



CBM FRAUD POLICY & GUIDELINES

INTRODUCTION

1. This policy is established as part of the internal controls framework of CBM to facilitate the development and maintenance of controls to assist in the detection and prevention of fraud, including fraudulent financial reporting. It is the intent of CBM to promote consistent organizational behavior by providing guidelines and assigning responsibilities for the development and maintenance of controls and the conduct of investigations.
2. It is to be interpreted in conjunction with the following:
 - 2.1 City Developments Limited Fraud Policy & Guidelines
 - 2.2 CBM Anti-Corruption Policy & Guidelines, and
 - 2.3 CBM Whistle-Blowing Policy

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3. This policy aims to:
 - 3.1 Educate and improve knowledge and understanding of all employees, irrespective of their position, to the potential risks of fraud
 - 3.2 Provide direction and guidance to employees who may find themselves having to deal with any irregularity or suspected irregularity
 - 3.3 Set out the responsibilities regarding the prevention, detection and investigation of fraud

DETAILS OF POLICY

4. Application

It applies to all directors, officers and employees of CBM, and any stakeholders or any other parties with a business relationship with the Company.
5. Prohibition Against All Forms of Fraudulent Conduct
 - 5.1 Employees are expected to act at all times with honest and integrity in the course of their work or in the exercise of their duties.
 - 5.2 Employees are strictly prohibited from participating in any form of fraudulent, deceptive, dishonest or unscrupulous conduct in the course of their work or in the exercise of their duties. Such conduct also generally constitutes criminal offences in most jurisdictions which carry serious penalties on conviction.
 - 5.3 Actions constituting fraudulent conduct may include but is not limited to the following:
 - Misappropriation including removal, misuse or destruction of company funds, properties, supplies or other assets for any illegal, improper or unethical purpose;
 - Impropriety in the handling or reporting of money or financial transactions, which include false accounting and misleading disclosures;
 - Forgery or unauthorised alteration of any company documents;
 - Improper/unauthorised disclosure, use and/or manipulation of confidential, proprietary, commercially-sensitive or price-sensitive information;
 - Profiteering as a result of insider knowledge of company activities or information;

- Giving or receiving of bribes, kickbacks, gratifications or other corrupt payments (please refer to the CBM Anti-Corruption Policy & Guidelines for further guidance);
- Deliberate effort to mislead, deceive, manipulate, coerce or fraudulently influence any internal or external auditor/accountant in connection with the preparation, examination, audit or review of any financial statements or records of the company; and
- Any dishonest or fraudulent act.

6. Responsibilities as an Employee

- 6.1 Employee must ensure that they have read, understand and comply with this Fraud Policy as well as any future updates and other materials issued from time to time.
- 6.2 Employees are to avoid any activity that might lead to, or suggest, a breach of this Fraud Policy.
- 6.3 The prevention, detection and reporting of any actual or suspected fraudulent activity is the responsibility of all employees.
- 6.4 If employees are aware of or have reasonable grounds to suspect any fraudulent activity in the course of their employment, employees are to report this to their supervisor(s) or otherwise lodge a report (which may be anonymous) in accordance with the CBM Whistle-blowing Policy. Employees should not attempt to personally conduct investigations or interviews or interrogations related to any suspected act of corruption.
- 6.5 Employees who are found to be in violation of this Fraud Policy shall be subject to appropriate disciplinary action. Disciplinary action will also be taken against Employees who have knowledge of such violations but conceal such information from the Group, or who take detrimental action against others who report such violations.

CONCLUSION

7. This policy is reviewed on **28 August 2020**.