GIFT, ENTERTAINMENT, HOSPITALITY AND TRAVEL

The following policies & guidelines set out the general conduct and behaviour of directors and employees in respect of Gift, Entertainment, Hospitality and Travel in discharging their functions and duties:

(i) CoBEC (S19A – Part C on Corruption and Prohibited Practices)
(ii) Employee Code of Conduct (S19B – Part 8 on Gifts And Entertainment)

6.0 CORPORATE SOCIAL RESPONSIBILITY, DONATIONS AND SPONSORSHIPS

PRAL is committed to contributing to the well-being of the people and the local communities in the countries where it operates in. It is however important that all Corporate Social Responsibility ("CSR") initiatives, donations and sponsorships are made in accordance with Lion Group policies and upon approval by Group Chairman's Office or Lion-Parkson Foundation ("LPF") Board of Trustees.

6.1 CORPORATE SOCIAL RESPONSIBILITY

As part of our commitment to CSR and sustainable development, PRAL supports CSR initiatives as part of our contribution to the communities and the environment in which we operate in. However, requests for such contribution must be carefully examined and not to be made to improperly influence a business outcome or secure a business advantage.

The proposed recipient must be a legitimate organisation and appropriate due diligence must be conducted in particular to ascertain whether any Public Officials are affiliated with the organisation.

Any red flags must be resolved before committing any funds to the programme. Even requests determined to be legitimate must be carefully structured to ensure that the benefits reach their intended recipients. Please contact Lion Group's Corporate Communications Department for guidance or assistance.

6.2 DONATIONS AND SPONSORSHIPS

All directors and employees must ensure that all donations and sponsorships are not used as a subterfuge for bribery or used to circumvent or avoid any of the provisions of the CoBEC (S19A – Part C on Corruption and Prohibited Practices), including in particular, the prohibition on bribery.

In accordance with PRAL's commitment to contribute to the community coupled with its values of integrity and transparency, all donations and sponsorships must be in good faith and in compliance with Lion Group's CoBEC and this ABC Policy. All donations and sponsorships must comply with the following:

(a) ensure all donations and sponsorships are allowed by applicable laws;
(b) obtain all the necessary internal authorisation and / or external authorisation, if required;
(c) be made to well established entities having an adequate organisational structure to guarantee proper administration of the funds;
(d) be accurately stated in the company's accounting books and records;
(e) not to be used as a means to cover up an undue payment or bribery.

For all donations and sponsorships, please refer to the applicable Authority Limit Chart / Authorisation Grid and CoBEC (S19A – Part C on Corruption and Prohibited Practices). Please contact Lion Group's Corporate Communications Department if you need further clarification.

6.3 EDUCATIONAL SCHOLARSHIPS

Lion Group and PRAL have a scholarship programme under LPF with the objective to provide educational opportunities to deserving students to enable them to realise their potential and to contribute to the growth of Lion Group and the nation. The awarding of scholarships should be based on strict guidelines and due diligence to ensure that only the most qualified and deserving students receive the scholarship award. This is crucial to ensure that no element of corruption is involved in the giving out of scholarships.

The selection of scholarship recipients should be based on approved criteria such as academic qualifications, financial needs and assessment results. The process of selection should be transparent and the reasons for selection should be properly recorded.

If the scholarships are to be awarded to any Public Officials or persons associated with any Public Officials, caution must be exercised to ensure that the awarding of scholarship would not violate any local laws and must be in compliance with the approved LPF scholarship guidelines as stated in the LPF Scholarship Policy & Guidelines available at Lion Group Intranet (LGPG-GHR-LPF).

6.4 FINANCIAL ASSISTANCE FOR MEDICAL REQUIREMENTS

LPF also disburses financial aid for Malaysians in need of medical treatment, and to non-profit making organisations and NGOs for purchase of medical equipment such as dialysis machines to provide treatment to the needy.

Approval of financial aid is based on such criteria as health condition and age of patient, type, cost and duration of treatment required, and financial needs, amongst other factors. The evaluation and approval of applications should be transparent and properly recorded, in compliance with the approved guidelines for LPF Medical Assistance Committee.

7.0 POLITICAL CONTRIBUTIONS

In addition to the Policy & Guidelines set out in the CoBEC (S19A – Part F on Duty to Serve – section 2 on Freedom of Political Association), as a matter of general policy, PRAL does not make or offer monetary or in-kind political contributions to political parties, political party officials or candidates for political office.

In very limited circumstances, if any contribution is to be made, it must be approved by Group Chairman's Office, permissible under applicable laws and must not be made with any promise or expectation of favourable treatment in return and must be accurately reflected in the contributor's accounting books and records.

8.0 FACILITATION PAYMENT

Facilitation payment is defined as payments made to secure or expedite the performance by a person performing a routine or administrative duty or function. Facilitation payments need not involve cash or other financial asset; it can be any sort of advantage with the intention to influence the other party in his duty.

PRAL prohibits accepting or obtaining, either directly or indirectly, facilitation payments from any person for the benefit of the employee himself or for any other person who is subject to the CoBEC. The reason underlying this prohibition is that facilitation payment is seen as a form of bribery and corruption.

All directors and employees subject to the CoBEC must not offer, promise, give, request, accept or receive anything which might reasonably be regarded as a facilitation payment. If you receive such a request or if you are offered facilitation payments, you must report to Lion Group's Risk & Compliance Department.

Exception to making facilitation payment

However, there are certain situations or circumstances where you are faced with having to make facilitation payments in order to protect your life, limb or liberty. In dangerous situations like this, you are allowed to make payments but you must immediately report to Lion Group's Risk & Compliance Department. Making facilitation payment in such a situation is the only exception which can be used as a defence when faced with allegations of bribery and corruption.

9.0 DEALING WITH THIRD PARTIES / BUSINESS ASSOCIATES

PRAL's dealings with third parties, which include contractors, suppliers, agents, consultants, joint venture partners, introducers / government intermediaries, Public Officials etc., must be carried out in compliance with all relevant laws and consistent with the values and principles of the CoBEC. As part of this commitment, all forms of bribery and corruption are unacceptable and will not be tolerated.

PRAL expects that all third parties acting for or on its behalf to share its values and ethical standards as their actions can implicate PRAL legally and tarnish its reputation. Therefore, where we engage third parties, such as contractors, suppliers, agents, intermediaries or joint venture partners, we are obligated to conduct appropriate counterparty due diligence to understand the business and background of any prospective business counterparties before entering into any arrangements with them to ensure that we are dealing with counterparties that subscribe to acceptable standards of integrity in the conduct of their business. The selection consideration and criteria are guided by the Lion Group's Procurement Framework with Standard Operating Procedures ("SOP") established by the respective operating companies.

To help ensure that we conduct business with third parties that share PRAL's standards of integrity, we must:

(a) Conduct due diligence such as background checks on the person or entity, document verification or conducting interviews with the person or entity to be appointed. Do not enter into any business dealings with any third party reasonably suspected of engaging in bribery and improper business practices unless those suspicions are investigated upon and resolved.

(b) Ensure all third parties are made aware of Lion Group's CoBEC, Vendor Code of Conduct, Integrity and Fraud Risk Policy, this ABC Policy and our expectations of them. Lion Group's policy & guidelines on Vendor Code of Conduct and Vendor Letter of Declaration are to be in place and communicated to the relevant vendors.

(c) Continue to be aware of and to periodically monitor third party performance and business practices to ensure ongoing compliance.

If at any point during the due diligence exercise or in the dealings with a third party, there are conflicts of interest or **"red flags"** are raised, these warrant further investigation and must be sufficiently addressed before the engagement of the third party can progress. Examples of common "red flags" involving third parties include:

(a) The transaction involves a country known for a high incidence of corrupt payments.
(b) Family member, business or other "special" ties with government or Public Officials.

(c) A reference check reveals a flawed background or a reputation for getting "things done" regardless of the circumstances or suggests that for a certain amount of money, the third party can fix the problem.
(d) Objection to anti-bribery representations and warranties in commercial agreements or negative response when informed of such requirements.
(e) Convoluted payment arrangements such as payment in cash, payment to another third party or to accounts in other countries or requests for upfront payment for expenses or other fees.
(f) The third party requires that his /her identity not be disclosed as part of the business transaction.
(g) Inadequate credentials for the nature of the engagement or lack of an office or an established place of business.

PRAL requires its directors and employees to use good judgment and common sense in assessing the integrity and ethical business practices of third parties and has provided the above precautions as a guideline.

Employees should seek advice from Lion Group's Risk & Compliance Department whenever particular questions arise relating to third parties that the Company has appointed or is considering appointing.

9.1 DEALING WITH CONTRACTORS AND SUPPLIERS

In line with the general principles of the CoBEC, PRAL is committed to uphold the highest standard of ethics and integrity in all aspects of its procurement activities. PRAL companies should avoid dealing with any contractors or suppliers known or reasonably suspected of corrupt practices or known or reasonably suspected to pay bribes.

PRAL companies must ensure that all procurement activities are in line with their respective procurement policy and procedures, which include:

(a) Due diligence of contractors and suppliers is undertaken before they are registered / licensed with PRAL companies.
(b) Contractors and suppliers are made aware of and understand the CoBEC and this ABC Policy and that they will comply accordingly. This is communicated through the Vendor Code of Conduct and Vendor Letter of Declaration.
(c) All commercial contracts, purchase orders and invitations to bid/ quote to incorporate the provisions relating to business conduct, conflict of interest and prohibition from giving gratifications.
(d) All commercial contracts with major contractors and suppliers to incorporate a provision whereby PRAL retains the right to audit third party compliance with the Lion Group's CoBEC and the provisions under this ABC policy.

PRAL companies must conduct due diligence on prospective contractors and suppliers to confirm whether or not these external parties have in place anti-bribery programmes and declaration that they will not engage in any improper practices.

Screening should be conducted on the company, its directors and top management as part of the due diligence process and procedures established in your company. The scope and extent of the due diligence required will vary depending upon the circumstances of each transaction, any red flag identified and the result of the corruption risk assessment process.

PRAL companies should also monitor significant contractors and suppliers as part of their regular review of the performance of the third party. PRAL has the right to terminate their services in the event that these third parties pay bribes or act in a manner which is inconsistent with the Lion Group's CoBEC and this ABC Policy.

If any red flags are raised, these issues must be resolved. If it is not possible then the company must be barred from being on the list of registered or licensed contractors / suppliers and /or disqualified from participating in any PRAL tender / purchasing activity.

Due Diligence Checklist For Contractors And Suppliers

For PRAL companies, in particular, the procurement function must follow the following procedures when dealing with contractors and suppliers:

(a) Perform a risk assessment based on the Corruption Risk Management Framework;
(b) Undertake due diligence on the third party depending on the result of the risk assessment performed; and
(c) Preparing and maintaining appropriate written documentation of the due diligence and risk assessment performed.

9.2 JOINT VENTURE PARTNERS

In view of the possibility that PRAL may be held responsible for the unlawful activities of its co-venturers, we need to ensure that Joint Ventures in which PRAL has a controlling interest adopt this ABC Policy.

Where PRAL neither controls nor operates the Joint Venture ("JV") or where PRAL holds a minority interest, we should:

(a) make reasonable efforts to influence the JV Partner to adopt this ABC Policy (or substantially equivalent standards and principles) and to comply with all applicable anti-bribery and corruption laws and to establish controls substantially similar to PRAL standards to prevent bribery;
(b) be alert to warning signs which may arise in the conduct of the business. Any such warning signs must be reported to the Group Chairman's Office and appropriate action to be taken;
(c) require (or where this right does not formally exist, request) that the majority partner or JV entity to provide written representation of anti-bribery compliance on an annual basis.

9.3 SIGNIFICANT INVESTMENTS, ACQUISITIONS OR MERGERS

PRAL undertakes due diligence in evaluating investments, acquisitions or mergers to ensure compliance with anti-bribery and corruption laws. The guidelines for companies on undertaking anti-bribery and corruption due diligence in the course of investments, acquisitions or mergers are as follows:

(a) Anti-bribery due diligence is considered on a proportionate basis for all investments but on a risk-based approach, with the level of due diligence being proportionate to the investments and the perceived likelihood of risk of bribery.

(b) The level of anti-bribery due diligence for the transaction is commensurate with the bribery risks.
(c) Anti-bribery due diligence starts sufficiently early in the due diligence process to allow for adequate due diligence to be carried out and for the findings to influence the outcome of the negotiations or stimulate further review if necessary.
(d) The partners or board provide commitment and oversight to the due diligence reviews.
(e) Information gained during the anti-bribery due diligence is conveyed efficiently and effectively to the company's management.

What To Look For In Anti-Bribery Due Diligence:

(a) Has bribery taken place historically?
(b) Is it possible or likely that bribery is currently taking place?
(c) If so, how widespread is it likely to be?
(d) What is the commitment of the board and top management of the targeted party to countering bribery?
(e) Does the targeted party have in place an adequate anti-bribery programme to prevent bribery?
(f) What would the likely impact be if bribery, historical or current, were discovered after the transaction had completed?

9.4 DEALING WITH AGENTS OR INTERMEDIARIES

PRAL undertakes due diligence in evaluating the appointment of Agents / Intermediaries to ensure compliance with anti-bribery & corruption laws and the provision of this ABC Policy. The guidelines for companies prior to entering into a contract / agreement with the Agents are as follows:

(a) There is a valid business case for appointing Agents / Intermediaries and the appointment must be approved by management of the respective operating companies.
(b) The fees paid to Agents / Intermediaries is reasonable and justifiable in relation to the services rendered.
(c) Payment will only be paid to the appointed Agent / Intermediaries and not to another third-party organization or individual.
(d) Agents / Intermediaries are made aware of and understand the CoBEC and this ABC Policy and that they will comply accordingly.
(e) PRAL will have the right to terminate the Agent / Intermediary's agreement if the Agent / Intermediary has acted in a manner inconsistent with the provisions of this ABC Policy.

9.5 DEALING WITH PUBLIC OFFICIALS

In general, all directors and employees are to ensure that the Gift, Entertainment, Hospitality and Travel provided to the Public Officials is not excessive, lavish, commensurate with the official designation of the Public Officials and not in his personal capacity.

The following policies & guidelines set out the general conduct and behaviour of directors and employees in respect of Gift, Entertainment, Hospitality and Travel in discharging their functions and duties:

(i) CoBEC (S19A – Part C on Corruption and Prohibited Practices)
(ii) Employee Code of Conduct (S19B – Part 8 on Gifts And Entertainment)

All directors and employees are prohibited from paying for **non**-business travel and hospitality for any government official or his / her family member / household members without prior approval from Group Chairman's Office.

10.0 FINANCIAL AND NON-FINANCIAL CONTROLS

PRAL companies have already in place the financial and non-financial controls to address various business processes and payments to third parties / business associates. Some of the key controls that must be strictly complied with and enforced are:

10.1 Financial Controls

(a) Authority Limit Charts ("ALC")

The authorisation of expenditure and payment is governed by ALC stated in PRAL's policy. All ALC will be approved by Group Chairman's Office for implementation and compliance by all operating companies. The authority matrix outlines the decision areas, documents for approval and assigned personnel empowered to authorise & approve the documents with their respective prescribed limits. Segregation of duties are in place whereby the approving process involves different level and / or departmental function throughout the key decision areas.

(b) Bank Signatories & Signing Limits

PRAL outlines the following key controls:

(i) All bank accounts to be jointly operated by at least 2 authorised signatories,
(ii) Different level of signing limits are assigned to the signatories according to their seniority.

Apart from the above, any request for opening of new bank account, closing of account and revision of authorised signatories / signing limits are subject to the approval by Group Chairman's Office with checks by several Head Office Functions. The bank accounts information is centrally controlled and maintained in Lion Group's Head Office bank signatory system.

(c) Payment for Completed Works / Services / Supplies

Payment can only be made to the contracting party and not any other third party or individual. Proper segregation of duties, verification, authorisation, approval and supporting documents must be in place in the following processes before payment can be made:

(i) Approved Purchase Order / Agreement / Contracts,

(ii) Certified work done, services rendered or goods of the right specifications / quality are received by the company,

(iii) Valid and original invoices from the business associates with quantity and unit price reconciled and matched to (i) and (ii) above via system or manual control.

10.2 Non-Financial Controls

(a) Pre-qualification process

A pre-qualification and approval process are in place to evaluate the potential third party / business associate in terms of their capacity to undertake the work, company / directors / shareholders' background, potential conflicts of interest and the risk / likelihood of their participation in unethical business practices / corruption such as forming a cartel to inflate and fix the prices.

This due diligence should be undertaken prior to entering into a contract with the business associates. The scope and extent of the due diligence required will vary depending on the circumstances/ nature of each transaction, any red flag identified, the result of the risk assessment process and audit issues highlighted by Internal Auditors.

(b) Fair competitive process

A fair competitive process is in place where several qualified business associates are invited to compete on price, terms, technical, delivery and quality aspects. A minimum number of pre-qualified business associates invited to quote or tender must be established in order to reduce the risk of corruption or forming a cartel among them. In the event of non-compliance with the policy such as single source, sole source or less than minimum 3 quotations, exceptional approval by management must be obtained with proper written justifications. Tender Committee/ Board or Capital Expenditure ("CAPEX") Committee have also been established to oversee the procurement and tender process.

PRAL companies are also expected to continuously explore and develop other potential sources of supply in the market in order to widen the existing pool of qualified business associates. In addition, the procurement process must also take into consideration the integrity of the tenders / quotations and other price sensitive information by restricting access to authorised personnel only such as sealed envelope and / or use of tender box under dual lock and key.

(c) Payments to be made to business associates are reasonable and proportionate to the work, services or supplies to be carried out.

Reasonable and proportionate steps are taken (such as via fair competitive process or benchmarking to the market) to ensure that we are not paying unusual or unexplained payment to a business associate which could possibly indicate a corrupt transaction. This is particularly important where there is a risk that the business associate may use part of the payment made to pay a bribe on behalf of or for the benefit of PRAL companies. Some of the examples of potential **red flags or areas of high corruption risk** may include but are not limited to:

(i) Unreasonable, unjustifiable or unsupported **variation orders**, extension of time, changes of specifications after tender, project payments.

(ii) Operating company may be requested by the business associate to **appoint a preferred supplier nominated by the business associate** at higher than market price and / or without a valid business reason.

(iii) Unusually high amount of **commission / fees** (e.g. beyond the market / norm) paid or given to a business associate.

11.0 RECRUITMENT OF EMPLOYEES

PRAL, being a diversified business group, provides equal opportunity for any qualified and competent individual to be employed by PRAL companies from multicultural and multiracial background, sourced from externally, locally and internationally, whilst the LPF scholarship programme builds a healthy pipeline of talent for the Group.

The recruitment of employees should be based on approved selection criteria to ensure that only the most qualified and suitable individuals are employed. This is crucial to ensure that no element of corruption is involved in the hiring of employees. In line with this, more detailed background checks such as criminal, bankruptcy, financial (credit rating) and reference checks will be conducted when hiring employees for management positions, as they would be tasked with decision making obligations.

Annually, all employees are required to make self-declaration to the Human Resource Department on matters pertaining to conflict of interest, compliance and corruption. Please contact your Human Resource Department or Lion Group's Human Resource Department if you need further clarification.

12.0 APPOINTMENT OF BOARD MEMBERS / DIRECTORS

Directors who are not employees of PRAL are required to make a self-declaration on matters pertaining to conflict of interest, compliance and corruption to Tricor Evatthouse Corporate Services / Group Secretarial Department when they are first appointed and subsequently, on an annual basis.

13.0 WHISTLEBLOWER POLICY

PRAL encourages openness and transparency in its commitment to the highest standard of integrity and accountability.

If you make a report or disclosure about any actual or perceived bribery or corruption in good faith, belief, without malicious intent, that a breach or violation as aforesaid may have occurred or may about to occur, you will be accorded protection of confidentiality, to the extent reasonably practicable, notwithstanding that, after investigation, it is shown that you were mistaken. In addition, employees who whistleblow internally will also be protected against detrimental action for having made the disclosure, to the extent reasonably practicable.

Any alleged or suspected improper conduct must be disclosed using the procedures provided for in the PRAL Whistleblower Policy, a copy of which is available from your Human Resource Department or PRAL website at www.parkson.com.sg. Any person with a concern or complaint may submit their concern or complaint in writing to the Chief Internal Auditor of PRAL via telephone call, mail, by facsimile or through emails as follows:

Telephone no. : 603 – 3344 2882 (ext no. 3900)
Email : whistleblowing@parkson.com.my
Fax no. : 603 – 3344 2889
Address : Level 5, Klang Parade, No. 2112, Jalan Meru, 41050 Klang, Selangor Darul Ehsan, Malaysia

14.0 RECORD KEEPING

PRAL companies must keep financial records with appropriate internal controls in place to substantiate the business reason for making payments to third parties / business associates. All accounts, invoices, documents and records relating to dealings with third parties / business associates must be prepared and maintained with accuracy and completeness. No accounts are to be kept “off-book” to facilitate or conceal improper payments.

All the relevant Standard Operating Procedures must be properly maintained and regularly reviewed and updated for strict compliance and enforcement. In addition, all records pertaining to ABC Policy / Framework / Programme and Adequate Procedures related discussion, decision and activities must also be properly retained such as minutes of meeting.

15.0 MANAGING AND IMPROVING ANTI-BRIBERY AND CORRUPTION FRAMEWORK

PRAL will take continuous steps to review and improve the anti-bribery & corruption programme in order to ensure that the programme is adequate to manage the corruption risks and being implemented effectively. In respect of this ABC Policy, it will be reviewed at least once in every 3 years or as and when there is any change to the prevailing Laws and Regulations or operating environment of PRAL.

(a) On-going review and improvement

The Internal Auditors ("IA") to monitor and assess on an on-going basis whether the anti-bribery & corruption programme is:

(i) adequate to manage effectively the corruption risks faced by PRAL companies; and
(ii) being implemented effectively.

In doing so, the IA should take into account any weaknesses, deficiencies or recommendations for improvement in the programme which have been identified through Corruption Risk Management, Compliance Risk Assessment Questionnaire (CRSA), reports from IA / other Departments and the Board review. The IA will provide a written report at regular interval to the Board on the adequacy and implementation of the anti-bribery and corruption programmes.

(b) Periodic audit

The IA's will cooperate with Group Management Audit, where necessary, for their on-going review. Both functions will liaise with each other so as to ensure that their action plans are complementary and wider scope of coverage particularly on areas of high corruption risk.

(c) Board review

The Board will:

(i) review regularly the IA's report, Group Management Audit report, Corruption Risk Management report and other relevant reports related to corruption risks.
(ii) ensure that appropriate actions are taken to:
- rectify any weaknesses or deficiencies identified,
- implement appropriate improvements to the programme.

16.0 COMMUNICATION AND TRAINING

Communication of ABC Policy and Programmes

The Group Chairman's Office shall issue a written statement to all directors and employees confirming the Board's commitment to the ABC Policy and programmes. This statement and the ABC Policy shall be communicated to all directors and employees and be published on the PRAL's website. All directors and employees are also required to sign a document that they have received, read and understood the ABC Policy and shall comply with it.

The communication of this ABC Policy and programmes to all stakeholders can be conducted in a variety of formats and mediums. These may include, but are not limited to:

(i) messages on the Group's intranet or website;
(ii) emails, newsletters, posters;
(iii) code of business conduct and employee's handbooks;
(iv) seminars or messages;
(v) town-hall sessions.

Training

PRAL companies will provide appropriate anti-corruption training on a regular basis to all relevant employees to make them aware of the types of corruption they could encounter, the risks of engaging in corrupt activities, the ABC Policy and procedures and the reporting channel. The training can be conducted in a variety of formats, which may include but not limited to:

(i) induction programmes for new recruits featuring anti-corruption elements;
(ii) refresher trainings / briefings for existing employees;
(iii) corporate training programmes, seminars, videos and in-house courses;
(iv) intranet or web-based learning programmes.