



MALAYSIA PETROLEUM RESOURCES CORPORATION ("MPRC")

ANTI BRIBERY & CORRUPTION POLICY & PROCEDURE

**Version : AB&C - 2021 – Rev0
Submission: 2021**

ABBREVIATIONS

AB&C	-	Anti Bribery & Corruption Policy
ARC	-	Audit & Risk Committee
CEO	-	Chief Executive Officer
CoBE	-	Code of Conduct & Business Ethics
COI	-	Conflict of Interest
DAL	-	Delegated Authority Limits
HR	-	Human Resources
HOD	-	Head of Department
IA	-	Internal Audit
IGU	-	Integrity Unit
IM	-	Integrity Manager
MACC	-	Malaysian Anti Corruption Commission <i>Suruhanjaya Pencegah Rasuah Malaysia</i>
MPRC	-	Malaysia Petroleum Resources Corporation
NGO	-	Non-Governmental Organisation
OSA	-	Official Secrets Act
PDRM	-	<i>Polis Di Raja Malaysia</i>
P&P	-	Policy and Procedure
RPT	-	Related Party Transaction
SOP	-	Standard Operating Procedure
WB	-	Whistleblowing and Fraud Policy & Procedures

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Appendix I – Proposed Whistleblowing Form

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1.0 INTRODUCTION

- 1.1 The Malaysian Anti-Corruption Commission Act 2009 which came into force on 1 January 2009 was aimed as a catalyst to improve corruption prevention in Malaysia. In 2018, MACC (Amendment) Act 2018 have been gazetted and the principle of commercial organisation's criminal liability (corporate liability) was introduced in Section 17A of the Act. The Malaysian Anti-Corruption Commission has stated that the corporate liability provision of the MACC Act will be in force as of 1 June 2020.

Maintaining a workplace culture with strong ethics and integrity is part of a competent governance framework and is fundamental to good organisational performance toward creating a business environment that is fair, transparent and free from bribery and corruption.

This Anti-Bribery and Anti-Corruption Policy & Framework is designed as a foundation MPRC and its group of companies to establish, implement, maintain, review and improve an anti-bribery and anti-corruption system to support the Company's strategic objectives.

- 1.2 This AB&C will supersede any other existing MPRC policies relating to bribery and corruption.
- 1.3 The Assigned Manager is the IM.

2.0 AB&C STATEMENT

- 2.1 It is MPRC's policy to conduct all its businesses in an honest and ethical manner. MPRC takes a zero-tolerance approach to bribery and corruption and is committed to act professionally, fairly and with integrity in all its business dealings and relationships. It is the goal of MPRC to avoid acts which might reflect adversely upon the integrity and reputation of MPRC.
- 2.2 It is against the law if MPRC or any of its employees or associated persons (e.g. contractors, agents or subsidiaries) are found to be involved in corrupt activity or abuse of power, resulting in fines or imprisonment. MPRC therefore takes its legal responsibilities very seriously.

- 2.3 MPRC is committed to uphold all laws relevant to countering bribery and corruption in each of the jurisdictions in which it operates. As the anti-corruption laws of Malaysia, has extraterritorial application, MPRC, its employees and associated persons will be bound by the most stringent requirements of these laws in respect of its conduct in all jurisdictions they operate.
- 2.4 The purpose of this AB&C is to:
- a. Set out the responsibilities of MPRC, all individuals serving MPRC, in observing and upholding MPRC's position on bribery and corruption; and
 - b. Provide information and guidance to those individuals working for MPRC on ways to recognise and deal with bribery and corruption issues.
- 2.5 In this AB&C, "third party" means any individual or organisation with whom may come into contact during the course of work for MPRC, and includes actual and potential customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, NGOs, including their advisors, representatives and officials, politicians and political parties.

3.0 APPLICATION OF THE AB&C

- 3.1 This AB&C applies to all directors, managers, employees, family members, service providers of MPRC. Compliance with this AB&C constitutes terms of service for each director, conditions of employment for each employee, and conditions of providing services to MPRC for each consultant and contractor or service provider. Each such person agrees to be bound by the provisions of this AB&C upon notification of the most recent copy being given to them or upon notification that a version is available on MPRC's website for reference.
- 3.2 This AB&C extends across all MPRC's (and its subsidiaries) business dealings and in all countries and territories in which MPRC and its subsidiaries operate. All persons covered by this AB&C, in discharging their duties on behalf of MPRC, are required to comply with the laws, rules and regulations applicable in the location in which MPRC (and its subsidiaries) is performing business activities, and particularly with respect to anti-bribery and corruption laws, rules and regulations. If any uncertainty or ambiguity exists, please contact the IM to seek further clarification is needed.

- 3.3 Top management implies to all Head of Departments
- 3.4 "Government official" includes, without limitation, candidates for public office, officials of any political party, and officials of state / federal-owned organisations other than MPRC.

4.0 ANTI BRIBERY & CORRUPTION FRAMEWORK

This Framework has considered amongst others, guidance issued by the Prime Minister's Department, i.e. Guidelines on Adequate Procedures Pursuant to Subsection (5) of Section 17A under the amended Malaysian Anti-Corruption Commission Act 2009 (amended 2018), ISO 3701:2016 Anti Bribery Management System, as well as the industries best practices.

Referencing to the Anti Bribery and Corruption framework, the 4 pillars consist of:

1. Leadership & Governance;
2. Culture;
3. Operational Strategies;
4. Management of Environment,

The development of this policy falls under the "Culture" pillar. Aiming to achieve the highest level of business ethics and prevent the occurrence of bribery and corruption in the conduct of the businesses, this policy is developed to provide a guideline to support the culture of good corporate governance and integrity relating to anti - bribery and corruption throughout MPRC.

Diagram 1 shows the framework containing MPRC's Anti Bribery & Corruption pillars, with its corresponding objectives, and Diagram 2, the stage of framework at where the development of the policy is.

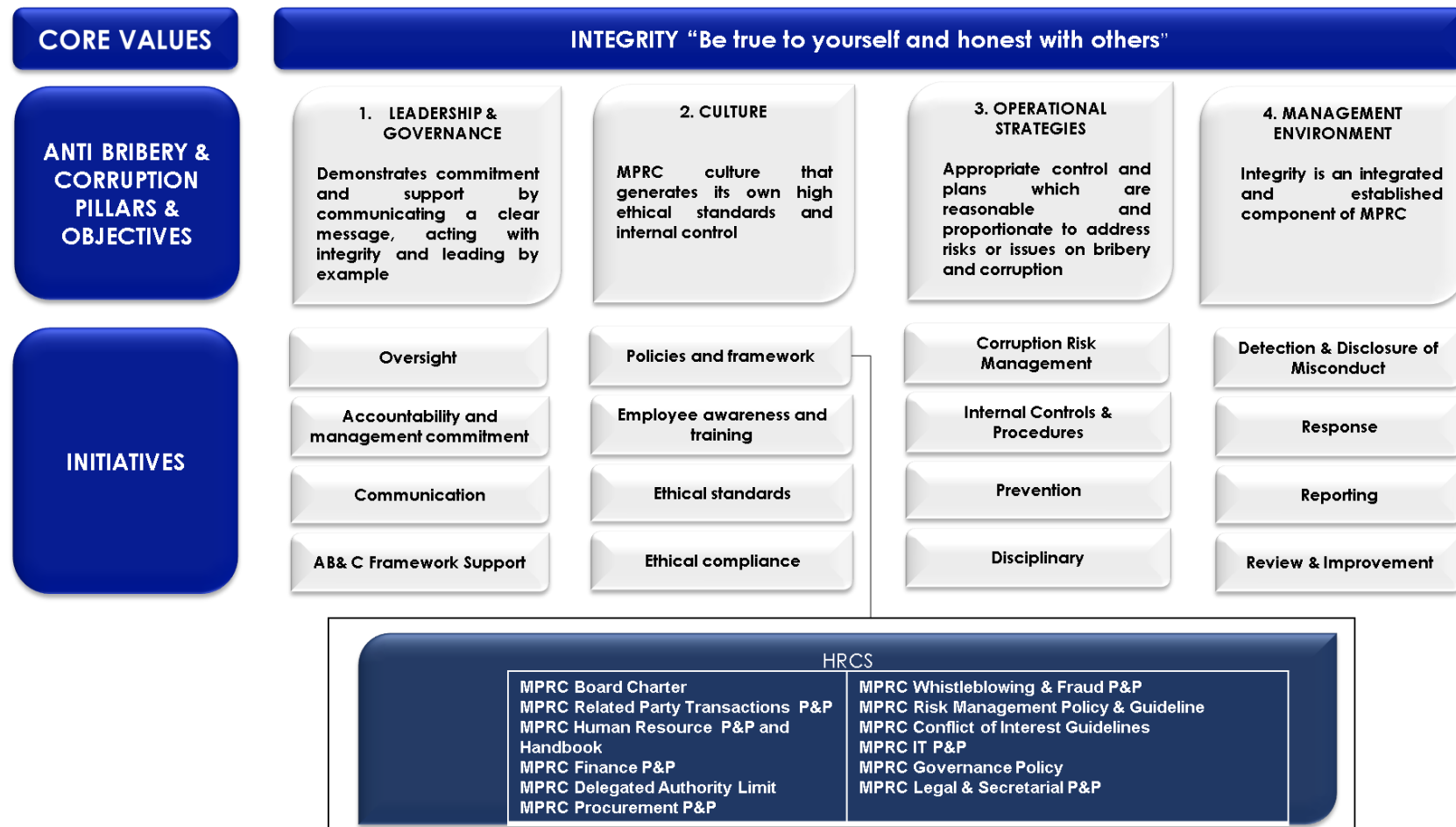


Diagram 1. Diagram shows MPRC's Anti Bribery & Corruption Framework containing initiatives to prevent, detect and resolve instances involving bribery and corruption

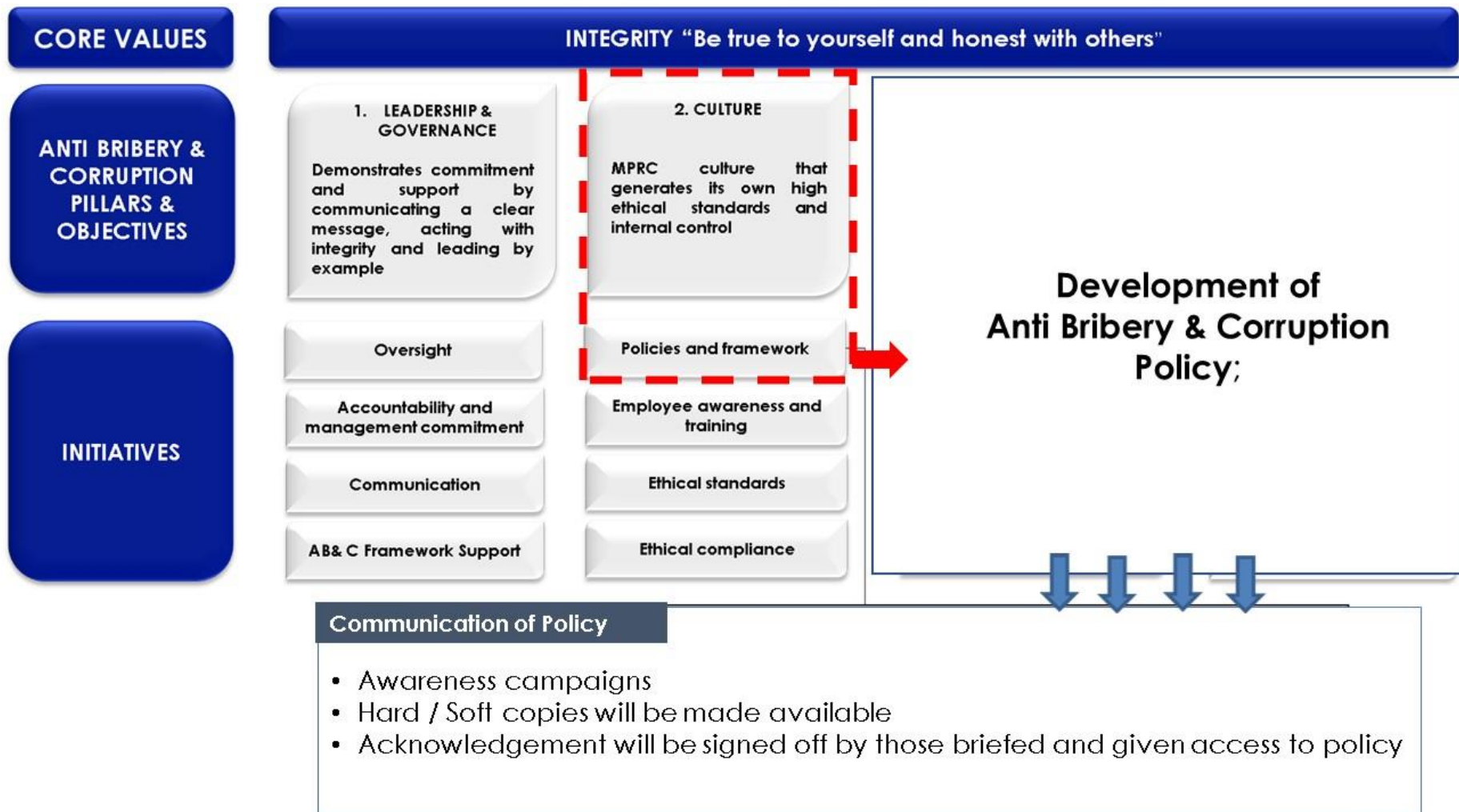


Diagram 2. Diagram illustrates the stage Development of MPRC's Anti Bribery & Corruption Policy in the framework.

5.0 TYPES OF BRIBERY AND CORRUPTION

- 5.1 For purposes of this AB&C, each of the examples in 5.2 to 5.4 below is referred to as a "bribery offence".
- 5.2 Bribes
- i. A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory, business or personal advantage.
 - ii. An inducement is something which helps to bring about an action or desired result.
 - iii. A business advantage means that either MPRC, or its contractor or supplier is placed in a better position (financially, economically, or reputationally, or in any other way which is beneficial) either than its competitors or than it would otherwise have been had the bribery or corruption not taken place.
- 5.3 Kickbacks are
- i. payment of any portion of a contract made to employees of a contracting party, or
 - ii. the utilisation of other techniques, such as subcontracts, purchase orders or consulting agreements,
 - iii. to channel payment to public officials, political parties, party officials or political candidates, to employees of another contracting party, or their relatives or business associates.
- 5.4 Extortion means to directly or indirectly demand or accept a bribe, facilitation payment or kickback.

6.0 ANTI-BRIBERY AND CORRUPTION STANDARDS

- 6.1 It is prohibited for MPRC or its directors, managers, employees, service providers to:
- i. give, promise to give, or offer, a payment, gift or hospitality to a third party or otherwise engage in or permit a bribery offence to occur, with the expectation or hope that an advantage in business will be received, or to reward a business advantage already given.

- ii. give, promise to give, or offer, a payment, gift or hospitality to a third party to "facilitate" or expedite a routine procedure.
 - iii. accept a payment, gift or hospitality from a third party if it is known or suspect that it is offered or provided with an expectation that a business advantage will be provided by MPRC in return.
 - iv. threaten or retaliate against another employee or worker who has refused to commit a bribery offence or who has raised concerns under this AB&C or MPRC's WB.
 - v. engage in any activity that might lead to a breach of this AB&C.
- 6.2 Non-compliance with the AB&C may result criminal or civil penalties which will vary according to the offence. An associated individual acting in contravention of the AB&C may face disciplinary action up to and including summary dismissal.

7.0 GIFTS AND HOSPITALITY, CONTRIBUTIONS & DONATIONS

- 7.1 MPRC's Gifts & Hospitality sets out when it is, and is not, appropriate for you to make or receive gifts and / or hospitality from a third party. Please refer to the Gifts & Hospitality guideline for further details in the section 7.2.1
- 7.2 This section refers to 4 areas:
- i. Gifts, Entertainment and Hospitality
 - ii. Facilitation payment or convenience
 - iii. Political contributions.
 - iv. Charitable donations

7.2.1 Gifts

MPRC adopts a "No Gift" Policy whereby, subject to exceptions (refer 7.2.1 (iii)), MPRC employees and directors, family members or agents acting for or on behalf of MPRC employees, directors or their family members are prohibited from, directly or indirectly, receiving or providing gifts.

MPRC requires employees and directors to abide by this policy to avoid conflict of interest or the appearance of conflict of interest

for either party in on-going or potential business dealing between MPRC and external parties as a gift can be seen as a bribe that may tarnish MPRC's reputation or be in violation of anti-bribery and corruption laws.

As set out in the MPRC's COI guideline from RPT, TP & COI P&P, a conflict of interest arises in a situation in which an individual can take advantage of his or her role in MPRC for his or her personal benefit, including the benefit of his or her family/household and friends. This would undermine the duties of good faith, fidelity, diligence, and integrity as expected by MPRC from its employees and directors in the performance of their duties and obligations.

It is the responsibility of employees and directors to inform external parties involved in any business dealings with MPRC that the Company practices a "No Gift Policy" and to request the external party's understanding for and adherence with this policy.

i. Receiving Gifts

MPRC acknowledges normal and appropriate signs of hospitality and goodwill (either given to / received from a third party).

MPRC is very much aware that the exchange of gifts can be a very sensitive matter where, in certain cultures or situations, gift giving is a central part of business etiquette. Despite acknowledging MPRC's "No Gift Policy", some external parties may still insist to provide gifts to MPRC employees, directors and/or their family members in certain situations which do not fall within the general exceptions.

Although the general principle is to immediately refuse or return such gifts, accepting a gift on behalf of MPRC is allowed only in very limited circumstances, whereby refusing the gift is likely to seriously offend and may affect MPRC's business relationship with the Third Party. **However, in no circumstances may an employee, director or his/her family/household members accept gifts in the form of cash or cash equivalent (e.g. gift cards, cash vouchers).**

In these limited circumstances, employees are expected to immediately disclose the gift using the gift disclosure form

within 48hrs or earlier (can be obtained from HRCS or online_ if they fulfil the following conditions:

- a) It is not made with the intention of influencing the decision maker, to obtain or give recognition to the retention of business or business advantages, or as an explicit or implicit exchange for favours or benefits;
- b) That it is not made with the suggestion that the expectation of return is to be expected;
- c) No conflict of interest;
- d) This it is in accordance with local law;
- e) It is given in the name of MPRC, not in the name of the individual;
- f) It does not include cash;
- g) It is given / received openly, not in secret;
- h) It is not selectively given to important, influential, clear people with the intention of influencing them directly;
- i) The approximate value does not exceed RM250;

ii. Providing Gifts

Generally, employees are not allowed to provide gifts to third parties except for the President/ CEO, Vice Presidents and any other officers identified/ approved by the President / CEO of MPRC.

iii. Exception to "No Gift" Policy

Although generally MPRC practices a "No Gift" Policy, there are exceptions to the rule whereby the receiving and provision of gifts are permitted in the following situations: -

- a. Exchange of gifts at the company-to company level (e.g. gifts exchanged between companies as part of an official company visit/courtesy call and thereafter said gift is treated as company property);
- b. Gifts from company to external institutions or individuals in relation to the company's official functions, events and celebrations (e.g. commemorative gifts or door gifts offered to all guests attending the event);
- c. Gifts from MPRC to employees and directors and/or their family members in relation to an internal or externally recognised Company function, event and celebration (e.g. in recognition of an employee's/director's service to the Company);

- d. Token gifts of nominal value normally bearing the MPRC or company's logo or (e.g. t-shirts, pens, diaries, calendars and other small promotional items) that are given out equally to members of the public, delegates, customers, partners and key stakeholders attending events such as conferences exhibitions, training, trade shows etc. and deemed as part of the company's brand building or promotional activities; and
- e. Gifts to external parties who have no business dealings with MPRC (e.g. monetary gifts or gifts in-kind to charitable organisations) (refer MPRC DAL)

Even in the above exceptional circumstances, employees and directors are expected to exercise proper judgment in handling gift activities and behave in a manner consistent with the general principles set out in the CoBE as per below:

- a. Conscientiously maintain the highest degree of integrity;
- b. Always exercise proper care and judgment,
- c. Avoid conflicts of interest;
- d. Refrain from taking advantage of your position or exercising your authority to further your own personal interest at the expense of MPRC; and
- e. Comply with applicable laws, regulations and MPRC P&Ps.

7.2.2 Entertainment

a. Providing Entertainment

MPRC allows the practise of entertainment but must fulfil the following conditions:

- i. It is not made with the intention of influencing the decision maker, to obtain or give recognition to the retention of business or business advantages, or as an explicit or implicit exchange for favours or benefits;
- ii. That it is not made with the suggestion that the expectation of return is to be expected;
- iii. This it is in accordance with local law;
- iv. It is given in the name of MPRC, not in the name of the individual;
- v. It does not include cash;
- vi. It is given / received openly, not in secret;

- vii. It is not selectively given to important, influential, clear people with the intention of influencing them directly;

As such, eligible employees are allowed to entertain external clients through a reasonable act of hospitality as part of business networking as well as a measure of goodwill towards the recipients. (refer Employee Handbook section 5.5.5.1)

Employees and directors should always bear in mind that this is an area where perception is often regarded as more important than facts and therefore you should always exercise proper care and judgment when providing entertainment to third parties especially when it involves public officials to ensure compliance with local antibribery and corruption laws.

Any acts of this nature, whether provided directly or indirectly through an intermediary, may be construed as an act of bribery and contrary to the general values and principles of MPRC's CoBE (refer MPRC's Employee Handbook Section 3).

You are required to comply with the Employee Handbook and the HR P&P, and maintain expenses within the limits of your entitlement, when carrying out entertainment activities.

If there is any uncertainty, the advice of the IM should be sought.

b. Receiving Entertainment

MPRC recognises that the occasional acceptance of a reasonable and modest level of entertainment provided by third parties in the normal course of business is a legitimate way to network and build good business relationships.

However, it is important for employees and directors to exercise proper care and judgment before accepting entertainment offered or provided by a third party. This is not only to safeguard the Company's reputation, but also to protect employees and directors from allegations of impropriety or undue influence.

MPRC employees and directors are required to comply with the policies and procedures of HRCS in relation to receiving

entertainment from third parties.

In no event, however, may you or any of your family/household members accept entertainment in exchange for an exercise of non-exercise of your MPRC authority or otherwise to the detriment of MPRC.

7.2.3 Hospitality

Corporate hospitality is generally defined as “corporate events or activities organised by an organisation which involves the entertainment of employees and third parties for the benefit of that organisation”. Third parties may include customers, potential customers, contractors, external companies, and any other stakeholders with whom a business relationship, whether current, prospective, or historic exists.

Corporate events and activities include but are not limited to sporting events, gala dinners, concerts or activity-based events such as golf tournaments.

Corporate hospitality is recognised as a legitimate way to network and build goodwill in business relationships. However, there is a fine line between what is legitimate vs. illegitimate forms of corporate hospitality. The question is whether there is any intention to influence or be looked as if it would influence the improper outcome of a business call by providing the hospitality.

Corporate hospitality would be illegitimate if:-

- i. It provides an advantage to another person if offered; or
- ii. It is given with the intention of inducing the person to perform a relevant function improperly; or
- iii. There is knowledge that acceptance of the advantage would be improper performance.

Corporate hospitality arrangements/activities should conform to the following basic principles:

- i. Transparency, in that all corporate hospitality is reported and written approval is obtained, all records of which are properly kept;
- ii. Proportionality i.e. the corporate hospitality must not be too excessive. In addition, the corporate hospitality must commensurate with the recipient’s official capacity and not provided in his/her personal capacity;

- iii. Reasonableness in ensuring that the corporate hospitality is not lavish; and
- iv. Bona fide, where the intention to offer and/or provide the corporate hospitality is done with good and legal intentions.

As a general principle, MPRC strictly prohibits employees and directors from soliciting corporate hospitality nor are they allowed to accept hospitality that is excessive, inappropriate, illegal or given in response to, in anticipation of, or to influence a favourable business decision, particularly from parties engaged in a tender or competitive bidding exercise (for e.g. contractors, vendors, suppliers etc.).

Notwithstanding the above, MPRC recognises that the occasional acceptance of an appropriate level of hospitality given in the normal course of business is usually a legitimate contribution to building good business relationships. However, it is important for employees and directors to exercise proper care and judgement before accepting the hospitality. This is not only to safeguard the MPRC's reputation, but also to protect employees and directors from allegations of impropriety or undue influence.

7.2.4 Facilitation of payment or convenience.

- i. MPRC does not accept and will not make any form of facilitation payment in any form. MPRC recognizes that the payment of facilitation is a form of bribery that involves speeding up or facilitating the performance of civil servants for routine government action.
- ii. MPRC recognizes that, despite MPRC's strict AB&C on the payment of facilitation and bribes, there are some instances that some may face situations where avoiding the payment of facilitation or bribes could endanger their personal / family safety. In such cases, the following steps must be taken:
 - a. Confirm the minimum amount of valid payment;
 - b. Request a receipt, explaining the amount and reason for payment made;
 - c. Ensure that the record of payment(s) is / are made;
 - d. If there are any incidences where the amount of payment differs from contract, report the incident to the employer as soon as possible.

7.2.5 Political Contributions

MPRC **will not** contribute, either in cash, either, or in any other way, to support any political party or candidate.

7.2.6 Charity Donations and social benefits

- i. Requests must carefully be considered to ensure that the contributions made will be used for the intended lawful purposes.
- ii. Employees must be careful to ensure that charitable donations recommended are not used to facilitate or hide acts of corruption. (For limits – refer to MPRC's DAL)
- iii. No charitable donation, sponsorship or similar contribution shall be given unless it has been recommended by the IM, and approved in accordance with MPRC's DAL
- iv. MPRC will ensure that all donations/ contributions made are valid and ethical in accordance with local laws and practices, and that they are not offered / made without the recommendation of the IM
- v. Donations / Contributions must be transparent and legit – documentations must be complete in accordance with SOP and DAL;
- vi. Payments to private accounts or in cash are strictly prohibited and must be made to legitimate and registered organisation account.

8.0 RED FLAGS

8.1 The following is a list of "red flags" that may indicate the possible existence of corrupt practices and should be kept in mind by all those subject to this AB&C, include:

- i. Use of an agent with a poor reputation or with links to a foreign government;
- ii. Unusually large commission payments or commission payments where the agent does not appear to have provided significant services;
- iii. Cash payments, or payments made without a paper trail or without compliance to SOP;
- iv. Unusual bonuses to personnel for which there is little supporting documentation.
- v. Payments to be made through third party countries or to offshore accounts;
- vi. Private meetings requested by public contractors or companies hoping to tender for contracts;
- vii. Not following MPRC policies or procedures – abusing the decision-making process, i.e. not in accordance to defined process and DAL;
- viii. Unexplained preferences for certain contractors or service providers;
- ix. Invoices rendered or paid more than contractual amounts.

8.2 This list is not exhaustive and employees or employers should be alert to other indicators that may raise a suspicion of corrupt activity.

9.0 RESPONSIBILITIES UNDER THE AB&C

9.1 All directors, managers, employees, consultants, contractors or service providers of MPRC must read, understand and comply with this AB&C and the following related policies:

- i. HR P&P;

- ii. Employee Handbook;
 - iii. WB; and
 - iv. Gifts & Hospitality Guideline.
- 9.2 All directors, managers, employees, consultants, contractors or service providers of MPRC must participate in designated awareness campaigns provided by MPRC
- 9.3 The prevention, detection and reporting of bribery offences and other forms of corruption are the responsibility of all employees and / or those associated with MPRC. All such persons are required to avoid any activity that might lead to, or suggest, a breach of this AB&C.
- 9.4 All payment for MPRC and its subsidiaries should be accompanied by a receipt on which contain details of payment made. If you have any suspicions, concerns or queries regarding a payment, kindly raise this matter to the IM.
- 9.5 All directors, managers, employees, consultants and contractors of MPRC must notify the IM or make a disclosure under MPRC's WB (see Section 12 below) as soon as possible if they believe or suspect that an action in conflict with this AB&C has occurred, or may occur in the future, or has been solicited by any person.
- 9.6 Any person that breaches this AB&C will face disciplinary action, which could result in dismissal for gross misconduct. MPRC reserves its right to terminate its contractual relationship if they breach this AB&C.

10.0 ASSOCIATED ENTITIES

- 10.1 It is a violation of the AB&C to make any corrupt payments through any subsidiaries, agents, intermediaries, business partners, contractors or suppliers (individuals or organizations) of MPRC ("Associated Entities") or to make any payment to a third party if there is any reason to believe that all or a portion of the payment will go towards a bribe.
- 10.2 The relationship with agents and other intermediaries must be fully documented using MPRC's standard terms and conditions for appointment, which shall include compliance with the AB&C and prohibit Associated Entities from making or receiving any bribes on MPRC's behalf.

- 10.3 Compensation paid to Associated Entities must be appropriate and justifiable and for the purpose of legitimate services rendered.
- 10.4 Associated Entities are required to keep proper books and records available for inspection by MPRC, its auditors and/or investigating authorities.

11.0 RECORD-KEEPING

- 11.1 MPRC will develop, implement, monitor and maintain a system of internal controls to facilitate compliance with this AB&C, as well as to foster a culture of integrity and maintain high ethical standards throughout MPRC and its subsidiaries.
- 11.2 MPRC will keep financial and relevant records and have appropriate internal controls in place which will evidence the business reason for transactions to third parties, for a period of 7 years or as required by law.
- 11.3 All financial transactions must be executed in accordance with MPRC's DAL . Transactions must be recorded as necessary to permit preparation of financial statements in conformity with Malaysian Financial Reporting Standards, for a period of 7 years.
- 11.4 All business partners of MPRC and its subsidiaries should have in place internal controls and procedures that fit these criteria and enhance compliance with this AB&C.
- 11.5 MPRC will maintain, available for inspection, accurate books and records that fairly document all financial transactions, risk assessments and due diligence.
- 11.6 It is mandatory that all directors, managers, employees, consultants and contractors of MPRC and its subsidiaries to disclose any gifts given to MPRC (and its subsidiaries or received from MPRC (or its subsidiaries) and record them in the Gift Register in accordance with the Gifts & Hospitality Guideline, within 48hrs after the event.
- 11.7 All expenses incurred to third parties relating to hospitality, gifts or expenses must be disclosed in accordance with the relevant MPRC group company policies and the reason for the expenditure must be specifically recorded.
- 11.8 All accounts, invoices, memoranda and other documents and records relating to dealings with third parties should be prepared and maintained

with strict accuracy and completeness. No accounts or cash funds may be kept "off-book" to facilitate or conceal improper payments. The use of false documents and invoices is prohibited, as is the making of inadequate, ambiguous or deceptive bookkeeping entries and any other accounting procedure, technique or device that would hide or otherwise disguise illegal payments.

- 11.9 To ensure the effectiveness of internal controls, HODs and assigned finance personnel of MPRC (or its subsidiaries) will review transactions and expense/payment requests for warning signs that signal an inadequate commercial basis or present excessive risks.

12.0 REPORTING VIOLATIONS OF THIS AB&C – WB P&P

- 12.1 All directors, managers, employees, consultants, contractors or service providers must adhere to MPRC's commitment to conduct its business and affairs in a lawful and ethical manner. All directors, managers, employees, consultants, contractors, or service providers are encouraged to raise any queries with the IM.
- 12.2 In addition, any director, manager, employee, consultant, and contractor of MPRC that becomes aware of any instance if MPRC receives a solicitation to engage in any act prohibited by this AB&C, or who becomes aware of any information suggesting that a violation of this AB&C has occurred or is about to occur, is required to report it to the IM.
- 12.3 Persons that refuse to engage in or permit a bribery offence, or raise legal or ethical concerns or report another's wrongdoing, are sometimes worried about possible repercussions. MPRC aims to encourage openness and will support anyone that raises genuine concerns in good faith under this AB&C, even if they turn out to be mistaken. No directors, managers, employees, consultants, contractors, or service providers of MPRC will suffer demotion, penalty, or other adverse consequences for refusing to engage in or permit a bribery offence or for raising concerns or for reporting possible wrongdoing, even if it may result in MPRC losing business or otherwise suffering a disadvantage.
- 12.4 MPRC has also adopted a WB P&P which provides procedures for reporting violations of laws, rules, regulations or MPRC's corporate policies. A copy of the WB P&P can be found on MPRC's website at www.mprc.gov.my.

- 12.5 MPRC prohibits retaliatory action against any person that raises a concern in good faith.

13.0 INVESTIGATION AND DOCUMENTATION OF REPORTS

13.1 Any report of solicitations to engage in a prohibited act or possible violation of the AB&C will be investigated initially by the IM . If the matter is deemed potentially serious it will be promptly reported to the CEO, and if appropriate, to the Chairman of ARC, unless if there is COI, then matter will be highlighted to Chairman of the Board. If matter involves any Board member, then matter be referred to Chairman of ARC, vise versa, and the following procedure will be followed:

- i. The report will be recorded, and an investigation file will be established. In the case of an oral report, the IM receiving the report will prepare a written summary.
- ii. The Chairman of ARC will promptly commission the conduct of an investigation. The investigation may be conducted by MPRC personnel, or by outside counsel, or other qualified personnel appointed by the Chairman of ARC. The investigation will document all relevant facts, including persons involved, times and dates. The Chairman of ARC shall advise the Board of Directors of the existence of an investigation; extent of information revealed will be in accordance to MPRC's WB P&P and OSA of Malaysia 1972.
- iii. The identity of a person filing a report will be treated as strictly confidential to the extent possible, and only revealed as required by law or court order.
- iv. On completion of the investigation, a written investigative report will be provided by the persons employed to conduct the investigation to the CEO and the Chairman of ARC. If the investigation has documented unlawful, violative, or other questionable conduct, the Chairman of ARC will advise the BOD of the matter.
- v. If any unlawful, violative, or other questionable conduct is discovered, the Chairman of ARC shall cause to be taken such

remedial action as the BOD deems appropriate under the circumstances to achieve compliance with the AB&C and applicable law, and to otherwise remedy any unlawful, violative or other questionable conduct. The persons employed to conduct the investigation shall prepare, or cause to be prepared, a written summary of the remedial action taken.

- vi. In each case, the written investigative report (or summary of any oral report), and a written summary of the remedial action taken in response to the investigative report shall be retained along with the original report by or under the authority of the Chairman of ARC or the Board, wherever appropriate.

14.0 RISK ASSESSMENTS

14.1 Standard business risk assessments will be conducted on an annual basis to determine the level of controls necessary for a particular aspect of MPRC's operations, including in relation to procurement and tender processes.

14.2 Risk assessments should give consideration to:

- i. "country risk", which includes an assessment of the overall risks of corruption and bribery associated with a particular jurisdiction (if applicable);
- ii. "transactional risks", which includes an assessment of the risks associated with a business transaction undertaken by MPRC or its Associated Entities;
- iii. "business opportunity risks", which includes the risk that pursuing or obtaining business opportunities may result in acts of bribery or corruption; and
- iv. "business partnership risks", which includes risks deriving from relationships with or partnership with other Associated Entities.

14.3 Specific policies and procedures will be adapted and implemented to proportionately address the risks identified above as they arise.

14.4 Records and documentation must be kept of each risk assessment as part of the system of internal controls and record keeping as mentioned in Section 11.0.

15.0 DUE DILIGENCE

- 15.1 MPRC will conduct appropriate due diligence to ensure compliance with the AB&C.
- 15.2 While the list is not exhaustive, and warning signs will vary by the nature of the transaction, expense/payment request, geographical market or business line, common warning signs that should be considered as part of any due diligence include:
- i. that an Associated Entity has current business, family or some other close personal relationship with a customer or government official, has recently been a customer or government official or is qualified only on the basis of his influence over a customer or government official;
 - ii. a customer or government official recommends or insists on the use of a specified business partner or Associated Entity;
 - iii. an Associated Entity refuses to agree to anti-corruption contractual terms, uses a shell company or other unorthodox corporate structure, insists on unusual or suspicious contracting procedures, refuses to divulge the identity of its owners, or requests that its agreement be backdated or altered in some way to falsify information;
 - iv. an Associated Entity has a poor reputation or has faced allegations of bribes, kickbacks, fraud or other wrongdoing or has poor or non-existent third-party references;
 - v. an Associated Entity does not have an office, staff or qualifications adequate to perform the required services; or
 - vi. an expense/payment request by an Associated Entity is unusual, is not supported by adequate documentation, is unusually large or disproportionate to products to be acquired, does not match the terms of a governing agreement, involves the use of cash or an off-the-books account, is in a jurisdiction outside the country in which services are provided or to be provided, or is in a form not in accordance with local laws;

16.0 RESPONSIBILITY OF MANAGEMENT

- 16.1 The management of MPRC has full authority to implement the AB&C within their spheres of responsibility. The measures taken by them will be proportionate to the risks associated with their areas of responsibility, but may include:
- i. devising, implementing and maintaining systems and controls designed to prevent bribery, minimize the risk of bribery and detect instances of bribery;
 - ii. ensuring that employees and all associated parties are aware of the AB&C; and
 - iii. ensuring that employees and all associated parties participate in designated anti-bribery campaigns, and also trainings specific to the needs of particular employees or job functions is provided when appropriate.
- 16.2 The manager to whom an employee's concerns are expressed, must act promptly and escalate the matter in accordance with this AB&C.
- 16.3 If it is decided that further investigation is not appropriate, the reporting employee will be given a prompt and full explanation of the reasons for reaching this conclusion.

17.0 COMMUNICATION OF THE AB&C

- 17.1 To ensure that all directors, managers, employees, consultants, contractors, or service providers of MPRC are aware of the AB&C, a copy of the AB&C may be provided to them, and they will be advised that the AB&C is available on MPRC's website for reference. All directors, managers, employees, consultants, and contractors of MPRC will be informed if significant changes are being made. New directors, managers, employees, and service providers of MPRC will be provided with a copy of this AB&C and will be educated about its importance. An acknowledgement will be signed off by all those briefed and given access to this AB&C.
- 17.2 Awareness on this AB&C will form part of the induction process for all new directors, managers, employees, consultants, contractors, or service providers of MPRC. All existing directors, managers, employees, consultants,

contractors, or service providers will be briefed on how to adhere to this AB&C.

- 17.3 MPRC's zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors, and business partners at the outset of our business relationship with them and as appropriate thereafter. For advice on these communications, please contact the IM.

18.0 RESPONSIBILITY FOR THE AB&C

- 18.1 MPRC's BOD has overall responsibility for ensuring this AB&C complies with MPRC's legal and ethical obligations, and that all those under MPRC's control comply with it.
- 18.2 The IM has primary and day-to-day responsibility for implementing this AB&C, and for monitoring its use and effectiveness. Management at all levels is responsible for ensuring those reporting to them is made aware of and understand this AB&C.

19.0 MONITORING AND REVIEW

- 19.1 The IM will monitor the effectiveness and review the implementation of this AB&C, considering its suitability, adequacy, and effectiveness. Any deficiencies identified will be rectified as soon as possible.
- 19.2 Internal control systems and procedures will be subject to audits to provide assurance that they are effective in countering bribery and corruption.
- 19.3 All directors, managers, employees, consultants, contractors, or service providers of MPRC are responsible for the success of this AB&C and should ensure they follow the procedures set out herein to disclose any suspected wrongdoing.
- 19.4 All directors, managers, employees, consultants of MPRC are invited to comment on this AB&C and suggest ways in which it can be improved. Comments, suggestions and queries should be addressed to the IM.

20.0 CONSEQUENCES OF NON-COMPLIANCE WITH AB&C

- 20.1 Failure to comply with this AB&C may result in severe consequences, which could include internal disciplinary action or termination of employment or consulting arrangements without notice. Violation of this AB&C may also constitute a criminal offence under the laws of Malaysia. If it appears in the opinion of the Board that any director, manager, employee, consultant, contractor, or service provider of MPRC may have violated such laws, then MPRC may refer the matter to the appropriate regulatory authorities, which could lead to disciplinary, civil or criminal penalties for MPRC and/or the responsible person

21.0 PERSONAL SAFETY

- 21.1 This AB&C covers 3 areas:
- i. Ways to cause anxiety.
 - ii. What to do if you are a victim of corruption.
 - iii. Protection.
- 21.2 Ways to cause anxiety
If you suspect that there is a corruption or corruption activity related to MPRC or its subsidiaries, you are encouraged to highlight / submit your problem as soon as possible. If you are unsure whether a particular action or behaviour can be considered corrupt, you should talk directly to the IM, or in the absence of the, IM, to the Head of HRCS.
- 21.3 MPRC will familiarize all employees with the procedure of providing information to ensure that employees can voice their problems quickly and confidentially.
- 21.4 What to do if you are a victim of corruption
You must notify your IM as soon as possible if you are offered a bribe by anyone, if you are asked to do so, if you suspect that you may be bribed or asked to bribe in the near future, or if you have reason to believe you are a victim of activity other corruption.
- 21.5 Protection
If you refuse to accept or offer bribes or report concerns related to potential corrupt or corrupt acts, MPRC understands that you may be concerned about the possible consequences. MPRC will support anyone who raise concerns in good faith under this AB&C, even if the investigation finds that they are wrong. MPRC may protect information, but physical protection will be conducted by the relevant authorities, e.g. SPRM/PDRM
- 21.6 MPRC will ensure that no one suffers malpractice for refusing to accept or offer bribes or other corrupt activities or because they report concerns related to possible acts of corruption or corruption.
- 21.7 Adverse behaviour refers to dismissal, disciplinary action, misconduct, or misconduct related to the concerns of the raised individual.

21.8 If you have reason to believe that you have been treated unfairly due to concern or refusal to accept bribes, you should notify your line manager or IM immediately.

21.9 The details of all incidents must be reported to the IM immediately.

22.0 QUERIES

22.1 If you have any questions about how this should be followed in a particular case, please contact the IM of MPRC in the first instance at 03 2858 8555 or email at integrity@mprc.gov.my.

23.0 PUBLICATION OF THE AB&C

23.1 This AB&C will be posted on MPRC's website at www.mprc.gov.my

24.0 ACKNOWLEDGEMENT

I (Name) _____ hereby acknowledge that I have read, understood and agreed to comply with the Anti-Bribery & Corruption, AB&C. I have not violated the provisions of this AB&C and am not aware of any violations of the AB&C as of the date hereof.

Signature: _____ Date: _____

APPENDIX I
Whistleblowing Form

WHISTLEBLOWING FORM

	Reference No.
DISCLOSURE OF IMPROPER CONDUCT	
PARTICULARS OF WHISTLEBLOWER	
<i>(You are encouraged to provide your details so that we can contact you for more information if required)</i>	
Name	
Designation / Occupation	
Department / Address	
Contact No. <i>(Office/Mobile)</i>	
PARTICULARS OF THE PERSON(S) INVOLVED	
Name	
Designation	
Department / Address	
Contact No. <i>(Office/Mobile)</i>	
Describe in Detail the Alleged Improper Conduct	
<i>(Date / Time / Place / Particulars)</i>	
Impact As A Result Of the Improper Conduct	
Any Other Information	
<i>(Please attach supporting evidence to substantiate your disclosure and assist in the investigation)</i>	

WHISTLEBLOWING FORM

Reporting To Other Parties			
Have you previously made the disclosure to any other person / department / authority? <i>(Tick whichever is applicable)</i> If Yes, please provide the following particulars:		Yes	No
Report No. / File Ref. No.			
Name of Recipient			
Department / Authority			
Date of Disclosure made			
Status of the Disclosure			
Whistleblower Declaration			
I hereby declare that all the information provided in this Whistleblowing Form are true. I fully understand that by signing this Whistleblowing Form, I am, or any person related to or associated with me is entitled for whistleblowing protection as provided under the Whistleblowing and Fraud. I fully understand that if I have made the disclosure in bad faith, the protection accorded to me under the Whistleblowing AB&C will be revoked and that I may be subjected to disciplinary or legal proceedings, as the case may be.			
Whistleblower Signature			
Name		Date	
For Office Use Only			
Comment / Note :			
Integrity Manager Signature			
Name		Date	

APPENDIX II
Gift Disclosure Form

DISCLOSURE OF A GIFT (VALUE ≤ RM 250)
 (AS PER MPRC GIFT / HOSPITALITY GUIDELINE)

No.	Description	Details
1	Name of person making disclosure	
2	Description of gift	
3	Name of person who gave the gift	
4	Address of person who gave the gift	
5	Date & Time of gift received	
6	Estimated value (RM) of gift at time it was made (based on exchange rate of received date)	
7	Nature of relationship between relevant person and the gift giver	
		Approved by : HOD / Head of HRCS / CEO
	Signature :	Signature :
	Date:	Date:
	Acknowledged by	
	Integrity Manager	Signature : Date:

Amendments to the P&P (if any)

The Human Resource & Corporate Services Department is responsible for the maintenance and update of this P&P. All amendments made to this P&P are to be tracked. Relevant information such as the document's version control number, dates of amendment and approval, and section(s) amended are to be recorded in the amendment schedule set out below:

Version	Date	Removed		Inserted		Date of MPRC CEO Approval
		Section	Page(s)	Section	Page (s)	
1.0	2 nd December 2021			New	New	9 th December 2021 (Board Approval)