



Boustead Holdings Berhad

ANTI-BRIBERY MANAGEMENT SYSTEM MANUAL

**GROUP INTEGRITY & GOVERNANCE
BHB-GIG-MAN01**







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1.0 SCOPE

The Anti-bribery Management System (ABMS) Manual provides the framework for implementing an anti-bribery management system which applies to Boustead Holdings Berhad (BHB). BHB shall ensure that all requirements specified in the MS ISO 37001:2016 Standard (Standard) are implemented, maintained and continuously improved throughout the organization. The scope of this manual shall cover all activities carried out by BHB.

2.0 NORMATIVE REFERENCES


BHB adopts the MS ISO 37001:2016 requirements based on the latest references or revision according to the International Standard.

3.0 TERM AND DEFINITION

Definitions of anti-bribery terminologies are in accordance with MS ISO 37001:2016 Anti-Bribery Management Systems Fundamentals and vocabulary are applied throughout this ABMS Manual and Standard Operating Procedures (SOP). The controlled documents describing the purpose, scope, responsibility and method of performing activities.

Among the common term and definitions used for ABMS manual are as follows:

- 3.1 **Bribery** shall mean the offering, giving, soliciting, or receiving of any item of value as a means of influencing the actions of an individual holding a public or legal duty.
- 3.2 **Organization** shall mean Boustead Holdings Berhad (BHB).
- 3.3 **Governing Body** refers to the Board of Directors that oversight responsibilities with respect to the organization including the anti-bribery management system.
- 3.4 **Top Management** refers to the most senior staff of BHB, including the heads of various divisions or departments led by the chief executive officer
- 3.5 **Anti-bribery Compliance Function** refers to Boustead Group's Group Integrity & Governance (GIG).
- 3.6 **Stakeholders** refers to a party that has an interest in BHB and can either be affected or affected by the business.

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3.7 **Standard** means the ISO 37001:2016 ABMS Requirements.

3.8 **Business Associates** means any external party who has established some form of business relationship and involved with or potential involvement with BHB and its business activities.

4.0 CONTEXT OF THE ORGANIZATION

4.1 The organization and its context

Boustead Holdings Berhad (BHB) is a public listed investment holding company, engaged in the provision of management services to its subsidiaries with interest in key sectors of the Malaysian economy.

BHB has determined the external and internal issues that may affect the ability to achieve its ABMS objectives. BHB has also identified the applicable laws that related to corruption and bribery.

Refer to Appendix 1: List of Internal and External issues

4.2 The needs and expectations of stakeholders

BHB has determined the stakeholders that are relevant to its anti-bribery management system as well as the relevant requirements of these stakeholders by considering the factors stipulated in (a) until (h) in the Standard.

Refer to Appendix 2: The needs and expectations of stakeholders

Related documented Information


1. *List of Business Associates*
2. *List of applicable laws and regulations*

4.3 Scope of anti-bribery management system

BHB has determined the scope of the **Anti-Bribery Management System covering investment management and Corporate Shared Services In BHB.**

The scope shall be available as documented information. When determining this scope, BHB considered the following:

- a. the external and internal issues referred to in 4.1
- b. the requirements referred to in 4.2

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c. the results of the bribery risk assessment referred to in 4.5

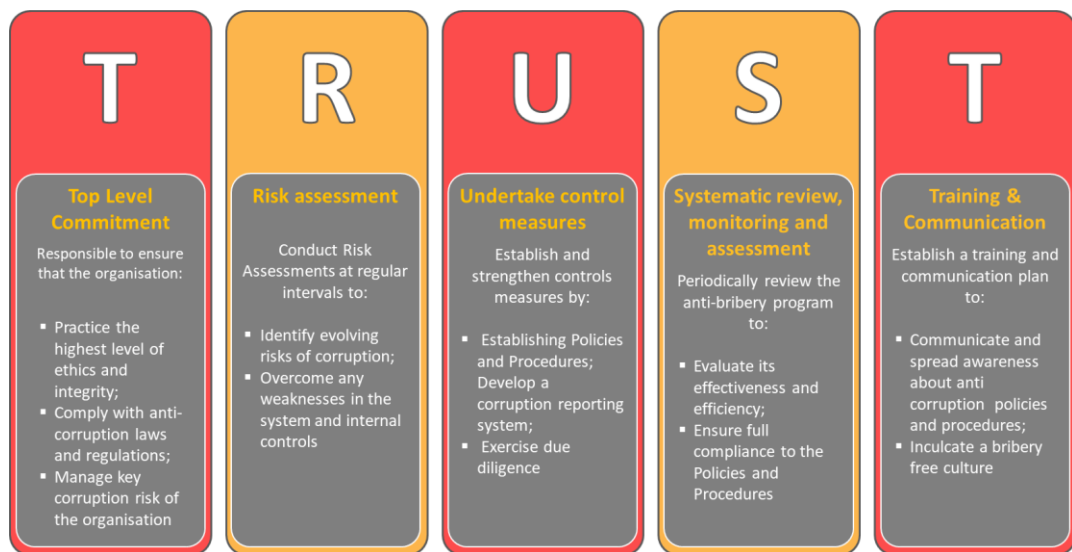
Related documented information


1. MS ISO 47001:2016 Certification

4.4 Anti-bribery management system

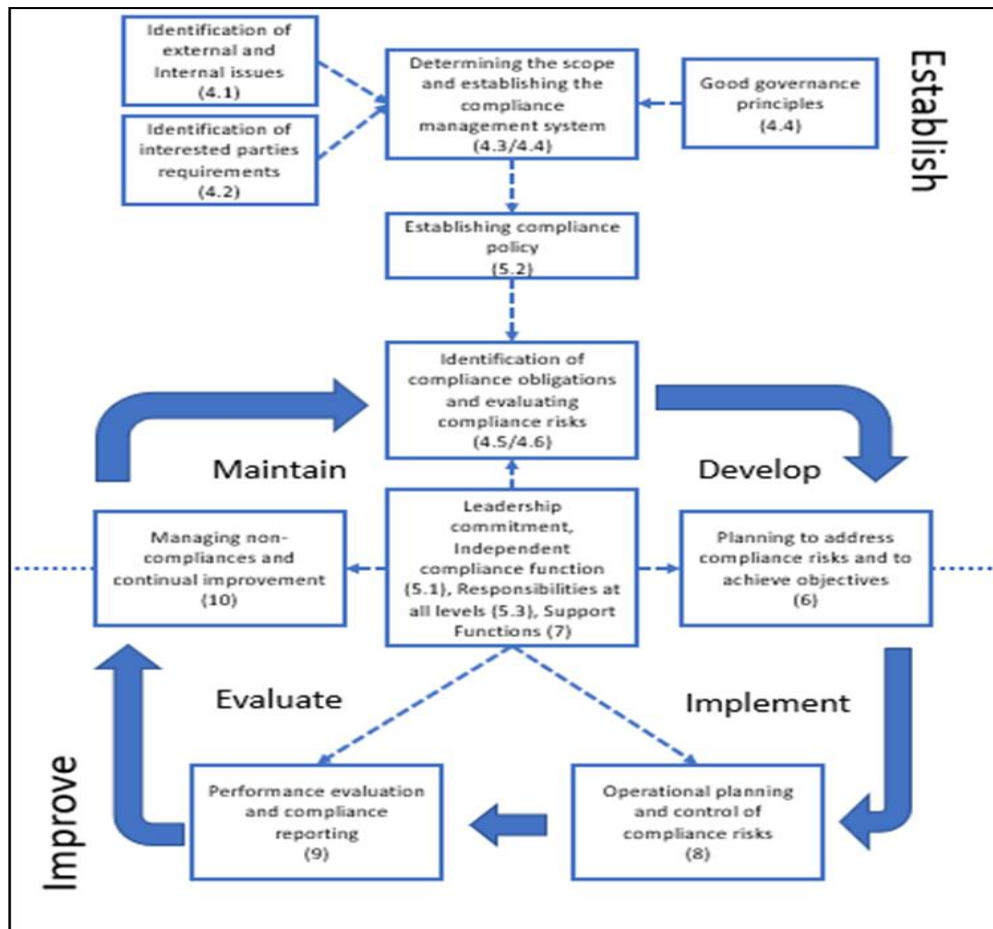
BHB has established documents, implemented, maintained and will continuously review and, where necessary, improve on an Anti-bribery Management System, including the processes needed and their interactions, in accordance with the requirements of the Standard ISO 37001:2016, BHB’s Anti-Bribery and Corruption Policy, and BHB’s Code of Ethics and Conduct. These documents are available on BHB’s website at www.boustead.com.my.

BHB has incorporated the “Adequate Procedures – T.R.U.S.T” principles based on the Ministerial Guideline into its business operations:



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BHB's ABMS Model is as follows:



4.5 Bribery risk assessment

4.5.1 BHB has conducted a corruption risk assessment to identify, analyse, assess and prioritize the risk according to the Corruption Risk Assessment Methodology. The controls to mitigate the risks shall be implemented and reviewed to evaluate the effectiveness of the action plan and the level of risks rating. The risk register shall be reviewed on a yearly basis to determine its relevancy to the current business conditions.

- a. BHB has established the Corruption Risk Assessment which includes the treatment of bribery risk as stated in Clause 6.1 of the standard.
- b. BHB has analysed, assess and prioritize the identified bribery risk according to the Risk matrix shown in 4.5.2.

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c. BHB evaluates the suitability and effectiveness of the existing controls on a yearly basis to mitigate the assessed bribery risks.

4.5.2 BHB established a Corruption Risk Assessment system and processes through CRM to identify issues with respect to bribery, abuse of power, falsification of documents, conflict of interest, money laundering and leakage of information regularly.


The methodology of CRM is by identifying scheme, cause vs impact. Most risk identified are categorized as 'medium' and 'high' derived from key business activities.

4.5.3 The controls to mitigate the risks shall be implemented and reviewed to evaluate the effectiveness of the action plan and the level of risks rating. The risk register shall be reviewed on a yearly basis to determine its relevancy to the current business conditions.

For the scope of ABMS, policy and procedures was developed from CRM to address structured action plan. The CRM's notable features and advantages are:

- a. **Support top management strategic needs:**
 - i. Adopt a top-down approach
 - ii. Focuses on strategic and significant corruption risks
 - iii. Focuses on areas of greatest importance and value
- b. **Practical approach and buy-in:**
 - i. Involves "client" participation
 - ii. Draws on governance guidance
- c. **Adopt a more practical risk measurement approach:**
 - i. Impact and likelihood measurement to rank corruption risks
 - ii. Developed based on international risk management principles and standards

Refer Appendix 3 series: Bribery Risk Assessment documentations

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5.0 LEADERSHIP

5.1 Leadership and commitment:

5.1.1 Governing Body

BHB's Audit Committee (a sub-unit of BHB's Board of Directors), the Governing Body for BHB's ABMS are committed to prevent corruption and to comply with ISO 37001:2016, the MACC Act 2009 (Act 694) and to demonstrate leadership and commitment by:

- a. approving BHB's Anti-bribery and Corruption (ABAC) Policy;
- b. ensuring that BHB's strategy and its ABAC policy are aligned;
- c. at planned intervals, receiving and reviewing information about the content and operation of BHB's anti-bribery management system;
- d. ensuring that adequate and appropriate resources needed for effective operation of the anti-bribery management system are allocated and assigned;
- e. exercising reasonable oversight over the implementation of the organization's anti-bribery management system by top management and its effectiveness.


The Board of Directors has established Group Integrity and Governance Department (GIG) to ensure the implementation of ABMS and good corporate governance.

Refer Appendix 4: Board of Directors Charter

5.1.2 Top Management

The Top Management of BHB demonstrates the responsibility for the implementation and compliance with ABMS by:

- a. ensuring that the anti-bribery management system, including policy and objectives, is established, implemented, maintained and reviewed to adequately address the organization's bribery risks;
- b. ensuring the integration of the anti-bribery management system requirements into the organization's processes;
- c. deploying adequate and appropriate resources for the effective operation of the anti-bribery management system;
- d. communicating internally and externally regarding the anti-bribery policy;
- e. communicating internally the importance of effective anti-bribery management and of conforming to the anti-bribery management system requirements;

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- f. ensuring that the anti-bribery management system is appropriately designed to achieve its objectives;
- g. directing and supporting personnel to contribute to the effectiveness of the anti-bribery management system;
- h. promoting an appropriate anti-corruption culture within the organization;
- i. promoting continual improvement;
- j. supporting other relevant management roles to demonstrate their leadership in preventing and detecting corruption as it applies to their areas of responsibility;
- k. encouraging the use of reporting procedures for suspected and actual corruption
- l. ensuring that no personnel will suffer retaliation, discrimination or disciplinary action for reports made in good faith, or on the basis of a reasonable belief of violation or suspected violation of the organization's anti-bribery policy, or for refusing to engage in corruption, even if such refusal can result in the organization losing business (except where the individual participated in the violation);
- m. Reporting to the Board of Directors on the content and operation of the ABMS and incidences relating to corruption on a quarterly basis.

5.2 Anti-bribery and corruption policy

BHB has established an Anti-Bribery and Corruption Policy that:

- a. prohibits bribery;
- b. requires compliance with anti-bribery laws that are applicable to the organization;
- c. Is appropriate to the purpose of the organization;
- d. provides a framework for setting, reviewing, and achieving anti-bribery objectives;
- e. includes a commitment to satisfy anti-bribery management system requirements;
- f. encourages raising concerns in good faith, or on the basis of a reasonable belief in confidence, without fear of reprisal;
- g. includes a commitment to continual improvement of the anti-bribery management system;
- h. explains the authority and independence of the anti-bribery compliance function;
- i. Explains the consequences of not complying with the anti-bribery policy.

The Policy is communicated to all personnel within BHB and its subsidiaries as well as its business associates who pose more than a low risk of corruption. The Policy shall be made available to all relevant stakeholders, as appropriate.

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The management ensures that the Policy is understood, implemented and maintained at all levels in BHB by various means such as posters and awareness sessions.

Refer Appendix 5: Boustead Group's Anti-Bribery And Corruption Policy

5.3 Organizational roles, responsibilities and authorities

5.3.1 Roles and responsibilities

The top management ensures that the responsibilities and authorities for relevant roles are assigned, communicated and understood within BHB.

Managers at every level are responsible for requiring that the anti-bribery management system requirements are applied and complied with in their department or function.


The Board, Top Management and all other personnel are responsible for understanding, complying with and applying the anti-bribery management system requirements, as they relate to their role in the organization.

BHB's management has a documented and defined organizational structure which defines clearly roles and responsibilities across the entire organization. Managers of all divisions are responsible to ensure the anti-bribery management system are applied and complied within their divisions. BHB is responsible to ensure that all staff are responsible for understanding, complying and applying the anti-bribery management system requirements when executing their duties.

5.3.2 Anti-corruption compliance function

BHB has assigned the Anti-Corruption compliance function to GIG in which the responsibility and authority includes:

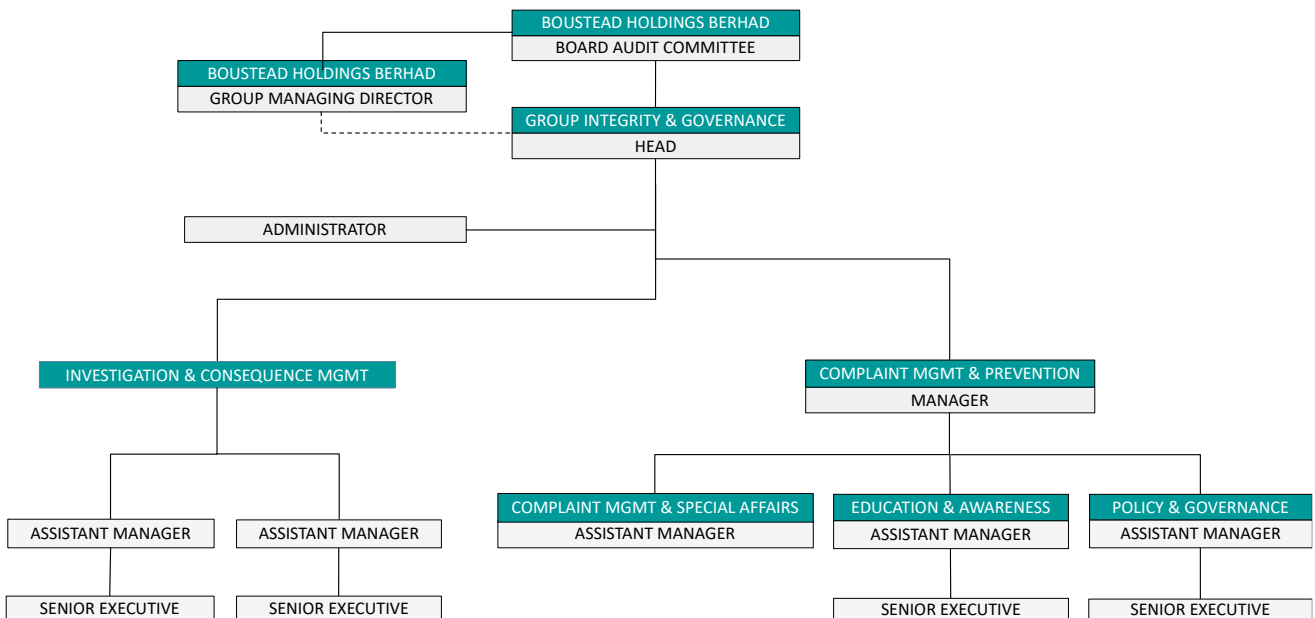
- a. overseeing the design and implementation by the organization of the anti-bribery management system;
- b. providing advice and guidance to personnel on the anti-bribery management system and issues relating to bribery;
- c. ensuring that the anti-bribery management system conforms to the requirements of this manual; and
- d. reporting on the performance of the anti-bribery management system to the governing body and top management and other compliance functions, as appropriate.

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GIG shall have direct access to the Board of Directors and Top Management in the event that any issue or concern needs to be raised in relation to corruption and the ABMS. GIG shall be adequately resourced and comprise of personnel who have the appropriate competency, authority, and independence.

The organizational chart and the reporting line of BHB’s GIG is as follow:

GROUP INTEGRITY & GOVERNANCE (GIG) Organisational chart



Refer Appendix 6 – GIG Charter


5.3.3 Delegated decision making

Top Management delegates to personnel the authority for making decisions through a decision-making process which are free of potential conflict of interest. The process shall be reviewed periodically. BHB has established a guideline on decision making based on the Limit of Authority (LOA).

Refer Appendix 7 – BHB’s Limits Of Authority

Related documented information:

1. Job Description of compliance function
2. GIG organization chart
3. Minutes of Meeting for establishment of GIG

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6.0 PLANNING

6.1 Action to address risks and opportunities

Management has considered the issues under clause 4.1, the requirements under clause 4.2 and determined the risks and opportunities for improvement that needed to be addressed to:

- a. Review and recommend to Audit Committee and Board of Directors and provide reasonable assurance that ABMS can achieve the objectives;
- b. Prevent or reduce undesired effects relevant to the Anti-Bribery and Corruption Policy and objectives;
- c. Monitor the effectiveness of ABMS;
- d. Achieve continual improvement.

BHB has planned actions to address the bribery risks into ABMS processes and evaluate the effectiveness.


In accordance to Clause 4.5 of this Manual, BHB shall identify the necessary actions and controls in order to address its bribery and corruption risk within every department. The preventive actions and controls are identified during the Risk Evaluation phase in the Corruption Risk Assessment process which involves the following:

- a. Identifying the existing controls in place to mitigate the identified bribery and corruption risks;
- b. Assessing the residual risk rating based on the implementation and effectiveness of the existing controls;
- c. Identifying additional controls or action plans to further mitigate the identified risks for the more than low corruption risk rating; and
- d. Implementing the additional controls or action plans in accordance to the timeline.

Each additional controls and/or action plans shall be identified by the respective departments and documented in the Corruption Risk Register.

Related documented information:

1. *Corruption Risk Register*

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6.2 Anti-bribery objectives and planning to achieve them

BHB has established the Anti-Bribery and Corruption objectives to support the adherence to the Anti-Bribery and Corruption Policy. The objectives shall be communicated, measurable, achievable, monitored, and communicated to all personnel and updated periodically.

BHB's anti-bribery management system objectives are as follows:

- a. inculcating integrity, transparency and accountability in all aspects of its businesses;
- b. providing information and guidance to Boustead Group personnel on how to detect, prevent and respond to any form of corruption;
- c. promoting Boustead Group's ABMS to all stakeholders and business associates and ensure compliance to all applicable laws and related procedures set out by the ABMS;
- d. advocating a culture of integrity by providing channels for reporting of any suspected corruption acts and improper conducts;
- e. protecting Boustead Group's reputation and its stakeholders by applying adequate procedures for the mitigation of bribery and corruption risks; and
- f. put in place sustainable efforts to eradicate corruption towards achieving zero-corruption status.

BHB has established the Anti-Bribery and Corruption Programme (ABCP) which describes the initiatives that shall be taken to achieve its Anti-Bribery Objectives. The ABCP focuses on the following aspects:

- a. Planning and assessment;
- b. Implementation and controls;
- c. Communication and awareness; and
- d. Monitoring and continuous improvement


Related documented information

1. *Anti-Bribery and Corruption Programme(ABCP)*

7.0 SUPPORT

7.1 Resources

- a. Human Resources:
BHB has provided the resources necessary for the establishment, implementation, maintenance and continual improvement of the ABMS.

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- b. Physical Resources:
BHB has provided and maintained the infrastructure and working environment necessary to achieve ABMS's objective.
- c. Financial Resources:
BHB has allocated sufficient budget to ensure that all ABMS related programs can be carried out effectively as planned.

7.2 Competence

7.2.1 General

BHB has determined the necessary competence of personnel whose work may affect the performance of the ABMS. The competency of the personnel is based on appropriate education, training or experience. BHB shall take necessary actions to acquire and maintain the competency and retain appropriate documented information as evidence of competence.


Refer Appendix 8: Competency Requirements

Related documented information:
1. Training records

7.2.2 Employment Process

7.2.2.1 BHB has established processes for employment to address the following:

- a. conditions of employment require personnel to comply with the Anti-Bribery and Corruption Policy and ABMS, and give the organization the right to discipline personnel in the event of non-compliance;
- b. within a reasonable period of their employment commencing, personnel receive a copy of the Anti-Bribery and Corruption Policy and training in relation to that policy;

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c. the organization has procedures which enable it to take appropriate disciplinary action against personnel who violate the Anti-Bribery and Corruption policy or ABMS.

d. personnel will not suffer retaliation, discrimination or disciplinary action for refusing to participate in activities with more than low risk of bribery that has not been mitigated by BHB.

7.2.2.2 In relation to all positions which are exposed to more than low bribery risk as determined during the corruption risk assessment, BHB shall conduct:

a. due diligence prior to their employment to ascertain as far as reasonable that it is appropriate to employ the personnel.

b. periodical review on performance bonuses, targets and other incentives to prevent corruption.

c. signing of the Integrity Pact for Boustead Group Employees upon their employment.

Refer Appendix 9 series: Employment Processes Documentation

7.3 Awareness and training

BHB provides adequate and appropriate anti-bribery awareness and training to personnel which addresses the following matters:


a. Introducing the Boustead Group Anti-Bribery and Corruption Policy, procedures and anti-bribery management system and their duty to comply;

b. Raising awareness on the consequences of the personnel's involvement in corrupt acts;

c. Circumstances where bribery can occur in relation to their duties, and how to recognize these circumstances;

d. How to recognize and respond to solicitations or offers of bribes and other forms of corruption;

e. How BHB personnel can help prevent and avoid bribery and corruption;

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- f. How BHB personnel can contribute to the effectiveness of the anti-bribery management system by promoting the Boustead Group Whistleblowing channels;
- g. The repercussions of noncompliance to the anti-bribery management system;
- h. What are the whistleblowing channels available to the personnel, stakeholders and business associates;
- i. Which department can the personnel reach out to for training and resources.

BHB personnel are made aware of the Boustead Group Anti-Bribery and Corruption Policy through platforms such as, induction program, awareness exercises, anti-bribery and corruption posters and email blast to ascertain achievement of the Anti-Corruption objectives and the effectiveness of the ABMS.

The training includes raising awareness on the consequences of the personnel's involvement in corrupt acts.

BHB shall suggest to business associates acting on its behalf to conduct their own anti-corruption awareness and training or for its benefits, and which could pose medium and above corruption risk to the organization.

Details of training scope, attendance list and date of training will be kept by GIG.


Related documented information:
1. ABAC Awareness and Training Plan

7.4 Communication

7.4.1 BHB shall communicate all Anti-Corruption related information internally and externally.

7.4.2 Boustead Group Anti-Bribery and Corruption Policy is available to all BHB personnel and business associates on BHB's corporate website. The Policy is communicated to both personnel and business associates who pose more than a low risk of bribery and corruption through electronic medium such as email as well as during the periodical awareness sessions.

Related documented information:
1. ABAC Communication Plan

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7.5 Documented Information

7.5.1 General

- a. BHB has established a procedure to ensure that documented information necessary for implementing ABMS is established, controlled, and updated.
- b. The documented information includes Anti-Bribery and Corruption Policy, ABMS Manual, Procedures and records.

7.5.2 Creating and updating

When creating and updating documented information, BHB ensures that the documents are:


- a. Properly identified and contains the appropriate description;
- b. Uses the correct format as determined by the Document Control Procedure;
- c. Reviewed and approved for suitability and adequacy.

7.5.3 Control of documented information

BHB has established the Document Control Procedure to assist departments in creating and updating documented information. This is to ensure that the documents are:

- a. Available and suitable for use, where and when it is needed;
- b. Is adequately protected from loss of confidentiality, improper use, or loss of integrity;
- c. Distributed, accessed, retrieved and used in a controlled manner;
- d. Properly preserved;
- e. Changed in a controlled manner;
- f. Properly retained and disposed in a controlled manner.

Refer Appendix 10: Document Control Policy

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8.0 OPERATION

8.1 Operational planning and control


- a. The Board, through its Board Audit Committee is responsible to review the adequacy and effectiveness of BHB's planning, implementation, review and control processes needed to meet the requirements of ABMS, and to implement the actions determined in Clause 6.1.
- b. All processes including outsource processes necessary to meet the requirements, shall be implemented, reviewed and controlled.

Refer Appendix 11: List of BHB's Departmental Procedures

8.2 Due Diligence

- a. BHB shall conduct the necessary due diligence on the following when the risk assessment findings show a more than low corruption risk ranking:
 - i. specific categories of transactions, projects or activities,
 - ii. planned or on-going relationships with specific categories of business associates, or
 - iii. specific categories of personnel in certain positions.
- b. The due diligence will be conducted on individuals before their employment, transfer or promotion by BHB to ascertain that they comply with ABMS requirements. BHB has established necessary due diligence and pre-qualification before selection of suppliers, vendors and related business associates. This is to ensure they meet and comply with the procurement and ABMS requirement as well.
- c. The necessary due diligence is required to be included in the relevant BHB's Departmental Procedure. Due diligence may include checking on the following:
 - i. Government system such as:
 - Elektronik Sistem Tapisan Keutuhan (E-STK)
 - SSM Search
 - ii. Previous employment record
 - iii. Interview and survey

Refer Appendix 11: List of BHB's Departmental Procedure

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8.3 Financial Control

- a. BHB has implemented financial controls that manage bribery risk using management systems and processes currently in place. BHB shall manage its financial transaction properly and to record these transactions accurately. To ensure this, BHB has implemented the following:
 - i. tiered levels of authority for payment approval
 - ii. required at least two signatures for payment approvals
 - iii. appropriate supporting documents for payment approvals

Refer Appendix 11: List of BHB's Departmental Procedures

8.4 Non-financial controls


- a. BHB implements non-financial controls to manage corruption risk as part of its corporate governance which includes:
 - i. conducting corruption risk assessment by GIG with respective departments within BHB;
 - ii. inclusion of Bribery risk and its control in current SOP (as per 8.1);
 - iii. conducting due diligence during vendor screening.

Refer Appendix 11: List of BHB's Departmental Procedures

8.5 Implementation of anti-bribery controls by controlled organizations and by business associates

- 8.5.1 BHB requires its subsidiaries to comply with its ABMS requirement or implement their own anti-bribery initiatives.
- 8.5.2 In relation to business associates not controlled by BHB, they are required to comply with BHB's anti-bribery requirements or have their own anti-bribery controls in place.

Refer Appendix 12: ABAC Compliance Letter

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8.6 Anti-bribery commitments

- a. BHB is committed to obtain commitment in relation to business associates to prevent bribery by, on behalf of, or for the benefits in connection with the relevant transaction, project, activity or relationship. BHB is also able to terminate the relationship in the event of bribery occurrence.

Refer Appendix 12: ABAC Compliance Letter

8.7 Gifts, entertainment, travel sponsorship and donations


- a. BHB has established procedures to prevent the offer, provision of acceptance of gifts, entertainment, travel, sponsorship and donations where the offering, provision or acceptance is or could reasonably be perceived as bribery.
- b. BHB has in place a control mechanism to avoid the offering of gifts, entertainment, travel, sponsorship and donations without getting prior approvals from relevant authorized personnel or other exceptions established.

Refer Appendix 13: Boustead Group's No Gift Policy

8.8 Managing inadequacy of anti-bribery controls

- a. If the due diligence (Clause 8.2) conducted on specific transaction, project, activity or relationship with a business associate establishes that the bribery risks cannot be managed by existing anti-bribery controls, and the organization cannot or does not wish to implement additional or enhances its anti-bribery control or take other appropriate steps to manage the relevant bribery risks, whereas BHB shall:
 - i. An existing transaction, project, activity or relationship, take steps appropriate to the bribery risk and the nature of the transaction, project, activity or relationships to terminate, discontinue, suspend or withdraw from it as soon as practicable;
 - ii. A proposed new transaction, project, activity or relationships, postpone or decline to continue with it.

Refer Appendix 12: ABAC Compliance Letter

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8.9 Raising Concerns


- a. BHB has in place procedures to:
 - i. Encourage and enable persons to report in good faith or on the basis of a reasonable belief attempted, suspected and actual bribery, or any violation of or weakness in the ABMS to GIG;
 - ii. Except to the extent required to progress an investigation, require that the organization treats reports confidentially, so as to protect the identity of the reporter and of others involved or referenced in the report;
 - iii. Allow anonymous reporting;
 - iv. Prohibit retaliation, and protect those making reports from retaliation, after they have in good faith, or on the basis of a reasonable belief, raised or reported a concern about attempted, actual or suspected bribery or violation of the ABMS; and
 - v. Enable personnel to receive advice from an appropriate person on what to do if faced with a concern or situation which could involve bribery.

Refer Appendix 14 series: Raising Concerns documentations

8.10 Investigating and dealing with bribery

- a. BHB has in place procedures that:
 - i. require assessment and, where appropriate, investigation of any bribery, or violation of the Anti-Bribery and Corruption Policy or the ABMS, which is reported, detected or reasonably suspected;
 - ii. require appropriate action in the event that the investigation reveals any bribery, or violation of the Anti-Bribery and Corruption Policy or the ABMS;
 - iii. empower and enable investigators;
 - iv. require co-operation in the investigation by relevant personnel;
 - v. require that the status and results of the investigation are reported to the GIG and other compliance functions, as appropriate;
 - vi. require investigations to be carried out confidentially and that the outputs of the investigation are to be kept confidential.
- b. The investigation are carried out by, and reported to, personnel who are not part of the role or function being investigated. The organization can appoint a business associate to conduct the investigation and report the results to personnel who are not part of the role or function being investigated. The investigation are conducted by GIG based on the investigation management procedure.

Refer Appendix 15: Investigation Management Procedure

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9.0 Performance Evaluation

9.1 Monitoring, measurement, analysis and evaluation


- a. BHB shall monitor and measure the effectiveness of the Anti-Bribery and Corruption Plan (ABCP)
- b. The monitoring and measurement will be conducted by GIG assisted by the Group Internal Audit and supplemented by the yearly surveillance audits conducted by the certification body as part of BHB's ISO37001:2016 ABMS certification.
- c. The method for monitoring, measurements, analysis and evaluation of the ABCP is guided by the ABMS Internal Audit Procedure.
- d. The results from the monitoring, measurements, analysis and evaluation of the ABCP will be reported according to the relevant procedures associated with the ABMS Internal Audit Procedure.

BHB shall retain appropriate documented information as evidence of the methods and results. BHB shall also evaluate the performance, effectiveness and efficiency of the ABMS annually including an external assessment by the certification body conducted yearly as part of the ISO37001:2016 ABMS certification surveillance audit.

Refer Appendix 16: ABMS Internal Audit Procedure

9.2 Internal Audit

- 9.2.1 BHB shall conduct internal audit at annual intervals to ensure the ABMS conforms to the planned requirement and effectively implemented and maintained. The scope of the audit includes the following objectives:
- a) To ensure compliance to Anti-Bribery and Corruption Policy and other related policies such as Code of Ethics and Conduct;
 - b) To ensure compliance to ISO 37001:2016 Anti Bribery Management System (ABMS).

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9.2.2 The audit shall be conducted by internal auditors that are trained on ABMS requirements. The audit shall also be conducted in accordance with established procedures and the audit report is to be issued to the respective Head of Departments.

9.2.3 The audit shall be reasonable, proportionate and risk based which consists of reviewing the procedures, controls and systems for:

- a) Bribery or suspected bribery;
- b) Violation of the Anti-Bribery and Corruption Policy and ABMS requirements;
- c) Failure of business associates to conform to the applicable BHB ABMS requirements;
- d) Weaknesses in, or opportunities for improvement to the ABMS.

9.2.4 BHB shall ensure that no auditor is auditing his or her own area of work. BHB shall retain the audit programme and audit results as evidence of documented information.


The Head of Departments are responsible for the area being audited and they shall ensure that timely correction and corrective actions are taken for any non-conformances detected during audit. Follow-up audit shall be undertaken to verify and record the implementation and effectiveness of corrective actions taken.

Refer Appendix 16: ABMS Internal Audit Procedure

9.3 Management Review

9.3.1 Top Management Review

- a. Top management shall review BHB's ABMS, at planned intervals, to ensure its continuing suitability, adequacy and effectiveness.
- b. The top management review shall include consideration of:
 - i. The status of actions from previous management reviews;
 - ii. Changes in external and internal issues that are relevant to the ABMS;
 - iii. Information on the performance of anti-bribery management system, including trends in:
 - nonconformities and corrective actions;
 - monitoring and measurement results;

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- audit results;
 - reports of bribery;
 - investigations;
 - the nature and extent of the bribery risks faced by the organization;
- iv. Effectiveness of actions taken to address bribery risks;
- v. Opportunities for continual improvement of the anti-bribery management system.
- c. The outputs of the top management review shall include decisions related to continual improvement opportunities and any need for changes to the ABMS.
- d. A summary of the results of the top management review shall be reported to the Governing Body.
- e. BHB shall retain documented information as evidence of the results of top management reviews

Refer Appendix 17: Management Review Procedure

Related documented information:

1. *Minutes of Meeting – Management Review*


9.3.2 Governing Body Review

The governing body shall undertake periodic reviews of the ABMS based on information provided by top management and the GIG and any other information that the governing body requests or obtains.

BHB shall retain summary documented information as evidence of the results of governing body reviews

Related documented information:

1. *Minutes of Meeting – Audit Committee*

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9.4 Review by anti-bribery compliance function

- 9.4.1 GIG shall assess on a continual basis whether the ABMS is: -
- i. adequate to manage effectively the bribery risks faced by the organization;
 - ii. being effectively implemented.
- 9.4.2 GIG shall report at planned intervals, and on an *ad hoc* basis, as appropriate, to the governing body and top management, or to a suitable committee of the governing body or top management, on the adequacy and implementation of the ABMS, including the results of investigations and audits.


10.0 IMPROVEMENT

10.1 Nonconformity and corrective action

- a. Depending on the effects of the nonconformities encountered, BHB takes appropriate corrective actions by reducing if not eliminating their causes, in order to prevent recurrence and to create permanent solutions. The corrective actions shall be appropriate to the effects of the nonconformities encountered.
- b. BHB has established the following corrective action procedure to define the requirements for:
 - i. Reviewing nonconformities;
 - ii. Determining the causes of nonconformities;
 - iii. Evaluating the need for actions to ensure that nonconformities do not recur;
 - iv. Determining and implementing actions needed;
 - v. Updating risks and opportunities if necessary;
 - vi. Records of the results of action taken; and
 - vii. Reviewing the effectiveness of the corrective action taken.

10.2 Continual improvement

- a. BHB shall continually assess and consider the results and output of such assessment to improve the suitability, adequacy and effectiveness of the ABMS.

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11.0 RETENTION PERIOD AND DISPOSAL OF DOCUMENT

11.1 This Policy shall be retained as long as the organization is in operation. In the event that a new version of this Policy is established, the prior version shall be retained for a period of two (2) years. Upon expiry of the two (2) years period, the Policy shall be disposed by way of shredding.