



DEALING WITH THIRD PARTY POLICY

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1. INTRODUCTION

- 1.1 This Dealing with Third Parties Policy (the “Policy”) concerns Indah Water Konsortium Sdn. Bhd. (“IWK”) and applies to all employees of the IWK, without exception. This includes the Chief Executive Officer, Chief Operating Officer, Heads of Department and all staff employed with IWK and affiliated companies and members of the board of directors (collectively, the “Employees”).
- 1.2 This document is to be read together with the Code of Conduct (the “Code”) and other integrity-related policies as approved by the Management.

2. OBJECTIVE

This Policy is established to provide guidance on establishing and monitoring relationships with third parties as well as on managing bribery and corruption risk related to business dealings with third party.

3. SCOPE

This Policy applies to all IWK employees. This policy also should be used as a guidance by stakeholders, business partners or any individual / organisation that deals with IWK employees / facilities.

4. GENERAL RULE

- 4.1 IWK expects that all parties acting for or on its behalf to share the Company’s values and ethical standards as their actions may implicate IWK legally and tarnish IWK’s reputation.
- 4.2 IWK’s dealings with third parties, which include its business partners, government intermediaries, introducers etc., must be carried out in compliance with all relevant laws and must be consistent with the values and principles of the Code and IWK Vendor Code of Conduct. As part of

this commitment, all forms of bribery and corruption are unacceptable and will not be tolerated.

4.3 When dealing with third parties, we must conduct appropriate counterparty due diligence to understand the business and background of IWK's counterparties before entering into any arrangements to ensure that they subscribe to acceptable standards of integrity in the conduct of their business.

5. DEALING WITH PUBLIC OFFICIALS

'Public or government officials' include, without limitation to, candidates for public office, officials of any political party and officials of state-owned enterprises other than IWK. Providing gifts, entertainment or corporate hospitality to public officials or their family/household members is generally considered a 'red flag' situation. If approval is obtained for IWK Employee to provide gifts, entertainment or corporate hospitality to public officials, the IWK Employee must ensure that the gifts, entertainment or corporate hospitality is not excessive or lavish, and must commensurate with the official designation of the public official and not in his personal capacity. IWK Employees must also be aware of local laws governing the activity and to ensure compliance.

6. IWK EMPLOYEES AS PUBLIC OFFICIALS

Under the Malaysian Anti-Corruption Commission Act 2009 ("MACC Act 2009"), IWK Employees may be considered as public officials because IWK is a company owned by the Ministry of Finance Incorporated (MOF Inc) where the Government has direct or indirect controlling powers and rights over IWK. To prevent violation of law and underscore our commitment to ethical behavior, IWK Employees should always abide by IWK's policies and provisions in relation to gifts, entertainment and corporate hospitality. IWK Employees are strictly prohibited from accepting gifts, entertainment or corporate hospitality that are excessive, lavish, inappropriate, illegal, or given to influence a business decision or with an understanding that, in return, some desirable outcome may be expected.

7. DUE DILIGENCE

- 7.1 The key principle when dealing with business partners is “trust but verify.”
- 7.2 Proper due diligence procedures enable IWK to follow through on its commitment to act with integrity by protecting against partnering with companies and individuals that do not operate pursuant to ethical principles. Such procedures also minimize reputational and legal risks arising from anti- corruption legislation, including the MACC Act 2009, by investigating potential business partners’ past and current ethical standing.
- 7.3 Generally, managing risk involved with third party relationships and dealings can be achieved through (i) assessing third party risk, (ii) binding third parties to IWK’s business standards, and (iii) monitoring third party compliance with IWK’s business standards.

8. COMPLIANCE

Failure or refusal of IWK Employees to comply with this Policy may be deemed to be defective and subject to disciplinary action under the IWK Code of Conduct.

9. ENQUIRIES AND REPORTING

Any enquiries or reports on violation of this Policy may be submitted through the reporting channels as follows:

Whistle Blowing Channel

- i) Telephone : 03-2780 1295
- ii) Email : whistle@iwk.com.my
- iii) Send the Whistleblower Form to the Head of the Integrity & Governance Unit
- iv) Send the Whistleblower Form through <https://www.iwk.com.my> or IWK Mobile App
- v) Attend and meet at :
Integrity & Governance Unit

Indah Water Konsortium Sdn Bhd
No. 1, Jalan Damansara
60000 Kuala Lumpur

10. CONCLUSION

Employees with information on potential non-compliant conduct of IWK, its employees, or any third party with whom IWK conducts or anticipates conducting business must report the situation in accordance with the instructions provided in the Code.

IGU is allowed to make appropriate guidelines for the good purpose of managing this policy.