PMB TECHNOLOGY BERHAD

REGISTRATION NO. 200201016594 (584257-X)

ANTI-BRIBERY AND
ANTI-CORRUPTION POLICY
# Glossary

<table>
<thead>
<tr>
<th>Words</th>
<th>Meanings</th>
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<tbody>
<tr>
<td>Abuse of power</td>
<td>Where someone abuses a position of trust for the purposes of illicit gain.</td>
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<tr>
<td>Board</td>
<td>The Board of Directors of PMB Technology Berhad.</td>
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<td>Bribery</td>
<td>Defined as any action which would be considered as an offence of giving or receiving gratification under the MACC Act.</td>
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<td>Business Associate</td>
<td>An external party with whom the Group has, or plans to establish some form of business relationship which may include but not limited to customers, joint venture partners, consultants, contractors, subcontractors, suppliers, agents and etc.</td>
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<tr>
<td>Corporate Gift</td>
<td>Something given from one organisation to another, with the appointed representatives of each organisation giving and accepting the gift.</td>
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<td>Corruption</td>
<td>Defined as any action which would be considered as an offence of giving or receiving gratification under the MACC Act.</td>
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<tr>
<td>Conflict of Interest</td>
<td>When a person’s own interests either influence, have the potential to influence, or are perceived to influence their decision making of the Group.</td>
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<td>Contract staff</td>
<td>A person who provides services to the Group under a written contract.</td>
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<tr>
<td>Donations and Sponsorship</td>
<td>Charitable contributions and sponsorship payment made to support the community</td>
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<td>Directors</td>
<td>Includes all independent and non-independent directors, executive and non-executive directors of the Group and shall also include alternate or substitute directors.</td>
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<td>Exposed Position</td>
<td>A position identified as vulnerable to bribery through risk assessment. Such position may include but not limited to roles involving procurement, financials, sales, or any other positions which the Group has identified as vulnerable to Bribery and Corruption.</td>
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<tr>
<td>Extortion</td>
<td>The act of getting something, especially money, by force or threats.</td>
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<tr>
<td>Facilitation Payment</td>
<td>A payment or other provision made personally to an individual in control of a process or decision. It is given to secure or expedite a routine or administrative duty or function.</td>
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<tr>
<td>Festive Gift</td>
<td>Traditional treats or gifts customary to the occasion such as red packets (cash or cash equivalent), hampers, and etc.</td>
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<td><strong>Fraud</strong></td>
<td>The crime of obtaining money or property by deceiving people.</td>
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<tr>
<td><strong>Gratification</strong></td>
<td>Defined in the MACC Act as:-</td>
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(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).

| **Group** | PMB Technology Berhad and its subsidiaries, collectively. |
| **Hospitality** | Food, drink, entertainment, etc. that an organisation provides for guests or business partners with or without the presence of the host. |
| **Intermediary** | Agents and other appointed representatives of the Group. |
| **MACC Act** | Malaysia Anti-Corruption Commission Act 2009 and any statutory modification, amendment or re-enactment thereof for the time being in force |
| **Personnel** | Employees, contract staff and interns, collectively. |
| **Policy** | Anti-Bribery and Anti-Corruption Policy |
| **Political contributions** | Contributions, financial or in kind, made directly or indirectly to a political party, elected officials or political candidates for general party support or political campaigning. Financial contributions can include loans. In-kind contributions can include gifts of property or services, advertising or promotional activities endorsing a promotional party, the |
| Sponsorship | The provision of financial support to sports, arts, entertainment or other causes for business objectives and usually for brand or reputation management purposes. | purchase of tickets for fundraising events and contributions to research organisations with close political affiliations. |
1. **Introduction**

1.1. The Group is committed to the highest ethical standards in conducting business dealings with integrity and in compliance with all applicable laws, including the MACC Act.

1.2. The Group has adopted a zero-tolerance approach against all forms of Bribery and Corruption and takes a strong stance against such acts.

1.3. The Policy shall be read in conjunction with the Company’s Code of Conduct, Code of Ethics, Whistle-Blower Policy and the MACC Act.

1.4. This Policy is not intended to provide definitive answers to all questions regarding Bribery and Corruption, but to provide a basic introduction to how the Group combats bribery and corruption in furtherance of its commitment to lawful, fair and ethical behavior at all times.

1.5. Failure to comply with this Policy, whether intentional or not, may lead to disciplinary action and criminal liability for the individual(s) involved.

2. **Objective**

2.1. The Policy sets out the Group’s position on Bribery and Corruption in all its forms and matters that might confront the Group in its day to day operations.

2.2. The Policy serve as a guideline on how to prevent and deal with Bribery and Corruption which may arise in the course of business.

3. **Scope**

3.1. This Policy applies to:-

   a) the Group and all of its Directors, Personnel and Intermediaries;
   b) the Group’s business dealings with private and public sector entities, including their Directors, Personnel and Intermediaries; and
   c) all the jurisdictions in which the Group operates.

   (collectively referred to as “the Parties”)

3.2. This Policy would not be able to provide the Parties with comprehensive solution to every potential Bribery and Corruption that may arise.

3.3. In the event of a conflict between a mandatory law and the principles espoused in this Policy, the law shall prevail.

3.4. In the event of doubt in relation to this Policy, the Parties should contact the Company’s Human Resource Department immediately.

4. **Responsibilities**

4.1. The Parties are responsible for understanding and complying with this Policy.
4.2. Responsibilities of Directors and Personnel are as follows:-

a) Familiar with the requirements and directives of the Policy;

b) Attend and complete all trainings and assessments in relation to the Policy;

c) Promptly record all transactions of Gifts, Entertainment, Hospitality, Travel, Donation and Sponsorship (collectively referred to as “GEHTDS”) accurately and in reasonable detail;

d) Seek guidance from their superiors if they become aware of suspicious transactions;

e) Always raise suspicion transactions to immediate superior for guidance on next course of action; and

f) Promptly report violations or suspected violations through appropriate channels.

5. Anti-Bribery and Anti-Corruption

5.1. All forms of Bribery and Corruption are prohibited. The Parties should not participate in any corrupt or unethical activity such as but not limited to extortion, abuse of power, trading under influence fraud and/or money laundering.

5.2. Bribery and Corruption may take the form of exchange of money, goods, services, property, privilege and/or preferential treatment. The Parties shall not, whether directly or indirectly, offer, give, receive or solicit any item of value, in an attempt to influence decisions or actions of a person in a position in the Group, either for the intended benefit of the Group or the Business Associate involved in the transaction.

5.3. This Policy applies to the Group’s business dealings with commercial and government entities, and includes interactions with their directors, employees, agents and other appointed representatives.

5.4. No Directors and Personnel will suffer demotion, penalty or other adverse consequence for refusing to pay or receive bribes or other illicit behavior, even if such refusal may result in the Group losing business or experience a delay in business operations.

5.5. Any person commits an offence under sections 16, 17, 20, 21, 22 and 23 of the MACC Act shall be on conviction be liable to:-

a) Maximum twenty (20) years imprisonment; and

b) A minimum fine of RM10,000.00 or five (5) times the value of the bribe, whichever is higher.
5.6. The Group awards contracts based on merits and tenders. Support letters in all forms shall not be recognized as part of the business decision making process.

5.7. The Group shall conduct due diligence on personnel in Exposed Positions to safeguard the interests of the Group.

5.8. The Group’s internal audit function shall conduct risk assessments in relation to Bribery and Corruption on a periodic basis.

6. **Conflict of Interest**

6.1. A situation of conflict of interest arise in situations where a personal interest that might be considered to interfere with a person’s objectivity in performing or exercising duties/judgement on behalf of the Group.

6.2. The Parties should avoid or deal appropriately with situations in which conflict of interest arise and they must not use their position to gain or to cause disadvantage directly or indirectly to the Group.

6.3. When Directors or Personnel are faced with a conflict-of-interest situation, they are required to disclose their interest to their immediate superior and submit the necessary form as per Appendix I to Human Resource Department.

7. **Business Associate**

7.1. The Group expects all Business Associate to refrain from Bribery and Corruption.

7.2. Appropriate due diligence including background checks, a document verification process and bribery risk assessment must be undertaken on any Business Associate before entering into a business relationship.

7.3. If suspicion of Bribery and Corruption arises in any collaboration with the Business Associate, the Group reserve the right to seek an alternative Business Associate.

7.4. The Group may include clauses in contracts which would enable the Group to terminate any contract in which Bribery or Corruption is made suspicious of, where practicable.

7.5. The Group will request all Business Associates to adhere to industry best practice and accept standards of behavior and to execute the Declaration Form as set out in Appendix II.

8. **Gifts, Entertainment, Hospitality, Travel, Donation and Sponsorship**

8.1. The Group prohibits both the giving and receiving of GEHTDS which may influence business decisions. The intention behind the GEHTDS should always be considered, so that it does not create an appearance of bad faith and impropriety and should not be misunderstood by others to be a bribe.
8.2. The Group shall maintain a GEHTDS register to record GEHTDS received or provided for audit purposes. Such register should state the gift’s nature, its value, the name of the provider, name of the recipient, reason or occasion for the gift.

8.3. Directors and Personnel must not accept any other preferential treatment because of their positions with the Company which may, or be perceived to, place them under an obligation to reciprocate the preferential treatment.

8.4. Directors and Personnel must comply with all applicable policies, procedures, laws and regulations related to GEHTDS in all countries in which the Group operates.

8.5. The Group should not solicit any GEHTDS from any Business Associate directly or indirectly.

8.6. The Group allows appropriate business related GEHTDS if the following principles are observed:

   a)  **Transparency**

       Receipt and/or provision of any GEHTDS should be comfortably recorded into the Group’s designated register which would be made available for audit purposes.

   b)  **Bona fide**

       Receipt and/or provision of any GEHTDS must not give rise to a conflict of interests.

   c)  **Ability to Influence**

       Receipt and/or provision of any GEHTDS should not occur which may detriment the direction of a business decision.

   d)  **Value**

       Receipt and/or provision of any GEHTDS must be modest and not be so frequent as to place the recipient under an obligation.

   e)  **Purpose**

       Receipt and/or provision of any GEHTDS offered openly in normal course of business to promote good relations and mark special occasions must not be interpreted as to gain unmerited advantage or cause disadvantage to others.
8.7. The Group should avoid from offering and/or accepting GEHTDS from government officials. Where deemed appropriate, a Corporate Gift and not a personal gift may be given for a specific purpose. GEHTDS must be reasonable and in accordance with the rank of the government officer so as to avoid the impression of the creation of an obligation on the part of the government official.

8.8. All sponsorships, donations and direct or indirect political contributions must be approved by two (2) Executive Directors regardless of the amount. Payments are monitored to ensure that the procedures are complied with. Payments must be accurately reflected in the Group’s accounting books and records, be permitted by the applicable law and be capable of being publicly disclosed.

8.9. The Group should not exercise any of its resources to make any direct or indirect political contributions to any political party without the approval from the Board.

8.10. Any personal gift which violates this Policy must be politely declined or returned with an explanatory note from the affected Director or Personnel thanking the third party but politely explaining that the Policy prevents them from accepting Personal Gifts.

8.11. The Group must ensure that all Donation and Sponsorship are given through legal and proper channels. Particular care must be taken in ensuring that the charities or sponsored organisations on the receiving end are valid bodies and are able to manage the funds properly. Steps must be taken to ensure that donations to foreign-based charities or beneficiaries are not disguised illegal payments to government officials nor act as conduit to fund illegal activities in violation of any applicable law. When in doubt, employees can escalate the matter to Group Managing Director to determine the authenticity of such requests.

8.12. Corporate Gifts and/or Festive Gifts may be given to any Business Associate provided it is made for the right reason, not obligatory, not expecting expectation, made openly, within reasonable value and legal.

9. Facilitation Payments

9.1. The Group adopts a strict stance in disallowing Facilitation Payments.

9.2. In the event of an encounter with any requests for a Facilitation Payments, personnel are expected to notify their immediate superior. In the event that such payment has been made and the Parties are unsure of the nature, their immediate superior must be immediately notified and consulted. Such occurrence has to be recorded in a register for audit purposes.

9.3. In the event that the safety of the Party is at stake, a Facilitation Payment is permitted if:-

a) That the Facilitation Payment is the immediate available recourse to protect the safety of the Parties; and
b) Approval has been obtained by the Chief Executive Officer.

10. Record Keeping for Managing Documentation

10.1. The Group would keep and maintain data, record and documents in accordance with statutory and regulatory requirements. The Group would have appropriate internal controls in place to safe-keep, archival, retrieval, retain and store proper records.

10.2. The Group must ensure that all GEHTDS are recorded in the register in a timely manner.

11. Non-Compliance

11.1. The Group would take immediate action against any party who did not adhere to the Policy. This may include but not limited to the termination of employment, business arrangements, initiation of legal action and/or notification to the authorities.

11.2. Bribery or corruption cases that have been proven beyond reasonable doubt shall be referred to the relevant authorities.

11.3. Where the Group’s interests have been harmed by the non-compliance, legal action may be pursued against such parties.

11.4. Any Parties found guilty by the authorities pursuant to Section 17A(2) of the MACC Act, is punishable by a fine not less than ten (10) times the sum or value of the gratification which is the subject matter of the offence, where the gratification is capable of being valued or is of a pecuniary nature, or RM1.0 million, whichever is higher or imprisonment for a term not exceeding 20 years or both. The Company, subsidiary or Group may also be liable if it fails to prevent bribery by an associated person1 (including, but not limited to an employee) for the Company’s/ subsidiary’s/ Group’s benefit.

Note:
1 A person who performs any services or functions on behalf of another person, or under the instruction of another party, who works/ deals with the Group

12. Whistle-blowing Channel

12.1. The Group has established a Whistle-blowing Policy which details the Group’s policies and procedures in relation to disclosure of any known malpractices or wrongdoings occurred in the Group.

12.2. The Parties who encounter actual or suspected violations of this Policy are required to report their concerns. The parties are responsible to ensure that suspected Bribery and Corruption incidents are reported promptly via the procedures set out in the Whistle-blowing Policy which is made available in the Group’s website.

12.3. Whistle-blowing reports made in good faith, either anonymously or otherwise, will be investigated objectively without the threat of reprisal regardless of the outcome. The
confidentiality of the whistle-blower’s identity and the information reported is ensured.

13. Awareness and Training

13.1. This Policy will be disclosed on the Company’s website and is accessible by all Parties.

13.2. The Group is committed in arranging awareness programmes or in-house training for Directors and Personnel to refresh awareness in relation to the Policy and to continuously promulgate integrity and ethics.

13.3. In addition, the Group provides training in relation to the Policy to all new recruits Personnel, as part of the induction programme.

13.4. The Human Resources Department will maintain records of the Directors and Personnel who have completed the training and assessment and other necessary documents to ensure that all the Group’s Directors and Personnel comply with these requirements.

13.5. The Group will also provide reminders in relation to the Policy on an annual basis.

14. Performance Evaluation

14.1. In line with the level of risk, incidences of non-compliance and any risk areas identified by the audit or other means, it must be reported to the top management and Audit Committee in a timely manner.

14.2. Periodic audits will be conducted either internally or by an external party to ensure compliance with this Policy.

14.3. The findings of the audits will be documented and form the basis for any process improvements.

15. Periodic Review and Disclosure

15.1. This Policy shall be reviewed at least once every three (3) years to ensure its effectiveness and consistency with the applicable legislation and regulatory requirements, reputational demands and changes in the business.

16. Board Approval

16.1 This Policy is reviewed and approved by the Board for adoption on 28 May 2020.