

CODE OF CONDUCT & BUSINESS ETHICS

Country Supplement:

MALAYSIA

The MISC Code of Conduct and Business Ethics Country Supplement: Malaysia is a specific reference for use in Malaysia. It does not describe all applicable laws or MISC policies, or give full details on any particular law or policy. It does not constitute legal advice. It does not constitute or create a contract of employment. MISC reserves the right to modify, revise, cancel or waive any policy, procedure or condition without notice and without revision of the Code. Moreover, the provisions of the Code may be modified by MISC to adapt them to local laws and conditions.

A – Variations to the MISC Code of Conduct and Business Ethics (CoBE)	3
Part I : Core Values and Culture	3
1. Application	4
Part II : Duties of Good Faith, Fidelity, Diligence and Integrity	5
Part II I : Conduct Tending to Jeopardise Duty of Good Faith and Fidelity	6
1. Serious Pecuniary Indebtedness	6
2. Declaration of Asset by Employee	6
3. Borrowing Money	8
Part III : Workplace Culture and Environment	9
1. Absence Without Leave or Without Reasonable Cause	10
Part IV : Discipline, Disciplinary Process and Sanctions	11
1. Disciplinary Process	12
2. Disciplinary Punishments	12
3. Punishing Authority	12
4. Appeal Procedure	13

A



Variations to the MISC Code of Conduct & Business Ethics (CoBE)

PART I
**CORE VALUES
& CULTURE**

Part I : Core Values & Culture

1. Application

- 1.1. This Country Supplement shall be applicable to all employees of MISC group of companies in Malaysia. Your failure to comply may have severe consequences to MISC and may result in disciplinary action against you, subject to the requirements of applicable law.
- 1.2. This Country Supplement shall be effective from 23 August 2023 (“Effective Date”) and shall replace the previous Malaysia Country Supplement. Any misconduct committed before the Effective Date of this Country Supplement will be dealt under the previous Country Supplement in effect at the time of misconduct.
- 1.3. This Country Supplement shall be read together with MISC Code of Conduct and Business Ethics Revision 2023 (CoBE 2023). In the event of any inconsistency between the policies in this Country Supplement and CoBE 2023, the policies of this Country Supplement shall prevail.



PART II

**DUTIES OF GOOD FAITH,
FIDELITY, DILIGENCE &
INTEGRITY**

Part II : Duties Of Good Faith, Fidelity, Diligence & Integrity

Part II I: Conduct Tending to Jeopardise Duty of Good Faith and Fidelity

1. Serious Pecuniary Indebtedness

- 1.1. For the purpose of this Section, the term “serious pecuniary indebtedness” means the state of an employee’s indebtedness which, having regard to the amount of debt incurred by him/her has actually caused financial hardship to him/her.

An employee will be deemed to be in serious pecuniary indebtedness where:-

- a) he/she is a judgment debtor, for as long as the judgment sum remains unsettled; or
 - b) he/she is a bankrupt or an insolvent wage earner, for as long as he/she remains as a bankrupt or for as long as any judgment sum against him/her in favour of the Director General of Insolvency remains unsatisfied, as the case may be.
- 1.2. Serious pecuniary indebtedness from whatever cause will be regarded as necessarily impairing the efficiency and effectiveness of an employee.
- 1.3. An employee will avoid habitual indebtedness unless he/she proves that such indebtedness or insolvency is the result of circumstances beyond his/her control and does not result from extravagances or dissipation.
- 1.4. An employee will be required to disclose the full extent of his/her serious pecuniary indebtedness to MISC at the earliest opportunity when such indebtedness is known to him/her.
- 1.5. An employee who obtains an annulment of his/her bankruptcy may be treated as having fully restored his/her credit standing.

2. Declaration of Asset by Employee

- 2.1. In line with MISC’s efforts to prevent corruption, illicit enrichment, abuse of position, conflict of interest, and to ensure highest level of integrity among its employees, MISC can direct an employee to make an asset declaration.

- 2.2. For the purpose of this Section;

- a) “asset declaration” means an employee making a declaration of his/her assets;
- b) “assets” include property of any description, whether movable or immovable, as may be prescribed by MISC from time-to-time; and

In respect of immovable property, assets include:

- i. land, including land occupied under temporary occupation license;
- ii. all types of residence such as houses, flats, apartments, and condominiums; and
- iii. building, including a shop or portion of a shop, office space or marketing space.

Part II : Duties of Good Faith, Fidelity, Diligence & Integrity

In respect of movable property, assets include:

- i. any form of cash wherever deposited or retained;
- ii. shares, stocks, debentures, bonds or other form of securities;
- iii. any form of trade, business or commercial license permits; and
- iv. any other movable property, including all types of motor vehicles, jewellery, club memberships, household furniture and sports equipment.

Assets also include:

- i. financial commitments; and
 - ii. ownership/directorship in company(ies).
- c) frequency of the asset declaration would be on an annual basis unless directed otherwise by MISC;
- d) the asset declaration should be made to your respective Human Resource Department.
- 2.3. Failure to make the asset declaration as required under this Section 2 is viewed by MISC as a lack of commitment on the part of the employee to uphold MISC's policy on maintaining the highest standard of integrity, openness and transparency and shall be subject to disciplinary action.
- 2.4. In addition to an asset declaration, MISC may also call upon the employee to explain in writing how he/she is able to maintain said standard of living and/or how he/she acquired his/ her pecuniary resources or property including but not limited to the following:
- a) maintaining a standard of living which is beyond his/her official emoluments and other legitimate private means, if any; or
 - b) in control of or in possession of pecuniary resources or property, movable or immovable, the value of which is disproportionate to, or which could not reasonably be expected to have been acquired by the employee with his/her official emoluments and any legitimate private means; or
 - c) holding a position or decision-making authority that is reasonably deemed to have a higher risk exposure to acts of corruption / conflict of interest / abuse of power.

You may consult your respective Human Resource Department for further information.

Part II : Duties of Good Faith, Fidelity, Diligence & Integrity

3. Borrowing Money

- 3.1. You may borrow from banks, insurance companies, co-operative societies or borrowing companies licensed under relevant statutes and/or law including the Malaysian Financial Services Act 2013 or Islamic Financial Services Act 2013 or incur debt through acquiring goods by means of hire purchase agreements or other arrangements, provided that:
 - a) such banks, insurance companies, co-operative societies or borrowing companies from which you borrow are not directly or indirectly subject to your official authority;
 - b) such borrowings do not lead to public scandal or be subject to construal that you have abused your position for your private advantage; or
 - c) the aggregate of your debts does not or is not likely to cause you serious pecuniary indebtedness as defined under Section 1.
- 3.2. You may not borrow from any other person engaged in the business of money lending.
- 3.3. You must comply with the limitations on borrowing set out in the Code.





PART III
**WORKPLACE CULTURE &
ENVIRONMENT**

Part III : Workplace Culture & Environment

1. Absence Without Leave or Without Reasonable Cause

- 1.1. An employee who is absent will, at the earliest opportunity, inform the officer of MISC to whom he/she reports of his/her absence and the cause for his/her absence.
- 1.2. Where the absence without leave and without reasonable excuse is for more than two (2) consecutive working days, the employee will be deemed to have breached his/her contract of service with MISC.
- 1.3. Where an employee is absent for more than two (2) consecutive working days without reasonable excuse, as soon as possible thereafter a registered letter will be sent to the employee's last known address requiring him/her to provide explanation for his/her absence. Upon a lapse of seven (7) days after posting of the said registered letter, if nothing is heard of him/her or no satisfactory explanation is given by him/her, then the said employee is deemed to have breached his/her contract of service and in such circumstances MISC will have the right to terminate his/her service. In addition, MISC will be entitled to recover from the former employee concerned all sums due from the employee to MISC.



PART IV
**DISCIPLINARY PROCESS
& SANCTIONS**

Part IV : Disciplinary Process & Sanctions

1. Disciplinary Process

- 1.1. Where the circumstances warrant, MISC may suspend an employee on full or half pay pending the investigation and/or inquiry into alleged acts of misconduct committed by the employee.
- 1.2. If the investigations reveal concrete and cogent evidence in support of the alleged misconduct, MISC may institute disciplinary action against the said employee.

2. Disciplinary Punishments

The Punishing Authority may after due inquiry impose any or a combination of the following punishments against the employee:

- i. written warning;
- ii. suspension with or without pay for a period to be determined by the Punishing Authority;
- iii. withholding the employee's increment for a period to be determined by the Punishing Authority;
- iv. no increment to the employee's salary for a period to be determined by the Punishing Authority;
- v. non-payment of bonus or ex-gratia;
- vi. downgrading or demoting the employee;
- vii. any other types of punishment as the Punishing Authority deems fit;
- viii. dismissal.

3. Punishing Authority

For the purpose of this Part IV, "Punishing Authority" shall refer to the officer of MISC who has been given the authority to mete out punishment against an employee as provided by the Human Resource Department Limits of Authority.

Part IV : Discipline, Disciplinary Process & Sanctions

4. Appeal Procedure

- 4.1. An employee who is aggrieved by the decision of a disciplinary action has the right to appeal in writing within thirty (30) days from the date of service or posting of the letter communicating the decision of the Punishing Authority.
- 4.2. The Appeal Authority is to consider the grounds of appeal set out in the letter of appeal and is required to conclude whether to dismiss the appeal or to allow the appeal by either:
 - a) reversing the finding of guilt; or
 - b) reducing the punishment.
- 4.3. The Appeal Authority shall consider the appeal on the basis of the written submissions by the aggrieved employee and also after considering the report of the Domestic Inquiry and the grounds for the decision as made by the panel of the Domestic Inquiry.
- 4.4. For the purpose of this Section, “Appeal Authority” shall refer to the officer of MISC who has been given the authority to consider and decide on appeal as provided by the Human Resource Department Limits of Authority.





MISC BERHAD (MISC)

196801000580 (8178-H)

Legal, Corporate Secretarial & Compliance

Level 27, Menara Dayabumi
Jalan Sultan Hishamuddin
50050 Kuala Lumpur,
Malaysia



<https://www.miscgroup.com>