
ANTI-CORRUPTION MANUAL

Fortress Capital Asset Management (M) Sdn. Bhd.
(599035W)

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FORTRESS CAPITAL ASSET MANAGEMENT (M) SDN BHD (599035W)
Anti-Corruption Policy

1 Introduction

- 1.1. This Anti-Corruption Policy (“Policy”) is issued in pursuant to the SC’s Licensing Handbook and the Corporate Liability Provision under section 17A of the Malaysian Anti-Corruption Commission Act 2009 (“MACC Act”) that came to effect on 1 June 2020 to ensure adequate and effective procedures are in place to combat against corporate liability.
- 1.2. It is drawn guided by the Guidelines on Adequate Procedures issued under section 17A(5) of the MACC Act with the basis of five principles – T. R. U. S. T. i.e. Top Level Commitment; Risk Assessment; Undertake Control Measures, Systematic Review, Monitoring and Enforcement; And Training and Communication.
- 1.3. Section 17A imposes liability on a commercial organisation if a person associated with that commercial organisation corruptly gives, agrees to give, promises or offers to any person gratification whether for the benefit of that or another person with the intent to obtain or retain business for the commercial organisation or to obtain or retain an advantage in the conduct of business for the commercial organisation.
- 1.4. It is the objective of Fortress Capital Asset Management (M) Sdn Bhd (“Company”) to promote a business environment that is free of corruption, practices the highest level of integrity and ethics in delivering our services to our clients.

2 Scope

- 2.0 The Company adopt zero tolerance approach to bribery and corruption in all its form.
- 2.1 All employees, representatives of the Company, its Board of Directors (BOD) and its affiliates or business partners are responsible in ensuring that they always comply with all laws and regulations, in particular, to the MACC Act. No excuses or exceptions will be acceptable for non-compliance of any domiciled laws and regulations where the Company conducts its businesses.
- 2.2 Non-compliance to this policy will lead to disciplinary action and termination of employment. For affiliates, non-compliance of this policy may lead to termination of contract and claim for damages.
- 2.3 The Company and its BOD is committed to build a culture of accountability, ensuring client confidence and maintaining good corporate governance. Head of Department, Compliance Officer and CEO are to manage and handle matters relating to anti-corruption and bribery.
- 2.4 “Employees” here includes all employees, licensed representatives and directors.

3 Bribery, corruption and implications

- 3.1 Under the Malaysian Anti-Corruption Commission Act 2009 (revised 2018) (“MACC Act”), bribery and corruption are criminal offences and the legal consequences include section shall on conviction be liable to a fine of not less than ten times the sum or value of the gratification which is the subject matter of the offence, and/or imprisonment of up to twenty (20) years. A commercial organisation commits an offence if an associated person corruptly gives any gratification with intent to obtain or retain business or an advantage in the conduct of business, for the commercial organisation.

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3.2 “Gratification” means:

- 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;
- ii) any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;
- iii) any payment, release, discharge or liquidation of any loan, obligation or other liability;
- iv) any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;
- v) any forbearance to demand any money or money’s worth or valuable thing;
- vi) 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; and
- vii) any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding paragraphs (i) to (vi).

3.3. “Gifts” may be in the form of goods or services, including anything that can be of value to the person receiving it. Examples of these can be free travel trips, tickets for any cultural, entertainment or sporting events, and payment of loan or medical expenses.

3.4. "Entertainment/Hospitality" includes providing meals, refreshment, travel, transportation, lodging, as well as entertainment in the context of conventional, cultural and sporting events.

4 Gift

4.1. Providing Gift

4.1.1. “Corporate gift” normally bears the company’s name and logo and are of nominal / appropriate value such as diaries, table calendars, and pens. “Festive gifts” are traditional treats or gifts customary to the occasion such as red packets (without cash or cash equivalent), fruits, dates and gift hampers.

4.1.2. Corporate gifts, festive or ceremonial gifts may be given to our clients, or Business Partners provided it fulfils all of the following conditions:

- i) made for the right reason – it should be clearly given as an act of appreciation or common courtesy associated with festive seasons;
- ii) no obligation – it must not be used to cause or induce the receiver to improperly or illegally influence any business action or inaction or cause others to perceive an improper influence;
- iii) no expectation – there must not be any expectation of any favour or improper advantages from the receiver;
- iv) made openly – if made secretly and undocumented then the purpose will be open to question;
- v) reasonable value – the type of gift and its value must commensurate with the occasion and in accordance with general business practice; and
- vi) documented – the expense must be approved by CEO and Head of the respective department providing the gift.

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4.2. Accepting Gift

4.2.1. The Company recognises that exchange of gifts is common. In certain culture or situation, gift giving is customary, a tradition or central part of business etiquette.

4.2.2. Employees are expected to decline (or avoid accepting) gifts with the exceptions being:

- i) corporate gifts of nominal / appropriate value;
- ii) festive or ceremonial gifts during festive seasons or other ceremonial occasions;
- iii) when refusing the gift is likely to offend and harm The Company's business relationship with the giver; or
- iv) gifts given during invitation to speak at conferences or work-related conferences.

4.2.3. If you are in doubt about the acceptability, the gift must be refused. Immediately disclose and refer the matter to the immediate supervisor or head of department.

4.1.1. Employees must record any gift received with value more than RM500 in the Gifts Register upon receipt. In no circumstances may employees accept gift in the form of cash or cash equivalent (except for red packet tradition in token amount during the relevant festive season) from any party having business dealings with the Company.

5 Entertainment/Hospitality

4.2. Providing Entertainment

5.1.1. It is a common practice within the business environment to provide entertainment to foster business relationship. Employees may offer entertainment that is approved, legal and reasonable within the scope of their work as part of business networking as well as a measure of goodwill towards the recipients. Employees are expected to always exercise proper care and good judgement when providing entertainment to external parties.

5.1.2. Employees must not directly or indirectly provide or offer to provide entertainment with a view to cause undue influence or in exchange for favours or advantages. Such acts are considered corruption.

5.2. Accepting Entertainment

5.2.1. The Company recognises that occasional acceptance of appropriate entertainment provided by Business Partners or other parties in the normal course of business, is a legitimate way to network and to build business relationships.

5.2.2. However, it is important for employees to exercise proper care and good judgement before accepting entertainment offered or provided by Business Partners or other external parties. This is to safeguard the Company's reputation and avoid allegations of impropriety or undue influence or worse, corruption.

5.2.3. Employees must at all times conduct themselves with integrity in relation to accepting entertainment from any party. They or any of their family members must not accept entertainment in exchange for an exercise or non-exercise of their job function or activity.

6 Facilitation payments

- 6.1. Facilitation payments are payments made to a public or government official to secure or accelerate certain government processes (e.g. influencing the timing of process or issuing of permits). In Malaysia, facilitation payment is illegal. It is seen as a form of corruption. Regardless of whether it is legal in any other country, facilitation payment is strictly prohibited under this Policy.

7 Company processes and control measures

- 7.1. The Employees roles and responsibilities are as defined in the respective department's procedure manuals. Duties are segregated where "Four-eye principle" is applied. Not one person is given the full control over a single transaction of the Company.
- 7.2. Receipts and Payments are to be reviewed and approved by the authorised personnel to ensure transactions are in compliance with all of the Company's policies. Supporting documents are kept for at least 7 years from the date of occurrence.
- 7.3. For Clients' instruction in withdrawal of their assets, they will be strictly no third-party transfer. Assets will be transferred to the respective clients' accounts.

8 Donations, Sponsorship and Charitable Contributions

- 8.1 Any donations, sponsorships and charitable contributions by the Company must be done with the approval of the chief executive director (CEO).
- 8.2 It should never be paid in exchange for any business implications to the Company, whether it is to obtain a business, or to obtain some form of advantage of the business of the Company.
- 8.3. Employees are encouraged to make donations and charitable contributions in their own personal capacity, but it should never be in exchange for any improper purposes that affects the business of the Company.
- 8.4. All employees should not agree or promise to provide any form of political donation or support particularly where it is to obtain any business or advantage to the Company. Any requests for political donations should be brought to the attention of the CEO immediately.

9 Business partners

- 9.1. Employees must carry out proper due diligence process prior to on-boarding of any business partners, i.e. background checks, document verification and/or interview. They must be informed of the Company's Anti-Bribery and Anti-Corruption Policy.
- 9.2. Employees must review our Business Partners' performance to ensure they are in compliance with this Policy in relation to all dealings by them for, on behalf of or involving the Company. Failure to comply with this Policy by our Business Partners may lead to immediate termination of contract and claim for damages.

10 Whistleblowing Channel

- 10.1. If you suspect, or reasonably believe that this Policy has been, or is being breached, you have an obligation to report your concerns to your Head of Department or Compliance Manger or CEO personally or via email.

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- 10.2. All concerns reported will be treated in confidential manner and investigated immediately. Your anonymity will be protected unless the disclosure is required by law pursuant to an investigation or legislation, but you may be required to provide a statement as supporting evidence to any investigation. The Company ensures that there will be no retaliation or repercussions on the employee for making genuine reports on violation of this Policy. Any genuine reports made will be kept strictly confidential and only informed to persons on a need-to-know basis to safeguard the interests of the Company and also to ensure that any processes undertaken will not be compromised.

11 Compliance of policy

- 11.1. The Company and its BOD regard acts of bribery and corruption seriously. There is zero tolerance or excuse for non-compliance. For employees, non-compliance of this Policy may lead to disciplinary action and termination of employment.
- 11.2. For Business Partners, non-compliance of this Policy may lead to termination of contract and claim for damages.

12 Training and communication

- 12.1. This Policy is a public document which shall be communicated to all our Employees and Business Partners. Employees and Business Partners must read and understand the Company's position on anti-bribery and anti-corruption. Policy will be made available in our website.
- 12.2. Adequate training on Company's anti-bribery and anti-corruption approach shall be provided to our employees and business partners periodically. Training may take the form of a circular, memorandum and/or training session facilitated by external or internal training cause.

13 Regular Monitoring and Review

- 13.1. Corruption risk assessment is incorporated into the Company's Risk Management of each department and present to the BOD on a quarterly basis or as and when it is necessary at least every three years.
- 13.2. Further, this Policy will be reviewed, updated or revised by Compliance Officer periodically and /or when there are changes to the related law and regulations. This is to ensure its adequacy in implementation and enforcement.
- 13.3. The review is to be reported to BOD on a quarterly basis.