MUDA HOLDINGS BERHAD

(Company No. 197101000036 (10427-A)

ANTI-BRIBERY

AND

ANTI-CORRUPTION POLICY

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1. INTRODUCTION

One of Muda Holdings Berhad's core values is to uphold sound, responsible and fair business practices. The Company and its subsidiaries is committed to promoting and maintaining the highest possible ethical standards in relation to all business activities. The Company's reputation for maintaining ethical and lawful business practices is of paramount importance and this policy is designed to preserve these values. The Company, therefore has zero tolerance policy towards any form of corruption, including but not limited to making, receiving or accepting any bribe, corrupt payment, kickback, or facilitation payment to or from anyone, anywhere in the world.

For purposes of this Code, the terms "Company" and "the Muda Group" mean Muda Holdings Berhad and all its subsidiaries and affiliates worldwide.

2. PURPOSE AND SCOPE

This policy sets the Muda Group's position on any form of bribery and provides minimum standards aimed at:-

(a) ensuring compliance with all applicable anti-bribery and anti-corruption laws, rules and regulations, not only in Malaysia, but also in any other country within which the Muda Group may carry out its business or in relation to which its business may be connected;

(b) enabling employees and persons associated with the Muda Group to understand risks associated with inappropriate and unlawful conduct and to enable and encourage them to be vigilant and to effectively recognize, prevent, avoid and report any wrongdoing, whether by themselves or others;

(c) providing suitable and secure reporting and communication channels and ensuring that any information that is reported is properly and effectively dealt with;

(d) creating and maintaining a rigorous and effective framework for dealing with any suspected instances of bribery or other unethical conduct; and

(e) ensuring that the relationships between the Muda Group employees and their dependents with suppliers, contractors and customers are transparent and clear.

This policy applies to Muda Holdings Berhad (together with its subsidiaries, the “Muda Group” or the “Company”), its employees (including full time, probationary, contract and temporary staff) (“Employees”) and Directors of the Group. It applies to any individuals or corporate entity associated with the Muda Group or who performs functions in relation to, or for and on behalf of the Muda Group including agents, contractors, consultants, third party service providers, joint venture partners, suppliers and sponsors.

The purpose of this Anti-Bribery and Anti-Corruption Policy is to reiterate Muda Group’s commitment to full compliance by the Company, its subsidiaries and its affiliates and its officers, directors, employees and agents of any local anti-bribery or anti-corruption laws that may be applicable. This Policy sets out the parameters to prevent the occurrence of bribery and corrupt practices in relation to the business of the Group. This Policy is supplemental to, and shall be read in conjunction with the Code of Business Conduct and Ethics.

3. DEFINITION

Corruption is the abuse of public power for private profit, or the misuse of entrusted power for private gain. Bribery is the offer, promise, or payment of cash, gifts, or even excessive entertainment, or an inducement of any kind offered or given to a person in a position of trust to influence that person’s views or conduct to obtain an improper advantage. Bribery and corruption can take many forms, including or acceptance of:-

(a) cash payments or cash equivalent;
(b) "consulting" relationships or phony jobs;
(c) facilitation payments or "kickbacks";
(d) political and charitable contributions; and
(e) hospitality, gifts and entertainment.

4. OBLIGATIONS

The policy is designed to avoid violations of applicable anti-bribery and anti-corruption laws and prohibits:-

(a) offer, promise or give a financial advantage to another person (i.e. to bribe a person) including but not limited to any employee, employees of private and non-governmental entities, agent or representative of a government, political party and party official and candidate for the purpose of inducing or rewarding improper conduct.

(b) request, agreement to receive or accept a financial and other advantage (i.e. a bribe) for or in relation to improper conduct.

(c) the maintenance of inaccurate or the falsification of books and records detailing transactions and failing to establish and maintain a system of internal controls to reasonably assure all transactions are accurately recorded.

It is an offence to bribe another person in the course of doing business, for the purpose of obtaining or retaining business, or obtaining or retaining an advantage in the conduct of business, for the Muda Group. Any employee or associated persons, as well as the Company itself, may be held liable for this offence. The Muda Group may suffer substantial reputational damage in connection with this offence.

5. POLICY

All employees, directors and associated persons are required to:-

(a) comply with Section 17A of the Malaysian Anti-Corruption Commission Act, 2009 (MACC Act) and any anti-bribery and anti-corruption legislation that applies in any jurisdiction in any part of the world in which the Muda Group might be expected to conduct business.

(b) act honestly, responsibly and with integrity.

(c) safeguard and uphold the Muda Group's core values by operating in an ethical, professional and lawful manner at all times.

Bribery of any kind is strictly prohibited. Under no circumstances should any provision be made, money set aside or accounts created for the purpose of facilitating the payment or receipt of a bribe.

Personal funds may not be used to accomplish what is prohibited by this policy. If in doubt as to what might amount to bribery or other unethical conduct or might constitute a breach of this policy, you should refer the matter to the Executive Director/Senior General Manager/General Manager.

Breach of any of the provisions of this policy will constitute a disciplinary offence. Depending on the gravity of the offence, it may be treated as gross misconduct and could render the employee liable for summary dismissal.

As far as associated persons or other corporate entities are concerned, breach of this policy could lead to suspension or termination of any relevant contract, sub-contract or other agreement with these associated persons or corporate entities.

6. RESPONSIBILITIES AND REPORTING PROCEDURE

It is the contractual duty and responsibility of all employees and directors and associated persons or corporate entities to take whatever reasonable steps that are necessary to ensure compliance with this policy and prevent, detect and report any suspected bribery, fraud, corruption in accordance with the procedure set out in the Whistleblowing Policy and Procedures Manual. You must immediately disclose to the Company or its subsidiaries, any knowledge or suspicion they may have that you, or any other employee or associated person or another corporate entity, has plans to offer, promise or give a bribe or a request, agree to receive or accept a bribe in connection with the business of the Muda Group. For the avoidance of doubt, this includes reporting your own wrongdoing.

The duty to prevent, detect and report any incident of bribery and any potential risks rests not only with the Directors of Muda Holdings Berhad and its subsidiaries, but applies equally to all employees and associated persons and other corporate entities that have business dealing with the Muda Group. Employees are required to immediately report known or suspected violations of this Policy to the Executive Director.

7. RISK ASSESSMENTS

The Company and its subsidiaries shall regularly assess the nature and extent of the risks relating to bribery to which it is exposed, being aware that risks are potentially present internally and externally.

The Senior General Manager/General Manager of the Company and its subsidiaries will take responsibility for instigating and carrying out relevant risk assessment exercises at regular intervals, such exercises shall include consideration of:-

(a) the Company's and its subsidiaries' business activities across all operations nationally and internationally and any actual or proposed changes to those activities.

(b) the Company's and its subsidiaries' employees and their knowledge and understanding of the Muda Group's business profile and associated bribery risks.

(c) the business activities of the Company's and subsidiaries' customers, suppliers, contractors, intermediaries, agents, joint venture and other business partners and the interface between those activities and those of the Company and the subsidiaries.

(d) the markets and countries in which the Company and its subsidiaries and those acting on the Company's and subsidiaries' behalf operates.

The Company and its subsidiaries are committed to investigating and be fully informed about the individuals and organization with whom it has business dealing and the markets in which it operates.

The extent of due diligence into business relationships will vary according to the risk. Where appropriate, before entering into any business relationship, the actions the Company and its subsidiaries may take include, but not limited to:-

(a) making enquiries about the risk of bribery in a particular country or location in which the Company or its subsidiaries are seeking a business relationship, the types of bribery most commonly encountered and any information about the preventive actions which are most effective;

(b) investigating the bribery risks that a particular business opportunity raises, for example, establishing whether the project is to be undertaken at market prices and has a defined legitimate objective and specifications;

(c) establishing whether individuals or organizations involve in key decisions, such as intermediaries, consortium or joint venture partners, contractors, consultants, suppliers or agents have a reputation for bribery and whether anyone associated with them is being investigated or prosecuted or has been convicted or debarred, for bribery or related offences. This may include considering the risks associated with politically exposed persons where the proposed business relationship involves, or is linked to, a prominent public office holder.

(d) checking that potential partners internal anti-corruption measures are consistent with the terms of this policy, and where necessary, encouraging the adoption of such measures.

(e) ensuring all business relationships and transactions are properly documented and recorded and have the express approval of the requisite Executive Director/Senior General Manager/General Manager.

(f) ensuring that the Company and its subsidiaries are able to exit from any business relationship if bribery occurs or is reasonably thought to have occurred.

8. HOSPITALITY, GIFTS AND ENTERTAINMENT

This Policy does not prohibit normal and appropriate hospitality (given and received) to and from third parties.

Hospitality, Gifts and Entertainment Given

Typical and appropriate client lunches and dinners are deemed appropriate and do not in themselves exert nor are intended to exert undue influence and are thus not specifically recorded to comply with this policy.

Information on corporate events over and above normal client lunches and dinners are recorded by the Finance Department. This information will include details of all clients that attended the event.

It is understood that when authorizing expenditure, the attendees at such events, may if appropriate, include transport to and from as well as accommodation at the event.

All hospitality is offered in an open non-secretive manner.

All expenditure and expenses on hospitality and entertainment must be approved in accordance with the Group's Financial Policy and Procedures.

Flower, cards and seasonal/festival gifts under RM500.00 are deemed not in themselves to exert undue influence. Such activities are not recorded in a formal register.

Gifts of over RM500.00 are recorded on the Company's and its subsidiaries' platform and brought to the attention of the Executive Director/Senior General Manager/General Manager.

Gifts will only be provided if:-

(a) they do not exert undue influence,
(b) they comply with local law;
(c) they are given in the name of the Company or its subsidiaries and not in the name of an individual;
(d) they do not include cash or a cash equivalent;
(e) they are appropriate in the circumstance and for that market sector; and
(f) they are given openly and not secretly.

Typical and appropriate business lunches and dinner are deemed appropriate and do not in themselves exert nor are intended to exert undue influence and are thus not specifically recorded to comply with this Policy.

All entertainment received with an estimated value of more than RM500.00 shall be reported by email to both the person's line manager and the Executive Director. The estimated cost will include food, alcohol, travel and tickets paid by a third party.

All gifts received by employees with an estimate, or actual retail value of RM500.00 or more, must be reported by email to both the persons line manager and the Executive Director. If appropriate, the line manager will seek advice from the Executive Director as to whether the gift should be returned.

The Human Resource Department will keep a record of all declarations made and issued to the Executive Director on request.

9. FACILITATION PAYMENTS AND KICKBACKS

We do not make, and will not accept, facilitation payments or "kickbacks" of any kind.

10. DONATIONS

We do not make donations to political parties.

We only make charitable donations that are legal and ethical under local laws and practices.

Company donations shall not be offered or made without the prior approval of the Executive Director.

Typical individual to individual donations for their charitable activities are deemed not in themselves to exert undue influence and are not recorded.

11. RECORD KEEPING

We shall keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.

All staff expense claims relating to hospitality, gifts or expenses incurred to third parties shall be submitted in accordance with our expenses policy and specifically records the reasons for the expenditure.

All accounts, invoices, memoranda and other documents and records relating to dealings with third parties such as customers, suppliers, agents, consultants and business contacts should be prepared and maintained with strict accuracy and completeness. No accounts must be kept "off-book" to facilitate or conceal improper payments.

12. TRAINING AND COMMUNICATION

Training on this Policy forms part of the induction process for all new employees.

All existing employees will receive training on how to adhere to this Policy.

All subsequent changes to this Policy will be communicated to all employees through the Human Resource Department of the Company and its subsidiaries.

Our zero-tolerance approach to bribery, fraud and corruption is communicated to all customers, suppliers, contractors, business partners and intermediaries at the outset of our business relationship with them and as appropriate thereafter.

13. MONITORING AND REVIEW

The Senior General Manager/General Manager will monitor the effectiveness and review the implementation of this policy in the Company and the subsidiaries, considering the suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible. Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.

Employees are invited to comment on this policy and suggest ways in which it might be improved. Comments, suggestions and queries shall be reviewed by the Board of Directors.

This policy does not form part of any employee's contract of employment and it may be amended at any time.

This policy is subject to review once in every three (3) years by the Board of Directors.

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