



**WESTSTAR AVIATION SERVICES SDN. BHD.**  
**INTEGRITY POLICY**  
**(WASSB/P/IP/3/2017)**

**A     INTRODUCTION**

1.     In accordance with continuous commitment to conduct an ethical business environment, Weststar Aviation Services Sdn Bhd (“Weststar” or “Company”) has adopted this Integrity Policy (the “Policy”), which is applicable to all directors, officers, employees, agents, representatives and other associated persons of Weststar (collectively “Weststar Personnel”).

2.     The Integrity Policy shall be read together with the Company’s existing Board Governance processes, the Corporate Disclosure Policy and Whistle-Blowing Policy for the time being in force, and all such other policies as may be introduced and implemented by the Board from time to time, the Board Governance process, this Integrity Policy, the Corporate Disclosure Policy, the Whistle-Blowing Policy and all such policies as may be approved by the Board, shall collectively be referred to as the “Policies”). These Policies are the basis of the various internal policies, processes and procedures established to compliment and reflect the continuous focus on making ethics and integrity an integral part of Weststar’s business operations.

3.     The Policy is based on principles in relation to trust, integrity, responsibility, excellence, loyalty, commitment, dedication, discipline, diligence and professionalism. These principles apply to all transactions, large or small, and drive the behaviour expected of every employee of Company in the conduct of its business at all times.

4.     Except the Board of Directors or such persons as may be appointed or authorised by the Board, no one in the Company has the authority to make exceptions or grant waivers to these Policies. It is recognized that there will be questions about the application of the Policies to specific activities and situations. In case of doubt, Weststar Personnel are expected to seek clarification and guidance from the Compliance Officer.

**B     SCOPE**

1.     The Policy applies to Weststar Personnel, all employees and stakeholders of/persons providing services to Weststar Aviation Services Sdn. Bhd., whether permanent, contract, temporary, seconded and/or transferred, its subsidiaries, affiliates and/or entities under its management control and/or consolidation (“Stakeholders”).



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2. Breach of this Policy by any Stakeholder may result in disciplinary action and other appropriate procedures, including but not limited to, dismissal or termination of the relevant contracts(s).

**C DEFINITION**

Abbreviation / Term	Definition / Meaning
"Bribe"	Offering, giving, receiving, or soliciting of any item or favours of value to influence the actions of an official or other person in charge of a public or legal duty.
"Company" or "Weststar"	Weststar Aviation Services Sdn Bhd
"Compliance Officer"	Such officer as may be appointed by the Board of Directors from time to time. In the absence of such nominee/person at any time, the Head of Internal Audit shall undertake this function. Keeps the legal and ethical integrity of a company intact through policy enforcement and program planning
Corruption	Form of dishonest or unethical conduct by a person entrusted with a position of authority, often to acquire personal benefit or advantage.
CDP	Corporate Disclosure Policy
Gift	A thing given willingly to someone without payment; a present.
MACC	Malaysia Anti-Corruption Commission

**D POLICY STATEMENT**

1. Weststar Aviation Services Sdn Bhd, its Shareholders, the Board of Directors and the Management are committed to the highest standards of integrity, impartiality, openness and accountability in the conduct of its business and operations. In the



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aspiration to conduct its affairs in an ethical, responsible and transparent manner, this Policy supports the Company's shared values and is the core of the Company's governance processes.

2. Weststar Aviation Services Sdn Bhd will not tolerate bribery, kickbacks, or corruption of any kind, directly or indirectly through third parties, whether or not explicitly prohibited by this Policy or by law. Weststar Personnel are not permitted to give or offer anything of value (including gifts, hospitality, or entertainment, except otherwise governed by this Policy) to anyone for the purpose of improperly obtaining or retaining a business advantage. Weststar Personnel may not solicit or accept such improper payments.

3. Weststar will not tolerate transactions or dealings in or with persons, countries or territories or governments that are the target of U.S. or international economic sanctions.

4. The Policy provides the platform, processes and procedures for all employees to disclose and report corruption, corrupt practices, improper conduct and non-compliance using specific modes and means, and acts as the route to raise concerns in the event that other prescribed processes are unavailable.

5. This Policy provides a general guide to cultivate an integrity culture, anti-corruption and trade compliance activities but do not address every potential scenario that may implicate issues bearing on compliance with this Policy.

6. Any Weststar Personnel who have any query relating to this Policy should consult with the current Compliance Officer.

**E OBJECTIVES**

1. The objectives of this Policy are as follows:

- a. To inculcate integrity practices within the Company and Stakeholders;
- b. To widen and strengthen good business ethics;
- c. To raise awareness and provide guidance to the Board, Management, officers and employees on the Policy requirements;
- d. To enhance corporate governance framework by instilling a culture of professional conduct that is free from corruption.

**F THE INTEGRITY POLICY**



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1. Weststar Personnel are not permitted to pay or receive bribes. No one may, in connection with our business, offer, supply or accept gifts or hospitality which are intended or can reasonably be viewed as a bribe.
  - a. Weststar Personnel must conduct their activities in full compliance with this Policy the laws of Malaysia and of each jurisdiction in which the Company operates, and all applicable anti-corruption laws, including Malaysian anti-corruption laws, the UK Bribery Act and the United States Foreign Corrupt Practices Act (“FCPA”).
  - b. Weststar Personnel shall not give or offer anything of value, directly or indirectly, to any Government Official or any commercial party for the purpose of improperly obtaining or retaining a business advantage. “Anything of value” should be broadly interpreted to include cash, gifts to family members, forgiveness of a debt, loans, personal favors, entertainment, meals and travel, political and charitable contributions, business opportunities, and medical care, among other items.
  - c. Bribes, kickbacks or similar payments are never permitted, whether made to a Government Official or to customers, investors, clients or other private parties. Similarly, Weststar Personnel may not solicit or accept such payments.
  - d. If confronted with a request or demand for an improper payment or other violation of this Policy, the request or demand must be immediately rejected and reported to the Compliance Officer. Similarly, if any employee or agent knows or believes that an improper payment has been or will be made, the employee or agent must also report such payment to the Compliance Officer.
  - e. This Policy sets forth various rules relating to gifts, entertainment, travel, meals, lodging and employment. All such expenditures must be recorded accurately in the books and records of the Company in accordance with this Policy.

**2. Gifts, Meals, Entertainment and Employment**

**2.1 Gifts**

- a. As a general matter, the Company competes for and earns business through the quality of its personnel, products, and services, not with gifts or lavish entertainment. The use of Company funds or assets for gifts, gratuities, or other favors to Government Officials or any other



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individual or entity (in the private or public sector) that has the power to decide or influence the Company's commercial activities is prohibited, unless ***all*** of the following circumstances are met.

- (i) the gift does not involve cash or cash equivalent gifts (e.g., gift cards, store cards or gambling chips);
  - (ii) the gift is permitted under both local law and the guidelines of the recipient's employer;
  - (iii) the gift is presented openly with complete transparency;
  - (iv) the gift is properly recorded in the Company's books and records;
  - (v) the gift is provided as a token of esteem, courtesy or in return for hospitality and should in line with local custom; and
  - (vi) the item costs less than the local currency equivalent of RM220.
- b. **Gifts that do not fall specifically within the above guidelines require advance consultation** by the Compliance Officer, who may submit to the Chief Executive Officer for deliberation and approval.
- c. The reporting requirements of this Policy apply to the provision of gifts even if Weststar Personnel are not seeking reimbursement for the expenses (i.e., paying these expenses out of your own pocket does not avoid these requirements).
- d. Weststar Personnel must not accept or permit any member of his or her immediate family to accept any gifts, gratuities, or other favours from any customer, supplier or other person doing or seeking to do business with the Company, other than items of nominal value. Any gifts that are not of nominal value should be returned immediately and reported to your supervisor. If immediate return is not practical, they should be given to the Company for charitable disposition.

## **2.2 Meal, Entertainment, Travel & Hospitality**

- a. Common sense and moderation should prevail in business entertainment and the payment of travel and lodging expenses engaged in on behalf of the Company. Weststar Personnel should provide business entertainment to or from anyone doing business with the Company only if the entertainment is infrequent, modest and intended to serve legitimate business goals.
- b. Meals, entertainment, travel and hospitality should never be offered as a means of influencing another person's business decision. Each should only be offered if it is appropriate, reasonable for promotional purposes, offered or accepted in the normal course of an existing business relationship, and if the primary subject of discussion or purpose of travel is business. Adult entertainment is strictly prohibited.



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- c. Expenses for meals, entertainment, travel, and hospitality for Government Officials or any other individual or entity (in the private or public sector) that has the power to decide or influence the Company's commercial activities may be incurred without prior approval by the Compliance Officer only if all of the following conditions are met:
  - (i) The expenses are bona fide and related to a legitimate business purpose and the events involved are attended by appropriate Company representatives;
  - (ii) The cost of the meal (per meal), entertainment, or lodging is less than the local currency equivalent of RM220 per person;
  - (iii) The cost for travel shall be adjusted by the proper travel cost; and
  - (iv) The meal, entertainment, travel, or lodging is permitted by the rules of the recipient's employer (if applicable).
- d. For all such expenses, the reimbursement request must identify total number of all attendees and their names, employer, and titles (if possible). All expense reimbursements must be supported by receipts, and expenses and approvals must be accurately and completely recorded in the Company's records.
- e. Note that the reporting requirements of this Policy apply to the provision of meals, entertainment, travel, and lodging even if Company personnel are not seeking reimbursement for the expenses (i.e., paying these expenses out of your own pocket does not avoid these requirements).
- f. Any meal, entertainment, or hospitality expense greater than the local currency equivalent of RM220 per person – or, in the case of travel, if the rate is above customary – and any expense at all that is incurred for meals, entertainment, travel, or lodging unrelated to a legitimate business purpose, must be pre-endorsed by the Compliance Officer and approved by the Chief Executive Officer.
- g. In addition to traditional gifts, meals, entertainment, and travel that are provided to business relationships where Weststar Personnel are not in attendance shall be considered gifts, and subject to the rules and requirements for gifts specified in this Policy.

### **2.3 Employment**

- a. The Company expects each and every employee to give their fullest attention, dedication and efforts to their duties and the Company. Employees must avoid any personal, financial or other interest which may be in conflict with their duties and responsibilities to the Company.



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- b. Harassment is a breach of integrity and considered to be a serious act of misconduct. Such behaviour carries disciplinary consequences, up to and including dismissal. In particular, be aware of cultural sensitivities – what is acceptable in one culture may not be in another. It is important to be aware of and understand these differences. Always strive to be objective and ensure personal feelings, prejudices and preferences are not influencing employment-related decisions.
- c. Where government officials or the Company's business partners may request that the Company provide internships or employment to certain individuals, offering internships or employment to Government Officials or the Company's business partners may be viewed as providing an item of value.
- d. When applying for a post or during interview, a candidate's relationship to a Government official or Company's business partner must be disclosed or notified to the Compliance Officer, whether or not such application or interview is within or outside the ordinary course of business.

**2.4 Political Contribution and Charitable Donations**

Weststar Personnel may not make political or charitable donations, whether in their own name or in the name of the Company, to obtain or retain business or to gain an improper business advantage. Any political or charitable contributions by the Company must be permitted under the law, permissible pursuant to the terms of this Policy, made to a bona fide organization, and in the case of political contributions or charitable contributions connected to any Government Official or government entity made with the prior endorsement of the Compliance Officer before submitting to the Chief Executive Officer for approval.

**2.5 Company Property and Information**

- a. Weststar Personnel are responsible for safeguarding the Company assets from misuse or misappropriation, whether those assets are intangible, such as business information and intellectual property, or tangible, such as equipment or supplies.
- b. Safeguarding these assets includes taking the appropriate steps to prevent and identify accidental disclosure. These responsibilities and restrictions apply equally to electronic information methods (e-mail, Internet, etc.) and prohibit accessing or creating any electronic communications that contradict from the Company's Corporate Disclosure Policy.



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**3. Relationship with Third Parties**

- 3.1 This Integrity Policy and corruption laws prohibit indirect payments made through a third party including giving anything of value to a third party while knowing that the value will be given to a Government Official for an improper purpose. Weststar Personnel shall avoid such situations involving third parties that might lead to a violation of this Policy.
- 3.2 Weststar Personnel who deal with third parties are responsible for taking reasonable precautions to ensure that the third parties conduct business ethically and comply with this Policy. For third parties representing the Company before governmental entities, such precautions should include:
- a. Conducting an due diligence review of a third party;
  - b. Inserting appropriate compliance provisions in the third party's written contract;
  - c. Requiring the third party to certify that it has not violate and will not violate this Policy or any applicable anti-corruption laws during the course of its business with the Company; and
  - d. Monitoring the reasonableness and legitimacy of the services provided by and the compensation paid to the third party during the engagement.
- 3.3 In particular, Weststar should require third parties to obtain confirmation or documentary evidence from the relevant governmental entity for any payments such third parties make to governmental entities on Weststar's behalf. Upon adopting this Policy, Weststar should review its current relationships with third party representatives who act on behalf of Weststar in dealings with government officials and take the precautions listed above with respect to those parties. Weststar Personnel retaining third parties that will be representing the Company before governmental entities must discuss the engagement with the Compliance Officer prior to hiring the third party. Any doubts regarding the scope of appropriate due diligence efforts in this regard should be resolved by contacting the Compliance Officer.
- 3.4 In addition, once a third party is engaged, Weststar Personnel who deal with third parties must always be aware of potential red flags. Red flags are certain actions or facts which should alert a company that there is a high possibility of improper conduct by a third party. A red flag does not mean that something illegal has happened, but rather that further





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investigation is necessary. Red flags are highly fact- dependent, but some examples of red flags are:

- a. Unusual or excessive payment requests, such as requests for over-invoicing, up- front payments, ill-defined or last-minute payments, success fees, unusual commissions, or mid-stream compensation payments;
  - b. Requests for payments to an account in a country other than where the third party is located or is working on behalf of the Company;
  - c. Requests for payment to another third party, to a numbered account, or in cash or other untraceable funds;
  - d. Requests for political or charitable contributions;
  - e. The third party is related *to* a Government Official or has a close personal or business relationship with a Government Official;
  - f. Any refusal or hesitancy by the third party *to* disclose its owners, partners, or principals;
  - g. The third party uses holding companies or other methods to obscure its ownership, without adequate business justification;
  - h. The third party expresses a desire *to* keep his representation of the Company or the terms of his retention secret; or
  - i. The third party has little experience in the industry but claims *to* "know the right people."
- 3.5 If any Weststar Personnel have reason to suspect that a third party is engaging in potentially improper conduct, they shall report the case to the Compliance Officer immediately. Weststar shall conduct an investigation and stop further payments *to* the third party if the employee's suspicions are verified through the investigation.

**4. Record keeping and Internal Controls**

- a. This Policy requires that all expenditures made by the Company are accurately reflected in the Company's financial records and that all payments made with Company funds, or on behalf of the Company, have been properly authorized.



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- b. Weststar Personnel required to ensure the accuracy of any records we develop or review, including financial records, expense reports and engineering or other technical documents.
- c. In addition to being a violation of this policy, efforts to mislead or coerce independent auditors or members of the internal audit staff concerning issues related to audit, accounting or financial disclosure can have serious legal consequences,
- d. Weststar Personnel should use best efforts to ensure that all transactions, dispositions, and payments involving Company funds or assets are properly and accurately recorded in the Company's financial records. No undisclosed or unrecorded accounts are to be established for any purpose. False or artificial entries are not to be made in Weststar's books and records for any reason. Finally, personal funds must not be used to accomplish what is otherwise prohibited by this Policy.

**5. Trade Compliance Policy**

- a. Due diligence will be undertaken to ensure that our potential business partners, contractual counterparties and contractors are involved in legitimate business activity and derive funds from legitimate sources.
- b. Weststar is committed to ensuring that its trade and business activities comply with applicable trade compliance laws and regulations, and it is the policy of the Company to comply with applicable regulations and orders. The Company will not undertake any business or activity with, in or relating to sanctioned countries or any of their governments, without the due approval of the Board and relevant authorities.
- c. The Compliance Officer, along with the Board of Directors, will assess the risk of potential Sanctions violations in each and every area of the institution. The Compliance Officer will implement whatever procedures and internal controls are appropriate to address the risk of non-compliance with this Policy.
- d. The Compliance Officer will also subscribe to receive automatic email notification whenever there is a new OFAC bulletin or arrange to obtain them by other means.

**6. Compliance Procedures and Training**



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- a. All employees must receive and review a copy of this Policy and certify in writing that they (1) have reviewed the Policy; (2) agree to abide by the Policy; and (3) agree to report any potential violations of the Policy to the Compliance Officer.
- b. In addition, the Company will offer periodic training programs to educate employees about the requirements and obligations of this Policy. All employees of the Company must participate in such training and the Compliance Officer must retain attendance records establishing compliance with this requirement. In particular (but without limiting the generality of the foregoing), Weststar Personnel must attend training which will be conducted for the purpose of educating Weststar Personnel on the UK Bribery Act, the United States Foreign Corrupt Practices Act ("FCPA") and the regulations administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").
- c. All third party representatives who act on behalf of Weststar in dealings with government officials must also participate in FCPA Policy training on an annual basis.

**7. Reporting Requirements and the Whistleblowing Policy**

- a. Weststar takes its commitment to integrity compliance very seriously and expects all Weststar Personnel to share that commitment. Weststar therefore expects and requires any Weststar Personnel who have knowledge of, or reason to suspect, any violation of this Policy to contact the Compliance Officer immediately following the processes and procedures prescribed under the Company's Whistleblowing Policy. Reports may be made anonymously.
- b. Weststar Personnel should refer to the Whistleblowing Policy on any known or suspected violations and the consequences of reporting and failure to report.

**G. SUMMARY**

1. All employees, including company executives, officers and senior level managers, as well as members of Weststar's board of directors, are expected to conduct their activities in compliance with this Policy.



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2. Management is ultimately responsible for the investigation of and appropriate response to reports of suspected violations of law, policies, and internal control procedures.
3. All questions regarding the Whistleblowing Policy should be directed to the Compliance Officer.

AMENDED AND ADOPTED: 22 June 2017