

Boustead Integrity and Governance Plan (BIG Plan) 2022-2025



**Boustead
Holdings
Berhad**

(A member of LTAT Group)

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CHAIRMAN'S MESSAGE

It is an honour to introduce Boustead Integrity and Governance Plan (BIG Plan) which has been developed to reflect Boustead Holdings Berhad's (BHB) commitment in upholding the highest standards of corporate integrity, governance and corruption prevention as its top priority in the Group's continuous effort to protect business growth with best practices and in line with the Government's requirements as set out in the National Anti-Corruption Plan (NACP) 2019-2023 which was launched by the Honourable Prime Minister on the 29th January 2019.

I am pleased to announce that BIG Plan is comprehensive and exhaustive, comprising a set of initiatives to cultivate corporate accountability and transparency within BHB while covering all issues related to integrity, governance and anti-corruption that are fully addressed.

The implementation of BIG Plan will positively impact BHB's performance and it is my sincere hope that we as a Group continue to enhance and uphold the strongest levels of integrity in all business dealings and operations without compromise, while we remain focused on enriching lives, providing employment as well as achieve better performance and deliver value for our shareholders.

DATUK SERI MOHD REDZUAN MD YUSOF

Chairman
Boustead Holdings Berhad



GROUP MANAGING DIRECTOR'S MESSAGE

At Boustead Holdings Berhad (BHB), we take pride in our firm reputation of integrity based upon honesty and transparency, as they play a significant role in our corporate DNA of Boustead Hijau (BIJAU), which is the Group's approach in the adoption of Environmental, Social and Governance (ESG) principles to accelerate current and future businesses.

To further boost our strong levels of integrity, we have developed Boustead Integrity and Governance Plan (BIG Plan) which clearly defines BHB's focus areas and strategic initiatives to uphold governance, integrity and anti-corruption of the highest order Group-wide with a detailed action plan in enhancing compliance, governance and monitoring as we expand upon our existing ethics and integrity ecosystem while effectively mitigating corruption, bribery and other governance risks with zero-tolerance controls.

We must comply and embrace the BIG Plan for it will help to guide the Group to continue uphold the highest standards of accountability while delivering a stellar performance and robust approach to value in order to maximise returns for our shareholders, as we work towards achieving the BIJAU agenda.

DATO' SRI MOHAMMED SHAZALLI RAMLY

**Group Managing Director
Boustead Holdings Berhad**



OUR VISION



To place the interest of all our shareholders as the highest priority by maximising shareholder value, especially Lembaga Tabung Angkatan Tentera as our majority shareholder and enhance the lives of the Malaysian Armed Forces (MAF) personnel, veterans and their family members.



To realign and strengthen Boustead Holdings Berhad's fundamental priority under the Reinventing Boustead strategy which includes performance improvement programmes, and new value creation within the Group's existing core businesses, adapting business models to tap into new revenue sources, rationalising non-strategic assets as well as venturing into the technology sector and digital services.

OUR MISSION

To embrace a strong value of creativity and innovation in all our initiatives without compromising integrity.

To implement the identified high impact initiatives under the Reinventing Boustead strategy.

To improve corporate discipline in adherence to the highest standard of governance. To optimise the utilisation of our capital and cash as well as embrace minimalist mentality by implementing Smart Spend and cost saving initiatives.

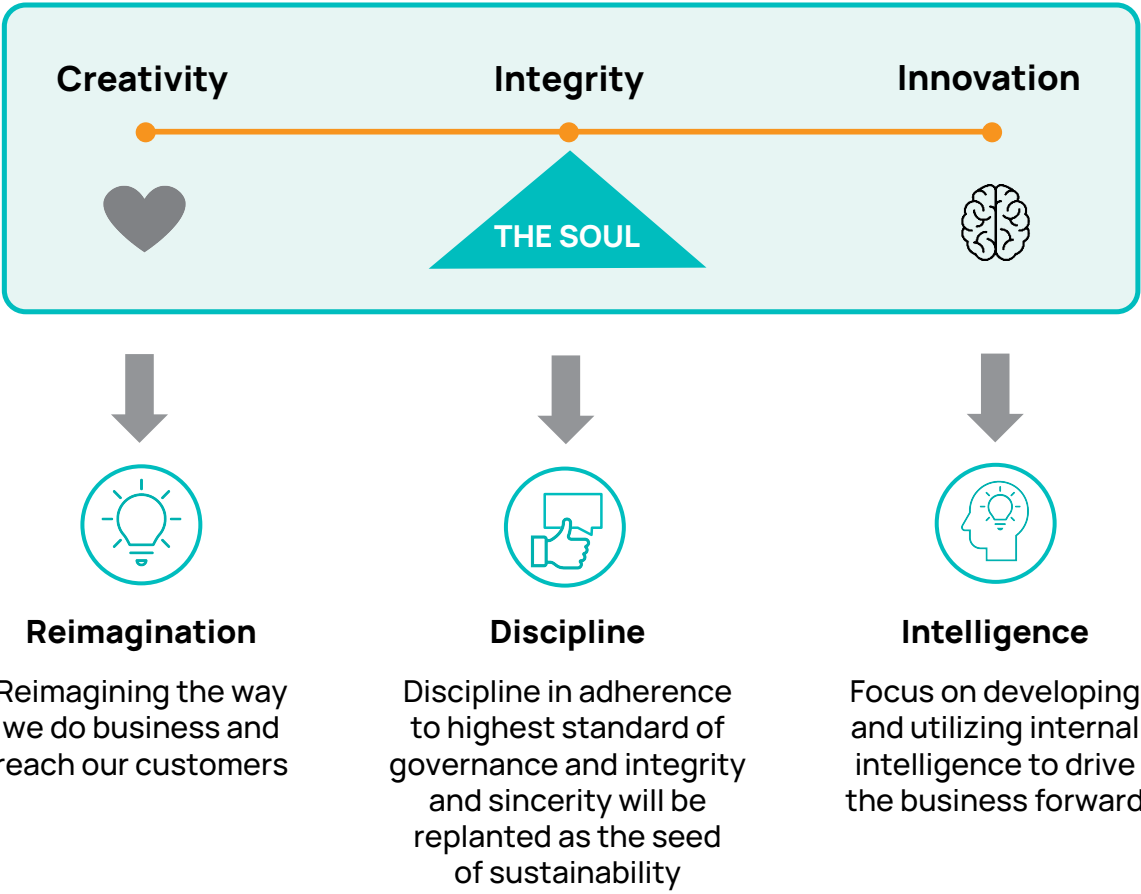
To eliminate old processes that are not aligned with the Reinventing Boustead strategy in order to expedite execution as well as maximise and drive value across the Group.

To create and nurture a strong ecosystem of partnership and collaboration with identified partners to support our initiatives.

To identify and nurture 300 leadership talents Group wide in support of the Reinvention Strategy execution and Succession Planning plans.



OUR DNA = OUR CORE VALUES



BOUSTEAD HOLDINGS BERHAD (BHB)

Who We Are

Established in 1828, Boustead Holdings Berhad (BHB) is a diversified conglomerate with core businesses in Plantation, Property & Industrial, Pharmaceutical, Heavy Industries as well as Trading, Finance & Investment.

The Group employs over 16,000 individuals across more than 80 listed and non-listed companies in Malaysia, Indonesia and the United Kingdom. Boustead was listed on Bursa Malaysia Berhad in 1961. It ended the financial year 2021 with a market capitalisation of RM1.1 billion, total assets of RM16.4 billion and shareholders' funds at RM3.3 billion.

The Group is currently concentrating on its Reinventing Boustead strategy to achieve sustainable growth anchored on digitalisation and a strong ESG platform.



What We Do



Plantation Division

The Plantation Division is recognised for its decades of expertise and proven record of excellence in plantation management with estates and Malaysia, as well as Sabah and Sarawak. The Division advocates sustainable agricultural practices across all its operations.



Pharmaceutical Division

The Pharmaceutical Division is an established pharmaceutical Group, servicing the pharmaceutical and healthcare sectors. The Division is involved in logistics and distribution, manufacturing of generic pharmaceuticals and medical devices, sales and marketing, distribution of medical products and hospital equipment, as well as retail pharmacy.



Property Division

The Property Division primarily engages in property development, property investment, hotel operations, project management, as well as the manufacturing and distribution of building materials. The Division has established a strong presence and an extensive portfolio of assets including a hotel chain, award winning townships, retail establishments, as well as commercial and residential developments.



Trading, Finance and Investment Division

The Trading, Finance Investment Division's portfolio extends across various sectors within the Malaysian economy. The Division is primarily involved in the operations of Malaysia's only other home-grown retail petroleum network and the supply of financial products and solutions, as well as travel and tourism related services developments.



Heavy Industries Division

The Heavy Industries Division caters to the defence security and marine sectors, servicing Government and commercial clients through the provision of shipbuilding and maintenance, repair and services, among others.

WHERE WE OPERATE IN MALAYSIA



OUR KEY OPERATIONS AND LOCATIONS



PLANTATIONS

- Sungai Jernih Business Unit
- Nak Business Unit
- Trong Business Unit
- Segaria Business Unit
- Segamaha Business Unit
- Telok Sengat Business Unit
- Rimba Nilai Business Unit
- Loagan Bunut Business Unit
- Kanowit Business Unit
- Tawai Business Unit



PROPERTIES OWNED AND MANAGED

- the Curve
- eCurve
- Curve NX
- Nucleus Tower
- Menara Boustead & Wisma Boustead
- Menara Boustead (Penang)
- Menara UAC



HOTELS AND RESORTS

- Royale Chulan Kuala Lumpur
- Royale Chulan Damansara
- Royale Chulan The Curve
- Royale Chulan Cherating
- Royale Chulan Seremban
- Royale Chulan Penang
- *Royale Chulan Hyde Park (London, United Kingdom)**



TOWNSHIPS AND DEVELOPMENT

- Taman Mutiara Rini township
- Mutiara Damansara township
- Mutiara Hills township
- One Cochrane Residences



SHIPYARDS/PORT

- Boustead Naval Shipyard
- Boustead Langkawi Shipyard
- Boustead DCNS Naval Corporation



LOGISTICS AND DISTRIBUTION SITES

- Pharmaniaga Logistics Sdn Bhd (Bukit Raja, Shah Alam)
- Pharmaniaga Logistics Sdn Bhd (Section 15, Shah Alam Branch)
- Pharmaniaga Logistics Sdn Bhd (Juru Branch)
- Pharmaniaga Logistics Sdn Bhd (Kuching Branch)
- Pharmaniaga Logistics Sdn Bhd (Kota Kinabalu Branch)
- Pharmaniaga Biomedical Sdn Bhd
- *PT Millennium Pharmacon*



MANUFACTURING SITES

- UAC Berhad
- Pharmaniaga Manufacturing Berhad
- Pharmaniaga LifeScience Sdn Bhd
- Idaman Pharma Manufacturing Sdn Bhd (Sungai Petani Branch)
- Idaman Pharma Manufacturing Sdn Bhd (Seri Iskandar Branch)
- Paradigm Industry Sdn Bhd
- *PT Errita Pharma (Bandung, Indonesia)**



BHPETROL TERMINALS

- Northport Klang terminal
- Pasir Gudang terminal
- Westport Klang terminal



UNIVERSITY

- The University of Nottingham in Malaysia Sdn Bhd

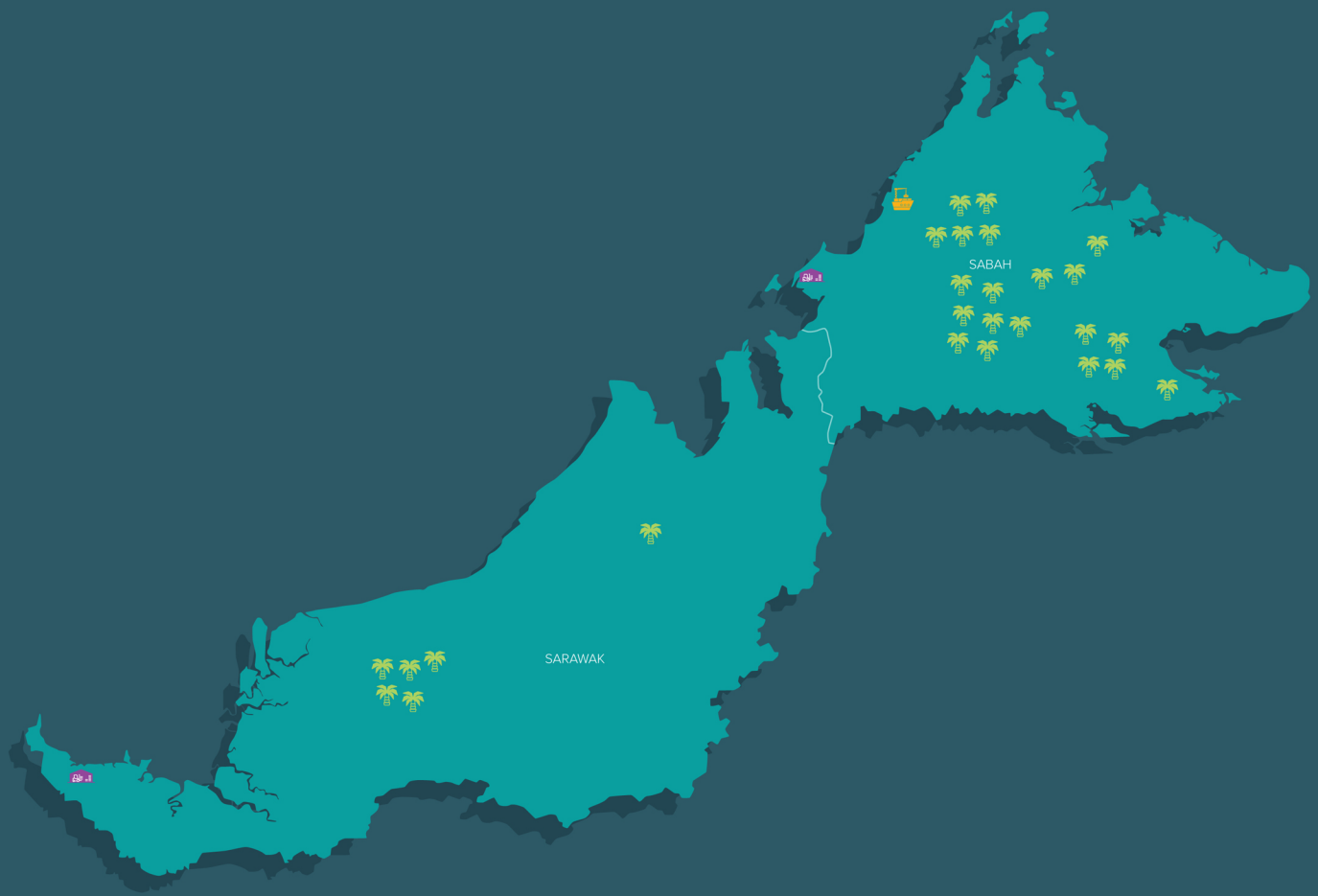


BHPETROL SERVICE STATIONS

- Selangor (73)
- Johor (72)
- Perak (63)
- Pahang (42)
- Wilayah Persekutuan (32)
- Negeri Sembilan (22)
- Kedah (20)
- Kelantan (17)
- Pulau Pinang (13)
- Terengganu (9)
- Melaka (9)
- Perlis (1)

* Operations which are not reflected on the map

WHERE WE OPERATE IN MALAYSIA



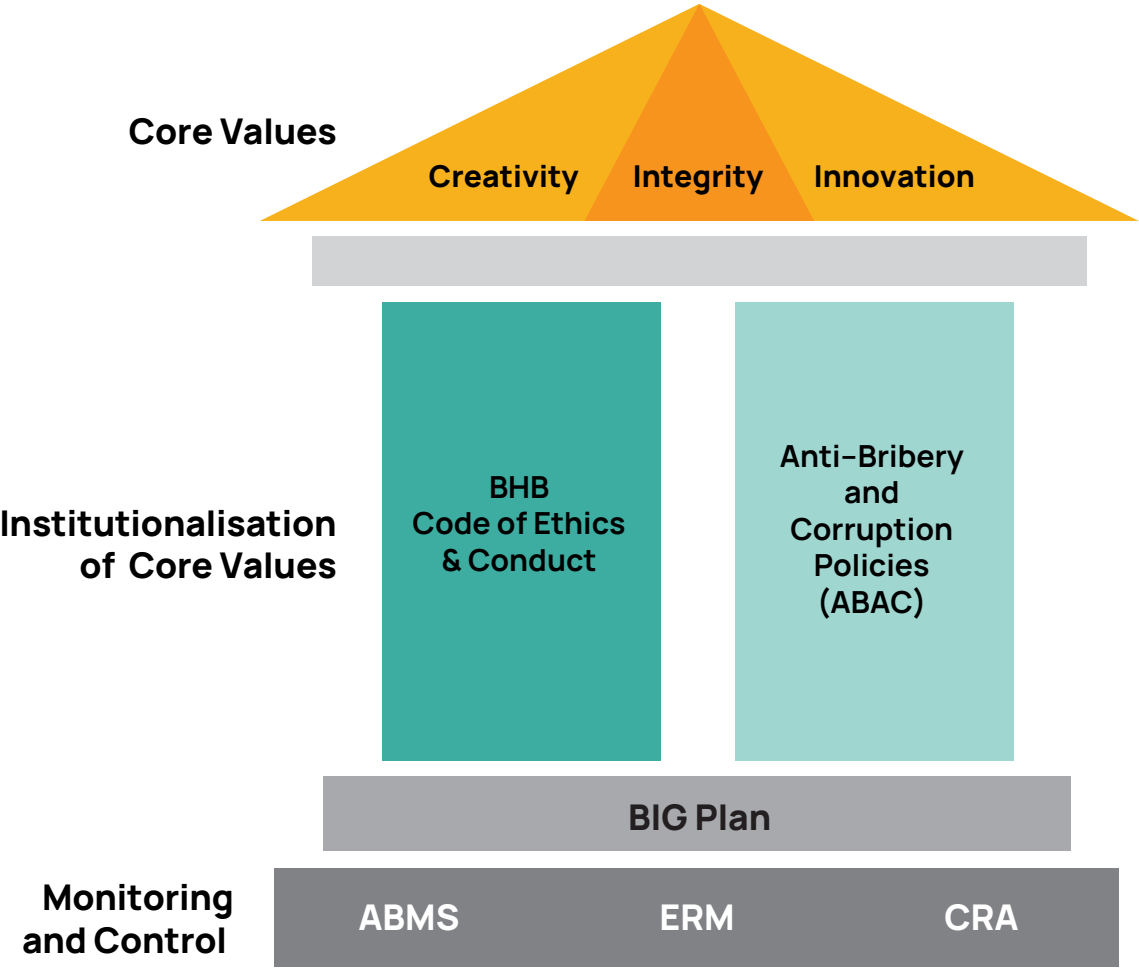
OUR KEY OPERATIONS AND LOCATIONS

 PLANTATIONS <ul style="list-style-type: none">Sungai Jernih Business UnitNak Business UnitTrong Business UnitSegaria Business UnitSegamaha Business UnitTelok Sengat Business UnitRimba Nilai Business UnitLoagan Bunut Business UnitKanowit Business UnitTawai Business Unit	 PROPERTIES OWNED AND MANAGED <ul style="list-style-type: none">the CurveeCurveCurve NXNucleus TowerMenara Boustead & Wisma BousteadMenara Boustead (Penang)Menara UAC	 HOTELS AND RESORTS <ul style="list-style-type: none">Royale Chulan Kuala LumpurRoyale Chulan DamansaraRoyale Chulan The CurveRoyale Chulan CheratingRoyale Chulan SerembanRoyale Chulan PenangRoyale Chulan Hyde Park (London, United Kingdom)*
 LOGISTICS AND DISTRIBUTION SITES <ul style="list-style-type: none">Pharmaniaga Logistics Sdn Bhd (Bukit Raja, Shah Alam)Pharmaniaga Logistics Sdn Bhd (Section 15, Shah Alam Branch)Pharmaniaga Logistics Sdn Bhd (Juru Branch)Pharmaniaga Logistics Sdn Bhd (Kuching Branch)Pharmaniaga Logistics Sdn Bhd (Kota Kinabalu Branch)Pharmaniaga Biomedical Sdn BhdPT Millennium Pharmacoon International TBK (Jakarta, Indonesia)*	 MANUFACTURING SITES <ul style="list-style-type: none">UAC BerhadPharmaniaga Manufacturing BerhadPharmaniaga LifeScience Sdn BhdIdaman Pharma Manufacturing Sdn Bhd (Sungai Petani Branch)Idaman Pharma Manufacturing Sdn Bhd (Seri Iskandar Branch)Paradigm Industry Sdn BhdPT Errita Pharma (Bandung, Indonesia)*	 SHIPYARDS/PORT <ul style="list-style-type: none">Boustead Naval ShipyardBoustead Langkawi ShipyardBoustead DCNS Naval Corporation  BHPETROL TERMINALS <ul style="list-style-type: none">Northport Klang terminalPasir Gudang terminalWestport Klang terminal  UNIVERSITY <ul style="list-style-type: none">The University of Nottingham in Malaysia Sdn Bhd
		 BHPETROL SERVICE STATIONS <ul style="list-style-type: none">Selangor (73)Johor (72)Perak (63)Pahang (42)Wilayah Persekutuan (32)Negeri Sembilan (22)Kedah (20)Kelantan (17)Pulau Pinang (13)Terengganu (9)Melaka (9)Perlis (1)

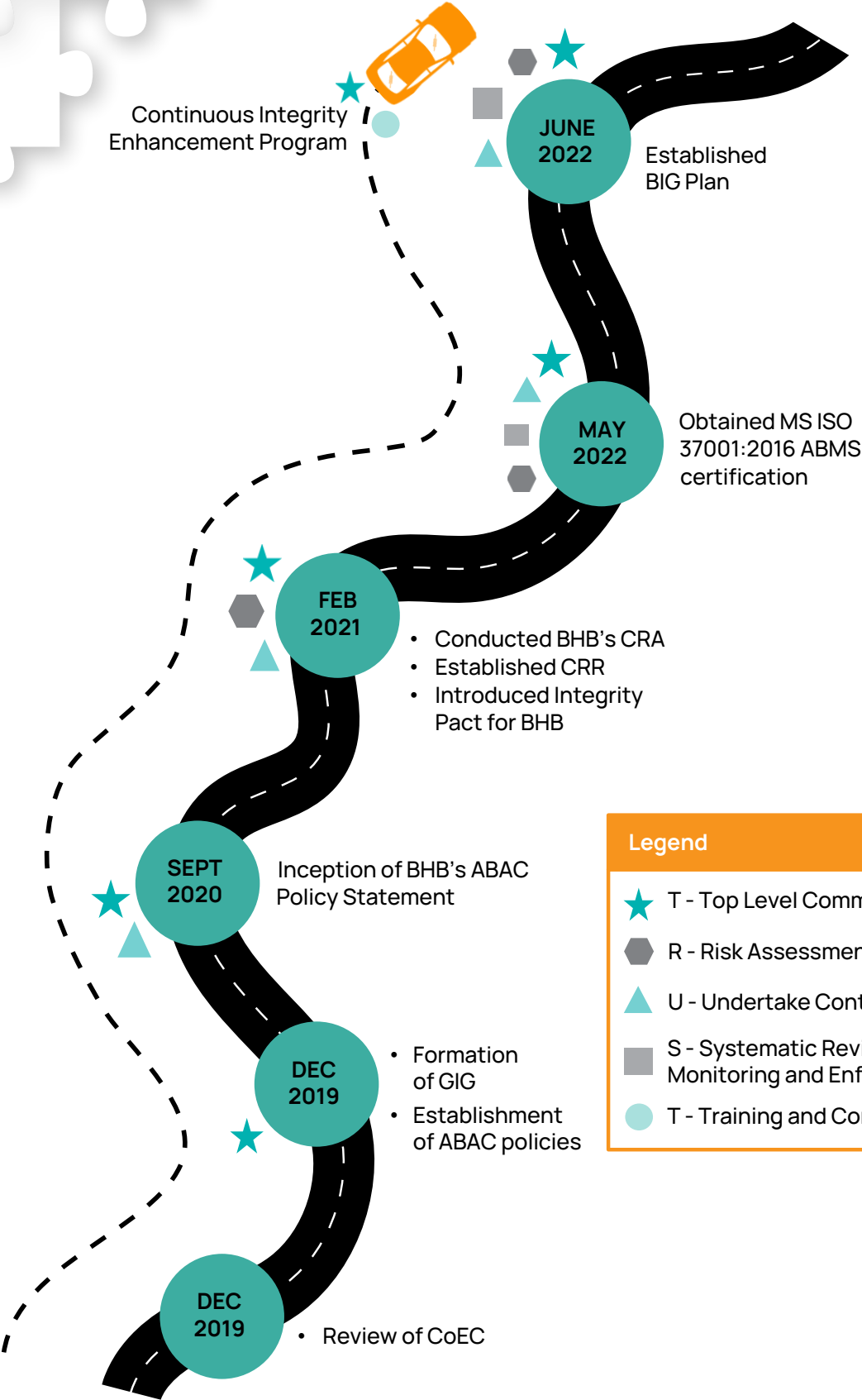
* Operations which are not reflected on the map

BIG PLAN IN BHB'S INTEGRITY ECOSYSTEM

The BIG Plan has been put in place as a new initiative to strengthen controls and the monitoring of Corruption, Integrity, and Governance issues in line with the NACP 2019-2023.



INTEGRITY MILESTONES



BIG PLAN - THE DEVELOPMENT

BIG Plan is a strategic plan developed to address any potential corruption, integrity, and governance issues which may arise within BHB It is a part of our commitment to prevent corruption by taking the necessary measures and cultivating integrity among Bousteadors.

To be a leading
Government - Linked
Company (GLC)
that upholds good
governance principles
in all forms of
administration and
business conduct.

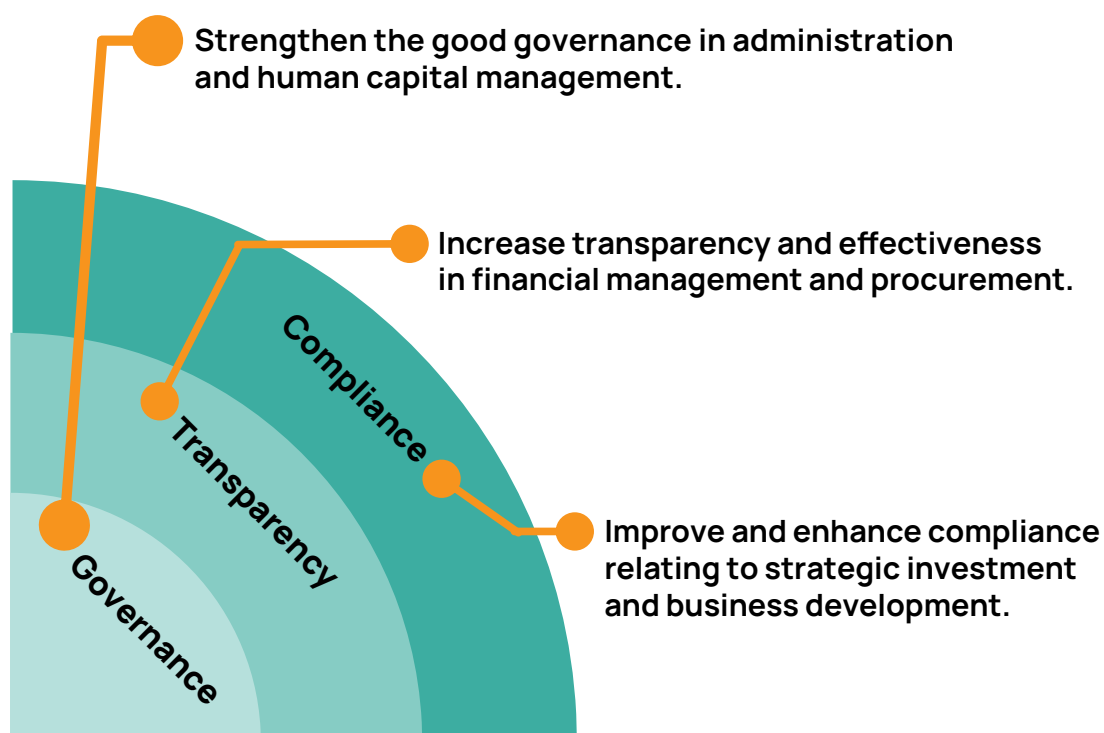
Vision

Mission

To strengthen the
transparency and
efficiency in the
Group's governance
affairs and services
as well as inculcate
a integrity culture
amongst Bousteadors.

STRATEGIES

Three strategies have been identified as the counter mechanism for any risks in BHB.





Goals

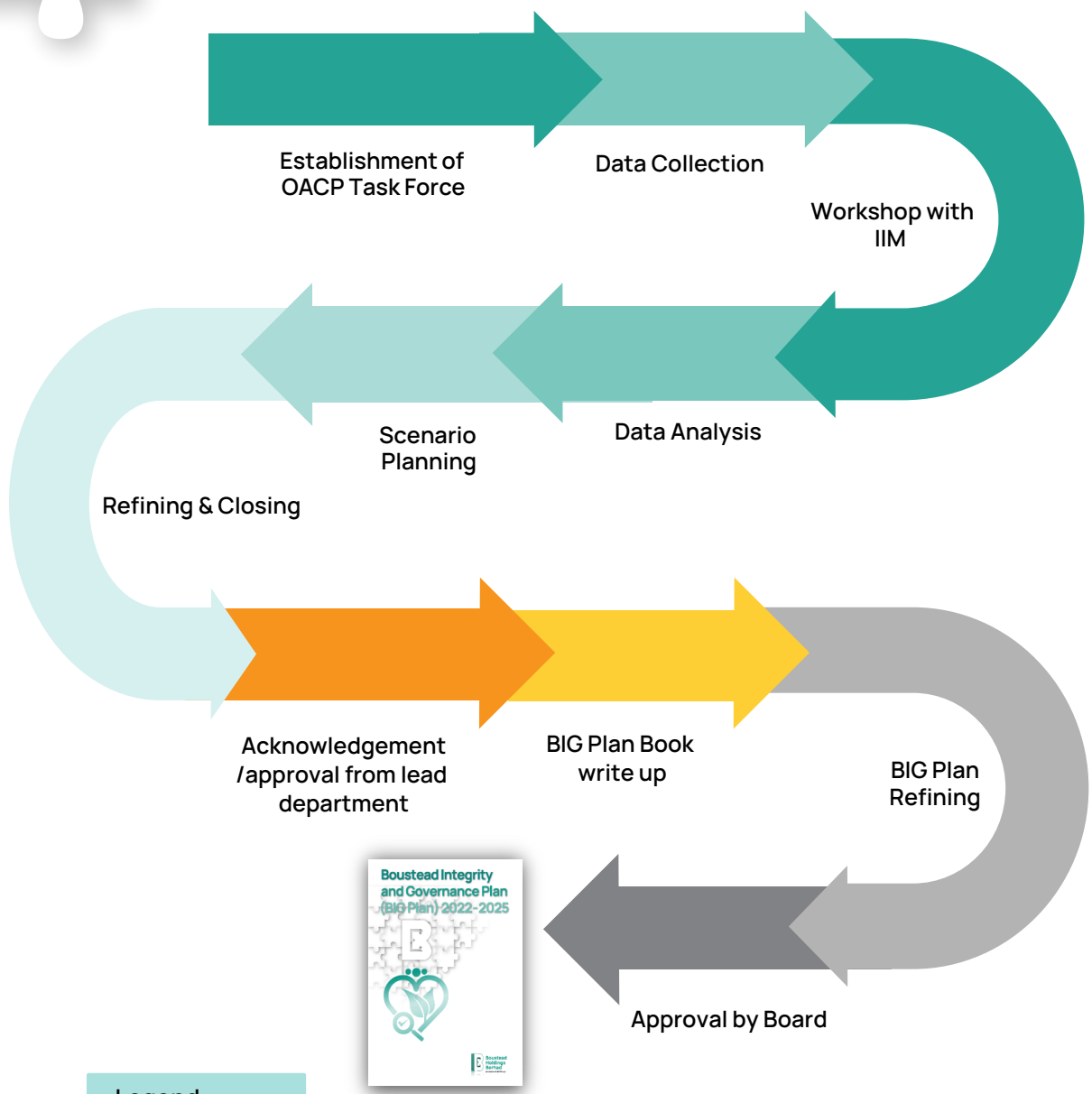
**To strengthen the
administration and
management of the
corporation.**

**To increase the
understanding &
compliance with the
rules and policies
of BHB among
Bousteador.**

**To increase
confidence of
customers,
investors and
stakeholders when
dealing with BHB.**

APPROACH AND METHODOLOGY

Big Plan takes about three (3) months to complete.



Legend

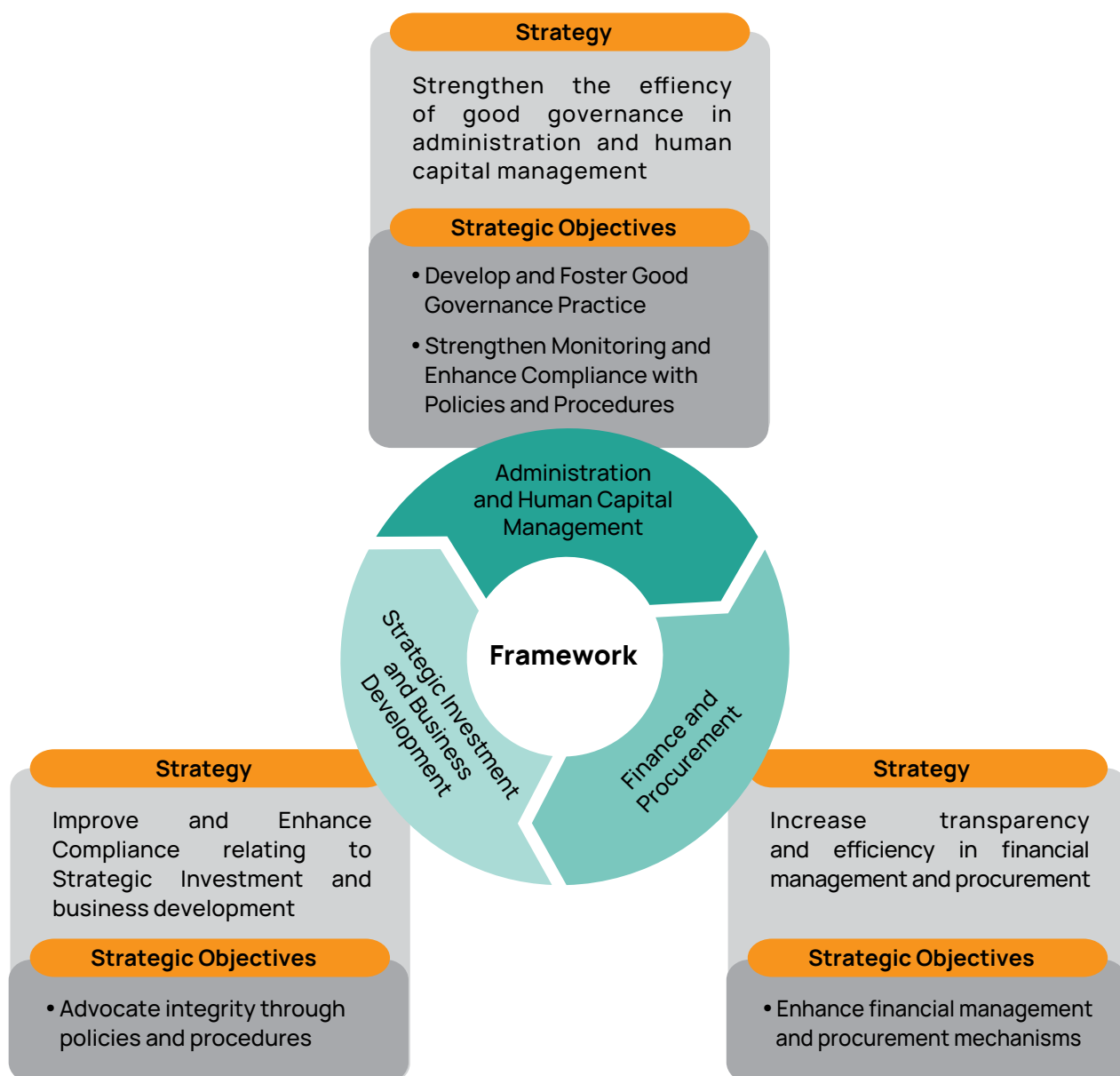
Year 2022

- June
- July
- August



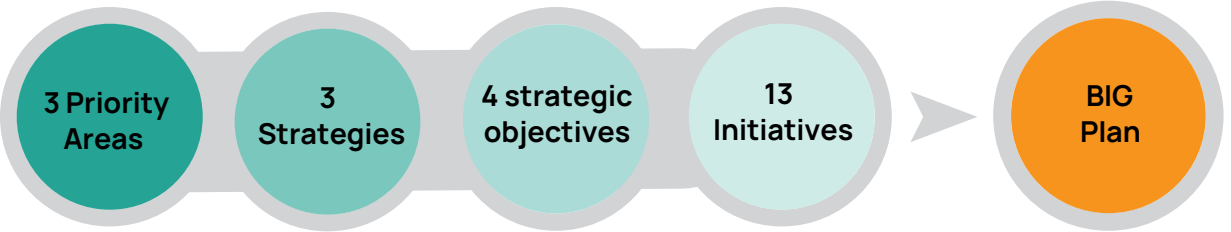
FRAMEWORK

The BIG Plan framework centres around three (3) priority areas made out of three (3) strategies, and four (4) strategic objectives, consisting of thirteen (13) initiatives.





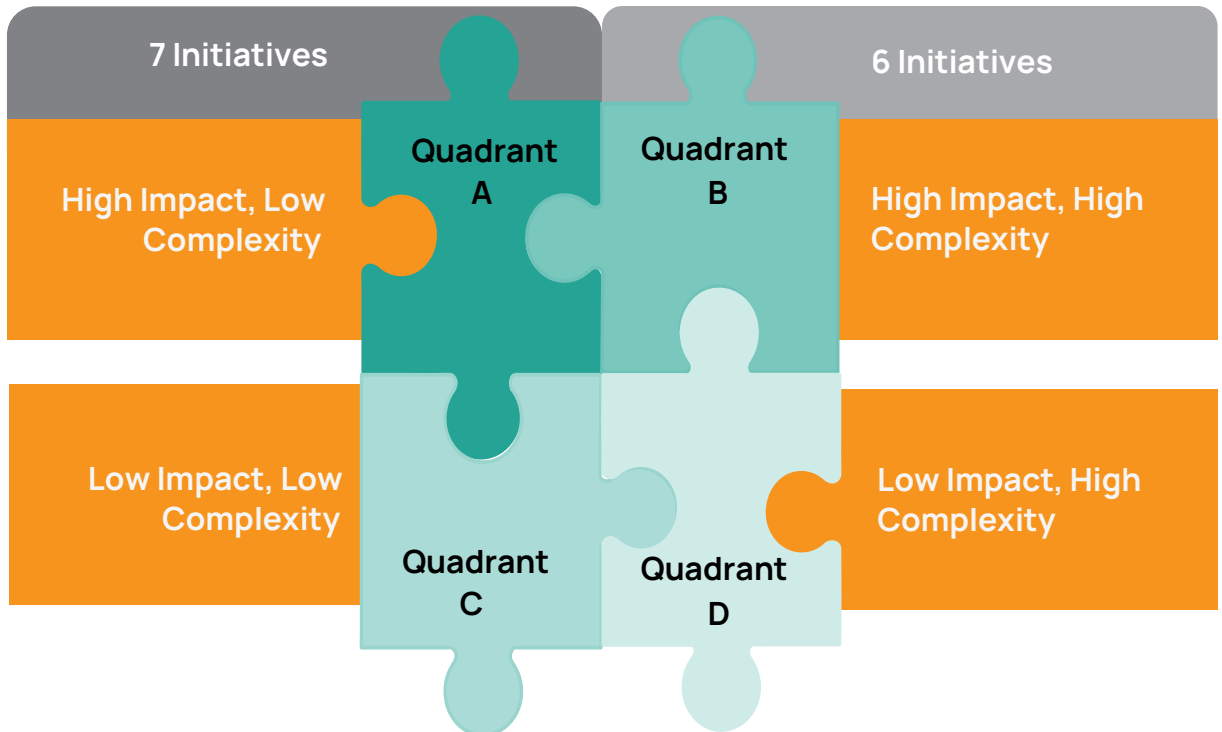
INITIATIVES



PRIORITY AREA	STRATEGY	STRATEGIC OBJECTIVES	INITIATIVE
Administration and Human Capital Management	1	2	7
Finance and Procurement	1	1	4
Strategic Investment and Business Development	1	1	2
Total	3	4	13



QUADRANT ANALYSIS



Based on the results of the quadrant analysis, a total of thirteen (13) initiatives will be given priority by considering the impact and complexity of an initiative. The seven (7) initiatives have been selected to be in placed quadrant A and six (6) other initiative is comprised have been included in quadrant B. The complexity of an initiative is comprised of various factors, such as time, manpower and cost of implementing the initiative.

PRIORITY AREA: ADMINISTRATION AND HUMAN CAPITAL MANAGEMENT

STRATEGY: 1.0 Strengthen the efficiency of good governance in administration and human capital management.

STRATEGIC OBJECTIVE:1.1 Develop and Foster Good Governance Practice

NO	INITIATIVE/ACTION PLAN	QUADRANT	LEAD DEPT	MILESTONE
1.1.1	Develop an Annual Confidentiality Undertaking for all BHB personnel.	B	GLEC	6 MONTHS
1.1.2	Enhance awareness and integrity strengthening programmes in collaboration with all departments for all stakeholders.	B	GIG	3 YEARS
1.1.3	Improve awareness of Whistleblowing Channels.	A	GIG	3 YEARS
1.1.4	Undertakes Annual Integrity Pact for Boustead Group employees.	A	GIG	Q1 of 2023 - 2025

STRATEGIC OBJECTIVE : 1.2 Strengthen Monitoring and Enhance Compliance to Policies & Procedures

NO	INITIATIVE/ACTION PLAN	QUADRANT	LEAD DEPT	MILESTONES
1.2.1	Strengthen the implementation of the Whistleblowing Policy.	A	GIG	3 YEARS
1.2.2	Enhance integrity assessment mechanism for upper management and high-risk positions.	A	GHCM	1 ¼ YEAR
1.2.3	Strengthen the implementation of the Group Secretarial Procedure on appointment of Board of Directors.	A	GSEC	9 MONTHS

PRIORITY AREA: FINANCE AND PROCUREMENT

STRATEGY: 2.0 Increase transparency and efficiency in financial management and procurement

STRATEGIC OBJECTIVE: 2.1 Enhance financial management and procurement mechanism

NO	INITIATIVE/ACTION PLAN	QUADRANT	LEAD DEPT	MILESTONE
2.1.1	Establish Statutory Declaration for Third Parties in Procurement Process.	B	GLEC	3 MONTHS
2.1.2	Monitor the implementation of the Professional Services Procurement Procedure.	A	GFIN	9 MONTHS
2.1.3	Review and revise the Group Procurement Framework.	B	GFIN	10 MONTHS
2.1.4	Review and revise the Disposal of Fixed Asset Manual.	B	GFIN	9 MONTHS

PRIORITY AREA: STRATEGIC INVESTMENT AND BUSINESS DEVELOPMENT

STRATEGY: 3.0 Improve and Enhance Compliance relating to Strategic Investment and business development

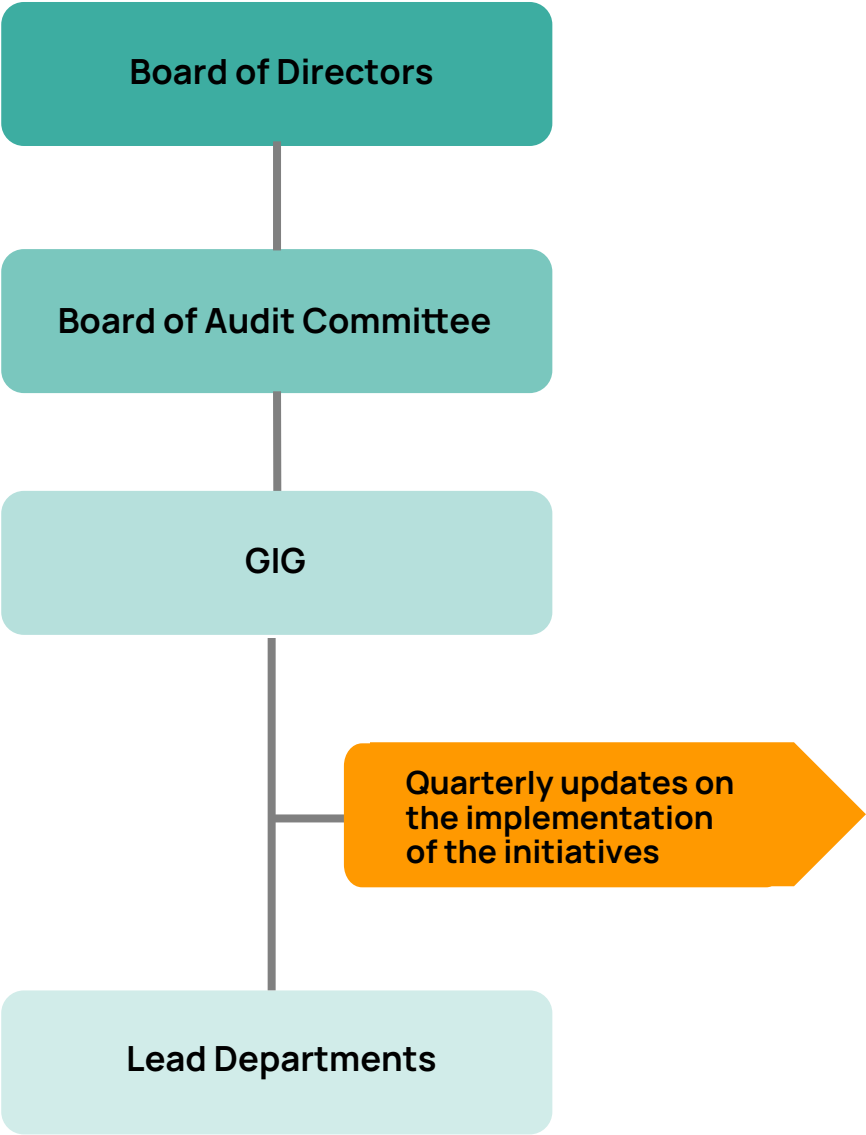
STRATEGIC OBJECTIVE: 3.1 Advocate integrity through policies and procedures

NO	INITIATIVE/ACTION PLAN	QUADRANT	LEAD DEPT	MILESTONE
3.1.1	Review BHB Board Charter to include ABAC compliance clause.	B	GSEC	3 MONTHS
3.1.2	Strengthen the implementation of Corporate Exercise Proposal Procedure.	A	GRS	6 MONTHS

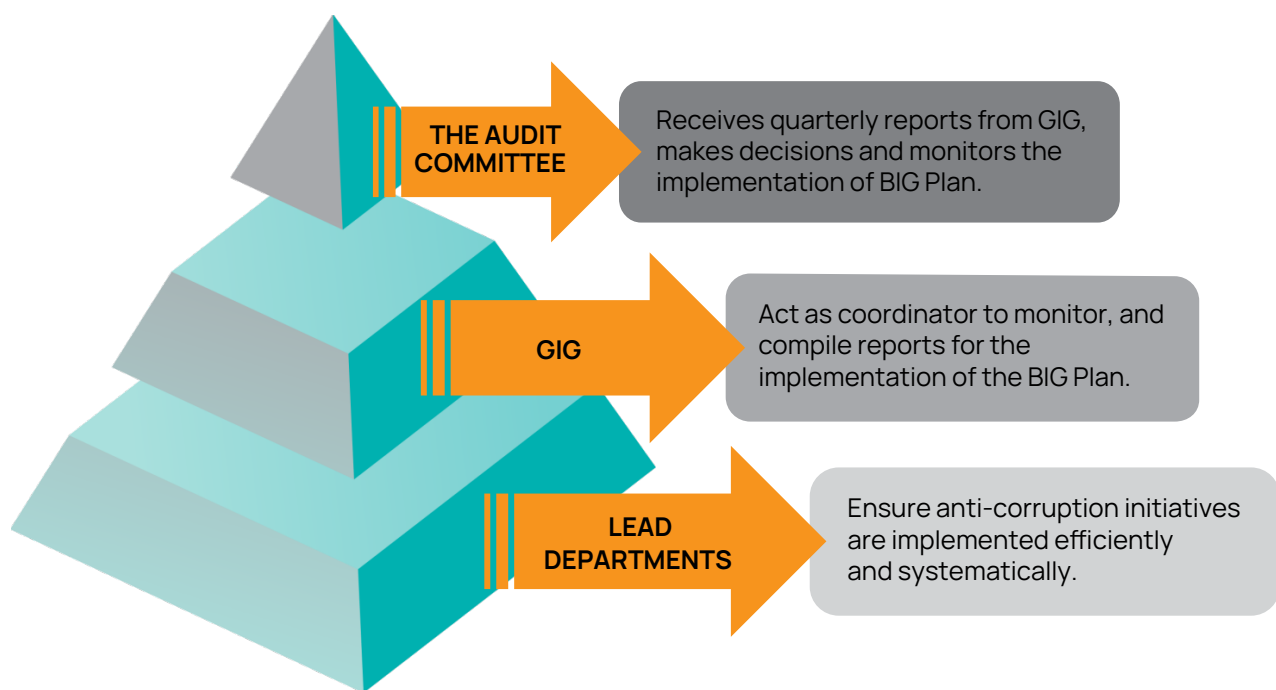
REPORTING, MONITORING AND EVALUATION MECHANISMS

Reporting Structure

We leverage on the existing monitoring system and platform with a clear demarcation of roles and reporting lines in implementing the BIG Plan.

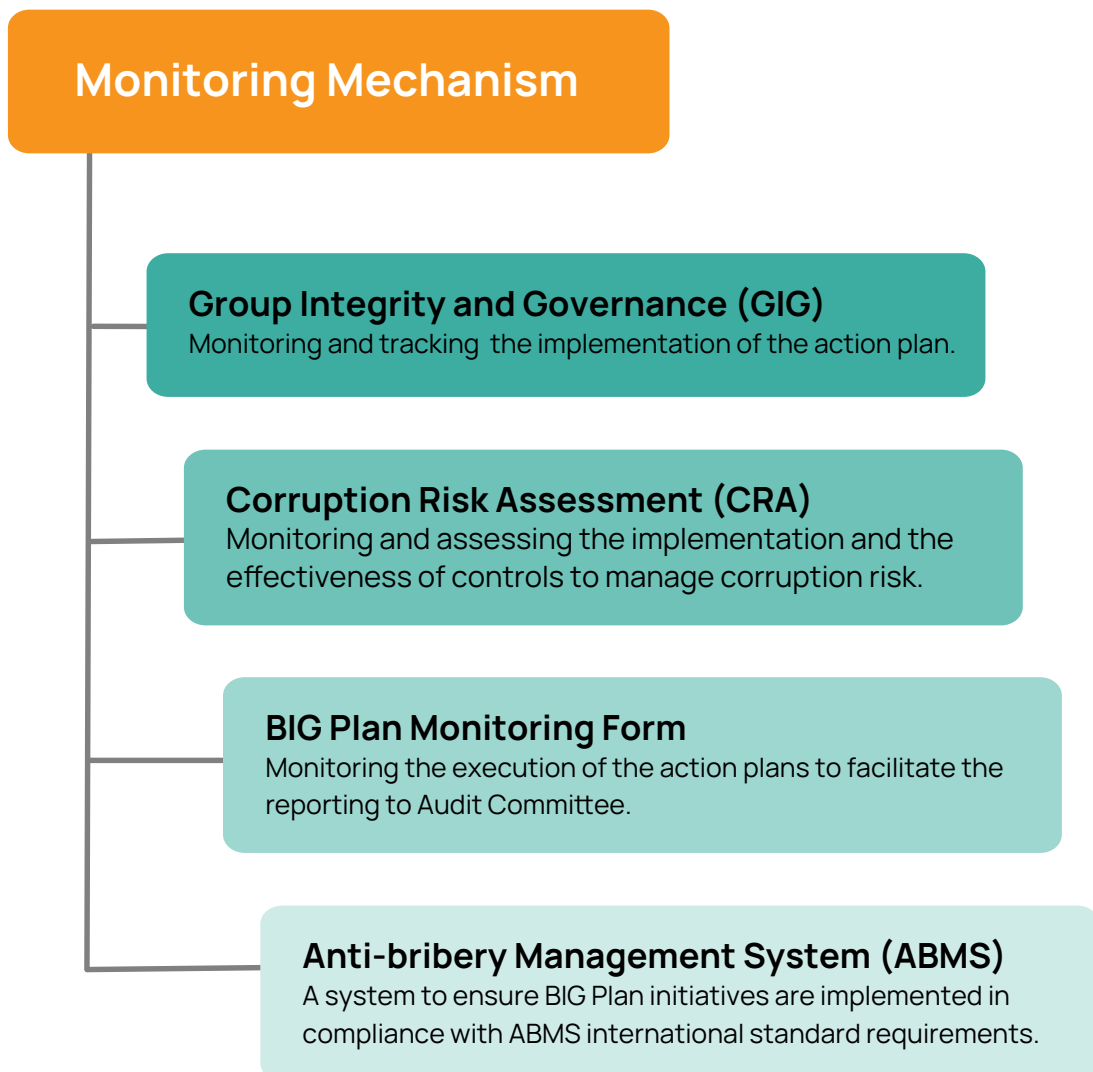


REPORTING MECHANISM



MONITORING MECHANISM

These four (4) monitoring mechanisms ensure our initiatives are implemented.





EVALUATION MECHANISM

Our evaluation mechanisms aim to determine the relevancy, impact, effectiveness, efficiency and sustainability of each action plan.

Corruption, Integrity and Governance (CIG) Risk Rating

- The effectiveness of the action plans based on improvements in the CIG risk rating.

Business Integrity Survey

- A survey will be conducted to measure the effectiveness of the BIG Plan implementation.



HOPES AND ASPIRATIONS

In order to implement a robust integrity and governance policy, we are guided and governed by our Core Values in promoting good business conduct and healthy corporate culture to instill best practices Group-wide.

The BIG Plan seeks to empower Bousteadors and business partners in preventing and controlling potential bribery and corruption so as to uphold the highest standards of integrity and at the same time, avoiding potential threats that may compromise or impair the Group's integrity.

APPRECIATION

The Malaysian Institute of Integrity (IIM)

**BHB Board of Directors
BHB Management Council**

GROUP INTEGRITY & GOVERNANCE (GIG)

Advisor

Rosman Johar Abdullah

Project Leader

Wan Azlee Wan Mohd Ghazali

Secretariat

Muhammad Syazwan Mohd Sofi
Nurhanani Yahya
Norhidayah Mohd Ramli
Nur Ainil Hawa Mat
Nurul Nadia Mohamad Hazli
Wan Aisyasofia Wan Asmandy
Nur Amira Md Khalid

Participants

Amy Au Pooi Ling (GIT)
Asmawi Affendy Ali (GIA)
Delia Zamir (GEE)
Haneena Shuib (GHCM)
Hani Mansor (GFIN)
Juniza Azizan (GSEC)
Masaslinda Mahadi (GIT)
Mohamad Shahid Mohd Shukri (GFIN)
Muhammad Adam Tan Ludin (GRS)
Muhammad Nabil Bin Zakaria (GFIN)
Nadhras Farisa Muazah Muhammad (GSEC)
Nor Haida Osman (GSEC)
Nor Sherina Nofal (GLEC)
Nur Shareena Fauzi (GBD)
Rathuan Mohamed (GIT)

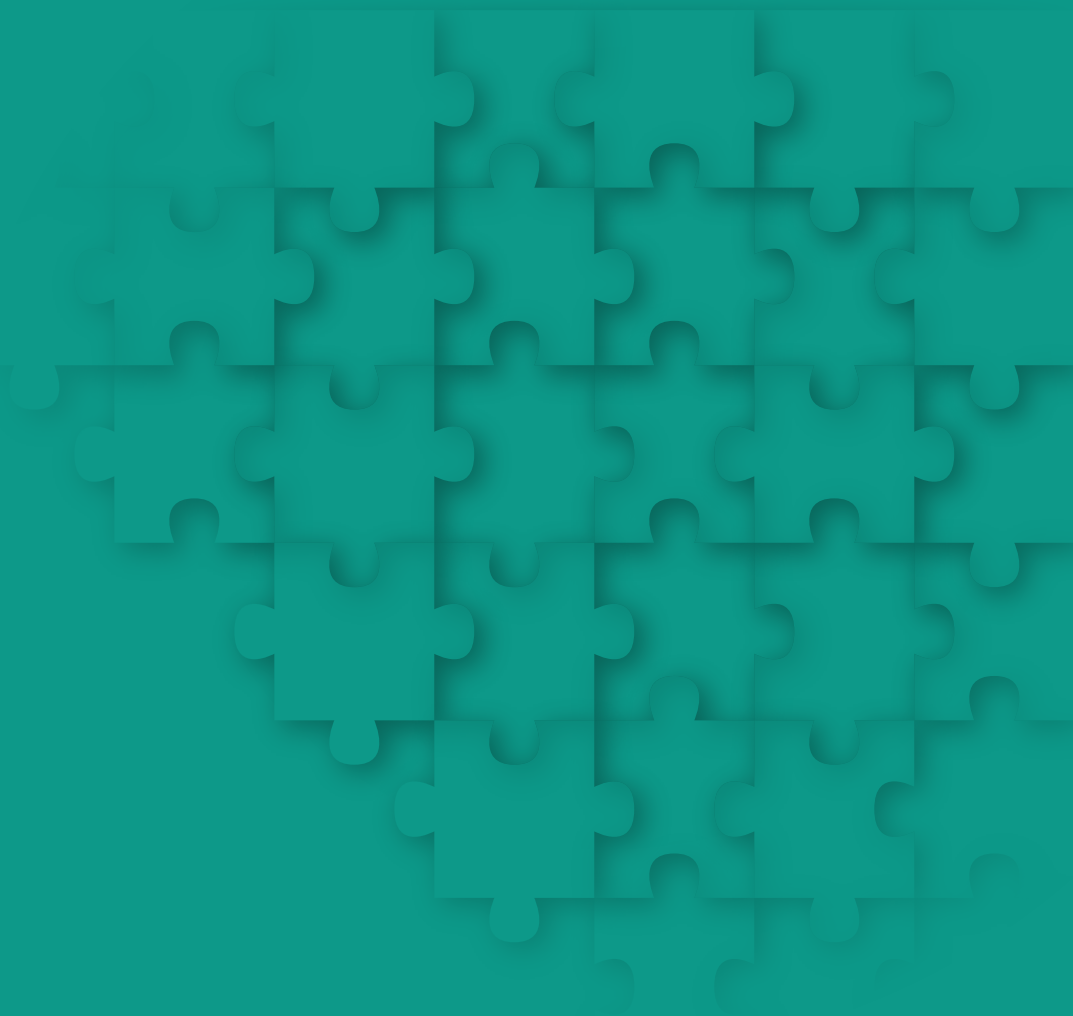
Designer

Muhamad Razli bin Ibrahim

ACRONYMS

ABAC	Anti-Bribery and Corruption	IIM	Malaysian Institute of Integrity
ABMS	Anti-Bribery Management System	IP	Integrity Pledge
AC	Audit Committee	LTAT	Lembaga Tabung Angkatan Tentera
BHB	Boustead Holdings Berhad	MACC	Malaysian Anti-Corruption Commission
BIG	Boustead Integrity and Governance	MACA	Malaysian Anti-Corruption Commission Act 2009
BOD	Board of Director	NACP	National Anti-Corruption Plan
COEC	Boustead Code of Conduct & Business Ethics	NDA	Non-Disclosure Agreement
CIG	Corruption, Integrity and Governance	OACP	Organisational Anti-Corruption Plan
CL	Corporate Liability		
COA	Certificate of Acceptance		
COI	Conflict of Interest		
CRA	Corruption Risk Assessment		
CRM	Corruption Risk Management		
CRR	Consolidated Risk Register		
CSR	Corporate Social Responsibility		
ERM	Enterprise Risk Management		
GBD	Group Business Development		
GEE	Group Engagement & Experience		
GFIN	Group Finance		
GHCM	Group Human & Capital Management		
GIA	Group Internal Audit		
GIG	Group Integrity & Governance		
GIT	Group Information & Technology		
GLC	Government-Linked Company		
GLEC	Group Legal & Compliance		
GRM	Group Risk Management		
GRS	Group Reinvention & Strategy		
GSEC	Group Secretarial		





**Boustead
Holdings
Berhad**

(A member of LTAT Group)

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