

ANTI – BRIBERY AND CORRUPTION MANUAL

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Introduction

The MISC Group has adopted a zero tolerance policy against all forms of bribery and corruption. The MISC Code of Conduct and Business Ethics (CoBE) sets out MISC's core principles in this regard while the MISC Anti-Bribery and Corruption Manual (hereinafter referred to as the "ABC Manual") elaborates upon those principles, providing guidance to employees concerning how to deal with improper solicitation, bribery and other corrupt activities and issues that may arise in the course of business.

This ABC Manual will apply not only to all employees and directors within the MISC Group worldwide, but to our contractors, sub-contractors, consultants, agents, representatives, and others performing work or services for or on behalf of MISC Group as well. In particular, the ABC Manual expressly prohibits improper solicitation, bribery and other corrupt activity not only by employees and directors but also by third parties performing work or services for or on behalf of companies in the MISC Group.

This ABC Manual is not intended to provide definitive answers to all questions regarding bribery and corruption. Rather, this ABC Manual provides a basic introduction to how MISC combats bribery and corruption in furtherance of the Group's commitment to lawful and ethical behaviour at all times. Some of the guidelines are designed to prevent situations in which bribery and corrupt practices may take root.

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 Legal Compliance Department immediately.



“ALWAYS ASK WHENEVER IN DOUBT”

Adherence to this ABC Manual is essential, as it reflects MISC's unwavering commitment to upholding the highest standards of integrity, ethical behaviour and professionalism in all its operations. The ABC Manual embodies MISC's Shared Values and principles that are the cornerstone to how we do business.

Any conduct that contravenes the principles set out in this ABC Manual will be dealt with according to Part IV of the CoBE and other applicable local laws. Possible consequences include dismissal, fines and imprisonment. Moreover, the company may face damage to its reputation, financial losses, disbarment from business and other negative ramifications.

PART 1
**APPLICATION
& DEFINITIONS**

Part 1 : Application and Definitions

1A Application

1. This ABC Manual is intended to apply to every employee of every MISC group company worldwide. It is also intended to apply to every director (executive and non-executive) for those companies, except as otherwise stated in this Manual. Your failure to comply may have severe consequences for MISC and may result in disciplinary action against you, or even dismissal from MISC, subject to the requirements of applicable law.
2. This ABC Manual applies to you in your capacity as a third-party conducting business with MISC and MISC requires the same level of integrity and business conduct from you, whether you are engaged as an agent, an intermediary, engaged to provide goods and/or services for, jointly with or on behalf of MISC or as a counterparty in a business transaction with MISC. “Third Parties” refer to both individuals and corporate entities including but not limited to director, officer, employee, agent, consultant, nominee, representative, licensee, adviser, sub-contractors, any service provider. Your failure to comply may have severe consequences for both MISC and yourself, and may result in MISC requesting you to take remedial steps to remedy a breach, or even suspending or terminating business relationship with you and seeking to enforce any other contractual right we may have against you for breaching this ABC Manual.
3. If you wish to direct your concerns regarding an MISC department/ unit or employee, contractors, sub-contractors, consultants, agents, representatives, or other service providers, in lieu of contacting your Head of Department/Division (HoD), Human Resource Department (HR Department), Compliance Department (Compliance LCSC) or MISC contact person, you may also channel your concerns through the whistleblowing platform as per Part 10 of this ABC Manual.
4. This ABC Manual is prepared in both English and Bahasa Malaysia and may appear in other languages. In the event of any conflict, the English version will prevail.
5. This ABC Manual is implemented worldwide in a phased roll out, commencing with its entry into effect for Malaysian group of companies on 19 June 2024 (“Effective Date”). In that regard, it replaces the previous ABC Manual. Any misconduct committed before the Effective Date of this ABC Manual will be dealt with under the previous ABC Manual (or other applicable policies and terms and conditions of service) in effect for your company at the time of the misconduct.

Part 1 : Application and Definitions

6. If there is any conflict between the law and the rule or policy set out in this ABC Manual, you should comply with the law. However, if there is any conflict between the local custom or policy with this ABC Manual, you are called upon to comply with this ABC Manual. If you perceive that a provision of this ABC Manual conflicts with the law in your jurisdiction, you should consult with your HoD, HR Department, Compliance LCSC, or your MISC contact person (as the case may be) rather than disregard this ABC Manual without consultation.
7. This ABC Manual does not identify or set out every law, policy or procedure that may apply to you in the performance of your role. You are responsible for informing yourself concerning all laws and other MISC policies and procedures that apply to you as a result of your role with MISC. This ABC Manual does not constitute legal advice.
8. This ABC Manual does not and does not seek to address every situation you may encounter in the course of your employment and in conducting business with MISC. Explanatory statements or examples set out under this ABC Manual may or may not be applicable to your situation / relationship / arrangement with MISC and act to serve as guidance only. This ABC Manual is not a substitute of your own duty, responsibility, and accountability to comply with all laws applicable to you or your business, nor a substitute of your good judgement in exercising discretion and making business decisions.
9. MISC reserves the right to modify, revise, cancel or waive any policy, procedure or condition without notice and without revision of the ABC Manual. Moreover, the provisions of the ABC Manual may be modified by MISC to adapt them to local laws and conditions.

Part 1 : Application and Definitions

1B Definitions

1. References to “you” in this ABC Manual refer to any person to whom this ABC Manual applies. Where more specific references are used (such as “employee”), the more specific reference is intended.
2. For purposes of this ABC Manual, the following terms are defined:
 - a) “family/household” includes your spouse(s), children (including step-children and adopted children), parents, step-parents, siblings, step-siblings, grandparents, grandchildren, in-laws, uncles, aunts, nieces, nephews, and first cousins, as well as other persons who are members of your household.
 - b) “employee” means any person who is in the employment of MISC including but not limited to executives, non-executives, secretaries, secondees and individuals on direct hire.
 - c) “MISC” or “Company” means MISC Berhad and its subsidiaries and controlled companies. The expression “MISC” or “Company” is used for convenience where references are made to MISC companies in general. The companies in which MISC has direct or indirect shareholding are distinct legal entities.
 - d) “Third Parties” refer to both individuals and corporate entities including but not limited to director, officer, employee, agent, consultant, nominee, representative, licensee, adviser, sub-contractors, any service provider engaged to provide goods and/or services for, jointly with or on behalf of MISC or a counterparty in a business transaction with MISC.
 - e) “MISC contact person” means MISC’s focal that can be contacted by any third-party having business dealing with MISC.
 - f) “Gift” includes but is not limited to money, movable or immovable property, vehicles, free fares, stocks, lottery tickets, travel facilities, entertainment, services, club memberships, any form of discount or commission, hampers, jewelry, ornaments, any gifts, souvenirs, other forms of gratification or anything of value.
 - g) “Corporate Social Responsibility” means investments made voluntarily for communities with the primary purpose of contributing to enhance social impact by promoting sustainable livelihoods and conserving the environment, in alignment with MISC Sustainability Agenda.

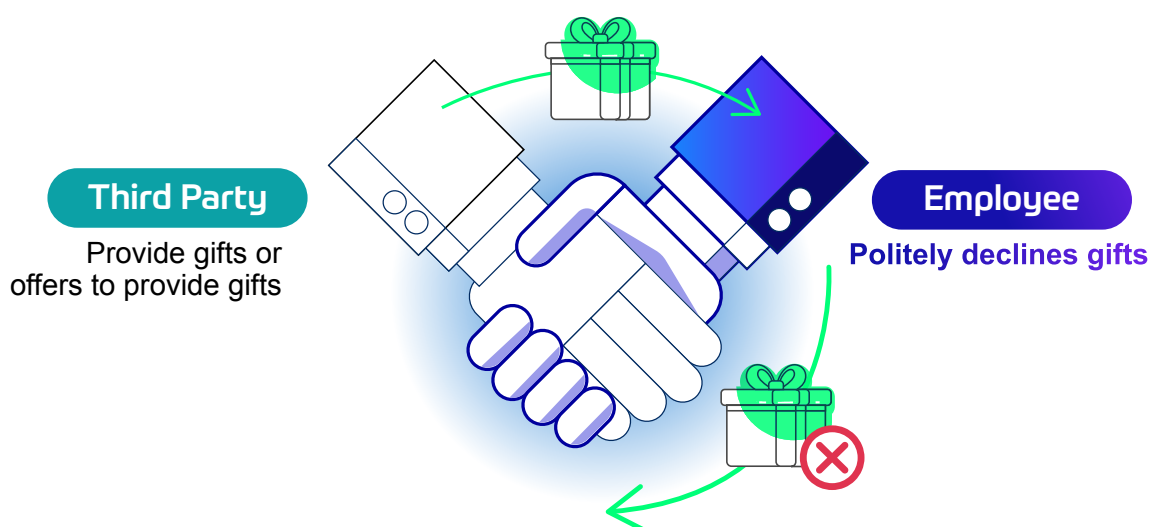
PART 2

**GIFTS, ENTERTAINMENT
& CORPORATE HOSPITALITY**

Part 2 : Gifts, Entertainment and Corporate Hospitality

2A “No Gift” Policy

1. MISC has adopted a “No Gift” Policy whereby, subject only to certain narrow exceptions, MISC employees and directors (executive and non-executive), family members or agents acting for or on behalf of MISC employees, directors or their family members and other associated persons are prohibited from, directly or indirectly, receiving or providing gifts.
2. Employees, directors and other associated persons shall avoid conflict of interest or the appearance of conflict of interest for either party in on-going or potential business dealings between MISC and external parties as a gift can be seen as a bribe that may tarnish MISC’s reputation or be in violation of anti-bribery and corruption laws.
3. As set out in the MISC Code of Conduct and Business Ethics (CoBE), a conflict of interest arises in a situation in which an individual is in a position to take advantage of his or her role in MISC for his or her personal benefit, including the benefit of his or her family/household and friends. This would undermine the duties of good faith, fidelity, diligence and integrity as expected by MISC from its employees and directors in the performance of their duties and obligations.
4. It is the responsibility of employees and directors to inform external parties involved in any business dealings with MISC that the Company practices a “No Gift Policy” and to request the external party’s understanding for and adherence with this policy.



MISC employees and directors and other associated persons are prohibited from, directly or indirectly, giving or receiving gifts to avoid conflict of interest or the appearance of conflict of interest.

Part 2 : Gifts, Entertainment and Corporate Hospitality

2A(i) Receiving Gifts

1. The Company is very much aware that the exchange of gifts can be a very delicate matter where, in certain cultures or situations, gift giving is a central part of business etiquette. Despite acknowledging MISC's "No Gift Policy", some external parties may still insist in providing gifts to MISC employees, directors and/or their family members and other associated persons in certain situations which do not fall within the general exceptions.
2. Although the general principle is to immediately refuse or return such gifts, accepting a gift on behalf of MISC is allowed only in very limited circumstances, whereby refusing the gift is likely to seriously offend and may sever MISC's business relationship with the Third Party. However, in no circumstances may an employee, director or his/her family/household members and other associated persons accept gifts in the form of cash or cash equivalent.
3. In these limited circumstances, employees are expected to immediately record the gift in the MISC specified declaration platform or any other form as provided by your HR Department for submission to your HoD (minimum GM level) who will then decide whether to approve the acceptance of the gift or require it to be returned. Directors should inform the Company Secretary, as soon as reasonably practicable, to seek his/her advice when faced with a similar situation.
4. Even if it may appear disrespectful to refuse a gift from an external party, nevertheless, if there is a conflict of interest situation (e.g. bidding is in progress and the company that gave the gift is one of the bidders) then clearly the HoD / HR Department / Compliance LCSC cannot approve the acceptance of said gift (in the case of directors, the Company Secretary would advise the same). In this situation, **the gift must be politely returned with a note of explanation about the Company's "No Gift" policy.**
5. In the event the HoD approves the acceptance of the gift, he/she must also determine the treatment of the gift whether to:
 - a) Donate the gift to charity; or
 - b) Hold it for departmental display; or
 - c) Share with other employees in the department; or
 - d) Permit it to be retained by the employee.

Part 2 : Gifts, Entertainment and Corporate Hospitality

6. In determining the above, HoD are expected to exercise proper care and judgement in each case, taking into account pertinent circumstances including the character of the gift, its purpose, the position/ seniority of the person(s) providing the gift, the business context, reciprocity, applicable laws and cultural norms.



Did You Know?

There are certain types of gifts which are never permissible and MISC employees, directors and other associated persons shall immediately refuse if it involves the following:

- a) Any gift of cash or cash equivalent. Cash equivalent could be in the form of vouchers, discounts, coupons, shares and commission etc.
- b) Any gifts involving parties engaged in a tender or competitive bidding exercise.
- c) Any gifts that come with a direct/ indirect suggestion, hint, understanding or implication that in return for the gift, some expected or desirable outcome is required (“quid pro quo”).
- d) Any gift that would be illegal or in breach of local or foreign bribery and corruption laws.

2A(ii) Providing Gifts

1. Generally, employees are not allowed to provide gifts to third parties with the exception of the President & Group CEO, Vice Presidents, and any other officers identified in the gift and entertainment policy of the respective jurisdictions.

2A(iii) Exceptions to The “No Gift” Policy

1. Although generally MISC practices a “No Gift” Policy, there are certain exceptions to the general rule whereby the receiving and provision of gifts are permitted in the following situations: -
 - a) Exchange of gifts at the company-to-company level (e.g. gifts exchanged between companies as part of an official company visit/courtesy call and thereafter the 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);

Part 2 : Gifts, Entertainment and Corporate Hospitality

- c) Gifts from MISC to employees and directors and/or their family members and other associated persons in relation to an internal or externally recognised Company function, event and celebration (e.g. in recognition of an employee's/director's and other associated person's service to the Company);
- d) Token gifts of nominal value normally bearing the MISC or company's logo or (e.g. t-shirts, pens, diaries, calendars and other small promotional items) or that are given out equally to members of the public, delegates, customers, partners and key stakeholders attending events such as conferences, exhibitions, trainings, trade shows etc. and deemed as part of the company's brand building or promotional activities; and
- e) Gifts to external parties who have no business dealings with MISC (e.g. monetary gifts or gifts in-kind to charitable organisations).



Part 2 : Gifts, Entertainment and Corporate Hospitality

2. Even in the above exceptional circumstances, employees and directors and other associated persons are expected to exercise proper judgement in handling gift activities and behave in a manner consistent with the general principles set out in the CoBE as per below:
 - Conscientiously maintain the highest degree of integrity.
 - Always exercise proper care and judgement.
 - Avoid conflicts of interest.
 - Refrain from taking advantage of your position or exercising your authority to further your own personal interest at the expense of MISC.
 - Comply with applicable laws, regulations and MISC policies and procedures.



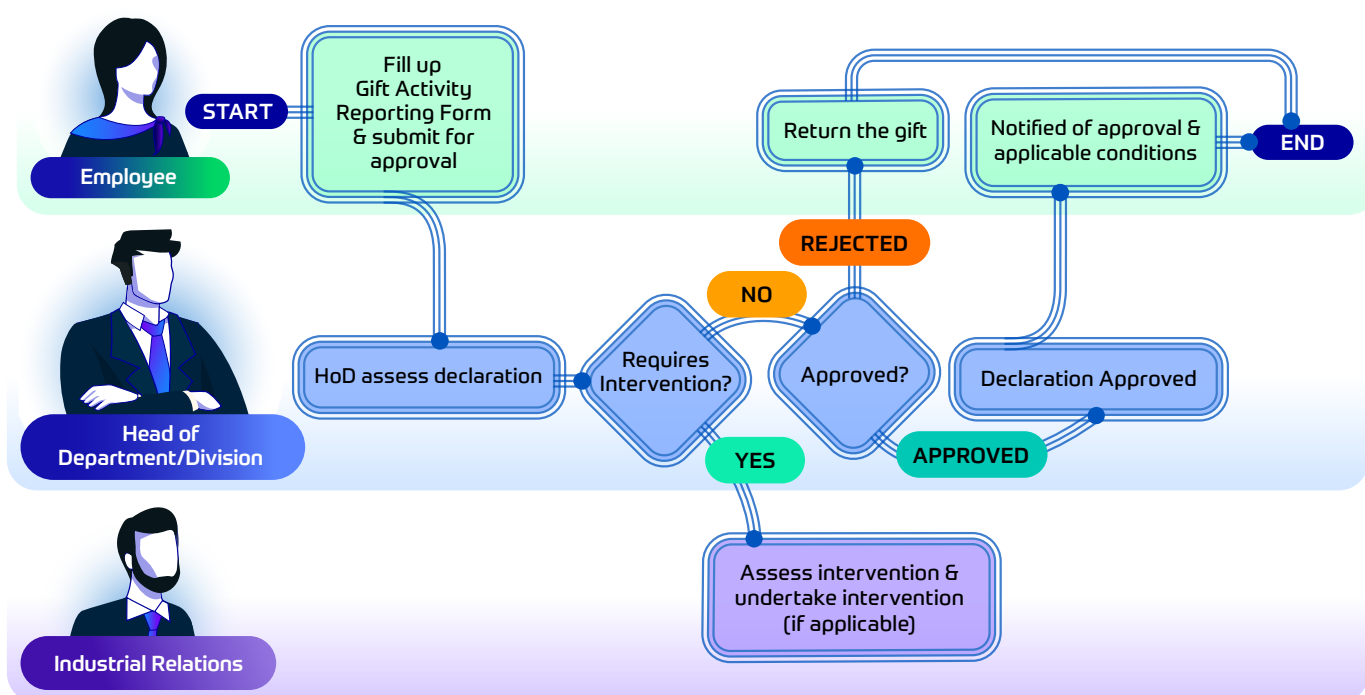
Part 2 : Gifts, Entertainment and Corporate Hospitality

Explanatory on Gift Activity Reporting and Approval Process

The below depicts the process flow for reporting a gift accepted on behalf of MISC (only allowed in very limited circumstances) whereby refusing the gift is likely to seriously offend and may sever MISC's business relationship with the Third Party.

Exceptional cases

(In very limited circumstances and subject to approval)



Approving Authority

To decide on the treatment of the gift, the HoD is expected to exercise proper care and judgement in each case and take into account the following:

- the character of the gift
- its purpose
- the positions of the persons providing and receiving the gift
- the business context
- reciprocity
- applicable laws
- cultural norms

YES

Upon approval, HoD may choose the following options in managing the gift:-

- donate the gift to charity
- hold it for departmental display
- share with other employees in the department
- permit it to be retained by the employee

The process above is only applicable to Malaysia T&C only. For other companies with different T&C, kindly refer to your respective HR processes.

Part 2 : Gifts, Entertainment and Corporate Hospitality

2B(i) Providing Entertainment

1. MISC recognises that providing modest entertainment is a legitimate way of building business relationships and as such a common practice within the business environment to foster good 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.
2. In some countries, the act of hospitality through entertainment is a central part of business etiquette. However, this may not necessarily be the case in every country or in all circumstances as it may create a negative perception if observed or known by others despite selfless motives behind the entertainment provided.
3. Employees, directors and other associated persons should always bear in mind that this is an area where perception is often regarded as more important than facts and therefore you should always exercise proper care and judgement when providing entertainment to third parties especially when it involves Public Officials to ensure compliance with local anti-bribery and corruption laws.
4. Employees, directors and other associated persons are strictly prohibited from providing or offering to provide entertainment with a view to improperly cause undue influence on any party in exchange for some future benefit or result. 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 the CoBE.
5. You are required to comply with the policies and procedures of your HR Department, and maintain expenses within the limits of your entitlement, when carrying out entertainment activities.
6. As set forth in Part IIB section 12 of the CoBE, any entertainment activities that would involve Public Officials shall require the prior approval of the HoD in consultation with HR Department or Compliance LCSC.
7. Specific rules governing employees' conduct when dealing with Public Officials is set out in greater detail in Part 3 of this ABC Manual. Directors (executive and non-executive) are also expected to abide by the same rules.

Part 2 : Gifts, Entertainment and Corporate Hospitality

2B(ii) Receiving Entertainment

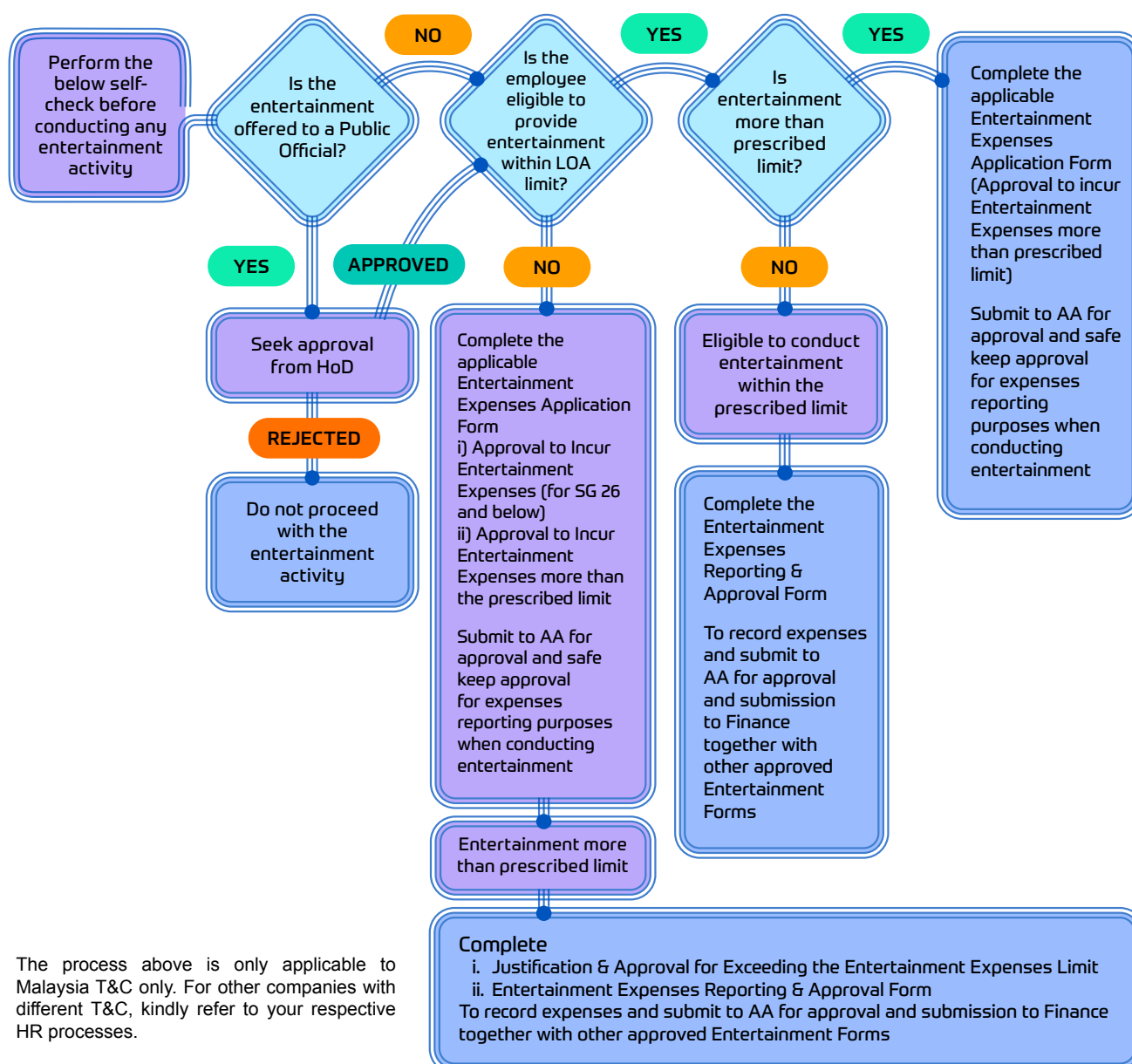
1. MISC recognises that the occasional acceptance of a reasonable and modest level of entertainment provided by third parties in the normal course of business is a legitimate way to network and build good business relationships.
2. However, it is important for employees and directors to exercise proper care and judgement before accepting entertainment offered or provided by a third party. This is not only to safeguard the Company's reputation, but also to protect employees and directors from allegations of impropriety or undue influence.
3. You are required to comply with the policies and procedures of your HR Department in relation to receiving entertainment from third parties.
4. As set forth in Part IIB paragraph 10.2 of the CoBE, in no event, however, may you or any of your family/household members accept entertainment in exchange for an exercise or non-exercise of your MISC authority or otherwise to the detriment of MISC.
5. In these limited circumstances, employees are expected to immediately record the entertainment received in the MISC specified declaration platform or any other form as provided by your HR Department for submission to your HoD (minimum GM level) who will then decide whether to approve the acceptance of the entertainment. Directors should inform the Company Secretary, as soon as reasonably practicable, to seek his/her advice when faced with a similar situation.

Part 2 : Gifts, Entertainment and Corporate Hospitality

Explanatory on Eligibility to Conduct Entertainment Activity, Reporting and Approval Process

(Applicable to Group Companies based in Malaysia with standard MISC terms and conditions)

The below chart illustrates the process flow to determine executive employees' eligibility to carry out entertainment activities and reporting an Entertainment Activity (for employees who meet the eligibility criteria to incur entertainment expense).



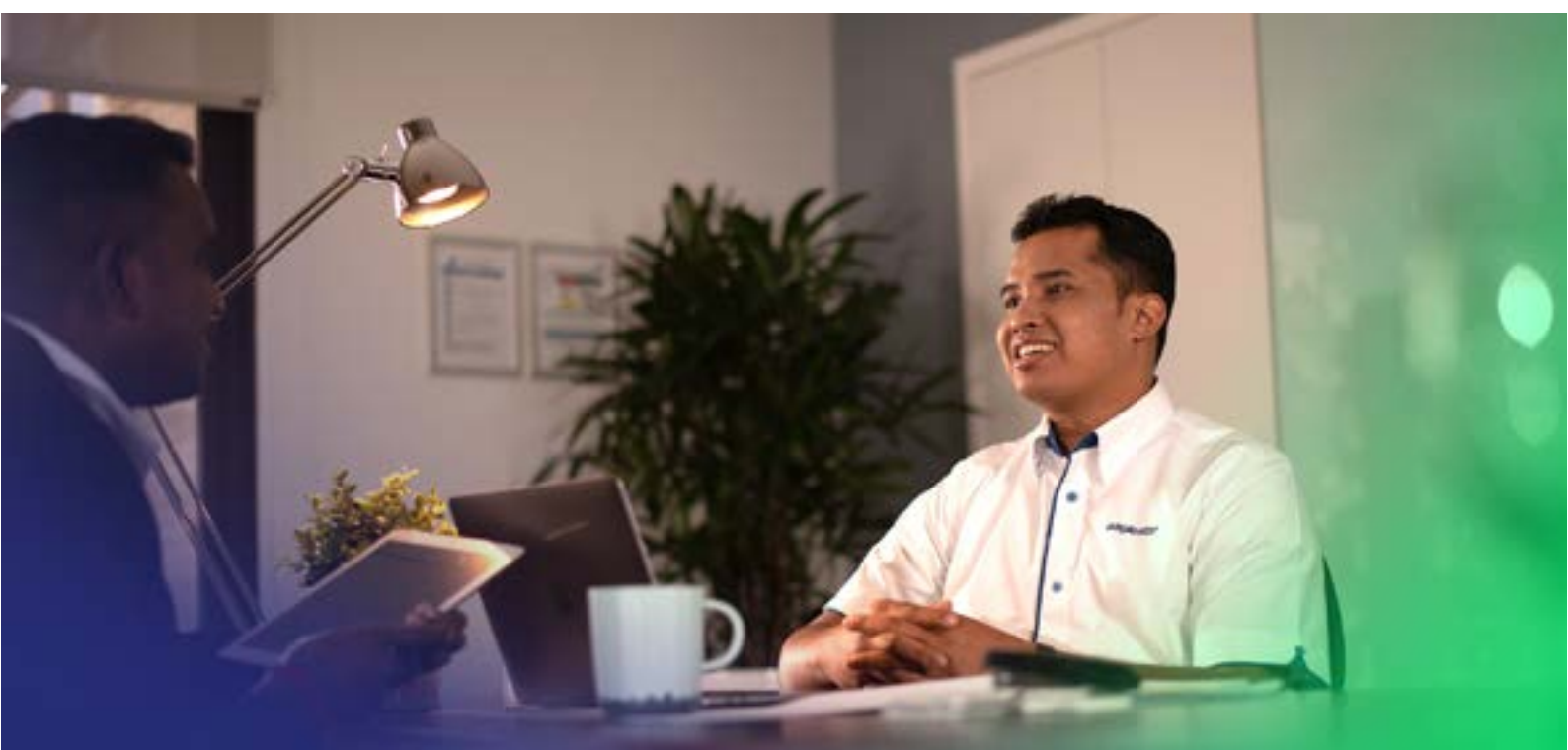
Part 2 : Gifts, Entertainment and Corporate Hospitality



Did You Know?

There are certain types of entertainment activities which are never permissible, and we should immediately refuse if it involves the following:

- a) Any entertainment that comes with a direct/ indirect suggestion, hint, understanding or implication that in return for the entertainment provided some expected or desirable outcome is required (“quid pro quo”).
- b) Any entertainment activities that would be illegal or in breach of local or foreign bribery laws.
- c) Any entertainment activities that would be perceived as extravagant, excessive or may adversely affect the reputation of MISC.
- d) Any entertainment activity that is sexually oriented or may otherwise tarnish the reputation of MISC.



Part 2 : Gifts, Entertainment and Corporate Hospitality

2C(i) Corporate Hospitality

1. Corporate hospitality is generally defined as “corporate events or activities organised by an organisation which involves the entertainment of employees and third parties for the benefit of that organisation”. Third parties may include customers, potential customers, contractors, external companies and any other stakeholders with whom a business relationship, whether current, prospective or historic exists.
2. Corporate hospitality covers corporate events and activities including but not limited to sporting events, tournaments, conferences, gala dinners or concerts.
3. Corporate hospitality is recognised as a legitimate way to network and build goodwill in business relationships. However, there is a fine line between what is considered to be legitimate against illegitimate forms of corporate hospitality. The question is whether there is any intention to influence or be perceived to influence the improper outcome of a business decision by providing the corporate hospitality.
4. Corporate hospitality would be illegitimate in the following situations: -
 - If it provides an advantage to another person if offered; or
 - If it is given with the intention of inducing the person to perform a relevant function improperly; or
 - If there is knowledge that acceptance of the advantage would in itself be improper performance.
5. Transparency International has advocated corporate hospitality arrangements/activities should conform to the following basic principles:
 - Transparency, in that all corporate hospitality is reported and written approval is obtained, all records of which are properly kept.
 - Proportionality i.e. the corporate hospitality must not be too excessive. In addition, the corporate hospitality must commensurate with the recipient’s official capacity and not provided in his/her personal capacity;
 - Reasonableness in ensuring that the corporate hospitality is not excessive; and
 - Bona fide, where the intention to offer and/or provide the corporate hospitality is done with good and legal intentions.

Part 2 : Gifts, Entertainment and Corporate Hospitality

2C(ii) Providing Corporate Hospitality

1. MISC recognises that providing corporate hospitality to its stakeholders be it through corporate events, sporting events or other public events, is a legitimate way to network and build goodwill in business relationships.
2. It is customary for MISC to issue complimentary invitations in the form of passes, tickets or invitations to third parties for events organised or sponsored by MISC, its Group Companies as well as events organised or sponsored by external organisations.
3. The following are some of the examples of MISC providing corporate hospitality:
 - a) any events sponsored or organised by MISC;
 - b) any events organised by external organisations for the benefit of that organisation or charitable events.
4. While providing corporate hospitality is a reflection of MISC's courtesy and goodwill, the respective HoDs must exercise proper care to protect the Company's reputation against any allegations of impropriety or the perception of bribery especially when the arrangements could influence or be perceived to influence the outcome of a business decision and are not reasonable and bona fide expenditures.
5. There should also be explicit, clear and internally transparent criteria to determine the selection of guests to be invited to an MISC corporate hospitality event. Reasonable due diligence should be exercised, particularly when the arrangements involve Public Officials.
6. There are various local and international anti-bribery and corruption laws that impose strict restrictions on the value and level of entertainment and corporate hospitality to be accorded to third parties, particularly when it is offered to Government or Public Officials.

Part 2 : Gifts, Entertainment and Corporate Hospitality

7. MISC is committed to comply with applicable laws governing the provision of corporate hospitality to third parties, especially when it involves Public Officials, and therefore expect employees to undertake the following:
 - a) to publicise and make clear the Company's policy on providing and receiving corporate hospitality;
 - b) to obtain all necessary approvals for the issuance of complimentary tickets or passes to corporate hospitality events in accordance with the MISC Limits of Authority;
 - c) to expressly notify the recipients in writing that all complimentary tickets or passes are NON-TRANSFERABLE (e.g. the terms and conditions for use to be printed on the tickets, passes or invitations). In the event that the recipients are unable to attend, he/she is expected to return the tickets or passes to MISC.
8. The unauthorised transfer of tickets or passes to persons other than the named recipient may signify to others that the invitation was extended to the recipient in his/her personal capacity.
9. All expenses incurred to provide the corporate hospitality must be properly documented, receipted and recorded in the Company's records.

Part 2 : Gifts, Entertainment and Corporate Hospitality

2C(iii) Receiving Corporate Hospitality

1. As a general principle, MISC strictly prohibits employees, directors and other associated persons from soliciting corporate hospitality nor are they allowed to accept hospitality that is excessive, inappropriate, illegal or given in response to, in anticipation of, or to influence a favourable business decision, particularly from parties engaged in a tender or competitive bidding exercise (for e.g. contractors, vendors, suppliers etc.).
2. Notwithstanding the above, MISC recognises that the occasional acceptance of an appropriate level of hospitality given in the normal course of business is usually a legitimate contribution to building good business relationships. However, it is important for employees, directors and other associated persons to exercise proper care and judgement before accepting the hospitality. This is not only to safeguard the Company's reputation, but also to protect employees and directors from allegations of impropriety or undue influence.
3. If you have any doubts on the appropriateness of a corporate hospitality offered by an external party for e.g. a contractor or supplier, you should either decline the offer or consult your HoD, HR Department, Compliance LCSC, or your MISC contact person. In the case of directors (executive and non-executive), you should seek the advice of your respective Company Secretary.



Part 2 : Gifts, Entertainment and Corporate Hospitality



Did You Know?

There are certain types of corporate hospitality activities which are never permissible, and we should immediately refuse if it involves the following:

- a) Corporate hospitality offered by parties currently engaged in an MISC tender or competitive bidding exercise.
- b) Corporate hospitality offered that comes with a direct/ indirect suggestion, hint, understanding or implication that in return for the corporate hospitality provided some expected or desirable outcome is required (“quid pro quo”).
- c) Any corporate hospitality activities that would be illegal or in breach of local or foreign anti-bribery & corruption laws.
- d) Corporate hospitality which is excessive or may adversely affect the reputation of MISC.
- e) Any corporate hospitality activities that are sexually oriented or may otherwise tarnish the reputation of MISC.



PART 3

DEALING WITH PUBLIC OFFICIALS

Part 3 : Dealing with Public Officials

3A(i) Dealing With Public Officials

1. A 'Public or Government Official' is defined in Part IIB paragraph 12.8 of the CoBE which includes, without limitation, public or government official, any person having public official functions or acting in a public official capacity, candidates for public office, officials of any political party, and officials of state-owned enterprises other than MISC.
2. Caution must be exercised when dealing with Public Officials as the laws of bribery and corruption in some countries are more stringent and provides for stricter punishments. Providing gift, entertainment or corporate hospitality to Public Officials or their family/ household members is generally considered a 'red flag' situation in most jurisdictions.
3. As stated in Part IIB paragraph 12.3 of the CoBE, you are prohibited from paying for non-business travel and hospitality for any Government Official or his/her family/household members without permission from your HoD in consultation with your Legal Department or Compliance LCSC. Other MISC policies and procedures on gifts, entertainment and corporate hospitality must also be abided by, copies of which can be obtained from your HR Department.
4. If approval is obtained for you to provide gifts, entertainment or corporate hospitality to Public Officials, you must ensure that the gift, entertainment or corporate hospitality is not excessive, and must commensurate with the official designation of the Public Officials and not his personal capacity. You must also be aware of local laws governing the activity and to ensure compliance. You should seek guidance from your HR Department or Compliance LCSC prior to providing any gifts, entertainment or corporate hospitality to Public Officials.

Part 3 : Dealing with Public Officials

3A(ii) Public Officials in Other Jurisdiction

1. Under anti-bribery and corruption laws in some jurisdictions, MISC employees may be considered Public Officials by virtue of MISC being a subsidiary of PETRONAS, which is state-owned.



Did You Know?

- We are prohibited from circumventing any laws or policies with regards to gifts and entertainment, even if it means that MISC might lose out on business opportunities as a result.
- We must always be mindful of maintaining professionalism, and always keep abreast of changes to the local laws and company policies.
- We must ensure to not entertain or approve any requests by the Public Official to transfer the gift or entertainment to any third parties as this may be perceived as bribery.
- We are prohibited from providing gifts, entertainment or hospitality that are illegal or unduly dangerous, indecent, sexually oriented or disrespectful.
- We must not act on our own accord when providing gifts and/or entertainment to Public Officials and always consult your HoD or Compliance LCSC.
- We are prohibited to conceal, alter, destroy, or otherwise modify any documentation that relates to entertainment or corporate hospitality accorded to Public Officials. All documentations (including invoices and receipts) must be properly recorded and kept at all times.

PART 4

**CORPORATE SOCIAL
RESPONSIBILITY (CSR),
SPONSORSHIPS &
DONATIONS**

Part 4 : Corporate Social Responsibility (CSR), Sponsorships and Donations

1. As a responsible corporate citizen, MISC is committed to contributing to the well-being of the people and nation in countries where it operates. It is however important that all Corporate Social Responsibility (CSR), sponsorships and donations are made in accordance with MISC policies and receive prior authorisation by MISC Management or the Board.

4A Corporate Social Responsibility (CSR)

1. Given the nature of our business, MISC may be asked by governments to contribute to Community Investment activities in the countries where we have operations.
2. As part of our commitment to corporate social responsibility and sustainable development, as a general matter, MISC provides such assistance in appropriate circumstances and in an appropriate manner. However, such requests must be carefully examined for legitimacy and not be made to improperly influence a business outcome.
3. The proposed recipient must be a legitimate organisation and appropriate due diligence must be conducted in particular, to ascertain whether any Public Officials are affiliated with the organisation.
4. Any red flags must be resolved before committing any funds to the programme. Even requests determined to be legitimate must be carefully structured to ensure that the benefits reach their intended recipients. If you are in any doubt as to whether a charitable contribution or social benefit is appropriate, consult your Legal Department or Group Corporate Communications Division for assistance.

4B Sponsorships and Donations

1. As set out in the CoBE, employees must ensure that all sponsorships and donations are not used as a subterfuge for bribery or used to circumvent or avoid any of the provisions of the CoBE, including in particular, the prohibition on bribery.
2. MISC needs to be certain that all sponsorship and donations to any organisation, charity or beneficiary are not disguised illegal payments to Government Officials, and must ensure that the organisation, charity or beneficiary does not act as a conduit to fund illegal activities in violation of anti-money laundering, anti-terrorism and other applicable laws.

Part 4 : Corporate Social Responsibility (CSR), Sponsorships and Donations

3. In accordance with MISC's commitment to contribute to the community coupled with its values of integrity and transparency, all sponsorships and donations must comply with the following:
 - ensure such contributions are allowed by applicable laws;
 - obtain all the necessary internal and external authorisations;
 - be made to well established entities having an adequate organisational structure to guarantee proper administration of the funds;
 - be accurately stated in the company's accounting books and records; and
 - not to be used as a means to cover up an undue payment or bribery.
4. Examples of red flags to look out for are as follows:
 - The proposed recipient /organisation has affiliations with a Public Official or their relatives are involved;
 - The contribution is made on behalf of a Public Official;
 - There is a risk of a perceived improper advantage for MISC in providing the sponsorship;
 - The proposed recipient is based in a high risk country, the request comes from or involves a high risk country or the activity takes place in a high risk country; and
 - The sponsorship or donation requires exchange of significant benefits that may be perceived as a bribe or unfair treatment.
5. MISC requires employees to use good judgement and common sense in assessing the requests. When in doubt, employees should seek further advice from their Legal Department, Compliance LCSC or escalate the matter to Group Corporate Communications Division to determine the authenticity of such requests.

Part 4 : Corporate Social Responsibility (CSR), Sponsorships and Donations

4B(i) Due Diligence Checklist

1. Before making a commitment to a CSR activity, sponsorship or donation requested by external stakeholders, you must first conduct proper due diligence to ensure that the requests are legitimate and that any red flags raised are resolved prior to committing the funds.
2. The request is evaluated against MISC's Guidelines on CSR, Sponsorships and Donations, and meets the following criteria:-
 - The request does not fall under the list of activities which MISC does not support or contribute to (refer to Group Corporate Communications Division for more information);
 - There is no risk of a perceived improper advantage for MISC;
 - The proposed recipient is a legitimate organisation and proper due diligence are made/ background checks; and
 - The proposed recipient does not have affiliations with a Public Official.
3. If the request meets the above requirements and it is reasonably ascertained to be legitimate in nature, you can proceed to prepare a recommendation/memorandum seeking Management's approval as per the Limits of Authority (LOA).
4. If the request comes from a high risk country (countries perceived to have high levels of corruption), or the proposed beneficiary is based in a high risk country, or the activity takes place in a high risk country or the proposed recipient is government owned or if a Government Official or their relative is involved and it is reasonably expected that an MISC subsidiary may have business that could be influenced by that Government Official or the Government Official's agency, ministry or department, a memorandum must be sent to Group Corporate Communications Division for review as to whether or not the proposed investment/sponsorship or donation should proceed and if deemed necessary, Compliance LCSC should be consulted to ensure compliance with anti-bribery and corruption laws.

Part 4 : Corporate Social Responsibility (CSR), Sponsorships and Donations



Did You Know?

- We must not commit to provide any funds without first undergoing the proper processes and procedures to evaluate the legitimacy of the request.
- We must not circumvent any guidelines, rules or procedures put in place by making charitable contributions as a camouflage for illegal payments.
- We 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 Public Officials. If you are unsure or have any concerns, please consult your HoD, your HR Department or Compliance LCSC. If the matter is still unresolved, ensure to escalate the matter further to Group Corporate Communications Division.



PART 5

POLITICAL

CONTRIBUTIONS

Part 5 : Political Contributions

5A Political Contributions

1. MISC and employees acting on behalf of MISC are prohibited from making or offering to make any monetary or in-kind political contributions to political parties, political party officials or candidates for political office, politically-linked organisation, political campaigns, or any person or entity acting on behalf of the foregoing.
2. Payments to a government entity such as payments to a host country's federal treasury, as required by contract or law, are not prohibited, so long as they are made with due care to the government entity and not to any individual official.
3. The Company encourages employees to participate in the political election process by voting. Employees may choose to make personal political contributions, as appropriate within the limits established by law but under no circumstances should they make any representation that they are doing so on behalf of or with the support of MISC. Under no circumstances, however, will any employee be compensated or reimbursed in any way by the Company for a personal political contribution.
4. Furthermore, charitable donations may not be used as a subterfuge for prohibited political payments or to camouflage bribery.
5. Notwithstanding the foregoing, it is MISC's policy to engage and communicate its views and position on issues of public interest that have an important impact on the Company.



Did You Know?

- We are prohibited from using our position with MISC to try to influence any other person (whether or not employed by MISC) to make political contributions or to support politicians or their parties.

PART 6

FACILITATION

PAYMENT

Part 6 : Facilitation Payment

6A Prohibition On Facilitation Payments

1. “Facilitation payment” is defined in Part IIB paragraph 7.2 of the CoBE as payments made to secure or expedite the performance by a person performing a routine or administrative duty or function. Offering, promising or requesting facilitation payments is just as prohibited as actually paying or receiving facilitation payments. Facilitation payments need not involve cash or other financial asset; it can be any sort of advantage with the intention to influence them in their duties.
2. MISC prohibits accepting or obtaining, either directly or indirectly, facilitation payments from any person for the benefit of the employee himself or for any other person who is subject to the CoBE. The reason underlying this prohibition is that facilitation payment is seen as a form of bribery and corruption. This prohibition is clearly laid out in Part IIB paragraph 7 of the CoBE.
3. All persons subject to the CoBE must not offer, promise, give, request, accept or receive anything which might reasonably be regarded as a facilitation payment. If you receive a request or if you are offered facilitation payments, you must report it to your HoD.

6B Exception to Making Facilitation Payments

1. However, there are certain situations or circumstances where you are faced with having to make facilitation payments in order to protect your life, limb or liberty. In dangerous situations like this, you are allowed to make payments but you must immediately report it to your HoD and your Legal Department. Making facilitation payments in such a situation, is the only exception which can be used as a defence when faced with allegations of bribery and corruption.

PART 7
**MONEY
LAUNDERING**

Part 7 : Money Laundering

7A Money Laundering

1. Part IIB paragraph 13.2 of the CoBE defines money laundering as occurring when the criminal origin or nature of money or assets is hidden in legitimate business dealings or when legitimate funds are used to support criminal activities, including financing terrorism.
2. MISC strongly objects to practices related to money laundering, including dealing in the proceeds of criminal activities.
3. Money laundering is a very serious crime and the laws governing this type of crime can have extra territorial effect, i.e. the application of the law is extended beyond local borders. The penalties for breaching anti-money laundering legislation are severe and can include extradition and incarceration in foreign jurisdictions.
4. To avoid violating anti-money laundering laws, employees are expected to always conduct counterparty due diligence to understand the business and background of MISC's prospective business counterparties and to determine the origin and destination of money, property and services.
5. Counterparty means any party that MISC is currently in relationship with or intends to do business with in the future, either on a regular or once-off basis. Counterparties include but are not limited to customers, contractors, suppliers, consultants, agents, Joint Venture (JV) partners and any other business partners.

Part 7 : Money Laundering

6. A number of initiatives can be taken by the Company to strengthen anti-money laundering governance, they include the following:
- Adequate training and compliance programs should be conducted to ensure understanding and strict compliance to any internal anti-money laundering policies.
 - Employees frequently involved in decision making process concerning counterparties particularly in matters on financial transactions should be properly acquainted with the applicable laws and regulations related to money laundering.
 - Employees should be attentive to and report suspicious behaviour by customers, consultants and business partners using proper reporting channels, in-house experts on anti-money laundering should always be consulted.
 - Convoluted payment arrangements such as payment in cash, payment to a third party, payment to account in other countries or upfront payment should be avoided.
 - Periodic audits should be conducted and a process should be developed to follow all available accounting, record-keeping and financial reporting requirements applicable to cash and payments in connection with other transactions and contracts.



PART 8

DEALING WITH THIRD PARTIES

Part 8 : Dealing with Third Parties

8A Dealing with Third Parties

1. MISC's dealings with third parties, which include contractors, suppliers, agents, consultants, JV partners, introducers/government intermediaries etc., must be carried out in compliance with all relevant laws and consistent with the values and principles of the CoBE. As part of this commitment, all forms of bribery and corruption are unacceptable and will not be tolerated.
2. MISC expects that all third parties acting for or on its behalf to share the Company's values and ethical standards as their actions can implicate MISC legally and tarnish the Company's reputation. Therefore, where we engage third parties, such as contractors, agents, intermediaries or JV partners, we are obligated to conduct appropriate counterparty due diligence to understand the business and background of MISC's prospective business counterparties before entering into any arrangements with them to ensure that we are dealing with counterparties that subscribe to acceptable standard of integrity in the conduct of their business.
3. To help ensure that we only do business with third parties that share MISC standards of integrity, we must do the following:
 - Conduct due diligence to assess the integrity of MISC's prospective business counterparties. Do not enter into any business dealings with any third party reasonably suspected of engaging in bribery and improper business practices unless those suspicions are investigated and resolved.
 - All third parties are made aware of the MISC Code of Conduct and Business Ethics (CoBE) and MISC ABC Manual and our expectations of them.
 - Continue to be aware of and to periodically monitor third party performance and business practices to ensure ongoing compliance.
4. If at any point during the due diligence exercise or in the dealings with a third party, there are conflicts of interest or "red flags" are raised, these warrant further investigation and must be sufficiently addressed before the engagement of the third party can progress.

Part 8 : Dealing with Third Parties

5. Examples of common “red flags” involving third parties include:
 - The transaction involves a country known for a high incidence of corrupt payments.
 - Family, business or other direct or indirect link/ connection with Government or Public Officials.
 - A reference check reveals a flawed background or a reputation for getting “things done” regardless of the circumstances or suggests that for a certain amount of money, he can fix the problem.
 - Objection to anti-bribery representations and warranties in commercial agreements or negative response when told of such requirements.
 - Convoluted payment arrangements such as payment in cash, payment to a third party or to accounts in other countries or requests for upfront payment for expenses or other fees.
 - The third party requires that his/her identity not be disclosed as part of the business transaction.
 - Inadequate credentials for the nature of the engagement or lack of an office or an established place of business.
6. MISC requires its employees to use good judgement and common sense in assessing the integrity and ethical business practices of third parties and have provided the above as a guideline.
7. Employees should seek advice from Compliance LCSC whenever particular questions arise relating to third parties that the Company has appointed or is considering appointing.

Part 8 : Dealing with Third Parties

8B(i) Dealing With Contractors and Suppliers

1. In line with the general principles of the CoBE, MISC is committed to uphold the highest standard of ethics and integrity in all aspects of its procurement activities.
2. MISC should avoid dealing with any contractors or suppliers known or reasonably suspected of corrupt practices or known or reasonably suspected to pay bribes.
3. MISC must ensure that all procurement activities are in line with the procurement policies and procedures that are applicable in your jurisdiction, which include:
 - Due diligence of contractors and suppliers are undertaken before they are registered/ licensed with MISC.
 - Contractors and Suppliers are made aware of and understand the CoBE and that they will comply accordingly.
 - All commercial contracts and Invitations to Bid (ITBs) incorporate the provisions relating to business conduct, conflict of interest and fighting corruption and unethical practices.
 - In Malaysia, the General Terms and Conditions of License for contractors incorporate the provisions relating to business conduct, conflict of interest and fighting corruption and unethical practices.
 - All commercial contracts with major contractors and suppliers to incorporate a provision where MISC retains the right to audit third party compliance with the CoBE and MISC ABC Manual provisions.
4. MISC must conduct due diligence on prospective contractors and suppliers to confirm whether or not these external parties have in place anti-bribery programmes and that they will not engage in any improper practices.
5. Screening should be conducted on the company, its directors and top management and this can be done through the due diligence process and procedures as established in your jurisdiction. The scope and extent of the due diligence required will vary depending upon the circumstances of each proposed transaction.
6. MISC should also monitor significant contractors and suppliers as part of their regular review of the performance of the third party. MISC has the right to terminate their services in the event that these third party pay bribes or act in a manner which is inconsistent with the CoBE and ABC Manual.

Part 8 : Dealing with Third Parties

7. If any red flags are raised, these issues must be resolved. If it is not possible then the company must be barred from being on the list of registered or licensed contractors/ suppliers and/ or disqualified from participating in any MISC tender exercise. For further guidance on the implementation of the ABC Manual and the due diligence process applicable to contractors and suppliers as set out under MISC Third Party Risk Management, please consult your respective Corporate Procurement and Compliance LCSC.

8B(ii) Due Diligence Checklist For Contractors and Suppliers

1. MISC and its Group Companies, in particular, the procurement function must follow the following procedures when dealing with Contractors and Suppliers:
 - Perform a risk assessment using a risk-based approach;
 - Undertake due diligence on the third party depending on the level established by the risk analysis; and
 - Preparing and maintaining appropriate written documentation of the due diligence and risk assessment performed.

8C Mergers, Acquisitions & Investments

1. MISC must undertake due diligence in evaluating Mergers and Acquisition transactions and investments to ensure compliance with anti-bribery and corruption laws.

8C(i) Due Diligence – Pre Acquisition

1. Anti-bribery due diligence is considered on a proportionate basis for all investments but on a risk-based approach, with the level of due diligence being proportionate to the investment and the perceived likelihood of risk of bribery.
2. The level of anti-bribery due diligence for the transaction is commensurate with the bribery risks.
3. Anti-bribery due diligence starts sufficiently early in the due diligence process to allow for adequate due diligence to be carried out and for the findings to influence the outcome of the negotiations or stimulate further review if necessary.
4. The partners or board provide commitment and oversight to the due diligence reviews.

Part 8 : Dealing with Third Parties

5. Information gained during the anti-bribery due diligence is passed on efficiently and effectively to the company's management once the investment has been made.

8C(ii) Due Diligence – Post Acquisition

1. To conduct due diligence on a proportionate basis immediately after purchase to determine if there is any current bribery and if so, takes immediate remedial action.
2. To ensure that the target has or adopts an adequate anti-bribery and corruption programme equivalent to its own.
3. Bribery detected through due diligence is reported to the authorities.



Did You Know?

When conducting Anti-Bribery Due Diligence, we must consider the following:

- Has bribery taken place historically?
- Is it possible or likely that bribery is currently taking place?
- If so, how widespread is it likely to be?
- What is the commitment of the board and top management of the target company to countering bribery?
- Does the target company have in place an adequate anti-bribery programme to prevent bribery?
- What would the likely impact be if bribery, historical or current, were discovered after the transaction had completed?

Part 8 : Dealing with Third Parties

8D: Joint Venture Partners

1. In view of the possibility that MISC may be held responsible for the illegal activities of its co-venturers, we need to ensure that JV in which MISC has a controlling interest adopts the ABC Manual.
2. Where MISC neither controls nor operates the JV or where MISC holds a minority interest, we should:
 - make reasonable efforts to influence the JV Partner to adopt the ABC Manual (or substantially equivalent standards and principles) and to comply with all applicable anti-bribery and corruption laws and to establish controls substantially similar to MISC standards to prevent bribery;
 - be alert to warning signs which may arise in the conduct of the business. Any such warning signs must be reported to the Legal Department or Compliance LCSC and appropriate action to be taken; and
 - require (or where this right does not formally exist, request) that the majority partner or JV entity to provide written representation of anti-bribery compliance on an annual basis.



PART 9

RECRUITMENT OF EMPLOYEES

Part 9 : Recruitment of Employees

9A Recruitment of Employees

1. MISC, being a diversified business entity, provides equal opportunity for any qualified and competent individual to be employed by the company from various multicultural and multiracial background, sourced externally, local and internationally.
2. The recruitment of employees should be based on approved selection criteria to ensure that only the most qualified and suitable individuals are employed. This is crucial to ensure that no element of corruption is involved in the hiring of employees.
3. Subject to the requirements of applicable law, proper background checks should be conducted in order to ensure that the potential employee has not been convicted in any bribery or corruption cases nationally or internationally. More detailed background checks should be taken when hiring employees that would be responsible in management positions, as they would be tasked with decision-making obligations.
4. If you find or suspect that another person subject to this policy has violated or about to violate this policy or applicable law, whether deliberately or inadvertently, you must forthwith report the same, in writing, to your HoD or your HR Department.



Part 9 : Recruitment of Employees



Did You Know?

- Any candidate to be employed with family/ household relationship to an MISC staff or director would need to disclose the relationship, have it properly recorded and be made transparent.
- We should not conceal any information where there might be a conflict of interest. If you are unsure, please consult your HoD, HR Department or Compliance LCSC.





PART 10

**MISC WHISTLEBLOWING
POLICY**

Part 10 : MISC Whistleblowing Policy

10A MISC Whistleblowing Policy

1. MISC encourages openness and transparency in its commitment to the highest standard of integrity and accountability.
2. If you make a report or disclosure about any actual or perceived bribery or corruption in good faith, belief, without malicious intent, that a breach or violation as aforesaid may have occurred or may about to occur, you will be accorded protection of confidentiality, to the extent reasonably practicable, notwithstanding that, after investigation, it is shown that you were mistaken. In addition, employees who whistleblow internally will also be protected against detrimental action for having made the disclosure, to the extent reasonably practicable.
3. If you wish to direct your concerns regarding an MISC department/ unit or employee, contractors, sub-contractors, consultants, agents, representatives, or other service providers, in lieu of contacting your HoD, HR Department, Compliance LCSC or MISC contact person, you may also contact the following whistleblowing channel platforms:
 - a) Online submission via <https://whistleblow.misc.net.my/Whistleblowing/>
 - b) Email to whistleblow@miscbhd.com
 - c) Call hotline +603-2264 0807 (Monday – Friday 9am to 5pm)

Please also refer to our [Whistleblowing Policy](#) available on MISC website for further information.

10B Procedural Matters

10B(i) Consequences of a Breach

1. Adherence to this ABC Manual is critical to the smooth running of its business or enterprise and is for the common good of MISC and its employees.
2. Any conduct which is not in accordance with the principles set out in this ABC Manual will be dealt according to Part IV of the CoBE and other applicable local laws.

10B(ii): How to Make a Report on Any Breach

1. Any alleged or suspected improper conduct must be disclosed using the procedures provided for in the MISC Whistleblowing Policy as adopted for your jurisdiction, a copy of which is available from your HR Department.

Part 10 : MISC Whistleblowing Policy

10B(iii) Further Clarification

1. Should you require further clarification with regards to this ABC Manual, depending on the subject concerned, you should consult your HoD, HR Department, Compliance LCSC or MISC contact person.
2. You may also email your queries to compliance@miscbhd.com

10B(iv) Registering Any Conflicts of Interests, Gifts, and Corporate Hospitality

1. All conflicts of interests (potential or real) and matters related to giving or receiving gifts/entertainment / corporate hospitality will be registered according to the policies and procedures of the respective HR Department of the MISC group of companies. Please liaise with your HR personnel or Compliance LCSC for further information on the procedures for registration.





MISC BERHAD (MISC)

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