



A Member of  **MMC** Group

(328719-K)

# **ANTI-BRIBERY AND ANTI-CORRUPTION POLICY AND FRAMEWORK**

As of 6 July 2021

## 1.0. DEFINITIONS

For purposes of this Policy and Framework, the following definitions were applied:

**"ABAC"** means Anti-Bribery and Anti-Corruption.

**"Bribery"** is defined as the act of offering, promising, giving, accepting or soliciting of an advantage as an inducement for an action which is illegal, unethical or a breach of trust. Inducements can take the form of gifts, loans, fees, rewards or other advantages. Details on types of bribery are as per Appendix 2.

**"Business"** means any activity carried on for gain or profit and included all property derived from or used in or to carry on such activity, and all the rights and liabilities arising from such activity.

**"Business Associate(s)"** means an external party with whom PTP has, or plans to establish, some form of a business relationship. It may include clients, customers, joint venture partners, consortium partners, outsourcing providers, contractors, consultants, subcontractors, suppliers, vendors, advisers, agents, distributors, representatives, intermediaries and investors.

**"Conflict of Interest"** means when a person's interests either influence, have the potential to influence or are perceived to influence their decision making at PTP. More details are set out in item 4.7 below.

**"Corruption"** means the act of giving or receiving of any gratification or reward in the form of cash or in-kind of high value for performing a task in relation to his or her job description. Details on the type of corruption are as per Appendix 3.

**"Corporate Gift"** means something given from one organization to another, with the appointed representatives of each organization giving and accepting the gift. Corporate gifts usually bear the Company name and logo.

**"Donation & Sponsorship"** means charitable contributions and sponsorship payments made to support the community.

**"Employee(s)"** means any person who is in the employment of PTP, including but not limited to, directors, executives, permanent and contractual employees, secondees temporary staff and workers and interns.

**"Exposed Position"** means a staff position identified as vulnerable to bribery through a risk assessment. Such positions may include any role involving procurement or contract management; financial approvals; human resource; relations with government officials or government departments; sales; positions where negotiation with an external party is required or other positions which the Company has identified as vulnerable to bribery.

**"Governing Body/Board"** means PTP Board of Directors or equivalent body.

**"Gratification"** is defined in the MACC Act as:

- i. Money, donation, gift, loan, fee, reward, valuable security, property or interest in the property of any description whether movable or immovable, financial benefit or any other similar advantage or value;
- ii. Any office, dignity, employment, contract of employment or services and agreement to give employment or render services in any capacity;
- iii. Any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;

- iv. Any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;
- v. Any forbearance to demand any money or money's worth or valuable thing;
- vi. Any other service or favour of any description, including protection from any penalty or disability incurred or apprehended or from any action or proceeding of a disciplinary, civil or criminal nature, whether or not already insinuated, and including the exercise or the forbearance from the exercise of any right or any official power of duty; and
- vii. Any offer, undertaking, or promise, whether conditional or unconditional, of any Gratification within the meaning of any of the preceding paragraphs (i) to (vi).

**"Hospitality"** means the considerate care of guests, which may include refreshments, accommodation, and entertainment at a restaurant, hotel, club, resort, convention, concert, sporting event or other venues such as Company offices, with or without the personal presence of the host. Provision of travel may also be included, as may other services such as the provision of guides, attendants and escorts; use of facilities such as a spa, golf course or ski resort with equipment included;

**"MACC Act"** means the Malaysian Anti-Corruption Commission Act 2009 ([https://www.sprm.gov.my/images/Akta-akta/Act\\_694.pdf](https://www.sprm.gov.my/images/Akta-akta/Act_694.pdf)) and the MACC (Amendment) Act 2018 ([https://www.sprm.gov.my/images/Akta-akta/Act\\_A1567.pdf](https://www.sprm.gov.my/images/Akta-akta/Act_A1567.pdf)) and any other subsequent amendments, revisions or updates related thereto.

**"PTP/Company"** means PELABUHAN TANJUNG PELEPAS SDN. BHD. or PORT OF TANJUNG PELEPAS and its subsidiaries and controlled companies.

**"Top Management"** means the Chief Executive Officer (CEO) and the Head of Divisions.

**"ABAC Policy/Policy"** means PTP's Anti-Bribery and Anti-Corruption Policy and Framework.

**"Whistleblower"** means any person who discloses improper conduct in accordance with the Company's Whistleblower Policy.

## **2.0. POLICY STATEMENT**

PTP is committed to conducting its business ethically and in compliance with all applicable laws and regulations, including but not limited to the Malaysian Anti-Corruption Commission Act 2009 and its amendment (collectively referred to herein as the "MACC Act"), the US Foreign Corrupt Practices Act 1977 (amended 1998), and the UK Bribery Act 2010 which prohibit bribery and corruption.

To further develop and grow as an organization of choice that recognizes the values of sustainable development, value people, focus on customers, delivering results, and upholding integrity, the leadership of PTP is determined to act with uncompromising integrity in everything we do.

We take a straightforward "zero tolerance" approach to corruption. All detected violations will be investigated, where required, and appropriate actions instituted against those found responsible. Moreover, we strive to develop, document, implement, and continuously improve a functioning integrity management system as an indispensable tool to prevent violations and boost Company performance.

For our stakeholder:

We keep our commitments to our stakeholders and earn confidence by acting and behaving ethically. We relate integrity to other concerns, think broadly about issues, across sectors and act accordingly, taking into consideration sustainability and long-term consequences of actions.

For our employee:

We are accountable, individually, and in teams for our ethical conduct, actions and performance. It is the responsibility of all employees to report all incidents of corruption or any other integrity violations. Those shall be treated with the strictest confidentiality and not to be disclosed or discussed with parties other than those involved with the investigation. Above that, however, each employee is responsible for contributing to the Company's integrity performance by acting as a risk manager within their areas of competence.

For our organization:

We value the trust bestowed on us by the stakeholders, and all our actions must be ethical and reflect care. Collaboration and cooperation with all sectors are necessary to improve well-being. Therefore, services must be provided in a responsible and accountable manner.

This Policy is a critical step, but not the end of our anti-corruption efforts, and we will do what is necessary to ensure that appropriate and adequate measures are implemented, and risks identified and assessed. We expect our actions to be consistent with the words we say and our words to be consistent with our intentions

**OFFICE OF CHIEF EXECUTIVE OFFICER  
PELABUHAN TANJUNG PELEPAS SDN. BHD.**

### **3.0. POLICY APPLICATION**

- 3.1. This ABAC Policy applies equally to PTP's business dealings with commercial ("private sector") and Government ("public sector") entities and includes their directors, personnel, agents and other appointed representatives.
- 3.2. This ABAC Policy is intended to be applicable to all Employees of PTP. Joint-venture companies in which PTP is a party to and associated companies are encouraged to adopt these or similar principles and standards.
- 3.3. Although this ABAC Policy is explicitly written for PTP, the Company expects that contractors, sub-contractors, consultants, agents, representatives and others performing work or services for or on behalf of PTP to comply with it in relevant part when performing such work or services.
- 3.4. If a law conflicts with the Policy as set out in this ABAC Policy, the law will supersede the Policy. If any of the employees perceive that a provision in the Policy conflicts with the law in their jurisdiction, they should consult with their Head of Division/Department or the Integrity, Governance and Compliance Unit ("IGC"), rather than disregard the Policy without consultation. This is to be read in conjunction with other Codes, Policies, Guidelines or the like as mentioned herein.

### **4.0. GUIDANCE ON COMMON FORMS OF BRIBERY AND CORRUPTION**

#### **4.1. Gifts and Hospitality**

- 4.1.1. Subject to item 4.1.2 below, PTP employees are prohibited from receiving or asking for gifts from external parties. Under no circumstances may PTP employees accept gifts in the form of cash or cash equivalent, including gift certificates, loans, commissions, coupons, discounts or any other related forms.
- 4.1.2. This Policy does not prohibit business hospitality, so long as it is reasonable, appropriate, modest and bona fide corporate hospitality.
- 4.1.3. In no event can lavish gifts or hospitality be accepted as it may be perceived or interpreted as attempts to obtain or receive favourable business treatment or personal benefits.
- 4.1.4. Employees should be mindful in giving or receiving gifts or hospitality as it could be perceived as a way of improperly influencing the decision making of the recipient. Hence, the intention behind the gifts or hospitality should always be considered, and PTP's Limits of Authority should always be complied with, and confirmation from the IGC obtained.
- 4.1.6. Appendix 1 outlines the gift and hospitality management process flow. For further details, please refer to the PTP Gift Policy under the Code of Ethics and Business Conduct for Management.

#### **4.2. Facilitation Payments**

- 4.2.1. Facilitation payments are unofficial payments or other advantages made to secure or expedite the performance of a routine or necessary action to which the payer is entitled, legally or otherwise. Employees shall not promise or offer or agree to give or offer, facilitation payments to anyone.
- 4.2.2. The authority to approve such payment vests with the CEO and the Executive Committee (EXCO). Any request for approval and the permission (if granted) must be documented in writing and the payments adequately recorded. However, there could arise circumstances in which the employees have no alternative but to make an immediate or urgent facilitation

payment to protect themselves from injury, loss of life or liberty. Any facilitation payments made under such circumstances should be recorded transparently and reported immediately to the immediate superior, CEO and the IGC.

- 4.2.3. All records shall be kept by the Legal & Company Secretarial Department and Human Capital Management Division and the copies by the respective department and the IGC, if applicable.

#### **4.3. Political Contribution**

- 4.3.1. As a matter of general Policy, PTP does not make or offer monetary or in-kind political contributions to political parties, political party officials or candidates for political office.
- 4.3.2. PTP may, in very limited circumstances, make political contributions where such contributions are permitted under the law. The authority to approve such political contributions vests with the CEO and the Executive Committee (EXCO).
- 4.3.3. If any contribution is made, it must be permissible under applicable laws and must not be made with any promise or expectation of favourable treatment in return and must be accurately reflected in PTP's books and records.
- 4.3.4. Good faith payments to a government entity 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.
- 4.3.5. Under no circumstances, will any employees be compensated or reimbursed in any way by PTP for a personal political contribution. Employees are prohibited from acting on the below without obtaining prior written approval from Top Management:
- Using their position in PTP to try to influence any other person (whether or not employed by PTP) to make political contributions or to support politicians or their parties;
  - Make any contribution or incur any expenditure using PTP resources to benefit any political campaign, party or politician.
  - The use of PTP facilities, equipment and resources for any political campaign or party functions
- 4.3.6. Furthermore, charitable donations may not be used as a subterfuge for prohibited political payments. Notwithstanding the foregoing, it is PTP's Policy to engage and communicate its views and position on issues of public interest that have an essential impact on PTP.
- 4.3.7. Employees must comply with local laws concerning lobbying in the jurisdictions in which PTP engages in lobbying and must conduct themselves in a manner which is in accordance with local laws and consistent with the values and principles of PTP.
- 4.3.8. All records on political donations shall be kept by the Legal & Company Secretarial Department and the copies by the respective department and the IGC, if applicable.
- 4.3.9. For further details, please refer to the PTP Political Activities and Contributions Policy in the Code of Ethics and Business Conduct for Management

#### **4.4. Donation and Sponsorship**

- 4.4.1. Philanthropic support and donations are acceptable (and indeed are encouraged), whether of in-kind services, knowledge, time, or direct financial contributions. However, employees

must be careful to ensure that charitable donations or sponsorships are not used as a scheme to conceal bribery.

- 4.4.2. No donation or sponsorship can be offered or made without the prior approval in accordance with the Limits of Authority of the Company. All donations or sponsorships should be made through the Corporate Affairs Department as the caretaker of all donation or sponsorship activities in PTP and compliance confirmation from the IGC should be obtained.
- 4.4.3. The records of all charitable contributions shall be kept by the Corporate Affairs Department and the copies by the Legal & Company Secretarial Department and IGC, if applicable.

#### **4.5. Corporate Social Responsibility (CSR)**

- 4.5.1. As a responsible corporate citizen, PTP is committed to cultivating a strong relationship with the local communities in which we live and work by contributing to the well-being of the people and the nation. Given the nature of our business, PTP may be asked by the government, political parties or other non-governmental organizations to contribute to such activities.
- 4.5.2. As part of our commitment to corporate social responsibility and sustainable development, as a general matter, PTP provides such assistance in appropriate circumstances and a proper manner. All CSR activities must be made in accordance with standard procedures and receive prior authorization in accordance with the Limits of Authority of the Company and confirmation from the IGC.
- 4.5.3. Before committing any CSR activities requested by external stakeholders, the employee must first conduct proper due diligence to ensure that the requests are legitimate and that any red flags raised are resolved prior to commit the funds.
- 4.5.4. PTP requires employees to use good judgment and common sense in assessing the requests. When in doubt or if the proposed activity falls outside the standard procedure, employees should seek further advice from the IGC.

#### **4.6. Lobbying Activities**

- 4.6.1. Where lobbying is carried out by PTP for its business purposes, PTP's stance is to preserve public trust and confidence in our company by providing factual information and all lobbying activities are to be practised with honesty and integrity.
- 4.6.2. All employees must obtain prior approval from the CEO and Executive Committee (EXCO) to lobby or authorize anyone else (for example, consultant, agents or business partner) to lobby on the Company's behalf, except when lobbying involves only normal business activities and not influencing legislation or rulemaking.
- 4.6.3. For further details, please refer to the PTP Lobbying Activities Policy under the Code of Ethics and Business Conduct for Management.

#### **4.7. Conflicts of Interest**

- 4.7.1. Conflicts of interest arise in situations where there is a personal interest that could be considered to have potential interference with objectivity in performing duties or exercising judgment on behalf of the Company.
- 4.7.2. All Employees should avoid situations in which personal interest could conflict with their professional obligations or duties. The employee must not use their position, official

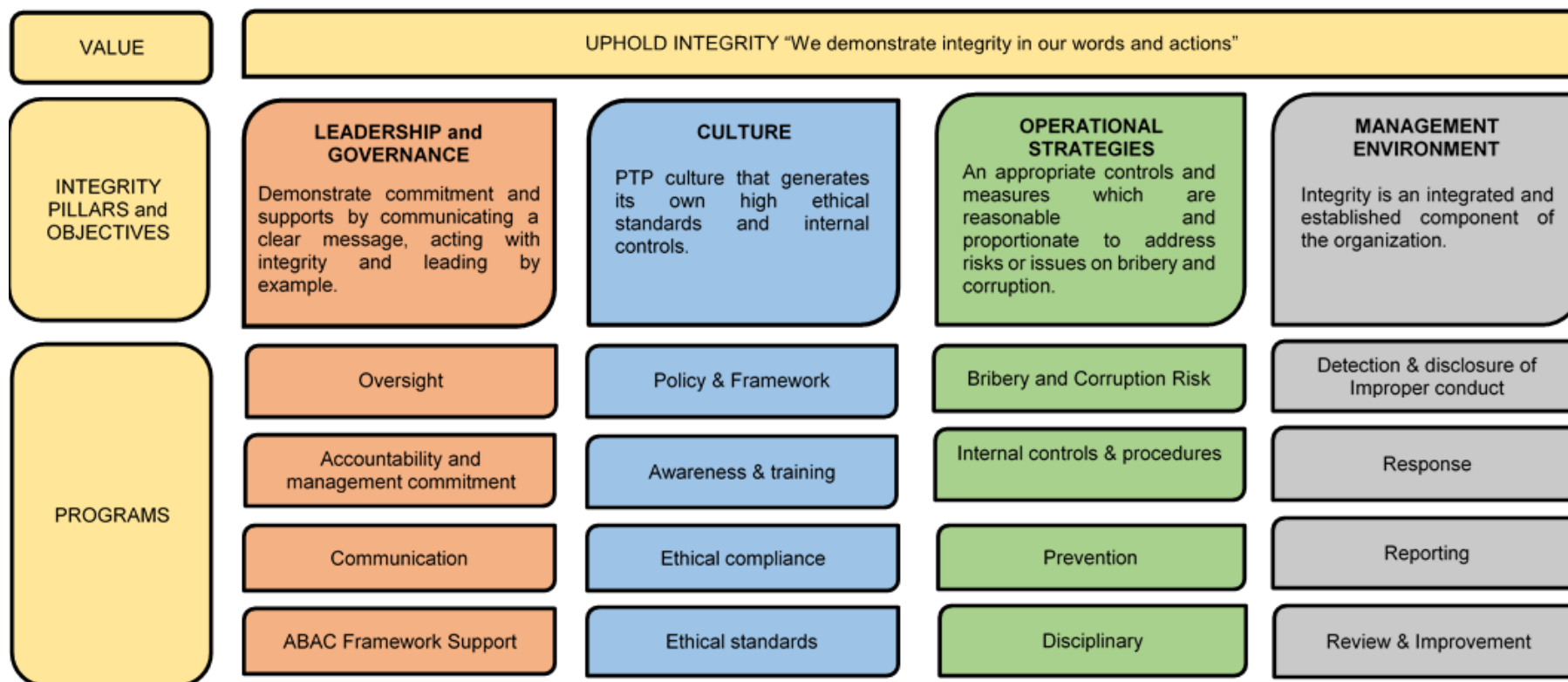
working hours, Company's resources and assets, or information available to them for personal gain or to the Company's disadvantage.

- 4.7.3. In situations where conflict does occur, employees are required to declare the matter as per the Human Capital Management Division guidelines and the Tender Committee guidelines. If in doubt, obtain confirmation from the IGC.



## 5.0. THE FRAMEWORK

PTP adopts the ISO 37001:2016 Anti-bribery management system and the TRUST principles, which specifies a series of measures to assist organizations in preventing, detecting and resolving instances involving bribery and corruption. The figure below provides an overview of PTP ABAC Framework.



## **5.1. Leadership and Governance**

### **5.1.1. Oversight – Governing Body**

The Governing Body is responsible for establishing, governing, maintaining and reviewing the contents and operation of the ABAC Policy. The Governing Body shall exercise discretion and reasonable oversight with respect to the adequacy, communication, effectiveness and implementation of the Policy.

### **5.1.2. Accountability and management commitment – Top Management**

In this respect, the Top Management is accountable for the implementation of this Policy, and its responsibilities include but is not limited to:

- i. Implementing the ABAC Policy to all levels within the Company and set the right “tone at the top”.
- ii. Deploying adequate resources and assigned to person(s) with relevant competence towards the effective implementation and operation of the ABAC Policy.
- iii. Review the ABAC implementation program and propose improvement as and when necessary.
- iv. Putting in place the appropriate controls and contingency measures which are reasonable and proportionate, to address risks and issues on bribery and corruption.
- v. Providing ABAC awareness training to its employees and communicate the program.
- vi. Ensuring overall oversight and assurance on compliance with the ABAC Policy.

### **5.1.3. Communication**

The ABAC Policy shall be made available to all Employees within the Company, including Business Associates. To this end, the ABAC Policy shall be published throughout the relevant Company’s internal and external communication channels.

### **5.1.4. Integrity, Governance and Compliance Unit (“IGC”)**

IGC is an independent function reporting to the Board or the Audit Committee or other Independent Committee of the Board. Administratively, the unit will report to the Management.

IGC is the custodian of PTP ABAC Policy and Framework and responsible for positioning PTP as an organization that practises high standards of integrity in its conduct. The unit also plays a role in educating and communicating to PTP employees and stakeholders on the importance of integrity and ethical practices within the organization.

IGC core functions under the ABAC Policy are:

- a) Integrity Strengthening
  - Plan, implement, and coordinate integrity strengthening programs to enhance the practice of integrity in the organization.
  - Providing advice, guidance and communicate to Employee(s) on the ABAC Policy and issues relating to bribery and corruption.

- Providing adequate and appropriate anti-bribery and anti-corruption training and awareness to Personnel.
- Reporting on the performance of the ABAC Policy to the Governing Body and Top Management at planned intervals.
- Prepare articles/inputs for integrity strengthening for publication and promotion to staff.

b) Governance

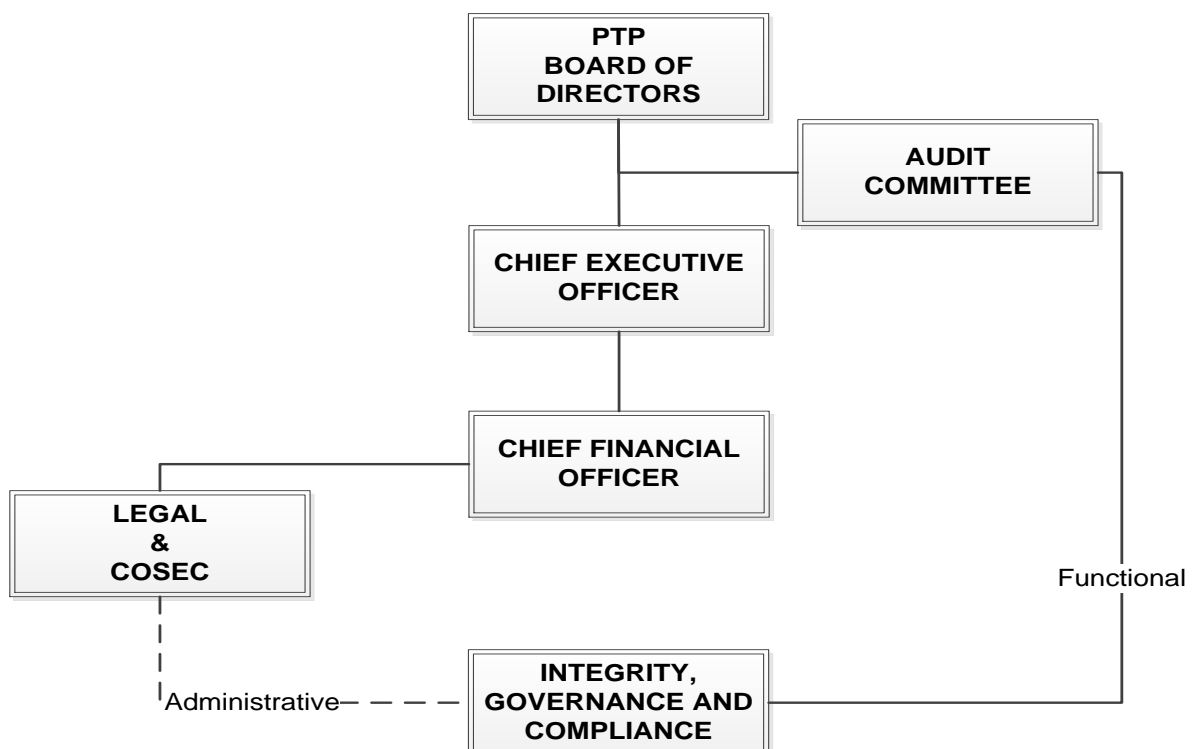
- Update the ABAC Policy to reflect relevant new changes as and when necessary.
- Conduct checks and research on policies, systems and work procedures and to suggest improvements.
- Coordinate the improvement of the organization's relevant procedures and systems.

c) Detection and Verification

- Facilitate due and fair investigation process. Some of the activities but not limited to, to be undertaken by this functions include:
  - examination and scrutiny of initial investigation report by Internal Audit Department;
  - formation of Investigation team; and
  - Investigation Reports.

The Internal Audit Department (IAD) will be responsible for the preliminary investigation process upon receiving information or a report from the Whistleblower prior to submission to the Audit Committee. At his/her discretion, the Audit Committee Chairman may instruct the IGC to investigate any bribery and corruption-related cases further, wherein the functions under Item 5.1.4(c) would apply.

The diagram below illustrates the governance structure of the IGC Unit.



#### 5.1.5. ABAC Framework Support

- i. Enterprise Risk Management (ERM)
  - ERM is the custodian of the PTP ERM Policy and Framework, which sets out the process for managing risks across PTP. It illustrates how risk management is embedded in PTP organizational systems to ensure that it is integrated at all levels and work contexts. It describes the fundamental principles, elements and processes to guide staff in effectively managing risks, making it part of our day-to-day decision-making and business practices.
  - ERM shall assist the IGC in performing the bribery and corruption risk assessment, developing the company-wide risk profile as well as monitoring and reporting to the oversight body.
- ii. Internal Audit Department (IAD)
  - IAD is the custodian of the PTP Whistleblower Policy and shall manage the overall system, process, and implementation of the Whistleblowing Policy. IAD shall monitor and evaluate the performance, efficiency and effectiveness of the PTP ABAC Policy and programme.
  - IAD core functions under the ABAC Policy are:
    - a) Complaints Management
      - Supervise, monitor, and manage the receiving of information/complaints through PTP Whistleblower channel on improper conducts, bribery and corruption in an appropriate and timely manner.
      - Ensure action is taken on information/complaint on bribery and corruption.
      - Ensure information/complaint related to administration or not related to IGU matters are forwarded to the relevant department in the organization.
      - Prepare Complaints Statistics Reports periodically for monitoring purposes and to provide the report to IGC on bribery and corruption matters.
    - b) Detection and Verification (screening & assessment)
      - Detecting and verifying information/complaints related to on improper conducts, bribery and corruption in the organization.
      - Facilitate due and fair investigation process, any person who discovers or suspects any Improper Conduct within the Company, should not attempt to conduct investigations personally or interrogate any suspect.
      - Prepare a report ("Assessment Report") within seven (7) working days from the date the disclosure was made to the Audit Committee Chairman informing the results of the assessment and recommend either to ignore the disclosure or to take further action and to provide the same report to IGC on bribery and corruption matters.
- iii. Human Capital Management (HCM)
  - HCM shall assist the IGC in conducting the related training and awareness-raising initiatives.
- iii. Corporate Affairs Department (CAD)
  - CAD shall assist the IGC in instilling awareness among Employees through the various awareness-raising initiatives conducted.

## **5.2. Culture**

### **5.2.1. Policies and Frameworks**

The current PTP's sets of policies and frameworks provide a foundation to support the culture of good corporate governance and integrity throughout the Company. These includes but is not limited to:

- i. PTP Board Terms of Reference sets out the Board's strategic intent and outlines the Board's role and functions, composition, operation and processes, division of responsibilities between Board and Management.
- ii. PTP Code of Ethics and Business Conducts outlines the Company's commitment to appropriate and ethical practices. It sets out the principles, practices and standards of personal and corporate behaviour. Failure to comply with the Code is a serious breach, and appropriate action will be taken for its non-compliance.
- iii. PTP Whistleblower Policy provides an avenue for employees and third parties to make good-faith disclosure and report instances of unethical, unlawful or undesirable conduct without fear of reprisal. The identity of the Whistleblower and the concerns raised are treated with the utmost confidentiality.
- iv. PTP Procurement Policy and Procedures outline the process of acquiring supplies or goods and services to fulfil PTP's strategic and operational needs, which require coordination of multiple discipline across the end procurement value chain; pre-procurement, procurement and post-procurement.
- v. All other relevant PTP policies, frameworks, procedures, standards, rules and regulations.

### **5.2.2. Employee Awareness and Training**

The awareness-raising initiatives and training programmes shall be periodically updated as and when necessary with the aim to safeguard the Company's core values by informing employees of the obligations, duties and commitments within their roles, the risks of corruption in their work and any changing circumstances which may be relevant to the employees.

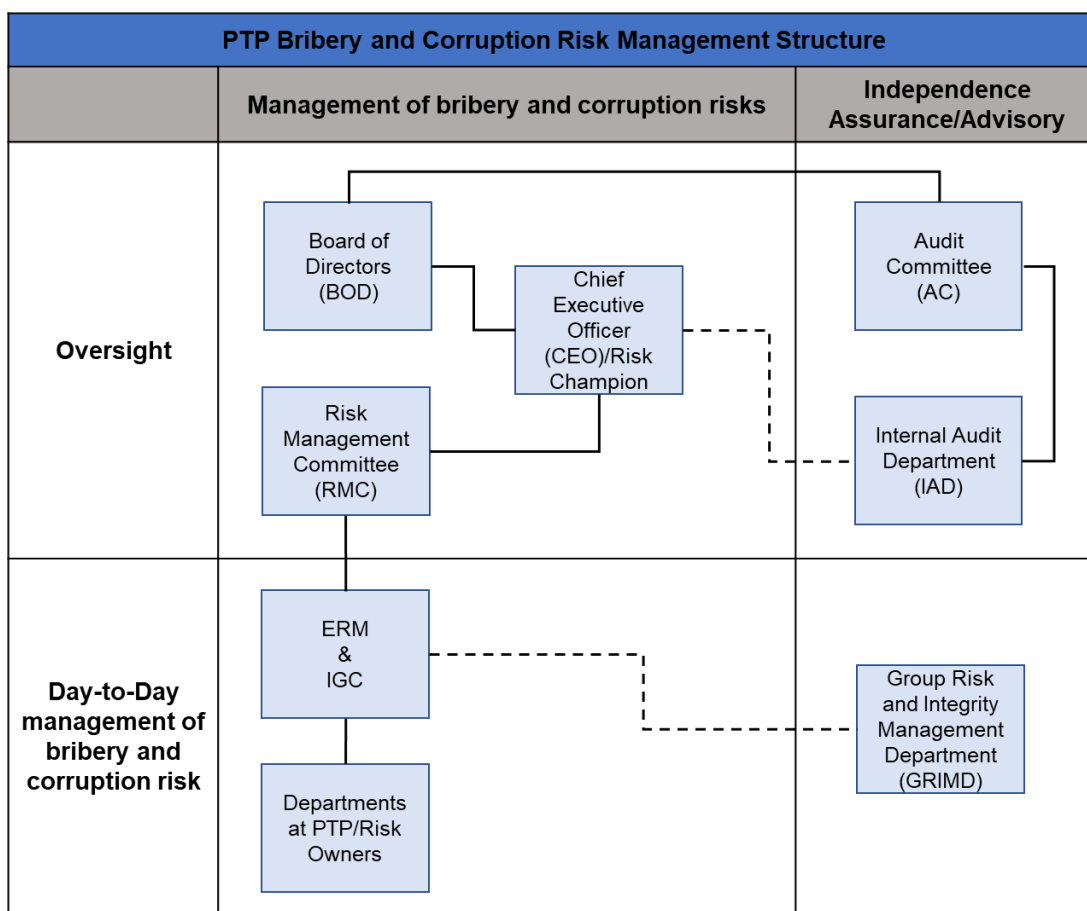
### **5.2.3. Ethical Standards and Compliance**

Employees were expected to understand and comply with the relevant Company policies and standards. Every Employee is responsible for ensuring that their personal and business conduct demonstrates honesty, integrity, leadership, professionalism, loyalty, responsibility and trustworthiness towards fellow employees, customers, Business Associates, authorities and the public.

## **5.3. Operational Strategies**

### **5.3.1. Bribery and Corruption Risk Management**

Bribery and corruption risk identification and assessment are part of the broader PTP existing ERM Policy and Framework. The bribery and corruption risk management process helps the Company identify structural weaknesses that may facilitate bribery or corruption and provide a framework for all staff to take part in identifying risk factors and treatments and embeds bribery and corruption prevention within a well-established governance framework. The diagram below illustrates the governance structure for the bribery and corruption risk management.



A bribery and corruption risk assessment should form the basis of an organization's anti-bribery and anti-corruption efforts. As such, PTP should conduct bribery and corruption risk assessments periodically and when there is a change in law or circumstance of the business to identify, analyze, assess and prioritize the internal and external corruption risks of the organization.

This risk assessment should be used to establish appropriate processes, systems, and controls approved by the Top Management to mitigate the specific corruption risks the business is exposed to. The risk assessment for bribery and corruption can be done on a stand-alone basis. Still, it is recommended that the assessment be incorporated into the general risk register of the Company.

Where bribery and corruption risk assessment ratings are “MEDIUM” and above, the assessment shall include the nature and extend of bribery and corruption risk concerning the transactions, and this shall include due diligence to obtain sufficient information to assess the risk. The risk assessment for bribery and corruption shall be incorporated into the existing ERM processes.

On a quarterly basis, the Top Management will assess and update the bribery and corruption risk information via the quarterly risks reporting.

For the reporting to the Group Risk and Integrity Management Department or the Audit Committee or to the Board, only the risks that are rated as “HIGH” and above (as per PTP’s established enterprise risk rating) are to be extracted. The compiled report will be submitted to the Risk Management Committee through the ERM and if deemed fit, to approve and recommend for submission on the updates.

The Audit Committee or the Board then notes the reports so that they are aware of significant bribery and corruption risks within the Company and ensure that appropriate actions are taken by the Top Management to mitigate the risks.

#### 5.3.2. Internal Controls and Procedures

PTP has strict internal controls to restrict and prevent any instances of bribery and corruption. There are clear and documented policies in respect of activities that may be vulnerable to bribery and corruption or in kind:

- i. PTP Procurement Policies and Procedures outline the key principles on conducting procurement process and activities to support fair competition, broad participation and good governance in compliance with the relevant laws, regulations and terms and conditions which protects both PTP and its vendors.
- ii. HCM Policies and Procedures define the procedures relating to human resource functions governing operations and handling other related matters in achieving the organization's objectives. It also establishes the processes and serves as a guideline for PTP employees to maintain ethical and professional conduct in a congenial working environment.
- iii. Finance Policies and Procedures such as Limits of Authority identifies the various persons/authorities responsible for various business transactions, including matters that require Board approval. It sets out a clear line of accountability and responsibility of the relevant persons/authorities to facilitate decision making and approval at the appropriate level.
- iv. Clear role and responsibilities of each job position.

Audit reviews by internal or external parties provide independent assurance on the adequacy, existence and effectiveness of the governance, risk management and control processes.

#### 5.3.3. Prevention

Preventive measures shall be taken to identify and resolve weaknesses in practices, systems and work procedures and continue to increase the level of efficiency by eliminating opportunities for bribery and corruption or in kind.

#### 5.3.4. Disciplinary action

PTP has a clear framework to deal with instances where employees are not in compliance with the code of conduct as stipulated in the PTP's Terms and Conditions of Service. It seeks to ensure prompt, consistent and fair treatment for all employees and to assist in enabling both the employee and the company to be clear about the expectations of both parties. PTP has the rights to take disciplinary action against any employee found to have committed a breach of the company policies and procedures.

Further to disciplinary actions taken by PTP, any employee who commits an act of bribery or corruption risks violating any applicable laws shall be liable to a penalty as stipulated under such legislation.

## **5.4. Management Environment**

### **5.4.1. Detection and Disclosure of Improper Conduct, Response and Report**

PTP shall not tolerate any improper conduct by any employee, any agent, person or entity engaged under a contract for service or engaged by PTP which can lead to any act of corruption herein and/or under any applicable laws. Improper Conduct includes conducting any acts of bribery and corruption as set out in Appendix 2 and Appendix 3 respectively.

PTP shall provide a transparent and secure disclosure process upon discovery of any Improper Conduct to ensure the anonymity of the Whistleblower without compromising the confidentiality of the report or security of the Whistleblower. Any improper conduct that is discovered or genuinely suspected by the Whistleblower shall be reported immediately through the Whistleblower Hotline at 6019-7797 528 or email at wbrptp@gmail.com or the PTP website. For details, please refer to the PTP Whistleblower Policy.

PTP shall not penalize or hold any Employee accountable for refusing to accept any gratification even if the refusal results in the Company suffering financial or non-financial losses.

### **5.4.2. Review and Improvement**

Top Management shall continuously, assess whether the applicable policies and procedures were adequate to manage the Company's bribery and corruption risks effectively. To this end, PTP shall take steps to improve the suitability, adequacy and effectiveness of the program.

## **6.0. RESPONSIBILITIES OF PTP EMPLOYEES**

### **6.1. Employees required to carry out those responsibilities and obligations relating to the Company's ABAC stance, alongside those already in existence, which include but not limited to, the following:**

- Be familiar with applicable requirements and directives of the Policy and communicate them to subordinates;
- Promptly record all transactions and payments in the relevant PTP's books and records accurately and with reasonable detail;
- Ask the IGC if any questions about this policy arise or if there is a lack of clarity about the required action in a particular situation;
- Always raise suspicious transactions and other "red flags" (indicators of bribery or corruption) to immediate superiors for guidance on the next course of action;
- Be alert to indications or evidence of possible violations of this policy;
- Promptly report violations or suspected violations through appropriate channels
- Attend anti-bribery and corruption training as required;
- Promote and raise awareness on PTP's anti-bribery and anti-corruption stance and measures, wherever possible;
- Not misuse positions held or PTP's name for personal advantage.



6.2. When dealing with business associates, Employees shall not:

- Express preference for individual parties and shall treat all parties fairly and neutrally;
- Attempt to dishonestly influence their decisions by offering, promising or conferring advantage;
- Exert improper influence to obtain benefits from them;
- Directly or indirectly offer or make a promise or corrupt payments, in cash or in-kind for a specific favour or improper advantage from them.

6.3. During an active or anticipated procurement or tender exercise, Employees or those in Exposed Positions participating in the exercise in any way whatsoever, shall not:

- Receive gifts or hospitality of any kind from any external party participating, planning to participate, or expected to participate, in the procurement or tender exercise;
- Provide anything other than a corporate gift or a token of hospitality to any external/third party related to the exercise;
- Be involved in any discussions regarding business or employment opportunities, for personal benefit or the benefit of a business associate;
- Abuse the decision-making and other delegated powers given by the Top Management; and
- Bypass the procurement or tender processes and procedures.

6.4. When dealing with external parties in a position to decide PTP's benefit (such as a Government official or client), Employees or those in Exposed Positions shall not:

- Offer, promise or make any attempt at dishonestly influencing the person's decision by directly or indirectly offer or make a promise of corrupt payments, in cash or in-kind;
- Be involved in any discussions regarding business or employment opportunities, for their benefit or the benefit of the external party;
- Abuse the decision-making and other delegated powers given by the Top Management; and
- Exert improper influence to obtain personal benefits from them.

## **7.0. RECORD KEEPING AND USAGE OF COMPANY SOFTWARE AND HARDWARE**

7.1. Proper and complete records must be maintained of all payments made to third parties in the usual course of business as these would serve as evidence that such payments were bona fide, and not linked to corrupt or unethical conduct.

7.2. All accounts, invoices, documents, and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with accuracy and completeness.

7.3. Employees must declare all hospitality or gifts accepted or offered, and submit details to the person-in-charge who is assigned by the respective Division/Department for recording into a register which will be subject to audit review.

- 7.4. Employees must also ensure that all expense claims relating to hospitality, gifts or expenses incurred to third parties are approved by the Top Management or Chairman of PTP and must be correctly recorded the reason for such expenditure.
- 7.5. All employees should use Company software and hardware, including devices, gadgets, systems, mobile phones, laptops and PCs only for authorized purposes and should not use the same for any corrupt or unethical conduct or actions.

#### **8.0. AUDIT AND COMPLIANCE**

- 8.1. Regular audits shall be conducted to ensure compliance with this Policy. Such reviews may be done internally or by an external party. Audit documentation should include improvement action plans.
- 8.2. Non-compliance, as identified by the audit and any risk areas identified through this and other means, should be reported to the Top Management and Audit Committee in a timely manner in accordance with the level of risk identified.
- 8.3. PTP regards bribery and acts of corruption as serious matters and will apply penalties in the event of non-compliance to this policy. For Employees, non-compliance may lead to disciplinary action, up to and including termination of employment and the Company may pursue Court proceedings against the said personnel.
- 8.4. For external parties, non-compliance may lead to penalties, including termination of the contract. Further legal action may also be taken if the results have harmed PTP's interests on non-compliance by individuals and organizations.

#### **9.0. REPORTING OF VIOLATIONS OF THE POLICY**

- 9.1. Any employee who knows of, or suspects, a violation of the Policy, may whistle blow or report the concerns immediately through the mechanism set out under the PTP's Whistleblowing Policy.
- 9.2. No individual will be discriminated against or suffer any sort or manner of retaliation for raising genuine concerns or reporting in good faith on violations or suspected violations of the Policy. All reports will be treated confidentially.
- 9.3. Employees may also report violations or suspected violations to the Legal or Compliance teams. Failure to report violations or suspected violations constitute a violation of this Policy.

#### **10.0. STAFF DECLARATIONS AND INDEMNIFICATION**

- 10.1. Employees shall certify in writing that they have read, understood and will abide by this policy and such declaration shall be retained by the Human Capital Management Division and IGC.
- 10.2. Individuals who violate anti-corruption laws may face criminal prosecution potentially resulting in imprisonment, fines and other sentences. PTP cannot indemnify employees against liability under these laws and penalties may be levied against employees without reimbursement by PTP or its insurer. This is also applicable to employees who are no longer employed by PTP. Violations may lead to civil or criminal penalties imposed on PTP and such offences could lead to severe damage of PTP's reputation.
- 10.3. PTP regards bribery and corruption as a serious matter. Non-compliance may lead to disciplinary action and may include termination of employment. PTP may also take further

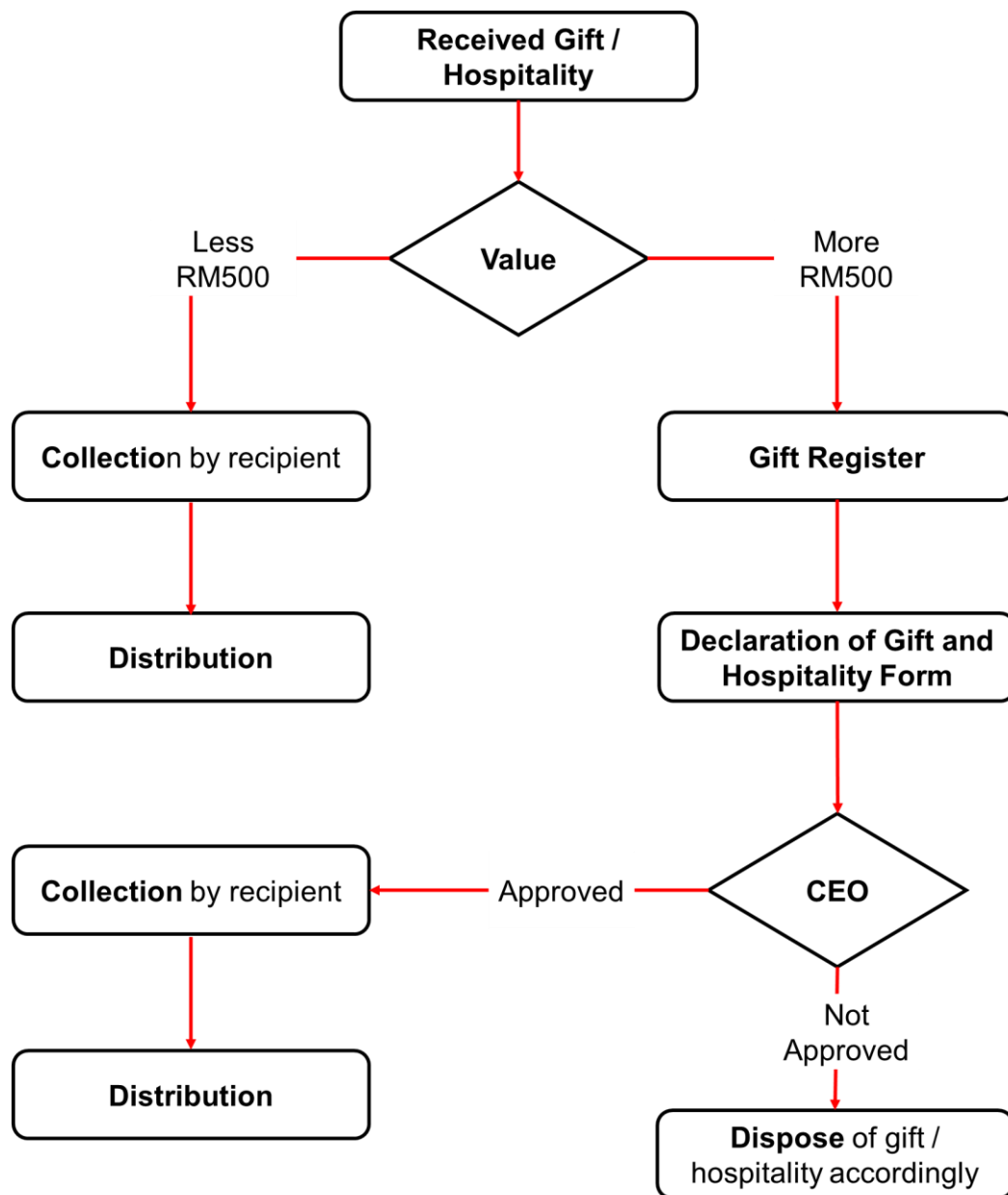
legal action against the violating Employee(s) if PTP's interests have been harmed due to such non-compliance.

- 10.4. Any disciplinary actions taken against Employees are subject to, among others, the disciplinary procedures as provided in the Terms and Conditions of Service for Management and Non-Management.
- 10.5. Further to disciplinary actions, any employee who commits an act of bribery or corruption risks violating the MACC Act or other prevailing acts and shall on conviction, be liable to a penalty as stipulated in Appendix 4.

#### **11.0. ADMINISTRATIVE**

- 11.1. For any administrative amendment or minor changes that do not affect the functionality of this Policy, the Board shall delegate its authority to the CEO for approval and if otherwise, the authorization is vested with the Board.
- 11.2. The contents of this document would be reviewed as and when required to ensure it continuously meets the needs and requirements of the relevant standards. The Company shall inform Employees if there are any changes made to this Policy.
- 11.3. Deviations or exemptions from this Policy are strictly prohibited. Any deviation or exemption sought would not be tolerated unless, in dire circumstances, such application must be made in writing to the IGC and CEO for consideration. If deemed pertinent, such request would be escalated and subject to the Audit Committee and the Board's review and approval.
- 11.4. If there are any doubts or queries concerning this Policy, Employees may contact the IGC for further clarification.

## Appendix 1: Gift/Hospitality Management Flow Chart



## Appendix 2: Types of Bribery

Type of Bribery	Definition
Corruption against the rule	A payment is made to ensure that the giver or someone connected to him/her actually receives a service to which they are not entitled.
Corruption with the rule	A payment is made to ensure that the giver or someone connected to him/her actually receives a service to which they are lawfully entitled.
Offering or receiving improper gifts, gratuities, favours or commissions	Accepting tips or gratuities in exchange for a service, frequently in violation of relevant codes of conduct. As links always develop between payments and results, such payments become difficult to distinguish from bribery or extortion.
Bribery to avoid liability for taxes	Officials in revenue collecting agencies, such as tax and customs, may be asked to reduce the amounts demanded or to overlook evidence of wrongdoing, including evasion or similar crimes. They may also be invited to ignore illegal imports or exports, or to turn a blind eye to illicit transactions, such as money-laundering.
Bribery in support of fraud	Payroll officials may be bribed to participate in abuses such as listing and paying non-existent employees.
Bribery to avoid criminal liability	Law enforcement officers, prosecutors, judges or other officials may be bribed to ensure that criminal activities are not properly investigated and prosecuted or, if they are prosecuted, to ensure a favourable outcome.
Bribery in support of unfair competition for benefits or resources	Public or private sector employees responsible for making contracts for goods or services (public procurement) may be bribed to ensure that contracts are made with the party that is paying the bribe, and on unjustifiably favourable terms. Where the bribe is paid out of the contract proceeds, it is described as a 'kickback' or a secret commission.
Private sector bribery	Corrupt banking and finance officials are bribed to approve loans that do not meet basic security criteria and are certain to default, which may lead to widespread economic damage to individuals, institutions and economies. Just as bribes can be offered to public officials conducting procurements, so too can bribes pollute procurement transactions within the private sector.
Bribery to obtain confidential or 'inside' information	Employees in the public and private sectors are often bribed to disclose confidential information and protected personal details for a host of commercial reasons.
Influence peddling	Public officials or political or government insiders illicitly sell the access they have to decision-makers. Influence peddling is distinct from legitimate political advocacy or lobbying (see Article 18 of the UN Convention Against Corruption).

### Appendix 3: Types of Corruption

[Source: *The United Nations Handbook on Practical Anti-Corruption Measures for Prosecutors and Investigators*]

- i. *Petty Corruption*  
Also known as administrative corruption, it involves the exchange of very small amounts of money and the granting of small favours. These however, can result in considerable public losses.
- ii. *Grand Corruption*  
It spreads through the highest levels of government, bringing about major abuses of power, disobedience of the rule of law, economic instability and the breakdown of good governance.
- iii. *Active and Passive Corruption*  
The former refers to the act of offering or paying a bribe (where the payment of a bribe has taken place) and the latter refers to the request or receiving of a bribe (a bribe was offered but not accepted).
- iv. *Bribery*  
Bribery is the most common form of corruption. It is described as the act of conferring a benefit in order to influence an action or decision. It comes in the form of cash, company shares, inside information, sexual or other favours, entertainment, employment or future benefits such as a retirement job. The benefit can pass directly to the person bribed, or indirectly to a third party such as a friend, spouse, relative, associate, favourite charity, private business, political party or election campaign. Once bribery has occurred, it can lead to other forms of corruption.
- v. *Embezzlement, Theft and Fraud*  
Embezzlement, theft and fraud involve stealing by an individual exploiting his or her position of employment. Fraud involves the use of false or misleading information to induce the owner of property to part with it voluntarily. Theft is universally regarded as falling within corruption definitions where it occurs, carrying with it as it does, a breach of a fiduciary duty.
- vi. *Extortion*  
Extortion relies on coercion to induce cooperation, such as threats of violence or the exposure of sensitive information.
- vii. *Abuse of Function*  
The abuse of function or position is the performance of or failure to perform an act by a public official, in violation of the law, to obtain an undue advantage for himself/herself or for another person or entity.
- viii. *Favouritism and Nepotism*  
Favouritism, nepotism and clientelism all involve abuses of discretion. Such abuses usually do not involve a direct personal benefit to an official but promote the interests of those linked to the official, be it through family, political party, tribe or religious group.
- ix. *Creating and Exploiting Conflicting Interest*  
Most forms of corruption involve the creation or exploitation of some conflict between the professional responsibilities of an individual and his or her private interest. The offering of a bribe creates such a conflict where none may have existed hitherto. In both the public and private sectors, employees and officials are routinely confronted with circumstances in which their personal interests conflict with their responsibility to act in the best interests

of the state or their employer. Well-run organizations have systems to manage these situations, usually based on clear codes of conduct.

x. *Improper Political Contribution*

Donations made with the intention or expectation that the party will, once in office, unduly favour the interests of the donor, is tantamount to the payment of a bribe.

#### Appendix 4: Penalties for Bribery and Corruption

MACC ACT 2009	SECTION 17A, MACC AMENDMENT ACT 2018	UK BRIBERY ACT 2010	US FOREIGN CORRUPT PRACTICES ACT ("FCPA") 1977
Up to <b>twenty (20) years</b> imprisonment; and	Up to <b>twenty (20) years</b> imprisonment; or	Up to <b>ten (10) years</b> imprisonment – accounting offences may be prosecuted under other Statutes.	Up to <b>five (5) years</b> imprisonment for bribery, <b>twenty (20) years</b> for accounting offences.
Minimum fine of <b>RM10,000</b> ; or  Not less than five (5) <b>times</b> the sum or value of the gratification, whichever is the higher.	Minimum fine of <b>RM1,000,000</b> ; or  Not less than ten (10) <b>times</b> the sum or value of the gratification; whichever is the higher; or  Both.	<b>Unlimited fine</b> ; additionally Serious Crime Prevention Orders, Winding up proceedings, debarment, director disqualification and regulatory/disciplinary action.	Criminal fines for entities of up to <b>USD2 million</b> (bribery) or <b>USD25 million</b> (violation of accounting provisions), or  Twice the benefit sought, and debarment; for individuals, fines of up to <b>USD100,000</b> (bribery) or <b>USD5 million</b> (accounting offences).
		Civil Recovery Orders – no criminal conviction required (lower threshold of proof).	Civil penalties of up to <b>USD10,000</b> per (bribery) violation or  <b>USD500,000</b> per (corporate accountancy) violation.