



**ANTI-BRIBERY AND
ANTI-CORRUPTION POLICY**

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(A) INTRODUCTION

MINDA GLOBAL BERHAD (“MGB” or “Our Group” or “the Company”) is committed to conducting its businesses in an ethical, transparent, responsible and efficient manner. Our Group inspires to reinforce good governance, preventive system and ensuring compliance with procedures, code of conduct and relevant laws in force.

In Malaysia, the Malaysian Anti-Corruption Commission Act 2009 (“MACC Act”) was amended in 2018 to incorporate Section 17A on corporate liability for corruption. The laws prohibit acts of bribery and corruption, and mandate that companies establish and maintain adequate procedures to prevent bribery and corruption. In this regard, any director, controller, officer, partner or manager of a commercial organisation can be personally liable for an offence committed by the organisation unless the individual can prove that the offence was committed without his consent, and that he had exercised the necessary due diligence to prevent the commission of the offence.

On the other hand, in the event a commercial organisation is found liable under Section 17A of the MACC Act, the organisation must prove that adequate procedures were in place to prevent its employee(s) and/or associated persons from undertaking corrupt practices in relation to its business activities.

Under the Malaysian Anti-Corruption Commission Act 2009 (revised 2018) (“**MACC Act**”), bribery and corruption are criminal offences and the legal consequences include **fine of an unlimited amount and/or imprisonment of up to twenty (20) years**. A commercial organisation commits an offence if an associated person corruptly gives any gratification with intent to obtain or retain business or an advantage in the conduct of business, for the commercial organisation.

In simplicity, a commercial organisation is required to have in place an anti-bribery and corruption (“AB&C”) programme.

The AB&C Manual is not intended to provide definitive answers and solutions to all questions in regards to bribery and corruption. This Policy is intended to provide all employees with a basic introduction to how MGB combats bribery and corruption in furtherance of the group’s commitment to lawful and ethical behaviour at all times.

“WHEN IN DOUBT, ASK!”

If you have any doubt about the scope of applicable laws or the application of the Group’s policies concerning the fight against bribery and corruption, you should contact your relevant Head of Department or the Executive Director(s) of MGB immediately.

(B) OUR AB&C PRINCIPLE

1. We have adopted a zero-tolerance approach to all forms of bribery and corruption. Any violation of this Policy will be regarded as a serious matter and will result in disciplinary action, including dismissal and termination in accordance with local law.
2. We will uphold all laws relevant to countering corruption. We remain bound by the laws of Malaysia, including the Malaysian Anti-Corruption Commission Act 2009 and the Malaysian Anti-Corruption Commission (Amendment) Act 2018 and any of its amendments or re-enactments that may be made by the relevant authority from time to time in respect of our conduct both in Malaysia and abroad.
3. The Board has oversight of this Policy. All Chief officers and Head of Department (“HOD”) are responsible for ensuring compliance with this Policy. Every employee of the Company is required to be familiar with and comply with this Policy.
4. Engagement in any form of bribery or corrupt practices can have severe consequences for the Group and the Individual. An employee that in breach of this Policy and relevant laws may face dismissal, fines and imprisonment, and the company may face damage to reputation, financial loss and disbarment from business and other negative consequences.

(C) APPLICATION

1. This AB&C Policy is intended to apply to every MGB’s director (executive and non-executive) as well as employee worldwide.
2. In the scenario of joint-venture companies in which MGB is a non-controlling companies, partnership and associated companies are encouraged to adopt these or similar principles and standards.
3. Although the AB&C Policy is specifically written for MGB’s employees and directors, MGB expects that contractors, consultants, agents, representatives and others performing work or services for or on behalf of MGB will comply with it in relevant part when performing such work or services.
4. This Policy is applicable globally. All employees and directors are required to be adhered to this Policy and the relevant laws of the countries outside Malaysia, regardless of whether or not that country has specific anti-bribery and anti-corruption laws. In cases where there is a conflict between the specific anti-bribery and anti-corruption laws and the principles contained in this Policy, the stricter provision shall prevail.

(D) BRIBERY AND CORRUPTION

1. Bribery, Corruption and Gratification

1.1 Employees and parties dealing with the Company shall not accept or obtain or attempting to accept or obtain, solicit, offer, promise or give any bribe or gratification directly or indirectly as an inducement or reward to or from any party for doing or forbearing to do any act.

1.2 Under Section 3 of the MACC Act 2009, “Gratification” is defined as:

- (a) money, donation, gift, loan, fee, reward, valuable security, property or interest in the 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;
- (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; 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) above.

2. **Gifts Policy**

2.1 **Offering Gift**

2.1.1 MGB has adopted “No Gift Policy”, subjected to narrow exceptions as stated in this policy.

2.1.2 Corporate gifts, festive or ceremonial gifts may be given to our business associates, partners or other parties provided it fulfils the following conditions:

- (i) Appearance – Gifts that normally bears with the MGB’s name and/or logo, such as Diaries, Door Gifts, Table Calendars, Pens, Notepads, Plaques etc.
- (ii) Right purpose – it should be clearly given as an act of appreciation or common courtesy associated with corporate functions, festive seasons or other ceremonial occasions, such as Corporate Souvenir, Red or Green Packets, Oranges, Dates, Condolences etc;
- (iii) No obligation / expectation – it must not be used to cause or induce the recipient to conduct any influence on any business actions or decisions, nor there should be any expectation of favour or advantages of any kind from the recipient.
- (iv) Nominal value – the gifts must commensurate with the occasion, of nominal and appropriate in value and type, in accordance with general business practices;
- (v) Internal Approvals – the type and value of the gifts must be approved by the relevant director or HOD in accordance to the Limit of Authorities respectively; and
- (vi) Legality – the gifts must be in compliance with laws (if applicable).

2.2 Accepting Gift

2.2.1 MGB recognises that exchange of gifts is very dedicate in certain cultures, customary, tradition and common business practices.

2.2.2 Although the general principle of MGB is to refuse or return such gifts, accepting a gift on behalf of MGB is allowed only in limited circumstances of small and nominal value items in nature and commensurate with the occasion, festival or functions, that fulfils the following conditions:

- (i) Appearance – Gifts that normally bears with the company’s name and/or logo, such as Diaries, Door Gifts, Table Calendars, Pens, Notepads, Plaques etc.
- (ii) Right purpose – it should be clearly given as an act of appreciation or common courtesy associated with corporate functions, festive seasons or other ceremonial occasions, such as Corporate Souvenir, Red or Green Packets, Oranges, Dates, Condolences etc;
- (ii) No obligation / expectation – it must not be used to cause or induce the recipient to conduct any influence on any business actions or decisions, nor there should be any expectation of favour or advantages of any kind from the recipient.
- (iii) Nominal value – the gifts must commensurate with the occasion, of nominal and appropriate in value and type, in accordance with general business practices; and
- (vi) Legality – the gifts must be in compliance with laws (if applicable).

2.2.3 If the director or employee has any doubt about the acceptability, the gift must be refused.

2.2.4 If it is discourteous, offensive or harmful to the business relationship between MGB and the offeror in refusing such gift, the director or employee shall immediately report to the relevant director or HOD, and to fill up Declaration of Gift Form within 2 working days from the date of acceptance of such gift and submit to the Integrity Officer in charge.

2.2.5 The Integrity Officer shall:

- (i) Keep the subject gift in good custody pending disposal decision by the Executive Committee (“EXCO”).
- (ii) Record and fill the Declaration of Gift Form for monitoring and audit purposes.
- (iii) Forward the Declaration of Gift Form to EXCO and seek decision for disposal arrangement under the stipulated procedures.

2.2.6 The EXCO together with the Integrity Officer shall manage the discourteous gift in the following manner as best fit:

- (i) Return the subject gift politely with explanation note from director or EXCO in compliance with this AB&C policy;
- (ii) Donate the gift to other charity body;
- (iii) Any other decision as approved by the Board of Directors as deemed necessary.

3. **Entertainment Policy**

3.1 **Offering Entertainment**

3.1.1 MGB recognises the practices within the business environment to provide entertainment to foster business relationships with external clients. 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.**

3.1.2 However, the director or employee shall avoid offering of entertainment as it may create a negative perception if observed or known by others despite selfless motives behind the entertainment provided, **with a view to improperly cause undue influence on any party in exchange for some future benefit or result, in favour of MGB.** 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 this Policy.

3.1.3 Directors and employees shall always exercise proper care and judgment when providing entertainment to third parties especially when it involves public officials to ensure compliance with local anti-bribery and corruption laws.

3.1.4 Directors and employees are also required to comply with the Human Resources Policies and Procedures and maintain the entertainment expenses within the limits of entitlement, whichever applicable.

3.2 Receiving Entertainment

- 3.2.1 MGB 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.
- 3.2.2 However, it is important for directors and employees to **exercise proper care and judgment before accepting entertainment offered or provided by a third party.** This is not only to safeguard MGB's reputation, but also to protect employees and directors from allegations of impropriety or undue influence.
- 3.2.3 If it is discourteous, offensive or harmful to the business relationship between MGB and the offeror in refusing such entertainment, the director or employee shall exercise transparency immediately and report the same to the relevant director or HOD, for proper acknowledgement and record purposes. The director or HOD shall inform the Integrity Officer to record the said entertainment for monitoring and audit purposes.

4. Facilitation Payments

- 4.1 Facilitation payments are defined as any form of payments made to any individual in control of a process or decision to secure or expedite the performance of a routine or administrative duty or function.
- 4.2 A facilitation payment is illegal, it is seen as a form of corruption. Facilitation payment is strictly prohibited under this policy.
- 4.3 All directors and employees of MGB **MUST NOT** directly or indirectly offer, promise, give or even accept any facilitation payment of any form to/from any third party for any purposes, especially dealing with public officials.
- 4.4 In any remote occasion where any employee is forced to make facilitation payments in order to protect your life, limb and liberty, you must immediately report the incident to the relevant director or HODs for the necessary action to be taken, including making a police report.

5. Corporate Hospitality

- 5.1 Corporate hospitality is generally defined as “corporate functions, events or activities organised by an organisation which involves invitations to get together between the directors, employees and other external or third parties with the objective to promote business relationship and networking, towards the benefit of that organisation”.
- 5.2 Third parties may include public officials, politicians, existing and potential customers, existing and potential business associates, suppliers and contractors, other external companies and other stakeholders, with whom a business relationship was developed, whether current, prospective or otherwise.
- 5.3 Corporate functions, events and activities include but are not limited to annual or gala dinners, Asia HRD Congress and Dinner or other activity-based events.
- 5.4 Corporate hospitality is recognised as a legitimate way towards network and build goodwill in business relationships. However, the directors and employees are required to exercise proper care and judgement in organising such activities as there is a fine line between what is considered to be legitimate vs. illegitimate forms of corporate hospitality, especially the justification on whether there is any intention to influence or be perceived to influence any improper outcome of a business decision by providing the corporate hospitality.
- 5.5 Offering Corporate Hospitality
- 5.5.1 There may be occasions that MGB may issue complimentary invitations to any third parties, whether by passes or tickets, to attend the events organised by MGB.
- 5.5.2 While offering appropriate corporate hospitality for the purpose of promoting business relationship, profile and networking, the respective directors and HODs shall exercise due care to protect the Company’s reputation against any allegations of impropriety, perception of obtaining advantage of any kind, intention to influence on the outcome of a business decision or any possible perception of bribery.
- 5.5.3 The organising committee shall have clear, explicit, transparent and proper documented criteria and approvals from the directors, to determine the selection of guests to be invited in any corporate hospitality event, especially on the invitations involving public officials.
- 5.5.4 All expenses incurred for any corporate hospitality events shall be properly recorded, approved and acknowledged by the directors. A copy of the approved expenses statement shall be filed with the Integrity Officer for monitoring and audit purposes.

5.6 Accepting Corporate Hospitality

- 5.6.1 As a general principle, MGB strictly prohibits directors from soliciting with any external corporate hospitality nor are they allowed to accept hospitality that is excessive, inappropriate, illegal, especially in the scenario, in response to, in anticipation of, or to influence a favourable business decision.
- 5.6.2 Notwithstanding the above, MGB recognises that the occasional acceptance of an appropriate level of hospitality given in the normal course of business is usually a legitimate contribution towards building good business relationships. However, it is important for employees and directors to exercise proper care and judgment before accepting hospitality. This is not only to safeguard the Company's reputation but also to protect the directors and employees from allegations of impropriety or undue influence.
- 5.6.3 In the event that the director or employee has any doubts about the appropriateness of corporate hospitality offered by an external party, you should either decline the offer or consult your HOD and director.
- 5.6.4 If it is discourteous, offensive or harmful to the business relationship between MGB and the offeror in refusing such hospitality, the director or employee shall exercise transparency and report the same to the relevant director or HOD, for proper acknowledgement and record purposes. The director or HOD shall inform the Integrity Officer to record the said attendance of hospitality for monitoring and audit purposes.

6. Donation and Sponsorship

6.1 Donation or Contribution to Political Parties or Individual Politicians

- 6.1.1 In general principle, MGB prohibits in making any donation, contribution or funding of any kind to political parties or individual politicians or towards political campaigns or initiatives for or on behalf of MGB. In the event of any special request for political donation or contribution, this must be pre-approved by the Board of Directors of MGB and with proper consultation with qualified legal counsel as to its legality under applicable laws.
- 6.1.2 Such duly approved donations and contributions shall be properly documented with Integrity Officer for monitoring and audit purposes.
- 6.1.3 MGB shall not be held responsible or whatsoever, in the event of any director or employee of MGB participate in political activities in their individual capacity with their own money and at their own time.

6.2 Education or Charitable Donations and Sponsorships

- 6.2.1 In addition of the human resource development and training, MGB is also principally involved in education businesses, hence, the education and charitable donations or sponsorships programme is part of MGB's Corporate Social Responsibility ("CSR") objective to provide and promote educational opportunities to those deserving students to enable them to realize their potential and to contribute to the growth of society and the nation. MGB exercises strict guidelines and due diligence to ensure that only the most qualified and deserving students receive the sponsorship award. This is crucial to ensure that no element of corruption is involved in the giving out of sponsorships.
- 6.2.2 The process of selection of sponsorship recipients should be transparent and approved based on proper criteria and justifications.
- 6.2.3 The donations and sponsorships must not be seen or given any possible perception of obtaining the business advantage of any kind or unduly influence the outcome of a business decision.

7. Undue Benefit, Profits and Gains

- 7.1 **MGB prohibits any illegal and unlawful payment in** commissions, profits, gains, other payment or benefit in any form (whether in cash or in-kind), payable to the third parties during official business dealings.
- 7.2 All necessary expenses incurred during the official business dealings shall be transparent, lawful, properly approved and documented.
- 7.3 On the other hand, all directors and employees shall immediately report and disclose the receipt of any doubtful discount, rebate, commission, service, interest, consideration for value or other benefit or payments of any kind (whether in cash or in-kind) to the director and HOD. The director shall assess on further actions required on such benefits and / or payment received, either to surrender or otherwise, and properly filed and recorded with Integrity Officer, for monitoring and audit purposes.

(E) WHISTLEBLOWING CHANNEL

1. If there is any suspicion, or reasonably believe that this Policy has been, or is being breached, any director or employee has an obligation to report their concerns to the director or HOD or the Integrity Team and where applicable. The employee may report such concerns using the reporting channels under the Whistleblowing Policy available at <https://www.mindaglobal.com.my/investor-relations/governance-policies>.
2. All concerns reported will be taken seriously, treated in a confidential manner and investigated immediately. The whistleblower anonymity will be protected unless the disclosure is required by law pursuant to an investigation or legislation, but may be required to provide a statement as supporting evidence to any investigation. Any retaliation directed against anyone making such report will not be tolerated.
3. All reports shall be made in good faith and the report must be legitimate. Anyone who makes any malicious, scandalous or vexatious report, and particularly if they persist with such untrue allegations, will be subjected to MGB's disciplinary actions.
4. Any queries or concerns about whether an act might constitute bribery or corruption, please contact any of the Integrity Officer for clarification.

(F) COMPLIANCE FUNCTION

1. MGB has established and will continue to maintain an Integrity Team to be responsible for all anti-bribery and anti-corruption compliance matters.
2. The Integrity Team is adequately equipped to act effectively against bribery and corruption in the following manner:
 - (a) provide advice and guidance on anti-corruption compliance programme and issues relating to bribery and corruption;
 - (b) take appropriate steps to ensure that there is adequate monitoring, measurement, analysis and evaluation of the anti-corruption compliance programme; and
 - (c) report on the performance of the anti-corruption compliance programme to the management and Audit Committee regularly.
3. The lines of authority for the Integrity Team tasked with responsibility for overseeing the anti-corruption compliance programme shall be directly to the Audit Committee.
4. Regular audits shall be conducted to monitor, review, improve and assess performance, efficiency and effectiveness of ongoing anti-bribery and anti-corruption efforts by MGB. Such audits may be conducted by the appointed Internal Auditor. The results of any audit, risk assessment, review of control measures and performance shall be reported to the Audit Committee periodically.
5. MGB regard acts of bribery and corruption seriously and will take appropriate actions in the event of non-compliance of this Policy. Any proven non-compliance of this Policy may lead to disciplinary action and termination of employment and contracts.

(G) TRAINING AND COMMUNICATIONS

1. This Policy is a public document which shall be communicated to all our employees.
2. All our employees shall confirm that they have read, understood and will abide by this Policy. A copy of this confirmation shall be documented and retained by the Human Resource Department for the duration of employment.
3. Adequate briefing or training on anti-bribery and anti-corruption approach shall be provided to our directors and employees.

(H) GENERAL ENQUIRIES

1. In the event of any queries, feedback or suggestion on area of improvement on our AB&C programme, please contact our Integrity Team at integrityteam@mindaglobal.com.my

(I) REVISIONS

1. This Policy will be updated, amended or revised from time to time to ensure its adequacy in implementation and enforcement.

Dated : 29 May 2020