

1. OBJECTIVE

The objective of the MBMR Group Anti-Bribery and Anti-Corruption Policy (“this Policy”) is to set out the Group’s position on avoiding bribery and corruption practices in all its forms in the Group’s daily operations.

The Board of MBMR adopts a zero-tolerance approach against all forms of bribery and corruption and takes a strong stance against such acts.

The Board of MBMR is committed in ensuring that the highest level of integrity and ethics are practised throughout the Group by effectively managing the key corruption risks of the organisation in compliance with applicable laws and regulatory requirements.

2. SCOPE AND APPLICABILITY

This Policy applies to all Directors and Employees of MBMR and the Group, including those on secondment to/from joint ventures, affiliates or associates AND extends to persons associated to the Group including third parties who have dealings with the Group such as counterparties, business partners, service providers, contractors, agents and representatives, among others.

3. DEFINITIONS

“ABC Declaration Form”	refers to the Anti-Bribery / Corruption Declaration Form attached in Appendix I of this Document;
“Approving Authority”	refers to the applicable approving authority in respect of a particular matter with reference to the Company’s LOA;
“Board”	refers to the Board of Directors of the relevant companies within the Group;
“Bribery” or “Corruption”	refers to any act of soliciting, offering, giving, accepting or receiving Gratification (whether directly, indirectly or in conjunction with another) as an inducement or reward to a person to do or forbear to do anything in respect of any matter or transaction, or with the intention to deceive or in abuse of position;
“Business Associate”	refers to an external party with whom the Company has, or plans to establish some form of business relationship including counterparties and business partners, i.e. clients, customers, joint venture partners, consortium partners, outsourcing providers, contractors and subcontractors, consultants, suppliers, vendors,

	advisers, agents, distributors, representatives, intermediaries and investors;
“Company/ies”	means a company or companies within the MBMR Group, whichever applicable;
“Directors”	refers to all executive and non-executive directors, independent and non-independent directors of MBMR and the Subsidiaries;
“Document” or “Policy”	refers to this GRMCP01: Anti-Bribery and Anti-Corruption Policy document;
“Employees”	refers to all employees of the Group including temporary and part-time employees;
“Gratification”	defined in the MACCA to mean the following: <ul style="list-style-type: none">(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);
“HOD(s)”	refers to the Head(s) of Division/Department, as may be applicable;
“LOA”	refers to Limits of Authority;
“MACCA”	refers to the Malaysian Anti-Corruption Commission Act 2009 and any amendments or re-enactments thereto;
“MBMR”	refers to MBM Resources Berhad;

“MBMR Group” or “the Group”	refers collectively to MBMR and its Subsidiaries;
“MBMR Group RMC”	refers to the Group Risk Management and Compliance Department of MBMR;
“MBMR Group SHCM”	refers to the Group Strategic Human Capital Management Department of MBMR ;
“Policies”	refers collectively to the MBMR Group Policies, to which this Document is a part of or an extension thereto;
“Public Official”	includes, without limitation, government officials, candidates for public office, officials of any political party, and officials of state-owned enterprises;
“RMSC”	refers to the Board Risk Management and Sustainability Committee of MBMR;
“Subsidiary/ies”	refers to a subsidiary or subsidiaries of MBMR, as may be applicable, as defined in the Companies Act 2016.

4. ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

- 4.1 All forms of Bribery and Corruption are strictly prohibited. The Group upholds a zero-tolerance approach towards Bribery and Corruption. In addition to the prohibition on bribery, Directors and Employees must not participate in any corrupt activity, such as extortion, collusion, breach of trust, abuse of power, trading under influence, embezzlement, fraud or money laundering. Even the perception of bribery or any behaviour that could give rise to suspicion of bribery is to be avoided.
- 4.2 Bribery may take the form of anything of value including but not limited to money, goods, services, property, privilege, employment position or preferential treatment. Employees shall not therefore, whether directly or indirectly, offer, give, receive or solicit any item of value, in the attempt to illicitly influence the decisions or actions of a person in a position of trust within an organisation, either for the intended benefit the Group or the persons involved in the transaction.
- 4.3 Directors and Employees are encouraged to familiarise themselves with the offences covered in the MACCA to avoid potential liability. The relevant provisions of the MACCA in relation to these offences have been summarised and appended in Appendix II of this Policy for ease of reference.
- 4.4 No Employee will suffer demotion, penalty or other adverse consequences for refusing to pay or receive bribes or other illicit behaviour, even if such refusal may result in the Group losing business or experiencing a delay in business operations.
- 4.5 The Company shall conduct a corruption risk assessment on its operations and incorporate the assessment into its risk register. The corruption risk registers shall be reviewed by the Company

together with Group RMC every quarter. The process for conducting the corruption risk assessment is defined in the Group Enterprise Risk Management Policy and Framework.

5. GIFTS, ENTERTAINMENT AND TRAVEL (“GET”)

Directors, Employees and/or their family members are strictly prohibited from directly or indirectly, receiving or providing GETs to influence business decisions or with a view to improperly cause undue influence on any party in exchange for some future benefit or result.

5.1 Non-Negotiable / Compulsory Requirements

Directors, Employees and/or their family members must ensure that any GET provided or received in relation to his/her position or employment in the Company fulfil the following requirements:

- (a) must be lawful, unsolicited and void of any corrupt / criminal intent whatsoever;
- (b) must not be in the form of cash or cash equivalent, gift certificates, loans, commissions, kickbacks, coupons, discounts or any other equivalent or related forms;
- (c) must not affect or be perceived to affect any business judgment, actions or decisions of the recipient;
- (d) must not give rise to any expectation of any specific favour or improper advantages from the intended recipients;
- (e) must be given or received in an open and transparent manner;
- (f) must be within the thresholds detailed in this Policy or otherwise approved by the relevant Approving Authority.

5.2 Gifts

MBMR or its Subsidiaries may be allowed to provide or accept seasonal or customary gifts or token to or from counterparties or business partners provided that they comply with the Non-Negotiable/Compulsory Requirements (Section 5.1) and are recorded, declared and approved in accordance with the Record-Keeping and Approval Process outlined in Section 5.6 below.

However, Directors and Employees are strictly prohibited from soliciting gifts from counterparties or business partners, whether directly or indirectly for any reason whatsoever.

The following may generally be regarded as acceptable gifts:

- (a) Exchange of gifts at the company-to-company level (e.g. corporate 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 MBMR or its Subsidiaries 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) Gifts, awards or incentives by principals in recognition of performance or achievement by company or employee; and
- (e) Token gifts of nominal value normally bearing the MBMR or its Subsidiaries 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.

5.3 Entertainment

Directors and/or Employees and their family members must not solicit any form of entertainment from counterparties or business partners directly or indirectly.

Entertainment offered or received by the Group Company is limited to meals (i.e. food and beverage) only, subject to the prior approval of the relevant HOD(s), Chief Executive Officer, or any other approving authority prescribed in the respective Subsidiary's Company's LOA.

Invitations to social events or entertainment may be permitted within reason, according to the scope of the Employee's work, provided that these events or entertainment are not lavish or become a regular feature that may influence business decision making process. Acceptance of such entertainment must first obtain prior approval by the relevant Approving Authority in accordance with the thresholds and procedures in this Document.

Directors and/or Employees must not accept or engage in any entertainment that is indecent, sexually oriented or those that might put such Director or Employee in a position of conflict or those that can adversely affect the Company or Group's reputation. Examples of entertainment that are strictly prohibited includes, but is not limited to karaoke, body massage, call girls, social escorts, sex workers and any other entertainment of a similar nature.

5.4 Travel

Travel, transportation, lodging and other expenses provided to or received by Business Associates in relation to legitimate business purposes (e.g. facility inspections, on-site examination of equipment, contract negotiations or training) may be accepted subject to prior approval of such visits and

expenses being obtained in accordance with the thresholds in Section 7.5 of this Document and/or Company's LOA, unless such acts are prohibited by law or by the policy of the other party.

5.5 Thresholds

GETs exceeding the latest applicable threshold (i) number of occurrences in respect of the same recipient in a year; or (ii) amounts per recipient at any one time; (as determined by MBMR from time to time) shall require approval from the relevant Approving Authority.

Where required, please request for the latest applicable threshold from the MBMR Group RMC (GRMC@mbmr.com.my). Group RMC shall validate your requests and notify you of the applicable threshold accordingly.

5.6 Record-Keeping and Approval Process

All GETs provided or received must be accompanied with the ABC declaration form and recorded in the relevant ABC Register. Where the GET received exceeds the Thresholds stipulated in Section 5.5, the relevant Approving Authority must approve the GET, otherwise such GETs will need to be politely declined by informing the other party of the Group's Anti-Bribery and Corruption Policy.

In approving any GETs, the Approving Authority may take into consideration the following factors:

- the character of the GET, its purpose, the position/seniority of the person(s) providing the gift, the business context, reciprocity, applicable laws and cultural norms;
- whether refusing to provide or accept the GET is likely to seriously offend or sever a business relationship with the third party;
- whether refusing to provide or accept the GET will or is likely to result in danger to life, limb or liberty of the any of the Directors, Employees or their family members.

6. DONATIONS, SPONSORSHIPS AND CORPORATE SOCIAL RESPONSIBILITY ("CSR")

Directors and Employees must ensure that all donations, sponsorships and CSR activities are not used as a subterfuge for bribery or used to circumvent the prohibition of any similar acts. Proper and appropriate due diligence must be conducted to ensure that the recipient is a legitimate organisation or charity and its beneficiaries are not disguised illegal payments to government officials or acting as a conduit to fund illegal activities in violation of anti-money laundering, anti-terrorism and other applicable laws.

Proper due diligence must be conducted prior to making any commitment to any donations, sponsorships and CSR activities requests by third parties to ensure the following criteria are met:

- There is no risk of perceived improper advantage for the Group;
- The proposed recipient is a well-established entity with adequate organisational structure to guarantee proper administration of the funds;
- The donations, sponsorships and CSR activities are not used as a means to cover up an undue payment or bribery.

If the request meets the above requirements and is reasonably ascertained to be legitimate in nature, a recommendation seeking approval of the relevant Approving Authority can be put forth supported by the relevant justifications of compliance to the requirements.

Directors and Employees must not conceal, alter, destroy or otherwise modify any relevant information which in the normal course of business may raise potential red flags that would require additional investigation, particularly if it involves government officials.

7. FACILITATION PAYMENTS

Facilitation payments are payments made personally to an individual in control of a process or decision to secure or expedite the performance of a routine or administrative duty or function they are otherwise obligated to perform.

The Group strictly prohibits facilitation payments in any form whatsoever as it is a form of bribery and corruption. Directors and Employees are prohibited from not only giving facilitation payments but also promising, offering, accepting or receiving anything which might reasonably be regarded as facilitation payments.

8. POLITICAL CONTRIBUTIONS

The Group's funds or resources must not be used in any capacity to make any direct or indirect political contributions of any kind to political parties or candidates. Directors and Employees shall also avoid from creating the appearance of making such contributions or expenditure to any political party, candidate or campaign on behalf of MBMR or its Subsidiaries.

Political contributions or expenditures include, but not limited to:

- Paying for advertisements and other political campaign expenses;
- Buying tables for fundraising dinners organised by a political party; and/or
- Loaning employees to support political events.

However, Directors and Employees who wish to contribute their own time or money to any political activity or fund shall be deemed to be doing so on an entirely personal and voluntary nature. The Group hereby

disclaims all connections or associations in relation to its Director's or Employees' personal political contributions.

9. DEALINGS WITH THIRD PARTIES AND BUSINESS ASSOCIATES

The Group expects that all third parties and business associates with whom have dealings with MBMR and/or its Subsidiaries or are acting on behalf of MBMR and/or its Subsidiaries to refrain from bribery and corrupt practices and to adhere to the principles prescribed in this Document.

In the event the Company has any reasonable suspicion of bribery of corruption arising from its dealings with any Business Associate, the Company may seek alternatives.

As a general rule, the Company should undertake due diligence assessments with regard to its Business Associates based on the threshold determined by the Company using the risk-based approach.

The Company and its Employees should always endeavour to ensure the following:

- Due diligence is conducted in so far as reasonably practicable to assess the Company's prospective Business Associates including conducting background checks;
- Not to enter into business dealings with any third party reasonably suspected of engaging in bribery and improper business practices unless those suspicions are investigated and resolved;
- Include clauses in all contracts enabling the Company to terminate any contract in which bribery or corruption has been observed;
- All Business Associates must be made aware of the Group's Policies by obtaining their acknowledgement and undertaking of compliance prior to entering into business dealings. In the event that the Company is unable to obtain such acknowledgment from the Business Associate, it should ensure that other forms of control measures are in place such as incorporating at minimum, the requirement for the Business Associate to adhere to the MACCA or the Group's Anti-Bribery and Anti-Corruption Policy in the terms and conditions of service / supply;
- Continuously monitor third party performance and business practices to ensure ongoing compliance.

10. RESPONSIBILITY OF EMPLOYEES

All Directors and Employees must individually and collectively take responsibility for upholding the Group's Anti-Bribery and Anti-Corruption Policy by understanding and complying with the provisions of this Document. In line with this, measures in which Directors and Employees should undertake include:

- ✓ Familiarise and understand the applicable requirements and directives of this Document and effectively communicate them to your subordinates, if any;
- ✓ Promptly record all transactions and payments accurately and in reasonable detail;
- ✓ Always raise suspicious transactions or any red flags to immediate superiors for guidance on next course of action;

- ✓ Constantly be alert to any possible indication or evidence of violations and promptly report violations or suspected violations through appropriate channels;
- ✓ Promptly complete any trainings and assessments provided by the Group, as well as attest to comply annually.
- ✓ Consult MBMR Group RMC if there is any uncertainty of the required action in a particular situation.

11. REPORTING POLICY VIOLATIONS

Any Employee or Director who is aware of or suspects a violation of this Document, should raise their concerns to their respective HODs or alternatively report via the Group’s Whistleblowing channels as outlined in the Group’s Whistleblowing Policy. All reports in good faith shall be treated as highly confidential and where applicable, shall be accorded confidential protection in accordance with the Group’s Whistleblowing Policy.

The Group strictly prohibits retaliation in any form against any Employee who has in good faith reported a violation or possible violation and such retaliation shall be subjected to disciplinary action including demotion, suspension, dismissal or other actions as deemed necessary.

12. AWARENESS AND TRAINING

The Group conducts awareness programmes for all Employees and Directors in the form of trainings and attestations to refresh awareness of the Group’s anti-bribery and anti-corruption measures, and to continuously emphasise the importance of integrity and ethics.

The MBMR Group RMC may at any time recommend that certain trainings be repeated to any Employee and/or group of Employees if deemed necessary based on circumstantial requirements.

The MBMR Group SHCM shall maintain all records of trainings in collaboration with the MBMR Group RMC.

Business Associates shall also be briefed on the Group’s Anti-Bribery and Anti-Corruption Policy via training or attestation regulated by the MBMR Group RMC.

13. NON-COMPLIANCE AND SANCTIONS

The MBMR Group RMC shall periodically conduct validation or audit exercises in ensuring the Group’s compliance with this Policy. Such exercises may be conducted independently or in collaboration with the MBMR Group Internal Audit Department or external consultants as and when required by the circumstances and may include improvement action plans.

All non-compliance shall be escalated to the Chief Executive Officer of MBMR and the RMSC in a timely manner in accordance with the level of risk identified.

The Group shall not hesitate to impose penalties on breaches or non-compliance of this Policy by any Directors or Employees, which may include disciplinary actions such as termination of employment and notification of regulatory authorities. For Business Associates, non-compliance may lead to penalties including termination of contract, notification of relevant regulatory authorities and/or legal action.

14. REVIEW AND IMPROVEMENTS

This Document shall be reviewed annually by the RMSC and the Board to ensure that the measures taken remain efficient and effective in achieving the Board's stance against bribery and corruption in the Group's business dealings and operations; and further to ensure that this Document is regularly updated in line with the latest developments of the laws, regulations, guidelines and standards of corporate governance.

The RMSC may also recommend as and when necessary, for the Group to seek external assistance in the review of the Document to further ensure transparency, objectivity and impartiality.

- End -

Last updated on 24th November 2024