

MAGNA PRIMA BERHAD

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

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1. INTRODUCTION

1.1 Magna Prima Berhad is committed to conducting its business ethically and in compliance with all applicable laws and regulations in the countries where it does business. These laws include but are not limited to the Malaysian Penal Code (revised 1977), The Malaysian Anti- Corruption Commission Act 2009 (revised 2018) and the Malaysian Companies Act 2016. These laws prohibit acts of bribery and corruption, and mandate that companies establish and maintain adequate procedures to prevent bribery and corruption.

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

- 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;
- 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 favor of any description, including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature; and
- g) Any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding paragraphs (a) to (f)

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1.3 If an offence is committed by a commercial organization, the MACC Act also deems its directors, controller, officer, partner or persons concerned in its management of affairs to have committed the same offence. It is therefore important that you understand how bribery and corruption may be committed and the legal consequences arising from such act as well as to take steps bribery and corruption from happening.

2. SCOPE

2.1 This Policy is applicable to anyone who is employed by or work at Magna Prima Berhad (whether in Malaysia or outside Malaysia and whether permanent, fixed-term or temporary basis), directors (executive and non-executive), company secretaries and committee members of Magna Prima Berhad (together, “**Personnel**”). It is also applicable to contractors, sub-contractors, consultants, agent, representatives and service provider of any kind performing work or services, for or on behalf of Magna Prima Berhad (together, “**Business Partners**”).

3. ANTI-BRIBERY AND ANTI-CORRUPTION

3.1 The MACC Act stipulates four (4) main offences, being:

- Soliciting / Receiving Gratification (Bribe) – Sections 16 & 17 (a) MACC Act
- Offering / Giving Gratification (Bribe) – Section 17(b) MACC Act
- Intending to Deceive (False Claim) – Section 18 MACC Act
- Using Office or Position for Gratification (Bribe) (Abuse of Power / Position) – Section 23 MACC Act

The Malaysian Anti-Corruption Commission (Amendment) Act 2018, which will be in force on 1 June 2020 introduces two (2) more offences, being:

- Offering / Giving Gratification by commercial organization (Corporate Liability) -Section 17A MACC Act
- Deemed Parallel Personal Liability for Senior Personnel (Personal Liability) – Section 17A(3) MACC Act

3.2 Corruption may include “bribery” which is any offering, promising, giving, requesting agreeing v to receive, accepting a gratification, or other advantages with the intention of inducing or rewarding someone to perform their job function or activity improperly. Form of bribery includes kickbacks, inflated commissions, expensive gifts, political donations, excessive or inappropriate entertainment.

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3.3 This Policy prohibits all forms of bribery and corrupt practices, and makes no distinction between whether they are being made to persons in the public or private sectors. Magna Prima Berhad relationships with public officials, our Personnel, Business Partners and any other parties are based on transparency and integrity. Our Personnel and Business Partners must not directly or indirectly, offer or promise any gratification to any public official, party or their family members as an inducement for or reward for acting improperly. Furthermore, our Personnel must not directly or indirectly pay, offer or promise any gratification to customers, Business Partners or any other party for the purpose of exerting influence, soliciting payment or other unfair or illegal preferential treatment. Our Personnel will not suffer demotion, penalty or other adverse consequences in retaliation for refusing to pay or receive bribes or participate in other illicit behavior.

4. FACILITATION PAYMENTS

4.1 Facilitation payments are form of payments made personally to an individual in control of a process or decision to secure or expedite the performance of a routine or administrative duty or function (e.g. influencing the timing of process or issuing of permits). In Malaysia, facilitation payment is illegal. It is seen as a form of corruption. Regardless of whether it is legal in any other country, facilitation payment is strictly prohibited under this Policy.

4.2 Our Personnel and Business Partners must not directly or indirectly offer, promise or give any form of facilitation payment to any public officials for any purposes

4.3 There may be occasion where you are forced to make facilitation payments in order to protect your life, limb or liberty. In such occasion, you must immediately report the incident to Chief Executive Officer for the necessary action to be taken.

5. GIFT, ENTERTAINMENT & HOSPITALITY

5.1 Gift

A. Providing Gift

a) “Corporate gift” normally bears the company’s name and logo and are of nominal / appropriate value such as diaries, table calendars, pens, notepads and plaques. “Festive or ceremonial gifts” are traditional treats or gifts customary to the occasion such as red packets (without cash or cash equivalent), oranges and dates.

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B. Accepting Gift

- a) Magna Prima Berhad recognizes that exchange of gifts is a very delicate matter where, in certain cultures or situations, gift giving is customary, a tradition or central part of business etiquette.
- b) Our Personnel are expected to decline (or avoid accepting) gifts with the exceptions being:
 - i. Corporate gifts of nominal / appropriate value;
 - ii. Festive or ceremonial gifts of appropriate value during festive seasons or other ceremonial occasions;
 - iii. When refusing the gift is likely to offend and harm Magna Prima berhad business relationship with the giver; or
 - iv. Gifts given during invitation to speak at conferences or work-related conferences

If you are in doubt about the acceptability, the gift must be refused.

5.2 **Entertainment**

A. Providing Entertainment

- a) It is a common practice within the business environment to provide entertainment to foster business relationship. Magna Prima Berhad recognizes the need to provide reasonable and proportionate entertainment under appropriate circumstances. Our Personnel may offer appropriate and proportionate entertainment that is legal and reasonable within the scope of their work as part of business networking as well as a measure of goodwill towards the recipients.
- b) Whilst the act of hospitality through entertainment is a ventral is a central part of business etiquette, it may create a negative perception if observed or known by others despite selfless motives behind the entertainment provided. Our Personnel must always bear in mind that perception is more important than facts and therefore our Personnel is expected to always exercise proper care and good judgement when providing entertainment to external parties, especially when it involves public officials.
- c) Our Personnel must not directly or indirectly provide or offer to provide entertainment with a view to cause undue influence or in exchange for favors or advantages. Such acts are considered corruption.

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B. Accepting Entertainment

- a) Magna Prima Berhad recognizes that occasional acceptance of appropriate and proportionate entertainment provided by Business Partners or other parties in the normal course of business is a legitimate way to network and to build business relationships.
- b) However, it is important for our Personnel to exercise proper care and good judgement before accepting entertainment offered or provided by Business Partners or other external parties. This is to safeguard Magna Prima Berhad reputation and avoid allegations of impropriety or undue influence or worse, corruption.
- c) Our personnel must at all times conduct themselves with integrity in relation to accepting entertainment from any party. Our Personnel or any of their family members must not accept entertainment in exchange for an exercise or non-exercise of their job function or activity.

6. DONATIONS AND SPONSORSHIPS

6.1 Prohibition of Donation / Contribution to political Parties or Individual Politicians.

Our Personnel must not make donation or funding of any kind to political parties or individual politicians or towards politicians or towards political campaigns or initiatives for or on behalf of Magna Prima Berhad. Any request for political donation or contribution must be pre-approved by the Board of Directors of Magna Prima Berhad and no political contribution may be made unless Magna Prima Berhad has received a satisfactory opinion from qualified local counsel as to its legality under applicable laws.

6.2 Charitable or Educational Donations and Sponsorships.

Magna Prima Berhad will only provide charitable or educational donation and public welfare sponsorships if they are ethical and legal under applicable laws.

7. DEALING WITH GOVERNMENTS AND PUBLIC OFFICIALS

- 7.1 Our Personnel must comply with all applicable laws, conduct themselves with integrity and apply the highest ethical standards whenever they deal or otherwise engage with government agencies, regulatory bodies, statutory bodies(whether local or foreign) and any of its officials.
- 7.2. Our Personnel or Business Partners must not directly or indirectly exert, or attempt to exert, any improper or illegal influence on public officials.

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- 7.3 If any information is required by any government, government agencies, regulatory bodies, statutory bodies (whether local or foreign), our Personnel must always consult their immediate supervisor before responding to such requests and ensure that all information provided is in good faith, truthful and accurate.

8. CONFLICTS OF INTEREST

- 8.1 Conflicts of interest arise where there is personal interest that can be considered to have potential interference with objectivity in performing duties or exercising judgement for or on behalf of Magna Prima Berhad. Our Personnel must avoid situations in which their personal interest would conflict with their duties and responsibilities. Our Personnel must not use their position, official working hours, Magna Prima Berhad resources and assets, or information available to them for personal gain or to Magna Prima Berhad disadvantage.
- 8.2 In situations where conflict of interest arises, our Personnel are required to immediately declare the matter to their immediate supervisor.

9. REVISIONS

- 9.1 This Policy will be updated, amended or revised from time to time to ensure its adequacy in implementation and enforcements.