



# **BOUSTEAD PROJECTS LIMITED**

## **ANTI-BRIBERY AND CORRUPTION POLICY**

*This Policy may be updated from time to time and is subject to regular review by the management of Boustead Projects Limited.*



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## 1. INTRODUCTION

- 1.1. Boustead Projects Limited (“BPL”), as a majority-owned subsidiary of Boustead Singapore Limited, adopts and abides by the Code of Conduct Policy of the Boustead Group.
- 1.2. The following policy is intended to set out detailed requirements, procedures and rules in relation to employees of BPL and its subsidiaries (“Group”) and third parties dealing with BPL. For the purposes of this Policy, a BPL director, officer or employee includes any director, officer or employee employed by a Group company related to Boustead Projects Limited, and includes overseas subsidiaries.
- 1.3. This policy should be read in conjunction with the Code of Conduct Policy of the Boustead Group and any other internal policies which may be applicable.
- 1.4. If you are uncertain as to how the Policy applies to you and/or whether you have properly complied with the Policy, you are advised to refer the same to the Audit & Risk Committee (“ARC”) of BPL in accordance with the procedures in this policy for their decision and instruction.
- 1.5. This policy sets out the minimum requirements that must be complied with by Group employees and by third parties dealing with BPL.

## 2. POLICY STATEMENT

- 2.1. BPL has historically adopted a zero tolerance policy against any form of bribery or corrupt behaviour.
- 2.2. BPL and its Board of Directors continue to be strongly committed to the highest standards of integrity and ethical behaviour in conducting business. BPL believes in delivering professional and quality results to its clients and end-users, and in conducting all dealings with its contractors and suppliers fairly.
- 2.3. Bribery, extortion or other forms of corrupt behaviour and practices may expose the Group, its management and its employees to potential criminal and civil liabilities. BPL’s reputation and the trust and confidence held in BPL by our customers, stakeholders and business partners may be severely compromised by corrupt behaviour and practices.



- 2.4.** In line with this commitment and to ensure transparency in BPL’s practices, this Anti-Bribery and Corruption Policy has been prepared as a guide to all Group employees and third parties dealing with the Group.
- 2.5.** This Policy applies to all directors, officers and employees employed by the Group, as well as to all third parties dealing with the Group, who shall be referred to as “you” in this Policy in the appropriate context. The term “employees” includes contractors under term contracts and secondees.
- 2.6.** For the purposes of this Policy, “directors” shall include both persons holding the appointment of director under the Companies Act (Cap. 50) as well as employees of the Group holding the designation of “director”.
- 2.7.** As part of your understanding and acceptance of this Policy, you are requested to sign the appropriate Policy Compliance Statement and submit it to BPL as directed.
- 2.8.** This Policy is subject to bi-annual review by the Board of Directors. A review may be initiated on an ad hoc basis where there are significant developments in applicable laws and international conventions

### **3. ANTI-CORRUPTION AND ANTI-BRIBERY LAWS**

- 3.1.** As BPL is registered in Singapore, the Prevention of Corruption Act (Cap. 241) covers the conduct of the Group and its directors, officers and employees, as well as BPL’s contractors and suppliers.
- 3.2.** Corruption under the Prevention from Corruption Act (Cap. 241) in Singapore means soliciting or receiving “corrupt gratification” to induce or reward the person receiving the “gratification” for taking or not taking any action for any matter.
- 3.3.** Examples would include:
- Bribing a staff member to influence tender awards in favour of the person giving the bribe;
  - Bribing a government official not to prosecute the person giving the bribe or to take action such as issuing a Stop Work Order;
  - Bribing a staff member not to award a tender to a competitor of the person giving the bribe.
  - Accepting a bribe from a competing tenderer to withdraw your own tender.



### **Definition of gratification**

- 3.4.** "Gratifications" can take many forms, and they include:
- a. money or any gift, loan, fee, reward, commission, valuable security or other property or interest in property of any description, whether movable or immovable;
  - b. any office, employment or contract;
  - c. any payment, release, discharge of liquidation of any loan, obligation or other liability whatsoever, whether in whole or in part;
  - d. any other service, favour, advantage of any description whatsoever, including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary or penal 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
  - e. any offer, undertaking or promise of any gratification within the meaning of paragraphs a, b, c and d.

### **Definition of Corruption**

- 3.5.** Corrupt behaviour will include:
- a. Intention to favour one person over another instead of properly carrying out duties as an employee of the Group;
  - b. Intention to disadvantage one person as compared to another, instead of properly carrying out duties as an employee of the Group;
  - c. Intention to influence or induce any government official, civil service officer, MP, member of public body, in the performance of their official duties by offering personal incentives or disincentives.
- 3.6.** From time to time, the Group may carry on business, invest or undertake a project in a foreign jurisdiction or enter into a contract with foreign or multinational clients who are required to comply with the anti-corruption and bribery laws of other countries or the rules or procedures of international organisations.
- 3.7.** All Group directors, officers and employees and all third parties who have business dealings with the Group must comply with the Prevention of Corruption Act (Cap. 241)



and all relevant anti-bribery and anti-corruption laws and regulations in Singapore. Please note that the Prevention of Corruption Act (Cap. 241) applies to both acts committed in Singapore and overseas. You are bound by this Policy regardless whether you are employed outside of Singapore or have been stationed overseas by the Group.

- 3.8.** Some examples of foreign anti-corruption and anti-bribery laws which extend to conduct overseas, include:
- a. The UK Bribery Act 2010
  - b. The US Foreign Corrupt Practices Act
- 3.9.** The Group may specifically require you to comply with the anti-corruption and anti-bribery restrictions imposed by foreign laws or by clients who are subject to foreign laws. This Policy serves as an overarching framework to combat corrupt activity, bribery and extortion, and should be read in conjunction with all such specific requirements which may be imposed.
- 3.10.** You must in any event comply with the laws of the country where the Group is operating at the time.

## **4. VOLUNTARY DISCLOSURE POLICY**

- 4.1.** If you have previously been charged with any offence relating to corruption whether under the Prevention from Corruption Act (Cap. 241) in Singapore or overseas, or you have been subject to any type of investigation, inquiry or debarment (temporary or final) for corruption, you must disclose all such matters to the Group before tendering for any project or accepting any employment with the Group.
- 4.2.** If you have any personal or direct business relationship with any director, officer or senior employee (defined as “management” grade and above) of the Group, you must disclose this information to the Group prior to tendering for any project or accepting any employment with the Group.
- 4.3.** The Group will keep all such information private and confidential and will only disclose or use this information for the purposes of making hiring decisions (where a potential employee is concerned) or for deciding whether to award a contract (where a potential contractor or supplier is concerned).



- 4.4. If you are not in a position to disclose the full circumstances of any charge, investigation, inquiry, debarment or conviction to the Group, you should inform the Group of your reasons why. The Group may in its discretion decline to offer you employment or award a contract to you if you do not disclose such information.
- 4.5. Failure to disclose any previous charges, investigations, inquiries, debarment or convictions shall be a material omission for which the Group is entitled to revoke or terminate previous offers or contracts with you, at its discretion.
- 4.6. If you are a Group employee and you have failed to disclose any such information under this section, the Group shall, if it discovers that you have not disclosed any such information, be entitled to assume that you have deliberately not disclosed such information and may terminate your employment without notice for misconduct.

## 5. GIFTS, HOSPITALITY, MEALS, TRAVEL AND ENTERTAINMENT POLICY

- 5.1. No Group director, officer or employee is permitted to:

- Accept, or
- Request, or
- Offer,

any type of financial or non-monetary benefit or reward in exchange for showing favour to the Group or some other person, to improperly obtain or retain business, or to influence any type of action or decision not to take action, while performing their duties to the Group.

- 5.2. You may not circumvent this restriction by using another person (including non-Group employees) or personal funds to accept, request or offer such benefit or reward. Neither must you authorize or implicitly or indirectly give approval to someone else to act on your behalf. This would include asking family members or partners who are not Group employees to do so.

### 5.3. **Business Gifts.**

From time to time, customers, suppliers or other persons might offer a gift to a Group director, officer or employee. This could be a small item, or something of considerable value. Such gifts may only be accepted if they serve a business need of the Group. For example, you may accept free stationery with the logo of a contractor or supplier as part of their general marketing efforts.



No gifts with a value of more than SGD 100 may be accepted personally by an individual employee. If a gift is offered and then refused because of its value, this must also be reported to your superior or a Director.

Specific types of gifts are prohibited and cannot be accepted by Group employees. These would include:

- Cash or cash equivalents such as shopping vouchers.
- Travel
- Vacations or accommodation
- Luxury items
- Services
- Loans (except in your private capacity and from a registered financial institution)
- Discounts (unless extended to Group staff generally and which is permitted by Group management)

#### *Reporting Procedure*

Business gifts which are offered or accepted personally must be reported according to this procedure. Corporate gifts which are addressed directly to the Group or which are intended for Group staff generally, need not be reported. Examples of gifts which need not be reported, include:

- Gift hampers sent on festive occasions
- Approved hospitality events, meetings or meals where an invitation is extended to a collective group of staff

If you are a Group employee, you are required to report whether you have received any gifts which you believe to be above the value of SGD 100, according to this Policy and any internal guidelines that are published from time to time. Such reports may be forwarded to the ARC or management.

Directors or officers of the Group must also keep a record of all gifts offered or accepted, which are above the value of S\$100. Such records must be provided to the Managing Director on an annual basis, even if no gifts have been offered or accepted during this period of time. The ABC Committee are permitted to inspect these records at any time.

Depending on the context in which the gift was offered, the number of times a gift has been offered and the value of the gift offered, records may also be kept by the Group and used in contract appraisal. These records are confidential and will not be disclosed to employees or third parties.



#### **5.4. Hospitality.**

From time to time, customers, suppliers or other persons might invite a Group employee to a hospitality event. All such invitations must be reported to your superior or a Director. Permission must be given by the head of department before an employee accepts any invitation.

#### **5.5. Offer of Gifts or Hospitality by BPL Directors, Officers and Employees**

Group employees may not offer any gifts or organize any hospitality events without the permission of the Group management, except where the gift or hospitality event falls into a category which is deemed to carry a low risk of conduct in breach of this Policy and is authorized generally by the Group management.

#### **5.6. Expenses.**

Expense claims must be verified with receipts and approved by the Group employee's direct superior. Extraordinary or unusual expense claims must be justified by the Group employee, officer or director claiming for reimbursement.

Directors and officers of the Group must keep copies of receipts for expenses claimed. Handwritten receipts are not acceptable unless a company or trade name and registration number is provided for verification. A record of expense claims and the receipts must be kept by the Finance Department and made available for the Group's professional advisers to review.

#### **5.7. Record of Communications.**

All communications with the Group's clients, government authorities or the Group's contractors and third parties must be recorded in written form as far as possible. Such communications must be stored in devices provided by the Group for the purposes of employment.

Such records must be properly preserved in readable electronic form and must be handed over to the Group in the event that an employee leaves the Group's employment, or in relation to the Group's contractors and suppliers for construction projects, must be copied to the responsible Group employee or director at all times. It is strictly prohibited for any employee to delete or shred any such documents without first seeking approval.



## **5.8. Prohibition against “facilitation” payments and kickbacks**

The Group does not allow and does not permit any “facilitation” payments or kickbacks to any third party. A “facilitation” payment is a payment made for the purpose of expediting or securing the performance of a routine governmental act by a government official. If a Group employee requests for a “kickback” or you have been offered a kickback, you must immediately report the matter to the Group’s management in accordance with this Policy.

## **5.9. Contributions to political parties or charitable organisations**

As a matter of policy, the Group does not make contributions to political parties or in circumstances where it would give the appearance of attempting to seek an advantage or favour in exchange for the donation. The Group’s management similarly vets all charitable contributions beforehand to avoid any such concerns. You should not make any donations to any charitable organization in the Group’s name and without prior approval from the Group’s management.

## **5.10. Consultation**

This Policy is prepared as a guide to third parties and employees of the Group. It is not intended to cover every possible situation and is not intended to be legal advice on compliance with anti-bribery and anti-corruption laws. You should, at the earliest, approach your superior or any director of the Group to seek instructions, if you are in doubt as to how this Policy applies to you and whether you are complying with the same.

## **5.11. Red Flags**

The situations listed below (the “Red Flags”) are examples where there is a higher risk of corruption or of conduct which may raise concerns under anti-bribery and anti-corruption laws. Red flags may be considered in employee or tender appraisal, as well as ongoing work appraisal for third party contractors and suppliers.

### ***Examples:***

- If the country or industry is known to have a reputation for encouraging or permitting corrupt practices.
- Where a third party has close ties with government officials or authorities, or their families, employees or officers.



***Examples (continued):***

- If a third party adopts or requests for irregular payment procedures including:
  - o Requesting cash payments, not keeping records of payment, or refusing to provide a receipt or invoice.
  - o Requesting for payment to be routed through a different country or different party, and the third party cannot or refuses to justify why this payment arrangement is required.
- If the third party has been investigated for corruption-related offences, or has been involved in corrupt practices in the past. This would include cases where the third party is controlled by other entities or individuals with such histories.
- Where expenses or payment requests are for amounts that exceed what is reasonable, and is not explained.
- If a third party is not able to provide its business contact information, details of its direct owners and its directors or senior management, when requested to do so.
- If a third party requests that you provide employment or some sort of advantage to friends or relatives.
- If a third party requests, or offers you expensive entertainment and hospitality or luxury gifts.

## **6. REPORTING CONCERN OR SUSPECTED WRONGDOING**

- 6.1.** The Group also adopts a Whistle-blowing Policy and a Code of Conduct Policy. This Policy applies to both employees and non-employees of BPL. A copy of the Whistleblowing Policy is found at Appendix 1 and a copy of the Code of Conduct Policy is found at Appendix 2.
- 6.2.** While the Whistleblowing Policy provides for a secure procedure for reporting of concerns or suspected wrongdoing, all BPL employees are made aware of BPL's policy on anti-bribery and anti-corruption. As such, a BPL employee may make reports to his direct superior regarding any concern or suspected wrongdoing. If it is inappropriate for any reason to report the matter to his direct superior or the direct superior is inaccessible, the employee may make use of the secure procedure under this Policy instead of reporting to



his direct superior. However, all reports made to the Group employees apart from the designated persons under this Policy must be escalated to the Group management immediately.

**6.3.** For the purposes of reporting any concerns or suspected wrongdoing, all reports should be addressed to the Audit & Risk Committee of BPL by the following methods:

a. In writing:

(i) By email at [abc@boustead.sg](mailto:abc@boustead.sg).

(ii) By handing a letter in person to any member of the ARC.

b. In person:

(i) By a meeting in confidence.

**6.4.** Reports made will not be disclosed to the persons involved and will be kept securely by BPL. All Group directors, officers or employees who are made aware of the contents of these reports, must undertake to keep these reports confidential and shall do so even after they have left the Group's employment or no longer hold any appointments in the Group.

## 7. ACTION BY BPL UPON REASONABLE SUSPICION OF WRONGDOING BY CONTRACTORS

**7.1.** If a report is made against any contractor (whether present, past or potential) of the Group, BPL shall adopt the following procedure:

(a) BPL's management will review the report made with the assistance of HR and Legal departments (where deemed to be necessary).

(b) BPL may request for additional documents or evidence from the whistle-blower, and may speak with the whistle-blower privately. The records made by BPL of such meetings shall not be made available to the contractor.

(c) If upon this investigation, BPL considers that there is a reasonable risk of corrupt behaviour, BPL will write to the contractor concerned stating the alleged corrupt behaviour, and the date, time and location this behaviour occurred.



- (d) BPL may also request that the contractor's management attend a meeting with BPL's management to provide an explanation in person. Any documents shown to the contractor at this meeting are confidential and no copies can be made by the contractor.
  - (e) The contractor must provide a formal explanation to BPL by the next working day, unless the contractor provides sufficient reasons to request for an extension of time.
  - (f) If after considering the formal explanation by the contractor, BPL is not satisfied with the contractor's explanation, or if BPL does not receive a formal explanation on time, BPL may immediately:
    - (i) suspend the contractor from future tenders for BPL's projects,
    - (ii) suspend the contractor's works on-site without payment of any compensation or extension of time,
    - (iii) demand that the contractor remove the contractor's employee involved, from the project;
    - (iv) reject the contractor's tender submission.
- 7.2.** Even if BPL's management determines that it will not proceed to impose any of the above penalties on the contractor, the Group shall be entitled to record the incident as a point against the contractor in any future tender submission.
- 7.3.** The Group may report the suspected wrongdoing or conduct to the relevant authorities, and may provide all documents that are relevant to the authorities for their investigation.