

**AEON CO. (M) BHD.**

**ANTI-BRIBERY AND  
CORRUPTION POLICY**



## TABLE OF CONTENTS

<b>Definitions.....</b>	<b>4</b>
<b>Purpose, Scope and Applicability .....</b>	<b>6</b>
<b>Anti-Bribery and Corruption Statement.....</b>	<b>7</b>
<b>Commissions, Discounts and Secret Profits.....</b>	<b>7</b>
<b>Gifts, Entertainment, Hospitality and Travel.....</b>	<b>8</b>
<b>Donations and Sponsorships including Political Contributions.....</b>	<b>9</b>
<b>Facilitation Payments.....</b>	<b>10</b>
<b>Conflict of Interest.....</b>	<b>10</b>
<b>Dealing with External Parties .....</b>	<b>11</b>
<b>Procurement .....</b>	<b>12</b>
<b>Recruitment and Employment.....</b>	<b>12</b>
<b>Whistleblowing and Reporting .....</b>	<b>14</b>
<b>Record Keeping and Reviewing Policies.....</b>	<b>15</b>
<b>Financial and Non-Financial Controls.....</b>	<b>15</b>
<b>Training and Communication of Policies .....</b>	<b>16</b>

## Definitions

- 1.0 **Bribery** is the offering, promising, giving, accepting or soliciting of an undue advantage of any value (whereby the advantage could be financial or non-financial), directly or indirectly, and irrespective of location(s), in violation of applicable law, as an inducement or reward for a person acting or refraining from acting in relation to the performance of that person's duties.
- 1.1 **Business Associates** means an external party with whom AEON has, or plans to establish some form of business relationship, and can include vendors, suppliers, contractors, agents, consultants, joint venture, joint venture partners, distributors, outsourcing providers, sub-contractors, advisors, representatives, intermediaries and investors of AEON and where relevant, clients of AEON.
- 1.2 **Conflict of Interest** is a situation where business, financial, family, political or personal interests could interfere with the judgment of persons in carrying out their duties for AEON, leading to the interests of AEON being undermined or AEON being put at a disadvantage.
- 1.3 **Corporate Social Responsibility** includes any activities, programs, donations, or contribution, monetary or otherwise by AEON for the improvement of environment, welfare, community or society, including to charitable or non-profit organisations.
- 1.4 **Corruption** is the abuse of entrusted power for private gain. Corruption can be classified as grand, petty and political, depending on the amounts of money lost and the sector where it occurs. Corruption can include Bribery.
- 1.5 **Employees** shall mean the employees of AEON or their subsidiaries, whether permanent, temporary or on contract.
- 1.6 **Directors** shall mean the Board of Directors of AEON or their subsidiaries.
- 1.7 **Family Member** shall mean the spouse, children, parents, siblings, including adopted or step-children, step-parents or step-siblings, cousins, aunts, uncles, nieces, nephews, grandparents, grandchildren or any other person with a close relationship with the Employee, Director, or Business Associate.
- 1.8 **Facilitation Payment** shall mean an illegal or unofficial payment for the performance of a routine action that the payer is supposed to receive. An example of a facilitation payment is a small bribe to expedite the processing of an application by a governmental official.
- 1.9 **Gratification** shall mean:

- any money, donation, gift, loan, fee, reward, valuable security, property, interest in property, financial benefit, similar advantage;
- any office, dignity, employment, contract of employment or services, agreement to give employment or render services in any capacity, payment, release, discharge or liquidation of any loan, obligation or other liability (whether whole or in part);
- any valuable consideration of any kind, discount, commission, rebate, bonus, deduction or percentage;
- any forbearance to demand money or money's worth or valuable thing;
- any other service or favour; or
- any offer, undertaking or promise, whether conditional or unconditional, of any of the above.

1.10 **Public Official** shall mean a person holding a legislative, administrative or judicial office, whether by appointment, election or succession, or any person exercising a public function, including for a public agency or public enterprise, or any official or agent of a public domestic or international organization, or any candidate for public office.

## **Purpose, Scope and Applicability**

- 2.1 This Anti-Bribery and Corruption Policy (“Policy”) will be effective from 20<sup>th</sup> May 2020 and will apply to all Employees, Directors, and Business Associates who have dealings with AEON CO. (M) BHD. and/or any of its subsidiaries.
- 2.2 This Policy is not intended to deal with all circumstances relating to Bribery and Corruption, and as such must be read together with all AEON’s codes, processes, procedures and policies that are applicable to Employees, Directors and Business Associates, including but not limited to:
- Code of Conduct;
  - Code of Ethics;
  - Code of Ethics for Business Associates;
  - Employee Handbook;
  - Whistleblowing Policy and Manual;
  - Entertainment Policy; and
  - Policy Statements on Confidentiality
- 2.3 The purpose of this Policy is:
- to set out AEON’s stance against Bribery and Corruption;
  - to set out and highlight the duties, roles and responsibilities of Employees, Directors and Business Associates in detecting, preventing and reporting actual, suspected or attempted Bribery and Corruption;
  - to provide a general guidance to the public on AEON’s policies and procedures, to enable them to make reports of any actual, suspected or attempted Bribery or Corruption to AEON;
  - to set out the tone for AEON’s adequate procedures pursuant to Malaysian laws and the requirements of the Main Market Listing Requirements; and
  - to guard and protect AEON against ramifications of acts of Bribery or Corruption.
- 2.4 AEON has designated the Human Resource Department, the Governance and Integrity Department and the Legal Department (“Departments”) who shall be primarily responsible for the implementation, administration and enforcement of AEON’s policies relating to Bribery and Corruption. These Departments shall also be responsible for:
- dealing with any queries regarding the interpretation AEON’s policies and procedures relating to Bribery and Corruption;
  - monitoring the effectiveness and the use of AEON’s policies and procedures relating to Bribery and Corruption and the performance of personnel;
  - arranging for the investigation of any matter relating to Bribery and Corruption by an independent function not related to the incident;

- reporting to the Board of Directors regarding issues concerning Bribery and Corruption;
- conduct continual evaluations and improvements on AEON's policies and procedures in relation to Bribery and Corruption; and
- proposing any amendments or changes AEON's policies and procedures relating to Bribery and Corruption to the Board of Directors.

2.5 The Departments can be contacted at [AMY\\_ABC@aeonretail.com.my](mailto:AMY_ABC@aeonretail.com.my) for any queries or advice on what to do if faced with a concern or situation which could involve Bribery or Corruption, or queries regarding making declarations pursuant to this Policy.

### **Anti-Bribery and Corruption Statement**

- 3.1 AEON has a zero tolerance stance against any kind of Bribery or Corruption whether committed within or outside of Malaysia. AEON is committed to the highest level of integrity and ethical practices in all business conduct.
- 3.2 Employees, Directors and Business Associates of AEON are strictly prohibited from soliciting, receiving, procuring, offering, or giving any form of gratification with corrupt intent and are required to adhere to the laws of Malaysia that deal with Bribery and Corruption.
- 3.3 AEON will not hesitate to take any action against, or report to relevant authorities the Employees, Directors or Business Associates who are found to be in breach of the laws of Malaysia dealing with Bribery and Corruption, or in breach of this Policy or any of AEON's policies dealing with Bribery and Corruption. Any violation of this Policy shall constitute a misconduct, and may result in disciplinary action including dismissal or the termination of a business relationship.

### **Commissions, Discounts and Secret Profits**

- 4.1 Payment of commissions by AEON shall be in accordance with the terms and conditions of the employment contract of an Employee, or the terms of engagement for a Business Associate.
- 4.2 Employees, Directors and Business Associates may only receive discounts for AEON's goods and services in accordance with the terms and conditions of their employment contracts or terms of engagement, or in accordance with AEON's policies, processes and procedures.
- 4.3 Employees, Directors and Business Associates are prohibited from procuring discounts for AEON's goods and services for any third party.
- 4.4 Employees, Directors and Business Associates are prohibited from making any secret profits from their role or dealings with AEON.

## **Gifts, Entertainment, Hospitality and Travel**

### **5.1 Receiving Gifts, Entertainment, Hospitality and Travel**

- 5.1.1 AEON has a general “no gift policy” (which covers any gifts, entertainment, hospitality, travel, donations or other benefits whether tangible or intangible), subject to the exceptions in this Policy.
- 5.1.2 Employees and Directors are strictly prohibited from receiving or requesting any gifts, entertainment, hospitality or travel except as allowed in AEON’s policies and procedures relating to gifts, entertainment, hospitality and travel.
- 5.1.3 Where a Business Associate has breached AEON’s “no gift policy”, their engagement with or by AEON can be terminated. AEON also reserves the right to pursue legal redress for any losses incurred as a result of this breach.
- 5.1.4 Where a gift, entertainment, hospitality or travel is received by an Employee or Director in their capacity as an AEON Employee or Director, they should:
- immediately declare this to the Human Resource Department; and
  - where a gift was received outside of AEON premises, bring the gift to AEON if it is possible to do so.
- 5.1.5 Once a declaration has been made, the Human Resource Department shall determine whether any of the exceptions to the “no gift policy” apply. If none of the exceptions apply, the Human Resource Department shall return the gift with a letter from AEON containing an explanation of AEON’s “no gift policy”.
- 5.1.6 Exceptions to this “no gift policy” are only allowed in the following limited circumstances:
- The gift is a seasonal gift delivered directly to AEON’s premises. Examples of seasonal gifts include hampers for festive holidays, and dates during Hari Raya. In such circumstances, the Human Resource Department shall receive the seasonal gift under AEON’s name and distribute the seasonal gift to AEON employees.
  - The gift is a token or souvenir of nominal value, whereby the Employee or Director will be allowed to keep the gift.
- 5.1.7 Gifts given by AEON to Employees and Directors are excluded from the “no gift policy”. Examples of such gifts include gifts in recognition of the Employee’s or Director’s long service to AEON and lucky draw at AEON’s events.

### **5.2 Giving Gifts, Entertainment, Hospitality and Travel**

- 5.2.1 Employees and Directors are prohibited from giving gifts, entertainment, hospitality and travel to any party including Business Associates, governmental or regulatory authorities, subject to the exceptions stated in this Policy.

5.2.2 Exceptions are only allowed where:

- the gifts, entertainment, hospitality or travel is in line with and permitted by AEON's Entertainment Policy and any other policy or procedure dealing with giving gifts, entertainment, hospitality or travel;
- the gift is a token or souvenir of nominal value;
- the gift is a seasonal gift delivered in AEON's name to an external party; or
- the gift is given by AEON at or in conjunction with AEON's official event, function or celebration.

5.2.3 Extra care must be taken when dealing with Public Officials whether from Malaysia or outside of Malaysia, whereby the same rules regarding gifts, entertainment, hospitality and travel shall apply.

5.3 Conducting Seminars and Lectures

5.3.1 Employees are prohibited from conducting lectures or seminars at the premises of Business Associates without prior approval from their Department Head.

5.3.2 Employees should be mindful of the value of any tokens of appreciation received. Employees are prohibited from receiving gifts that are not of nominal value, or from receiving any money.

5.3.3 Employees are required to make a declaration to the Human Resource Department of any gift received from conducting lectures or seminars, regardless of value.

**Donations and Sponsorships including Political Contributions**

6.1 Donations and sponsorships by AEON to third parties are only permitted in line with AEON's policies pertaining to donations and sponsorships.

6.2 In granting donations or sponsorships, including for any Corporate Social Responsibility, the following requirements and principles should be adhered to:

- Internal approvals from the MD Office Department must be obtained before a donation or sponsorship can be granted.
- The donations to the charity shall be in line with the purposes, objectives and aims of the charity in helping those in need.
- Due diligence must be conducted before a donation or sponsorship is granted to ensure that it is appropriately granted and not an indirect form of Bribery. The nature of the activity, identity, reputation of the recipient, any Conflicts of Interest with AEON, and the legality of the initiative should be considered as part of the due diligence process.

- Verification and periodic monitoring should be conducted on all donations and sponsorships to ensure that they have been appropriately utilised for their intended purpose and not misused.
- Checks must be conducted to ensure that contributions are allowed by the relevant laws.
- All donations and sponsorships should be reflected accurately in AEON's internal records.

6.3 Contributions by AEON, or any of its Employees or Directors on behalf of AEON, whether directly or indirectly to political parties or candidates for office are strictly not allowed.

### **Facilitation Payments**

7.1 AEON regards Facilitation Payments, as defined in this Policy, as a form of Bribery. As such, Employees, Directors, and Business Associates are prohibited from offering, promising, requesting, paying or receiving anything that might be reasonably regarded as a Facilitation Payment.

7.2 Exceptions are only permitted where life, health, safety or liberty of the payer or another person is at stake. In such circumstances where a Facilitation Payment has been made to protect a life, a person's health, safety or liberty, the payer must immediately report the Facilitation Payment and the circumstances which gave rise to the threat of life, health, safety or liberty to the MD Office Department who shall:

- document and keep record of the incident;
- conduct or appoint an independent person to conduct internal investigation;
- communicate the incident to the Board of Directors; and/ or
- report the incident to the relevant authorities.

### **Conflict of Interest**

8.1 The relationship between AEON, its Employees, Directors and Business Associates is one based on mutual trust. Employees, Directors and Business Associates are expected to act in line with AEON's best interest.

8.2 Employees, Directors and Business Associates therefore have duty to avoid any Conflict of Interest where possible. Examples of how a Conflict of Interest can be avoided include, but are not limited to:

- not engaging subcontractors or businesses that AEON's Employees, Directors or Business Associates, or their Family Members have a direct or indirect interest in or personal relationship with;
- not buying shares in a company that has an existing relationship with AEON;

- not disclosing any information obtained in the course of work that may give an undue advantage to a third party;
  - not conducting any personal transactions with AEON's existing or potential Business Associates;
  - avoiding taking on employment outside of AEON; and
  - avoiding becoming involved in activities that may conflict with AEON's business.
- 8.3 Where it is not possible to avoid an existing Conflict of Interest, or where a situation arises that may give rise to a Conflict of Interest, the Employee, Director or Business Associates is required to immediately declare the Conflict of Interest, in accordance with AEON's prescribed format for the respective parties ("Declaration of Conflict of Interest" for Directors and Employees, and "Declaration Statement" for Business Associates).
- 8.4 Employees and Directors are required to complete and submit the Declaration of Conflict of Interest to the Human Resource Department immediately after detecting a Conflict of Interest. Business Associates are required to complete and submit the Declaration Statement (available in the Code of Ethics for Business Associates) to the Headquarter Finance - Contract Management Department immediately after a Conflict of Interest is detected. Any further steps taken to mitigate the conflict of interest should be recorded and maintained by the respective aforesaid departments.
- 8.5 Employees and Directors are also required to make an annual Declaration of Conflict of Interest.
- 8.6 In addition to the above, Employees, Directors and Business Associates must also comply with AEON's Conflict of Interest policy in the Code of Ethics.

### **Dealing with External Parties**

- 9.1 AEON's dealings with external parties (including Business Associates) must be carried out in compliance with AEON's policies and procedures, and relevant laws relating to Bribery and Corruption.
- 9.2 AEON expects all its Business Associates acting for or on its behalf to:
- share AEON's values and standards relating to Bribery and Corruption;
  - comply with all applicable laws and AEON's policies and procedures relating to Bribery and Corruption such as Code of Ethics for Business Associates; and
  - implement internal controls, policies and procedures to manage the risk of Bribery and Corruption in relation to their dealings with, for or on behalf of AEON.

- 9.3 AEON shall conduct a risk assessment and due diligence on its Business Associates, transactions and projects before entering into a formalised relationship, agreement or arrangement, and will periodically monitor such Business Associates, transactions and projects that have more than a low risk of Bribery and Corruption.

## **Procurement**

- 10.1 Procurement should be conducted in accordance with AEON's policies, internal processes and procedures relating to procurement.
- 10.2 Employees and Directors are prohibited from offering, promising, requesting, paying or receiving any form of bribe or facilitation payment as part of the procurement process.
- 10.3 There shall be processes and procedures in place to ensure:
- due diligence is conducted on potential Business Associates before a business relationship is formed to ensure they are the most qualified and suitable to conduct the procurement role;
  - due diligence is conducted on potential Business Associates before a business relationship is formed to ensure there are no convictions or allegations of Bribery or Corruption against them;
  - verification and periodic monitoring is conducted on all works, services, deliveries and supplies associated with the procurement role, to ensure that they are completed accordingly;
  - the procurement process is conducted in an efficient, transparent, non-discriminatory and proportionate manner.
  - persons involved in the procurement process, including Business Associates, are diligent to avoid situations where an actual or perceived Conflict of Interest could arise.
- 10.4 All persons involved in the procurement process should refer to paragraphs 8.1 to 8.6 of this Policy, and are to make a Declaration of Conflict of Interest to the Human Resource Department (for Directors and Employees) or a Declaration Statement to the Headquarter Finance - Contract Management Department (for Business Associates) where such situations of actual or perceived conflict may arise.
- 10.5 In addition to the above, all Employees, Directors and Business Associates involved in the procurement process are required to adhere to the Code of Ethics and Code of Ethics for Business Associates.

## **Recruitment and Employment**

- 11.1 Recruitment of Employees and Directors by AEON must be conducted in accordance with AEON's policies, internal processes and procedures relating to recruitment.

- 11.2 In recruiting new Employees and Directors, there shall be processes and procedures in place to ensure:
- background checks are be conducted on persons before they are employed to ensure there are no convictions or allegations of Bribery or Corruption against them;
  - due diligence are conducted on persons before they are employed, to ensure it is reasonable to employ them and they are the most qualified and suitable persons for the position;
  - there is no Conflict of Interest present in the recruitment process; and
  - any potential Conflict of Interest or red flags raised in hiring a person is recorded and addressed before the person is hired.
- 11.3 In managing existing Employees and Directors, there shall be processes and procedures in place to ensure:
- performance bonuses and incentives are reviewed periodically;
  - due diligence is conducted on Employees and Directors before they are transferred and promoted to ascertain that the transfer or promotion is appropriate; and
  - Employees and Directors are to be familiar with and have access to AEON's policies dealing with Bribery and Corruption.

## Whistleblowing and Reporting

- 12.1 AEON's Employees, Directors, Business Associates are required to report any actual, suspected or anticipated instances of Bribery or Corruption occurring in the workplace through the appropriate reporting channels set out in AEON's Whistleblowing Policy and Manual. Employees, Directors and Business Associates who have been offered a bribe in the course of their duties with AEON must report this to AEON immediately.
- 12.2 Members of the public are encouraged to channel their concerns regarding actual, suspected or anticipated Bribery or Corruption.
- 12.3 Reports may be made to:

Name	Ms Nur Suriya Selasiya Mohamad Omar
E-mail	<a href="mailto:whistleblow@aeonretail.com.my">whistleblow@aeonretail.com.my</a>
Mail	AEON CO. (M) BHD. 3 <sup>rd</sup> Floor, AEON Taman Maluri Shopping Centre, Jalan Jejaka, Taman Maluri, Cheras 55100 Kuala Lumpur, Malaysia  Attention : Ms. Nur Suriya Selasiya Mohamad Omar Mark : <b>Strictly Private &amp; Confidential</b>

If there is a need to contact someone other than Ms. Nur Suriya Selasiya, the report may be addressed to the Chairman of the Audit Committee ("AC") and/or Deputy Managing Director of AEON:

Name	Mr Hisham Bin Zainal Mokthar, Chairman of Audit Committee
E-mail	<a href="mailto:ACChair@aeonretail.com.my">ACChair@aeonretail.com.my</a>
Mail	AEON CO. (M) BHD. 3 <sup>rd</sup> Floor, AEON Taman Maluri Shopping Centre, Jalan Jejaka, Taman Maluri, Cheras 55100 Kuala Lumpur, Malaysia  Attention : Mr Hisham Bin Zainal Mokthar Mark : <b>Strictly Private &amp; Confidential</b>

Name	Mr. Hidekazu Iwaoka, Deputy Managing Director of AEON CO. (M) BHD.
E-mail	<a href="mailto:iwaoka.h@aeonretail.com.my">iwaoka.h@aeonretail.com.my</a>
Mail	AEON CO. (M) BHD. 3 <sup>rd</sup> Floor, AEON Taman Maluri Shopping Centre, Jalan Jejaka, Taman Maluri, Cheras 55100 Kuala Lumpur, Malaysia  Attention : Mr Hidekazu Iwaoka Mark : <b>Strictly Private &amp; Confidential</b>

- 12.4 Further information is available in the Whistleblowing Policy and Manual, accessible at AEON's website at [www.aeonretail.com.my](http://www.aeonretail.com.my).

### Record Keeping and Reviewing Policies

- 13.1 Policies, procedures, declarations, reports, and other documents relating or dealing with Bribery and Corruption in AEON shall be maintained by the Human Resource Department or any other department involved the business function relating to the document, in accordance with AEON's policies, processes and procedures relating to record keeping.
- 13.2 The Departments shall continuously review and monitor and propose improvements to AEON's policies and procedures relating to Bribery and Corruption, in accordance with the duties stated in Paragraph 2.4 of this Policy. As part of the review, the Governance and Integrity Department shall work with other departments to conduct periodic risk assessments and external and/or internal audits at least once every 3 years of AEON's anti-bribery and corruption framework.
- 13.3 The Board of Directors of AEON shall periodically review the policies and procedures relating to Bribery and Corruption to ensure they are relevant to the needs, culture and values of AEON and up to date with the laws of Malaysia.

### Financial and Non-Financial Controls

- 14.1 AEON shall have in place policies, processes and procedures that provide for financial controls and non-financial controls for AEONs operations where Bribery and Corruption can occur. Such controls shall include the separation of duties and approval powers, and the requirement for multiple signatories for transactions that have more than a low risk of Bribery and Corruption, among others.

**Training and Communication of Policies**

- 15.1 This Policy and AEON’s Whistleblowing Policy and Manual shall be publicly available and accessible on AEON’s website at [www.aeonretail.com.my](http://www.aeonretail.com.my).
- 15.2 AEON’s policies dealing with Bribery and Corruption shall be communicated to all Employees and Directors upon their joining AEON, and where relevant, to Business Associates upon the establishment of the business relationship with AEON.
- 15.3 AEON shall conduct training at planned intervals regarding its policies and procedures relating to Bribery and Corruption for Employees, Directors and Business Associates who are involved in transactions with a high risk of Bribery and Corruption.
- 15.4 The training shall take into account the results of any risk assessment conducted by AEON relating to Bribery and Corruption and shall cover:
  - duties of the Employees, Directors and Business Associates to comply with AEON’s policies and procedures and applicable laws relating to Bribery and Corruption;
  - training on recognising and reporting actual, suspected or attempted Bribery or Corruption;
  - how to prevent and avoid incidents of Bribery and Corruption;
  - implications and consequences of non-compliance of AEON’s policies and procedures and the relevant laws relating to Bribery and Corruption; and
  - where or how to obtain further information from AEON.
- 15.5 The attendance of Employees, Directors or Business Associate for such training, when required by AEON shall be mandatory.

Any suggestions for improvements to this Policy or to AEON’s framework, processes, procedures and controls relating to Bribery and Corruption may be made to the Departments or email to [AMY\\_ABC@aeonretail.com.my](mailto:AMY_ABC@aeonretail.com.my)

This Policy was approved and reviewed by the Board of Directors of AEON on the following dates:

Version	Date
1	20 <sup>th</sup> May 2020