

**MISAR**

**Anti Corruption and Bribery Policy**

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## 1.0 INTRODUCTION

MISAR has a zero-tolerance policy against all forms of bribery and corruption. It is MISAR's policy to ensure all business activities are carried out with honesty, integrity and with the highest possible ethical standards.

## 2.0 OBJECTIVE

This policy sets out MISAR's responsibilities to comply with laws and regulations in relation to bribery and corruption. It is also a guide on how to recognize and deal with bribery and corruption issues.

## 3.0 SCOPE

We are bound by the laws in pursuant to Malaysian Anti-Corruption Commission (Amendment) Act 2018 in regard to our conduct. This segment applies to all directors, employees, whether permanent, fixed-term, or temporary, under MISAR.

## 4.0 DEFINITIONS

For the purpose of the policies and guidelines prescribed hereunder,

**BRIBERY & CORRUPTION** means any action which would be 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 something 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.

Bribery may be 'outbound', where someone acting on behalf of MISAR 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 MISAR such as a senior decision-maker or someone with access to confidential information.

**BUSINESS TRANSACTION** means tenders, quotations, contracts, purchase order, etc.

**CONFLICT OF INTEREST** can be defined as "personal interests"; which may arise, but not limited to the following situations:

- a) Employing a relative based on non-objective criteria

- b) Engaging a business relationship with a relative based on non-objective criteria
- c) Awarding a contract to a friend based on non-objective criteria

**CORPORATE GIFT** means calendars, diaries, pens, books, decorative pieces, sweets, meals, etc.

**DISCIPLINARY ACTION** means formal warning or reprimand, demotion, suspension or termination of employment or services or monetary or other forms of punishment.

**EMPLOYEE** means executive directors, managers, senior executives, officers, consultants, contractor, trainees, casual workers, intern's agents or any other person associated with MISAR.

**GRATIFICATION** as defined by MACC Act:

- (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).

**MANAGEMENT** means the Managing Director, General Manager or any person who is officially delegated.

### 5.0 POLICY DETAILS

- 5.1. Any Employee is strictly prohibited from soliciting/receiving any form of gratification/bribe as an inducement for performing/not performing a task.
- 5.2. Any Employee who commits the offence shall face Disciplinary Action.

5.3. The anti-bribery and corruption policy applies to all business dealings with commercial/private and Government/public entities and includes their employees (directors, personnel, agents, and other appointed representatives).

### 6.0 CONFLICTS OF INTEREST

6.1. All Employees must act in the best interests of MISAR, ahead of their interests.

6.2. Any conflict of interest must be disclosed, regardless of whether the Employee is influencing the business decisions or transactions.

6.3. Conflicts of interest arise when interests of Employees (personal, financial, etc.) lead to business decisions or transactions being made not in the best interest of the MISAR.

### 7.0 GIFTS, DONATIONS AND SPONSORSHIPS

7.1. All Employees are prohibited from receiving or soliciting any gifts from external parties.

7.2. Corporate Gift is the only gift-giving allowed to be given to external parties which is subjected to Management approval and must fulfill the following conditions:

- a) The gift should be lawful; it does not include cash or a cash equivalent;
- b) The gift does/will not have any effect on any actions/judgments or business decisions;
- c) There is no expectation of any favor in return from the recipients;
- d) There must not be any corrupt intent involved;
- e) The gift and hospitality have been handed out openly;
- f) It is of normal, appropriate value, and made on an occasional basis. E.g. gifts for festivals like Chinese New Year, Hari Raya, Christmas, etc.

7.3 MISAR prohibits the receiving or giving of any donations and sponsorships that cause any impact/influence on business decisions/judgment in a fair and unbiased manner. Therefore, Employees must practice good judgment in considering any request by anyone.

7.4 In accordance with MISAR's commitment to the values of integrity and transparency, all sponsorships and donations must comply with the following:

- a) Donations/Charities are allowed to approved organizations;
- b) To obtain necessary prior approval in writing by the Management;
- c) Documented in MISAR's accounting data/record;
- d) Must be legitimate, not a means to cover up unjustified payment to anyone or bribery;
- e) May only be granted by MISAR if no specific service/request is expected in return.

### 8.0 CORPORATE SOCIAL RESPONSIBILITY (CSR)

- 8.1. As part of our commitment to CSR and sustainable development, MISAR is committed in building a strong relationship with the communities in which we live and work by contributing to the well-being of the people and the nation.
- 8.2. All CSR shall be carefully examined for legitimacy and not to influence a business outcome/decision/judgment.
- 8.3. All CSR must be made following MISAR policies and must obtain authorization from the Managing Director in writing.
- 8.4. The proposed recipient must be a legitimate organisation and appropriate due diligence must be conducted in particular to ascertain whether any public officials are affiliated with the organisation.

### 9.0 BUSINESS RELATIONSHIP

- 9.1. MISAR requires all business partners to cooperate and ensure compliance with these standards.
- 9.2. In order to uphold this policy, the following steps must be complied with:
  - a) To conduct due diligence examinations/investigations to review/evaluate the integrity of any third party before entering into a commercial relationship/ contract/dealing with them.
  - b) To follow MISAR procurement policies for the selection of any business partner.
  - c) All business partners of MISAR have made a formal commitment in writing to abide by this policy.
  - d) Fees and commissions agreed must be justifiable for any services rendered.
  - e) All agreements/contracts must include appropriate wording making it possible to withdraw from the relationship/terminate the contract if any of the business partners fail to abide by this policy.

### 10.0 RISK ASSESSMENT

- 10.1. The Board has established a Risk Management Framework to ensure compliance with legal and internal requirements within which key policies and procedures are developed to facilitate a formalized, structured and consistent approach in identifying, assessing and

monitoring key business/operational risks identified in accordance with the overall risk appetite of the MISAR.

- 10.2. Business/Operational risks shall include the assessment of opportunity risks such as risks of bribery and corruption which may arise when pursuing or obtaining business opportunities.
- 10.3. Internal Auditors, working with the Audit Committee, play an independent role in reviewing the adequacy and integrity of the internal control system in ensuring full compliance with this policy framework.

### 11.0 TRAINING AND AWARENESS

- 11.1. MISAR is committed to ensuring all Employees have ready access to this policy and the associated anti-bribery and corruption procedures.
- 11.2. MISAR will conduct training & awareness programs for all Employees on MISAR's position regarding anti-bribery and corruption, integrity, and ethics at all times.
- 11.3. Human Resource (HR) Department to determine the training schedule and program.
- 11.4. HR Department will maintain up-to-date records on Employee training on this policy.

### 12.0 REPORTING OF POLICY VIOLATIONS

- 12.1. Any Employee who encounters any or suspects violation of this policy must report the event using the reporting channels as stated in the Whistleblowing Policy.
- 12.2. Revenge or actions in any form against Employee/third party where the person has, in good faith, reported a violation or possible violation of this policy is strictly prohibited.
- 12.3. MISAR reserves the right to report Employee violation of such laws, Company policies and procedures to the Malaysian Anti-Corruption Commission.

**13.0 MONITORING AND REVIEWING**

- 13.1. MISAR is committed to continuously monitor, review and update this policy, considering its suitability, adequacy, and effectiveness from time to time.
- 13.2. All Employees are encouraged to comment, recommend and make inquiry about this policy and to give recommendations on how this policy framework can be improved.