

ANTI BRIBERY AND CORRUPTION POLICY

Version 1.0

Mesiniaga

Human Resource	Legal	Chief Executive Officer	8.10.2019
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ANTI BRIBERY AND CORRUPTION POLICY

1. INTRODUCTION

Mesiniaga is committed to conducting business dealings with integrity and has adopted a zero-tolerance approach against all forms of bribery and corruption in its daily operations. The Anti Bribery and Corruption Policy (“**ABC Policy**” and/or “**the Policy**”) is developed as part of Mesiniaga’s commitment to the principles of honesty, integrity, transparency and fairness. This Policy represents Mesiniaga’s overall position on bribery and corruption in all its forms and leverages on the values and core principles set out in Mesiniaga’s Business Conduct Guidelines.

2. DEFINITIONS

The definitions of the terms used in this Policy are as per provided in **Appendix 1**.

3. SCOPE OF POLICY

The Policy is applicable to:

- 3.1.** Mesiniaga’s Board of Directors, employees, controlled subsidiaries, external providers and business associates who are authorised by Mesiniaga to act on its behalf.
- 3.2.** Joint-venture companies of which Mesiniaga is non-controlling or co-venture and associated companies are encouraged to adopt similar principles.
- 3.3.** Mesiniaga’s business dealings with commercial (‘private sector’) and Government (‘public sector’) entities.

4. RECOGNITION OF LEGISLATION

4.1. Mesiniaga is committed to operate in accordance with local and international approved conventions. These laws include the Malaysian Penal Code (revised in 1977) and its amendments, the Malaysian Anti-Corruption Commission Act 2009 and its amendments, and the Companies Act 2016.

5. GIFTS, DONATIONS, HOSPITALITY AND SPONSORSHIPS

- 5.1.** Mesiniaga’s employees are prohibited from receiving or asking for gifts from external parties. Gift-giving is only allowed to and from external parties when it is in a form of Corporate Gift. Any other form of gift-giving or acts of hospitality will be subject to approval by the Chief Executive Officer.
- 5.2.** Mesiniaga prohibits the act of giving and receiving of donations and sponsorships that may influence business decisions.

6. FACILITATION PAYMENTS AND SUPPORT LETTERS

- 6.1.** Mesiniaga prohibits the use of facilitation payments in its business, and Mesiniaga's employees shall decline any requests for a facilitation payment.
- 6.2.** Support letters in all forms shall not be recognised as part of the business decision making process as all contracts which are awarded and the positions held by the employees are given purely on merit basis.

7. RECRUITMENT, PROMOTION AND SUPPORT OF EMPLOYEES

- 7.1.** Mesiniaga's recruitment, training, performance evaluation, remuneration, recognition and promotion for all employees, including the management, shall be designed and regularly updated to recognise integrity.
- 7.2.** Mesiniaga does not offer employment to prospective employees who might have improperly favoured Mesiniaga in a previous role.

8. DUE DILLIGENCE

- 8.1.** The extent of due diligence conducted should be based on a bribery and corruption risk assessment. Due diligence may include a search through relevant databases, checking for relationships with public officials, self-declaration, and documenting the reasons for choosing one particular business associate over another.
- 8.2.** Mesiniaga shall include standard clauses in all contracts with business associates. This enables Mesiniaga to terminate the contract in the event of bribery or corruption.

9. RESPONSIBILITIES OF MESINIAGA'S EMPLOYEES

- 9.1.** All Mesiniaga employees (including its directors and employees of its controlled organisations) are required to:
 - a) be familiar with applicable requirements and directives of the ABC Policy;
 - b) promptly and accurately record all transactions and payments in Mesiniaga's books;
 - c) be alert to indications or evidence of possible violations of the ABC Policy;
 - d) promptly report violations or suspected violations through appropriate channels; and
 - e) attend required Anti Bribery and corruption training as required according to position.

- 9.2.** When dealing with business associates, all Mesiniaga employees shall not:
- a) express unexplained or unjustifiable preference for certain parties;
 - b) make any attempt at dishonestly influencing their decisions by offering, promising or conferring advantage;
 - c) exert influence to obtain benefits; and
 - d) directly or indirectly offer or make promises or corrupt payments, in cash or in kind or a specific favour.
- 9.3.** Mesiniaga's managers have the responsibility to ensure that the ABC Policy requirements are applied and complied with in their department or function, and also to monitor compliance with the Policy.
- 9.4.** All Mesiniaga employees shall certify in writing that they have read, understood and will abide by this Policy. A copy of this declaration shall be documented and retained by the Human Resources Department for the duration of the employees' employment. A sample declaration can be found in **Appendix 2** of this Policy.

10. CONFLICTS OF INTEREST

- 10.1.** Conflicts of interest arise in situations when personal interest interferes with the objectivity of performing duties or exercising judgment on behalf of Mesiniaga. Employees must not use their position, official working hours, Mesiniaga's resources and assets, or information available to them for their personal gain or to Mesiniaga's disadvantage.

11. ANTI BRIBERY AND CORRUPTION COMPLIANCE FUNCTION

- 11.1.** Mesiniaga shall establish and maintain an Anti Bribery and corruption compliance function within the Human Resources Department to oversee the design, implementation and management of the ABC Policy.
- 11.2.** The Human Resources Department shall ensure that Mesiniaga's employees are equipped to act effectively against bribery and corruption by providing advice and guidance to employees on the ABC Policy and any related issues. The Human Resource Department shall also take appropriate steps to ensure that adequate monitoring, measurement, analysis and evaluation of the ABC Policy is performed, as well as, report on the performance of the ABC Policy to the top management and the Audit Committee regularly.

12. TRAINING AND AWARENESS

12.1. Mesiniaga shall conduct an Anti Bribery and corruption awareness program for all its employees, as well as business associates acting on behalf of Mesiniaga, on a regular basis. The Human Resources Department shall maintain records of training attendance and schedules.

13. REPORTING OF POLICY VIOLATIONS

13.1. Employees who, in the course of their work related activities, encounter actual or suspected violations of this policy, are required to report their concerns using the reporting channels stated in the Whistleblowing Policy and Procedure which are established to receive information on the ABC Policy's violation and other matters regarding integrity.

13.2. Reports made in good faith, either anonymously or otherwise, shall be addressed in a timely manner without incurring fear of penalty regardless of the outcome of any investigation. Retaliation of any form against Mesiniaga's employees, whereby the person, in good faith, reported a violation or possible violation of this policy, is strictly prohibited.

13.3. Any Mesiniaga employee found to have deliberately acted against the interests of a person who, in good faith, reported a violation or possible violation of this policy shall be subject to disciplinary proceedings including demotion, suspension, dismissal or other actions (including legal action) which Mesiniaga may pursue.

14. AUDIT AND COMPLIANCE & SANCTIONS FOR NON-COMPLIANCE

14.1. Regular audits shall be conducted to ensure compliance to this policy. Such audits may be conducted internally by Mesiniaga. Audit documentation should include performance improvement action plans.

14.2. Non-compliance as identified by an audit exercise and any risk areas identified through this and other means should be reported to the top management and the Audit and Risk Management Committee (ARMC) in a timely manner in accordance with the level of risk identified. Penalties, including contract termination, may be imposed on external parties. Mesiniaga may also take further legal action against any individual or organisation if its interests have been harmed due to their non-compliance.

APPENDIX 1 – DEFINITIONS

“Bribery & Corruption” means any actions considered as an offence of giving or receiving ‘gratification’ under the Malaysian Anti-Corruption Commission Act 2009 (MACCA). In practice, this means offering, giving, receiving or soliciting anything of value in an attempt to illicitly influence the decisions or actions of a person who is in a position of trust within an organisation, either for the intended benefit of Mesiniaga or the persons involved in the transaction.

Bribery may be ‘outbound’, where someone acting on behalf of Mesiniaga attempts to influence the actions of someone external, such as a Government official or client decision-maker. It may also be ‘inbound’, where an external party is attempting to influence someone within Mesiniaga such as a senior decision-maker or someone with access to confidential information.

“Gratification” is defined in the MACCA to mean the following:

- a) money, donation, gift, loan, fee, reward, valuable security, property or interest in property being property of any description whether movable or immovable, financial benefit, or any other similar advantage;
- b) any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;
- c) any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;
- d) any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;
- e) any forbearance to demand any money or money’s worth or valuable thing;
- f) any other service or favour of any description, including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted, and including the exercise or the forbearance from the exercise of any right or any official power or duty; and

- g) any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding paragraphs (a) to (f).

“Business Associate” means an external party with whom Mesiniaga has, or plans to establish, some form of business relationship. This may include clients, customers, joint ventures, and joint venture partners, consortium partners, outsourcing providers, contractors, consultants, subcontractors, suppliers, vendors, advisers, agents, distributors, representatives, intermediaries and investors.

“Controlled organisation” means an entity where Mesiniaga has the decision-making power over the organisation such that it has the right to appoint and remove the management. This would normally be where Mesiniaga has the controlling interest (>50% of the voting share ownership), but it could be where there is an agreement in place that Mesiniaga has the right to appoint the management, for example a joint venture where Mesiniaga has the largest (but still <50%) allocation of the voting shares.

“Facilitation payment” means payment or other provisions made personally to an individual in control of a process or decision. It is given to secure or expedite the performance of a routine or administrative duty or function.

“Corporate Gift” means something given from one organisation to another, with the appointed representatives of each organisation giving and accepting the gift. Corporate gifts may also be promotional items given out equally to the general public at events, trade shows and exhibitions as a part of building the Mesiniaga’s brand. The gifts are given transparently and openly, with the implicit or explicit approval of all parties involved. Corporate gifts normally bear the Mesiniaga name and logo. Examples of corporate gifts include items such as diaries, table calendars, pens, notepads and plaques.

APPENDIX 2 – SAMPLE OF EMPLOYEE DECLARATION FORM

I, _____ (NRIC No.: _____)
hereby declare that I have read and understood Mesiniaga's Anti Bribery and Corruption Policy and shall abide by the requirements and provisions set out in the said Policy throughout the duration of my employment with Mesiniaga and as required by my employment contract.

Signature

Name:

Date: