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ALIRAN IHSAN RESOURCES BERHAD AND ITS SUBSIDIARIES

ANTI-BRIBERY AND ANTI- CORRUPTION POLICY AND FRAMEWORK

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1.0 INTRODUCTION

The Malaysian Anti-Corruption Commission Act 2009 ("**MACC Act**" or the "**Act**") 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. These principles of governance are embedded in Aliran Ihsan Resources Berhad's holding company ("**AIRB**" or the "**Company**")'s core value I.N.T.E.C (Integrity, Innovation, Teamwork, Excellence and Commitment).


The AIRB Anti-Bribery and Anti-Corruption Policy & Framework ("**AIRB ABAC Policy**" or the "**Policy**") is designed as a foundation for AIRB and its Group of Companies to establish, implement, maintain, review and improve an anti-bribery and anti-corruption system to support the Company's four strategic objectives:

- i. Maximise shareholder value;
- ii. Provide excellent service to stakeholders;
- iii. Lead in value innovation; and
- iv. Become the preferred employer.

Pursuant to Guidelines on Adequate Procedures issued by the Government, the AIRB ABAC Policy has been designed to provide company with a framework to establish the necessary measures to prevent the occurrence of corrupt practices in relation to our business activities. AIRB encourage the use of the Company whistleblowing channel to raise concerns in relation to real or suspected corruption incidents (please refer to MMC Whistleblower Policy).

The AIRB ABAC Policy is link to other Company policies, guidelines and procedures and it seeks to ensure that the Company's employees, businesses and anyone acting for and on behalf of the Company comply with applicable laws and the provisions of this Policy.

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2.0 DEFINITIONS

“**AIRB**” or the “**Company**” refers to Aliran Ihsan Resources Berhad.

“**AIRB Group**” or “**Companies**” refers collectively to Aliran Ihsan resources Berhad, its subsidiaries (including operating companies) and associate companies.

“**Bribery**” is defined in Appendix 1 of this Policy.

“**Business Partner**” refers to a third party with which any of the company within the Group of Companies has a business arrangement, such as a joint venture (either incorporated or contractual) or a partnership. These include third parties, other than the suppliers that the relevant company enters into relationships with in order to satisfy local content requirements or regulations.

“**Corruption**” is defined in Appendix 1 of this Policy.

“**Disciplinary Offence**” means any action or omission which constitutes a breach of discipline in the Company as provided by law or the Company’s code of conduct, code of ethics, policies and/or a contract of employment, as the case maybe.

“**Gratification**” is defined in Appendix 1 of this Policy.

“**Governing Body**” refers to AIRB Board of Directors or equivalent body.

“**Improper Conduct**” is any conduct which if proved, constitutes a Disciplinary Offence or a criminal offence. The definition is further defined in the MMC Corporation Berhad’s Whistleblower Policy.

“**MMC**” refers to MMC Corporation Berhad, the holding company of AIRB.

“**Personnel**” refers to the Company directors, executives, employees, temporary staff or workers, and interns.

“**Top Management**” refers to the Chief Executive Officer and Head of Departments.


“**Whistleblower**” means any person who makes a disclosure of Improper Conduct in accordance with MMC Corporation Berhad’s Whistleblower Policy.

Under this AIRB ABAC Policy, words in the singular includes the plural and words in the plural includes the singular.

3.0 OBJECTIVES

The objectives of the AIRB ABAC Policy are to:

- i. implement an Anti-Bribery and Anti-Corruption management for the Company.
- ii. determine and provide the resources needed to establish, implement, maintain and ensure continuous improvement of the Anti-Bribery and Anti-Corruption management.
- iii. enhance the current controls of the Company bribery and corruption risks.
- iv. eliminate any form of bribery and corruption or prevent the occurrence and potential recurrence of bribery or corruption within the Company.
- v. to provide a defence against corporate liability as introduced by the MACC (Amendment) Act 2018.

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4.0 ANTI-BRIBERY AND ANTI-CORRUPTION POLICY STATEMENT

AIRB is committed to conduct business ethically and in full compliance with all applicable laws and regulations in every jurisdiction that AIRB and/ or its Group of Companies operates. Based on MMC Group Code of Ethics ("COE"), AIRB shall treat every client, business partner, authority and members of the public with integrity, responsibility, accountability, respect and courtesy.

Every Personnel of AIRB and its Group of Companies including any agent, person or entity engaged under a contract for service or engaged by AIRB or its Group of Companies for any business-related activity formally and informally should maintain the values of integrity, honesty and professionalism at the highest level at all times during his/her employment/engagement under AIRB or when representing AIRB or its Group of Companies in business transactions with third parties.

In essence, AIRB Group is fully committed to:

- adopting a zero-tolerance approach to any form of corruption.
- creating human capital with high ethical value and integrity.
- acting in a fair, ethical and honest manner with all our employees and business associates.
- upholding all applicable laws where AIRB operates.


This Anti-Bribery and Anti-Corruption Policy Statement is complementary to and is to be read together with the following:

- MMC Group Code of Ethics
- AIRB Anti-Bribery and Anti-Corruption Policy and Framework
- AIRB Finance Policy
- AIRB Human Resource ("HR") Operating Manual
- MMC Whistleblower Policy
- AIRB Procurement Policy
- Limits of Authority for AIRB
- All other relevant AIRB and/or MMC policies, frameworks, procedures, standards, rules and regulations.

This Anti-Bribery and Anti-Corruption Policy Statement demonstrates AIRB's commitment towards having a strong culture of high ethical practice among its Personnel and embedding values comprising Integrity, INnovation, Teamwork, Excellence and Commitment (I.N.T.E.C) in all business practices.

Adam Saffian Ghazali
Chief Executive Officer
Aliran Ihsan Resources Berhad



Date:
Revision No.: 0

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5.0 SCOPE

AIRB ABAC Policy is applicable to every level of Personnel, any agent, person or entity engaged under a contract for service or engaged by AIRB and AIRB Group for any business-related activity formally and informally.

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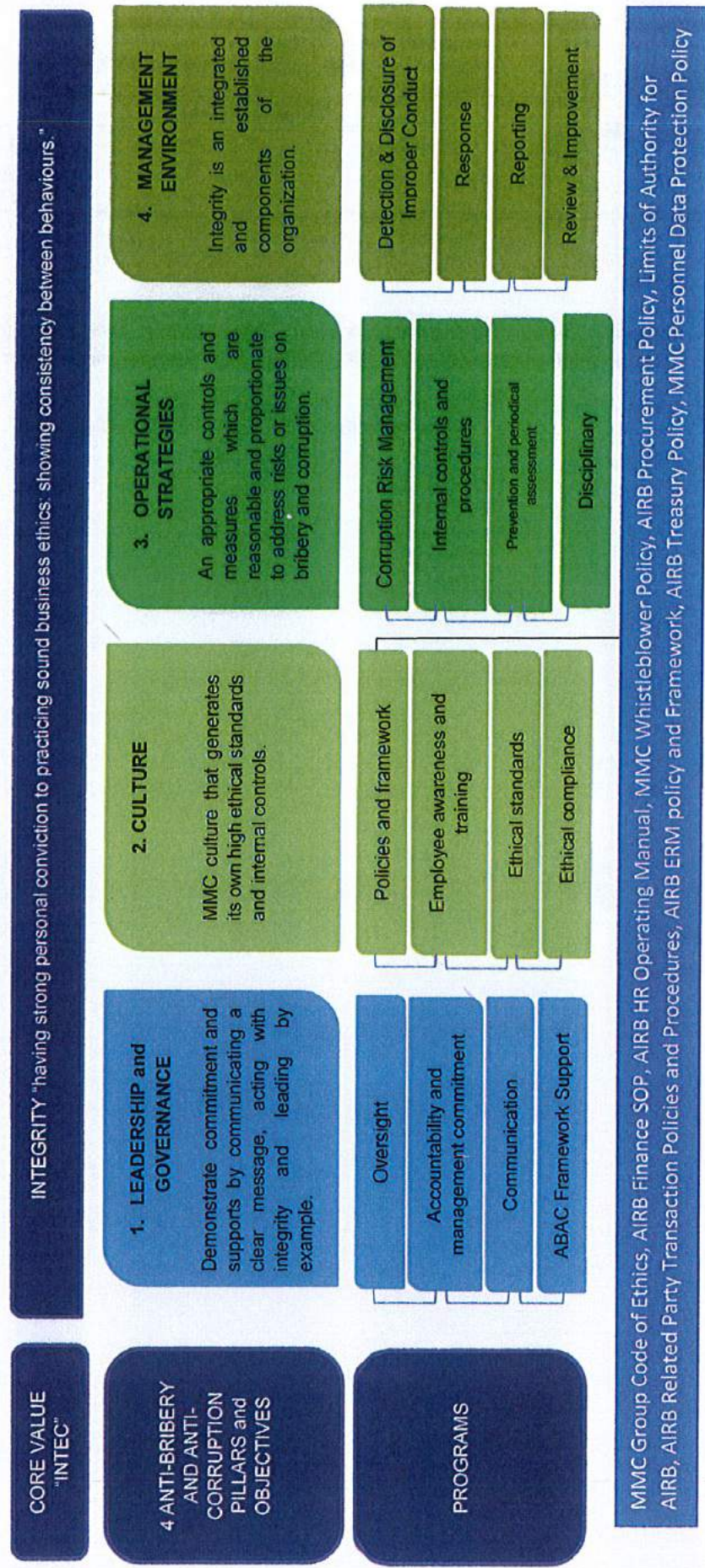
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6.0

AIRB ANTI-BRIBERY AND ANTI-CORRUPTION FRAMEWORK

AIRB adopts ISO 37001:2016 Anti-bribery management systems which specifies a series of measures to assist organizations to prevent, detect and resolve instances involving bribery and corruption. **Figure 1** below provides an overview of the AIRB Anti-Bribery and Anti-Corruption Framework.

Figure 1: AIRB Anti-Bribery and Anti-Corruption Framework



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6.1 Leadership and Governance

6.1.1 Oversight – Governing Body

The Governing Body is responsible for establishing, governing, maintaining and reviewing the contents and operation of the AIRB ABAC Policy. The Governing Body shall exercise discretion and reasonable oversight with respect to the adequacy, communication, effectiveness and implementation of the AIRB ABAC Policy.

6.1.2 Accountability and management commitment – Top Management

The Top Management is accountable towards the implementation of the AIRB ABAC Policy. In this respect, the Top Management's responsibilities include the following:

- Implementing the AIRB ABAC-Policy to all level of organisation within the Company and set the right "tone at the top".
- Deploying adequate resources and assigned to person(s) who have the appropriate competence towards the effective implementation and operation of the AIRB ABAC Policy.
- Review the anti-bribery and anti-corruption implementation program and propose for improvement as and when necessary.
- Putting in place the appropriate controls and contingency measures which are reasonable and proportionate, in order to address risks and issues on bribery and corruption.
- Providing ABAC awareness training to its employees and communicate the program.
- Ensuring overall oversight and assurance on compliance with the AIRB ABAC Policy.

6.1.3 Communication

The AIRB ABAC Policy shall be made available to all level of Personnel within the Company including Business Partners. To this end, the AIRB ABAC Policy shall be published throughout the relevant company's internal and external communication channel.

6.1.4 ABAC Framework Support


i. AUSB Quality Control and Assurance (QCA)

QCA is the custodian of the AIRB ABAC Policy and shall take the reasonable and proportionate measures to ensure the implementation of the AIRB ABAC Policy and programme throughout the Group. This shall include but not limited to:

- Providing advice, guidance and communicate to all level Personnel on the AIRB ABAC Policy and issues relating to bribery and corruption.
- Providing adequate and appropriate anti-bribery and anti-corruption training and awareness to Personnel.
- Reporting on the performance of the AIRB ABAC Policy to the Governing Body and Top Management at planned interval.
- Update the AIRB ABAC Policy to reflect relevant new changes as and when necessary.

ii. MMC Group Internal Audit ("GIA")

GIA shall monitor and evaluate the performance, efficiency and effectiveness of the AIRB ABAC Policy and programme.

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6.2 Culture

6.2.1 Policies and framework

The current AIRB's sets of policies and framework provide a foundation to support the culture of good corporate governance and integrity throughout the Company and its Group of Companies. This includes but not to limited to:

- **MMC Group Code of Ethics ("COE")** outlines the Company's commitment to appropriate and ethical practices. It sets out the principles, practices and standards of personal and corporate behaviour. All Directors and employees of the respective Companies are required to comply with the COE. Failure to comply with the COE is a serious breach, and appropriate action will be taken for its non-compliance.

The MMC Group Code of Ethics among other describes broad guidelines on the company and employees' ethical practices on the followings:


- Employee's responsibilities
 - Business practices and professionalism
 - Conflict of interests
 - External directorships
 - Rewards and gifts
 - Entertainment of customers
 - Political, social or professional bodies or external activities
 - Insider trading
 - Confidentiality on company data, disclosure and price-sensitive Information
 - Working environment
 - Sexual harassment
 - Violation
 - Procedure guideline
- **MMC Whistleblower Policy** provides an avenue for employees and third parties to make good-faith disclosure and report instances of unethical, unlawful or undesirable conduct without fear of reprisal. The identity of the whistleblower and the concerns raised are treated with utmost confidentiality.
 - **AIRB Procurement Policy** outline the process of acquiring supplies or goods and services to fulfil MMC Group's strategic and operational needs, which require co-ordination of multiple discipline across the end procurement value chain; pre-procurement, procurement and post-procurement.

6.2.2 Employee awareness and training

The AIRB ABAC-Policy aims to safeguard the Company core values by informing employees of the obligations, duties and commitments within their roles, the risks of corruption in their work and any changing circumstances which may be relevant to the employees. The awareness and training programmes shall be periodically updated as and when necessary to reflect relevant new information.

6.2.3 Ethical standards and compliance

Every Personnel within the Company is expected to understand and comply with the relevant company policies and standards. Every Personnel are responsible to ensure that their personal and business conduct demonstrates honesty, integrity, leadership, professionalism, loyalty, responsibility and trustworthiness towards fellow employees, customers, Business Partners, authorities and the public.

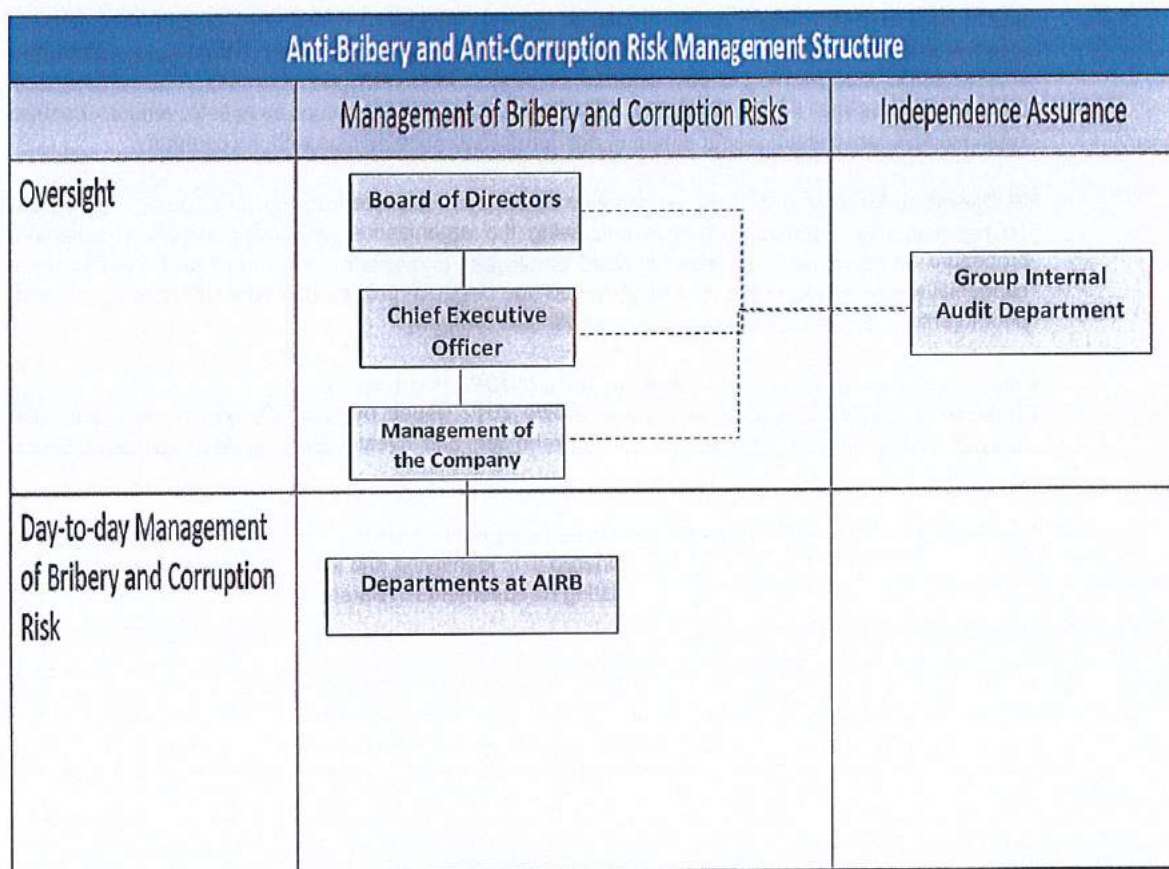
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6.3 Operational Strategies

6.3.1 Corruption Risk Management ("CRM").

Corruption risk management process helps the company to identify structural weakness that may facilitate bribery or corruption and provide a framework for all staff to take part in identifying risk factors and treatments and embeds bribery and corruption prevention within a well-established governance framework (refer Figure 2).


Figure 2: Anti-Bribery and Anti-Corruption Risk Management Structure.



The company should conduct bribery and corruption risk assessments periodically and when there is a change in law or circumstance of the business to identify, analyse, assess and prioritise the internal and external corruption risks of the company.

Where bribery and corruption risk assessment ratings are "MEDIUM" and above, the assessment shall include the nature and extend of bribery and corruption risk in relation to the transactions and this shall include due diligence to obtain sufficient information to assess the risk. The risk assessment for bribery and corruption shall be incorporated into the existing Enterprise Risk Management processes and system.

On a quarterly basis, the management will assess and update the bribery and corruption risk information via the Enterprise Risk Management System.

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The Board then noted the reports so that they are aware of major bribery and corruption risks within the Group and ensure that appropriate actions are taken by the management to mitigate the risks.

Type of corruption and an act of corruption is further defined in **Appendix 1**.

6.3.2 Internal controls and procedures


The Company has strict internal controls to restrict and prevent any instances of bribery and corruption. There are clear and documented policies in respect of activities that may be vulnerable to bribery and corruption or in kind:

- **MMC Procurement Code of Conduct** outlines the key principles on conducting procurement process and activities to support fair competition, wide participation and good governance in compliance with the relevant laws, regulations and terms and conditions which protects both MMC and its vendors. The established due diligence process shall take place to any relevant entity or personnel (such as agents, vendors, contractors, suppliers and consultants) prior to entering any formalised relationships with the company.
- **HR Operating Manual** defines the procedures relating to human resource functions governing operations and handling other related matters in achieving the organization's objectives. It also establishes the procedure and serves as a guideline for MMC employees to maintain good and professional conduct in a congenial working environment. The established due diligence process shall take place to any Personnel prior to entering any formalised relationships with the company.
- **Corporate Disclosure Policies and Procedure ("CDPP")** is based on the Best Practices in Corporate Disclosure 2004 and Corporate Disclosure Guide 2012 issued by Bursa Malaysia to ensure the timely dissemination of material information to our shareholders and investors and to protect and maintain secrecy and confidentiality of the Company.
- **Related Party Transactions Policies and Procedure** provide an avenue for employees to understand the policies and procedures that need to be adhered to in identifying and treating Related Party Transactions to ensure compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements") and other applicable laws.
- **Limits of Authority ("LOA")** identifies the various persons/authorities responsible for various business transactions including matters that require Board approval. It sets out a clear line of accountability and responsibility of the relevant persons/authorities to facilitate decision making and approval at the appropriate level in the organization's hierarchy.
- Clear role and responsibilities of each job position.

Internal Audit Reviews, which are undertaken according to Annual Group Internal Audit Plan, provides independent assurance on the adequacy, existence and effectiveness of the governance, risk management and control processes.

6.3.3 Prevention

Preventive measures shall be taken with the aim to identify and resolve weaknesses in practices, systems and work procedures and continue to increase the level of efficiency by eliminating opportunities for bribery and corruption or in kind.

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6.3.4 Disciplinary action

The Company has a clear framework to deal with instances where employees are not in compliance with the code of conduct as stipulated in HR Operating Manual. It seeks to ensure prompt, consistent and fair treatment for all employees and to assist in enabling both the employee and the Company to be clear about the expectations of both parties.

The Company has the rights to take disciplinary action against any employee found to have committed a breach of the company policies and procedures.

Further to disciplinary actions taken by the Company, any employee who commits an act of bribery or corruption risks violating the MACC Act 2009 and shall on conviction, be liable to penalty as stipulated under the Act (refer to **Appendix 2: Penalties for Bribery and Corruption**).

6.4 Management Environment

6.4.1 Detection and disclosure of improper conduct, response and report

The Company shall not tolerate any improper conduct by any employee, any agent, person or entity engaged under a contract for service or engaged by AIRB or its Group of Company which can lead to any act of corruption as outlined under *the Appendices* to the Policy herein and/or under any applicable laws.


An Improper Conduct includes committing any act of corruption as outlined under *the Appendices* to the Policy herein and/or under any applicable laws.

The success of the Company's anti-bribery and anti-corruption measures depends on all Personnel, including any person or entity engaged by the Company, adhering to the Company Policy & Framework. In this respect, all relevant parties are under an obligation to report or disclose any Improper Conduct, including acts of corruption, in accordance with the procedures set out in the Policy to enable the Company to take prompt action to investigate the reports and take further actions.

The Company shall provide a transparent and secure disclosure process upon discovery of any Improper Conduct to ensure anonymity of the Whistleblower without compromising the confidentiality of the report or security of the Whistleblower.

6.4.2 Review & Improvement

The Top Management should ensure that regular reviews are conducted to assess the performance, efficiency and effectiveness of the anti-bribery and anti-corruption programme, and ensure the programme is enforced. The reviews should form the basis of any efforts to improve the existing anti-bribery and anti-corruption controls in place in the Company.

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7.0 CONFIDENTIALITY

This AIRB ABAC Policy is intended for the internal use of AIRB and its Group of Companies only and shall not be reproduced in any form or be transmitted electronically or through other means or quoted or referred to in any public document or media without the prior written consent of the Company.

8.0 DOCUMENT CHANGES

This document may be reviewed and/or amended at least once every three (3) years from the date this document is approved or whenever necessary to ensure its effective implementation. Any amendment to this Policy shall be affected by the AIRB Board or its equivalent body.

The Company shall notify the employees if any changes is made to the AIRB Anti-Bribery and Corruption Policy.

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APPENDIX 1

TYPE OF CORRUPTIONS


The Malaysian Anti-Corruption Commission ("**MACC**") defined corruption as the act of giving or receiving any "gratification" or reward in the form of cash or in-kind value for performing a task in relation to his/her job description.

Gratification is defined as:

- i. 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 or value;
- ii. any office, dignity, employment, contract of employment or services and agreement to give employment or render services in any capacity;
- iii. any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;
- iv. any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;
- v. any forbearance to demand any money or money's worth or valuable thing;
- vi. any other service or favour of any description, including protection from any penalty or disability incurred or apprehended or from any action or proceeding of a disciplinary, civil or criminal nature, whether or not already insinuated, and including the exercise or the forbearance from the exercise of any right or any official power of duty; and
- vii. any offer, undertaking or promise, whether conditional or unconditional, of any Gratification within the meaning of any of the preceding paragraphs (i) to (vi).

Further to the foregoing, the following acts shall constitute an act of Corruption:

- i. **Petty Corruption**
Also known as administrative corruption, it involves the exchange of very small amounts of money and the granting of small favours. These, however, can cumulatively result in considerable public losses.
- ii. **Grand Corruption**
It spreads through the highest levels of organization, bringing about major abuses of power, disobedience of the rule of law, economic instability and the breakdown of good governance.
- iii. **Active and Passive Corruption**
The former refers to the act of offering or paying a bribe (where the payment of a bribe has taken place) and the latter refers to the request or receiving of a bribe.
- iv. **Bribery**
Bribery is the most common form of corruption. It is described as the act of offering, promising, giving, accepting or soliciting of an undue advantage of any value (which could be financially or non-financially), directly or indirectly, and irrespective of location(s), in violation of applicable law, as an inducement or reward for a person acting or refraining from acting in relation to the performance of that person duties.
- v. **Embezzlement, Theft and Fraud**
Embezzlement, theft and fraud involve stealing by an individual exploiting his or her position of employment. Fraud involves the use of false or misleading information to induce the owner of a property to part with it voluntarily. Theft is universally regarded as falling within corruption definitions where it occurs, carrying with it as it does, a breach of a fiduciary duty.

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vi. Extortion

Extortion relies on coercion to induce cooperation, such as threats of violence or the exposure of sensitive information.

vii. Abuse of Function

The abuse of function or position is the performance of or failure to perform an act by a Personnel, in violation of the law, with a view to obtain an undue advantage for himself/herself or for another person or entity.

viii. Favouritism and Nepotism

Favouritism, nepotism and clientelism involve abuses of discretion. Such abuses can either involve a direct personal benefit or does not involve a direct personal benefit to the Personnel. Such abuses happen when a person or an organization is selected, regardless of qualifications, merit, or entitlement, for a job or benefit because of affiliations or connections.

ix. Creating and Exploiting Conflicting Interest

Creation or exploitation of some conflict between the individual's professional responsibilities and his or her private interest. The offering of a bribe creates such a conflict where none may have existed hitherto. In both the public and private sectors, employees and officials are routinely confronted with circumstances in which their personal interests conflict with their responsibility to act in the best interests of the state or their employer.

x. Improper Political Contribution

Political donations that are made in contravention of anti-corruption laws and regulations.

xi. Kickbacks

These are bribes fulfilled after an enterprise has awarded a contract to a customer. They take place in purchasing, contracting, or other departments responsible for decisions to award contracts. The supplier provides the bribe by kicking part of the contract fee back to the buyer, either directly or through an intermediary.

xii. Facilitation payments

These are typically payments made to secure or expedite the performance of a routine or necessary action to which the payer is entitled, legally or otherwise.

xiii. Charitable donations, sponsorship, travel, and promotional expenses

These are legitimate activities for entities but can be abused as a subterfuge for bribery. There are risks attached to such transactions where it may be perceived that an advantage has been given to obtain or retain business.

xiv. Conflict of interest



A conflict of interest occurs where a person or entity with a duty to the enterprise has a conflicting interest, duty, or commitment. Having a conflict of interest is not in itself a corruption, but corruption can arise where a Personnel the duty due to the enterprise by acting in favour to a separate interest to the detriment of the enterprise.

xv. Collusion

This can take various forms, of which the most common include bid rigging, cartels, and price-fixing.

xvi. Bid rigging

The way that conspiring competitors effectively raise prices in situations where purchasers acquire goods or services by soliciting competing bids. Essentially, competitors agree in advance who will submit the winning bid on a contract through a competitive bidding process. As with price fixing (see below), it is not necessary that all bidders participate in the conspiracy.

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xvii. Price fixing

An agreement among competitors to raise, fix, or otherwise maintain the price at which their goods or services are sold. It is not necessary that the competitors agree to charge exactly the same price, or that every competitor in a given industry join the conspiracy. Price fixing can take many forms, and any agreement that restricts price competition may violate applicable competition laws.

xviii. Cartels

A secret agreement or collusion between enterprises to commit illicit actions or fraud. Typically, this will involve price fixing, information sharing, or market rigging by setting quotas for production and supply.

xix. Illegal information brokering:


The brokering of corporate confidential information obtained by illegal methods.

xx. Insider trading

Any securities transaction made when the person behind the trade is aware of non-public material information and is hence violating his or her duty to maintain confidentiality of such knowledge.

xxi. Tax evasion

The illegal non-payment of tax to the government of a jurisdiction to which it is owed by a person, enterprise, or trust who should be a taxpayer in that jurisdiction.

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APPENDIX 2

PENALTIES FOR BRIBERY AND CORRUPTION

MACC AMANDMENT ACT 2018	UK BRIBERY ACT 2010	US FOREIGN CORRUPT PRACTICES ACT ("FCPA") 1977
Up to twenty (20) years imprisonment.	Up to ten (10) years imprisonment – accounting offences may be prosecuted under other Statues.	Up to five (5) years imprisonment for bribery, twenty (20) years for accounting offences.
Minimum fine of RM1,000,000 or not less than ten (10) times the sum or value of gratification; whichever is the higher.	Unlimmited fine; additionally Serious Crime Prevention Orders, Winding up proceedings, debarment, director disqualification and regulatory / disciplinary action.	Criminal fines for entities of up to USD2 million (bribery) or USD25 million (violation of accounting provisions), or twice the benefit sought, and debarment; for individuals, fines of up to USD100,000 (bribery) or USD5 million (accounting offences).
	Civil Recovery Orders – no criminal conviction required (lower threshold of proof).	Civil penalties of up to USD10,000 per (bribery) violation or USD500,000 per (corporate accountancy) violation.

APPENDIX 2

— 200 —



WHISTLEBLOWER POLICY

**MMC CORPORATION BERHAD
(30245-H)**

Revision Number	Date Issued	Prepared By	Reviewed By	Approved By	Date Approved
0	28.2.13	Head, RMIAD	Audit Committee	Board	28.2.13
1	15.5.14	Chief Internal Auditor	Audit Committee	Board	28.5.14



MMC CORPORATION BERHAD (30245-H)

Note

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The Company reserves the right to review, amend or update this Policy from time to time.

For any enquiries, please contact the Group Internal Audit Department.

MMC Whistleblower Policy**Table of Contents**

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1.0. POLICY STATEMENT

- 1.1. An important aspect of accountability and transparency is a mechanism to enable staff and other members of the company to voice genuine concerns in a responsible and appropriate manner.
- 1.2. MMC Corporation Berhad ("the Company") is committed to promoting and maintaining high standards of transparency, accountability, ethics and integrity at the workplace.
- 1.3. This Policy is designed to support the Company's Integrity, Innovation, Teamwork, Excellence and Commitment ("INTEC") values and facilitate employees' and third parties' concerns about possible improprieties at the earliest opportunity to ensure that concerns can be raised without fear of reprisal or Detrimental Action.
- 1.4. The procedures contained in this Policy provide a process of managing disclosures of improper conduct that is transparent without compromising the confidentiality of persons involved.
- 1.5. This Policy is adapted to promote alignment with the Whistleblower Protection Act 2010, Companies Act 1965, Malaysian Anti-Corruption Commission Act 2009, Capital Market and Services Act 2007, Personal Data Protection Act 2010 and all applicable laws and regulations in Malaysia. However, this Policy does not absolve employees and stakeholders from any statutory obligations contained in any Act and/or Regulation to report criminal offences and/or breaches of law with the relevant enforcement agencies.
- 1.6. This Policy is to be read together with the Company's Code of Ethics, the Company's Grievance Policy as well as procedures set out in the Company's Employee Handbook, Procedure Guideline on Sexual Harassment and other internal, statutory or regulatory reporting procedures.

2.0 DEFINITIONS

- 2.1 "Whistleblowing" is the disclosure of Improper Conduct based on one's reasonable belief that any person has engaged, is engaging or preparing to engage in Improper Conduct. This applies even in circumstances where information regarding Improper Conduct is supposed to be treated as confidential.
- 2.2 "Whistleblower" is a person who discloses information of Improper Conduct in accordance with this Policy.
- 2.3 "Improper Conduct" is any conduct which if proved, constitutes a Disciplinary Offence or a criminal offence. Improper Conduct includes, but are not limited to, the following:
 - a) criminal offences, unlawful acts, fraud, corruption, bribery and blackmail;
 - b) failure to comply with legal or regulatory obligations;

- c) misuse of the Company's funds or assets;
 - d) an act or omission which creates a substantial and specific danger to the lives, health or safety of the employees or the public or the environment;
 - e) unsafe work practices or substantial wasting of company resources;
 - f) abuse of power by an officer of the Company; and
 - g) concealment of any of the above.
- 2.4 **"Appointed Officer"** means authorised person appointed to receive reports on Whistleblowing matters.
- 2.5 **"Disciplinary Offence"** means any action or omission which constitutes a breach of discipline in the Company as provided by law or the Company's code of conduct, code of ethics, policies and/or a contract of employment, as the case may be.
- 2.6 **"Detrimental Action"** includes:
- a) action causing injury, loss and/or damage;
 - b) intimidation and/or harassment;
 - c) interference with the lawful employment or livelihood of any person, including discrimination, discharge, demotion, suspension, disadvantage, termination or adverse treatment in relation to a person's employment, career, profession, trade or business or the taking of disciplinary action; and
 - d) the threat to take any of the actions referred to above.
- 2.7 **"Confidential Information"** includes:
- a) information about the identity, occupation, residential address, work address or whereabouts of:
 - (i) a Whistleblower; and
 - (ii) a person against whom a Whistleblower has made a disclosure of improper conduct;
 - b) information disclosed by a Whistleblower; and
 - c) information that, if disclosed, may cause detriment to any person.
- 3.0 **OBJECTIVES**
- 3.1. The objectives of this Policy are as follows:
- a) to provide employees and third parties with proper internal procedures in disclosing cases of Improper Conduct;
 - b) to manage disclosures of Improper Conduct in an appropriate and timely manner;

- c) to provide protection to Whistleblowers from Detrimental Action that may result from the disclosure of Improper Conduct; and,
- d) to provide fair treatment to both the Whistleblower and the alleged wrongdoer when a disclosure of Improper Conduct is made.

4.0. SCOPE OF POLICY

- 4.1 This Policy applies to all employees and third parties who has become aware of or genuinely suspects on a reasonable belief that an employee of the Company has engaged, is engaged or is preparing to engage in any Improper Conduct.
- 4.2 Any provision in any contract of employment which purports and/or intends to prevent the making of a disclosure of Improper Conduct shall be void to the extent that it purports and/or intends to prevent the making of the disclosure or the implementation of the other provisions of this Policy.

5.0 LIMITATIONS

- 5.1 This Policy does not however, cover any issues, complaints or concerns in relation to:
 - a) matters which are trivial or frivolous in nature;
 - b) matters which are motivated by malice;
 - c) matters pending or determined through the Company's disciplinary proceedings; and
 - d) matters pending or determined through any tribunal or authority or court, arbitration or other similar proceedings.
- 5.2 If an employee is unsure whether a particular act or omission constitutes an Improper Conduct under this Policy, he or she is encouraged to seek advice or guidance from their immediate superior or Head of Department/Division, the Head of the Human Resource Department ("HR") or the Chief Internal Auditor.

6.0. WHO DOES THE POLICY APPLY TO

- 6.1 This Policy applies to the Company's employees including employees on contract terms, temporary or short-term employees and employees on secondment.
- 6.2 To facilitate due and fair investigation process, any person who discovers or suspects any Improper Conduct within the Company, should not attempt to conduct investigations personally or interrogate any suspect.

7.0 DISCLOSURE OF IMPROPER CONDUCT

- 7.1 An employee or third party who becomes aware of an alleged Improper Conduct is encouraged to make a disclosure as soon as possible.

- 7.2 The Whistleblower needs to demonstrate that he or she has reasonable belief of the Improper Conduct.
- 7.3 In order to give the Company an opportunity to investigate the alleged Improper Conduct and to take the necessary internal corrective actions, Whistleblowers are encouraged to lodge a report by providing, to the extent that is possible, the following information: -
- a) description of the Improper Conduct and the people/party (ies) that are involved (to state whether they are employees of the Company or external parties);
 - b) details of the Improper Conduct, including the relevant dates of occurrence;
 - c) particulars of witnesses, if any; and,
 - d) particulars or production of documentary evidence, if any.
- 7.4 A disclosure of Improper Conduct may still be made, subject to section 7.2, although the person making the disclosure is not able to identify a particular person to which the disclosure relates.
- 7.5 When there is more than one disclosure made at a time, the disclosures may be prioritised according to the nature or gravity of the alleged Improper Conduct or reported risks and the magnitude of the repercussions.

8.0. HOW TO REPORT

- 8.1 A disclosure of Improper Conduct may be made orally or in writing (via a letter or electronic e-mail to mmcwbreport@gmail.com).
- 8.2 When a disclosure is made orally, the person receiving the disclosure shall, as soon as it is practicable, reduce the same to writing.
- 8.3 A disclosure should include the name, designation and contact number of the Whistleblower.

9.0 TO WHOM SHOULD DISCLOSURES BE MADE

- 9.1 Any Improper Conduct that is discovered or genuinely suspected by the Whistleblower shall be reported immediately to the Chief Internal Auditor ("Appointed Officer").
- 9.2 If the Improper Conduct involves the Appointed Officer, employees are to report the matter directly to the Group Managing Director ("GMD").
- 9.3 If the Improper Conduct involves any of the Board members, employees are to report the matter directly to any of the Board members.

10.0 SCREENING

- 10.1 In respect of disclosures made to the Appointed Officer, the Appointed Officer will assess the same to determine whether it is related to an Improper Conduct and/or excluded from the scope of this Policy. The Appointed Officer shall, within seven (7) days from the date the disclosure was made, prepare a report ("Assessment Report") to the Group Managing Director ("GMD") informing the result of the assessment and recommend either to ignore the disclosure or to take further action. The GMD may extend the time for the completion of the Assessment Report.
- 10.2 In respect of disclosures made to persons authorised under Clauses 9.2 to 9.3, the receiving party shall assess the same to determine whether it is related to an Improper Conduct and/or excluded from the scope of this Policy or he may appoint an officer of the Company deemed suitable at his discretion to assess the disclosure before deciding on the next course of action.
- 10.3 Within seven (7) days from the date the Assessment Report was received, so far as is practicable, the GMD or the persons authorised under Clause 9.3, shall have the authority to make final decisions including, but not limited to, any of the following:
- a) rejection of the disclosure(s), either in part or in total, if it falls outside the scope of this Policy;
 - b) directing the matter or any part thereof to be dealt with under other appropriate internal procedures, which includes disciplinary procedures;
 - c) directing an investigation into the disclosure(s) made and on any persons involved or implicated;
 - d) suspending the persons implicated in the Improper Conduct from work pending any further investigation and/or disciplinary procedures;
 - e) designating the Appointed Officer or any other persons from within or outside of the Company to conduct investigations or to take any other action pursuant to this Policy;
 - f) obtaining any other assistance from third parties such as external auditors or obtaining legal advice whether from internal or external solicitors; and,
 - g) referring the matter to an appropriate enforcement agency, which includes the police and the Malaysian Anti-Corruption Commission.

11.0 CONDUCT OF INVESTIGATION

- 11.1 In the event further investigation is necessary, the person appointed to investigate the Improper Conduct ("the Investigating Officer") shall, as soon as possible, conduct an investigation into the matter.

- 11.2 The GMD or the persons authorised under Clause 9.3 shall have the authority to appoint an external party as the Investigating Officer to carry out investigations pertaining to the Improper Conduct within a reasonable terms of reference.
- 11.3 In instances where the the Investigating Officer is appointed from within the Company, the Investigating Officer must be an employee of a Designation and/or Grade higher than the employee(s) implicated in the Improper Conduct.
- 11.4 The Investigating Officer may conduct interviews with any relevant witnesses and shall use his best endeavours to gather all data and materials relevant to the Improper Conduct disclosed. The Investigating Officer shall have absolute discretion to allow any assistance to the witness during the interview, subject to a request made by the witness.
- 11.5 All interviews and activities carried out in the course of the investigation shall be recorded and reduced to writing and filed.
- 11.6 A specific room will be designated for the use of the Investigating Officer to carry out interviews, store documents and for any other purpose deemed necessary in the course of the investigation. Whenever practicable, all interviews shall be conducted in the designated room and all documents relating to the investigation must not be removed from the room during the course of the investigation.
- 11.7 The Investigating Officer shall have free and unrestricted access to all records of the Company and shall have the authority to examine, obtain and/or make copies of all or any portion of the contents of documents, files, desks, cabinets, and other storage facilities of the Company so far as it is necessary to assist in the investigation of the Improper Conduct.
- 12.0 INVESTIGATION REPORT ("IR")**
- 12.1 At the conclusion of the investigation, the Investigating Officer will submit an Investigation Report ("IR") of the findings to the GMD, or to a person authorised under Clause 9.3
- 12.2 The IR will contain the following: -
- a) the specific allegation(s) of Improper Conduct;
 - b) all relevant information/evidence received and the grounds for accepting/rejecting them. Copies of interview transcripts and any documents obtained during the course of the investigation shall accompany the IR; and
 - c) the conclusions made and the basis for them;
- 12.3 Whenever practicable, the Investigating Officer may include in the IR the following:

- a) the steps or recommendations that need to be taken by the Company to prevent the Improper Conduct from continuing or re-occurring in future; and,
- b) any further action to be taken by the Company in respect of the Improper Conduct. The further action includes initiating disciplinary proceedings and referring the matter to the appropriate external authority.

12.4 In the event the GMD or a person authorised under Clause 9.3 is satisfied that based on the findings and recommendations made in the IR, an Improper Conduct has been committed, the matter shall be referred to the Human Resource Department to follow up with disciplinary proceedings in accordance with the further policies of the Company as well as to the Company's Legal Department for further advice. No disciplinary action, which includes suspension or termination, shall be taken without the authorisation of the GMD or a person authorised under Clause 9.3

12.5 The Human Resource Department shall inform the GMD or a person authorised under Clause 9.3 of the status of any further action taken.

13.0 REFERRAL TO EXTERNAL ENFORCEMENT AUTHORITY

13.1 Pursuant to the above, referral of the Improper Conduct, where appropriate, to the relevant enforcement body or the initiation of any civil action shall be managed by the Company's Legal Department.

14.0 TIMELINE

14.1 This Policy is intended to ensure that disclosures made by Whistleblowers are acted upon in a timely manner.

14.2 Investigations in respect of disclosures made are to be concluded as soon as is practicable but shall not exceed sixty (60) days from the date the disclosure was made. Notwithstanding the above, where an investigation cannot be reasonably completed within sixty (60) days, the GMD or a person authorised under Clause 9.3 may extend the time for its completion, provided that the extension does not exceed one hundred and twenty days (120) days from the date the disclosure was made.

14.3 The Whistleblower shall be informed of the result of any investigation and/or any action taken by the Company in respect of the disclosure made within 7 days from the date an investigation is completed and/or any action taken by the Company, subject to any extension of time that may be granted by the GMD or a person authorised under Clause 9.3.

15.0 CONFIDENTIALITY

15.1 Reasonable steps will be taken to maintain the confidentiality of the Whistleblower's Confidential Information unless:

- c) the Whistleblower expressly agrees otherwise, and provides his agreement in writing; or
 - d) otherwise required by law.
- 15.2 The Whistleblower or any person who is involved in the investigation process, shall not disseminate to third parties information regarding the Improper Conduct or any part thereof, including the status or outcome of an investigation into it, except:
 - a) to those who are authorised under this Policy;
 - b) by lodging a report of the Improper Conduct directly with an enforcement agency in accordance with the Whistleblower Protection Act 2010 or any other prevailing law;
 - c) in adherence to any law or in adherence to a legally binding requirement of any statutory authority; or,
 - d) on a strictly confidential basis to a professionally qualified lawyer for the purpose of obtaining legal advice.
- 15.3 The Whistleblower shall not:
 - a) contact the suspected individual to determine facts or demand restitution; and,
 - b) discuss the case, facts, suspicions, or allegations with anyone except to assist in the investigation.

16.0 INVESTIGATION STATUS

- 16.1 All inquiries concerning the status of the investigation from the person implicated, his attorney or representative, or the Whistleblower should be made in writing and directed to the GMD or a person authorised under Clause 9.3.
- 16.2 A response to a written request for the status of the investigation will be provided within seven (7) days from the date of such written request, subject to any extension of time that may be granted by the GMD or a person authorised under Clause 9.3.

17.0 RECORD SAFEKEEPING

- 17.1 A confidential record of each disclosure will be marked '**CONFIDENTIAL**' and stored securely by the HR Department and Group Internal Audit Department of the Company for not more than 7 years from the date the disclosure was lodged.
- 17.2 Therefore, it is the responsibility of the HR and Group Internal Audit Departments to be the guardians of the records and to ensure that the documents are properly filed.
- 17.3 All records of disclosures made shall be managed in compliance with the provisions of the Personal Data Protection Act 2010 and other applicable laws.

18.0 PROTECTION OF THE WHISTLEBLOWER

- 18.1 Upon making a disclosure in good faith, based on reasonable grounds and in accordance with and pursuant to this Policy:
- a) The Whistleblower shall be protected from any Detrimental Action within the Company as a direct consequence of the disclosure; and
 - b) The Whistleblower's identity and such other Confidential Information of the Whistleblower shall not be disclosed save in accordance with Clause 15.1.
- 18.2 The protection against Detrimental Action is extended to any person related to or associated with the Whistleblower.
- 18.3 The identity and personal information of the Whistleblower as well as the person implicated in the disclosure may be revealed to persons involved in investigations or any other processes save as so far as is necessary to assist and/or to assist investigations.
- 18.4 A Whistleblower is obliged to lodge a complaint to the Company of any Detrimental Action committed against the Whistleblower or any person related to or associated with the Whistleblower, by any personnel of the Company.
- 18.5 A Whistleblower or any person associated with him who fears or has suffered Detrimental Action may request to the Company in writing, for relocation of his place of employment. The Company shall, as far as is practicable, make arrangements for the relocation if there is a danger or likelihood of Detrimental Action and the only practical means of removing or substantially removing the danger of the effect of Detrimental Action is by way of relocation.
- 18.6 The Whistleblower protection conferred under this Policy is not limited or affected notwithstanding that the disclosure of the Improper Conduct does not result in any disciplinary action of the person against whom the disclosure was made.
- 18.7 This Policy does not limit the protection conferred by any other written law to any person in relation to information given in respect of the commission of an offence.
- 18.8 The Whistleblower protection conferred under this Policy does not apply where a disclosure was made in a manner inconsistent with or not in compliance with the provisions of this Policy. Notwithstanding the above, the Whistleblower will still be conferred protection save as so far as afforded by the Whistleblower Protection Act 2010 or any other written law.

19.0 REVOCATION OF WHISTLEBLOWER PROTECTION

- 19.1 The Company reserves the right to revoke the Whistleblower protection provided pursuant to this Policy if it is of the opinion, based on an investigation or in the course of an investigation that:

- a) the Whistleblower himself has participated in the Improper Conduct disclosed, except in instances where:
 - (i) the participation was under duress; or
 - (ii) in the view of the Company, the participation could be justified under the circumstances.
 - b) the Whistleblower willfully made in his disclosure of Improper Conduct a material statement which he knows or believes to be false or did not believe to be true;
 - c) the disclosure is made solely with the motive of avoiding dismissal or other disciplinary action;
 - d) the disclosure of Improper Conduct is frivolous and/or vexatious; and/or
 - e) the Whistleblower, in the course of making the disclosure or providing further information, breaches the provisions of this Policy and/or commits an offence under the Whistleblower Protection Act 2010.
- 19.2 If the Whistleblower protection has been revoked, the Company shall give a written notice to the Whistleblower of the revocation together with reasons for the same.
- 20.0. ADMINISTRATION**
- 20.1 The Chief Internal Auditor is responsible for the administration, interpretation and application of this Policy.
- 20.2 In case of doubt, the Chief Internal Auditor shall refer to the GMD or the Chairman of the Audit Committee for directions.
- 20.3 This Policy and the provisions herein may be reviewed and amended whenever necessary to ensure its effective implementation. Any amendment to this Policy shall be affected by the Chief Internal Auditor, subject to the approval of the GMD, the Chairman of the Audit Committee and the Board of Directors.