



PNE PCB BERHAD
198801000741 (168098-V)

ANTI-BRIBERY AND CORRUPTION POLICY

1. INTRODUCTION

PNE PCB Berhad (“the Company”), all its subsidiaries, joint venture companies and associate companies (“the Group”) are committed to ethical, transparent and responsible business practices as well as complying with all applicable laws, which include compliance with the Malaysian Anti-Corruption Commission Act 2009 (“MACC Act 2009”) and the Malaysian Anti-Corruption Commission (Amendment) Act 2018 and any of its amendments or re-enactments that may be made by the relevant authority from time to time.

This Anti-Bribery and Corruption Policy (“Policy”) sets out the parameters to prevent the occurrence of bribery and corrupt practices in relation to the businesses of the Group.

This Policy is supplemental to, and shall be read in conjunction with the Group’s Code of Ethics and Conduct of the Group as annexed herewith, Whistle Blowing Policy, the MACC Act 2009 and the Malaysian Anti-Corruption Commission (Amendment) Act 2018.

2. OBJECTIVE

This Policy sets out the Group’s position on matters pertaining to bribery and corruption that may be encountered by the Directors and Employees of the Group in the course of business for the purpose of providing guidance in dealing with and preventing acts of bribery and corruption. The Group will take reasonable and appropriate measures to ensure that its businesses do not participate in corrupt activities for its advantage or benefit.

3. SCOPE

This Policy applies to the following:

- (i) All Directors and employees of the Group working at all levels and grades (“Employees”) and any third parties associated with the Group, which may include but not limited to suppliers, contractors, agents, consultants, outsourced personnel, distributors, advisers, government and public bodies including their advisers, representatives and officials (collectively referred to as “Associated Third Parties”).
- (ii) The Group’s business dealings with private and public sector entities, including their directors, employees and Intermediaries; and
- (iii) All jurisdictions in which the Group operates.

For the purpose of this Policy:

- (a) **Bribery** means the act of giving or receiving something of value in exchange for some kind of influence or action in return, that the recipient would otherwise not offer;
- (b) **Corruption** means the act of soliciting, giving, accepting or receiving gratification, directly or indirectly, to/from a person in authority either in the form of money, services or valuable goods as an inducement or reward to or not to do an act in relation to the person's principal affairs – in short, corruption is essentially an abuse of entrusted power or position to obtain a personal gain or benefit; and
- (c) **Gratification** is defined in Section 3 of the MACC Act 2009 and includes money, donation, gift, loan, fee, reward, valuable security, property or interest in property, employment, appointment, release, forbearance, undertaking, promise, rebate, discount, services employment or contract of employment or services and agreement to give employment or render services in any capacity. The provision or receipt of gratification is not an offence unless it is done corruptly.

4. ANTI-BRIBERY AND CORRUPTION STATEMENT

We take a zero-tolerance approach to corruption and bribery. We conduct all of our business in an honest and ethical manner. We are committed to acting professionally, fairly and with integrity in all our relationships and business dealings in accordance with our Code of Ethics and Conduct, and to implement and enforce effective system to counter bribery.

In the event of an investigation into corruption involving the Group, we shall ensure our full co-operation with the enforcement agencies and other competent authorities.

In the event of suspicious behaviour, allegations and/or investigations relating to bribery or corruption, the Group Human Resources reserves the right to request the relevant Employee to declare information regarding the assets owned by them as deemed necessary.

The Employee who found violating this Policy may be subjected to disciplinary action as well as potential criminal investigation and prosecution.

5. SPONSORSHIPS, DONATIONS AND POLITICAL CONTRIBUTIONS

- (i) Donations and sponsorships may be permissible depending on the circumstances and should be made directly to an official entity and be capable of being publicly disclosed.
- (ii) Donations and sponsorships must not be made to influence business decisions or to cover up undue payments or bribery.
- (iii) The provisions relating to donations and sponsorships also apply to charitable support and donations, whether of in kind services, knowledge, time, or direct financial contributions.
- (iv) Subject to any prevailing law that govern political contribution, the Group may make contribution to political parties or candidates.

- (v) All donations, sponsorship payments and political contributions must be accurately reflected in the Group's accounting books and records, be permitted by the applicable law and be capable of being publicly disclosed.
- (vi) Written or verbal approval, on a case-by-case basis, must be obtained from the Managing Director/Executive Director before the Group's funds or resources may be utilised for any direct or indirect political contributions.

6. FACILITATION PAYMENTS

The Employees and Associated Third Parties dealing with the Group shall not accept or obtain or attempting to accept or obtain, solicit, offer, promise or give facilitation payments to secure or expedite the performance of their duty. However, the Group recognises that, in exceptional circumstances, a facilitation payment may be an immediate recourse to protect the safety of the Employees. In such situations, the prior approval of the Managing Director/Executive Director is required or, in an emergency, retroactively as soon as possible after the payment.

7. GIFTS, HOSPITALITY AND ENTERTAINMENT

This Policy does not prohibit gifts, hospitality and entertainment ("GHE"), so long as it is reasonable and appropriate to do so in the circumstances that do not influence business decisions. Any such business courtesies offered or received that transacted on behalf of the Group must be approved in accordance with the Group's Limits of Authority.

The following are the judgement when giving or accepting the GHE, it must be:

- reasonable in value;
- transparent;
- infrequent in nature;
- not given to influence or obtain an unfair advantage; and
- respectful and customary.

GHE may include the following:-

- (i) gifts presented at work-related conferences, seminars and/or business events;
- (ii) gifts given in gratitude for hosting business events, conferences and/or seminars;
- (iii) token gifts offered in business situations or to all participants and attendees for example, work related seminars, conferences, trade and business events; and
- (iv) refreshments or meals during meetings or as participants of work-related conferences and/or seminars or meals for business purposes.

As a general principle, the Employees shall not accept or give a gift to a third party if it is made with the intention of influencing the third party to obtain or retain business, or in exchange for favours or benefits. In addition, lavish or unreasonable gifts or hospitality should not be accepted.

8. CONFLICT OF INTEREST

The Employees shall not use their official position, confidential information, assets and other resources for their personal gain or the advantage of their family and associates.

Should the Employees encounter a conflict-of-interest situation, they are required to disclose the said situation.

9. ASSOCIATED THIRD PARTIES

- (i) The Associated Third Parties are expected to abide by ethical business practices and avoid corrupt practices, including bribery.
- (ii) The Associated Third Parties acting on behalf of the Group must contractually agree to abstain from bribery and corrupt practices.
- (iii) The Associated Third Parties are required to sign the declaration confirming they have been provided with a copy of the Policy and that they undertake to abide by the provisions of the Policy directly or indirectly applicable to them.
- (iv) Appropriate assessment shall be conducted on the Associated Third Parties acting on behalf of the Group to ensure the business and background of the potential business partners are free from bribery elements or conflict of interest prior to procurement process with the duly completed declaration form submitted to the Group.
- (v) If there are suspicions of bribery and corruption on the part of the Associated Third Parties in their dealings with the Group, the Group reserves the right to seek an alternative supplier for the goods or services.

10. COMMUNICATION AND TRAINING

The Group will on a continuing basis provide specific and regular training in relation to anti-corruption and bribery laws and compliance with this Policy, for all new and existing Employees.

This Policy is published on the Company's website and awareness is reinforced through emails, newsletters and the Handbook.

All Employees are required to sign a declaration that they have read and understood and will abide by the Policy.

The current Employees are required to sign the declaration as soon as practicable. It is envisaged that the declaration may be submitted electronically in the future.

11. CONFIDENTIALITY AND PROTECTION

Any individual who knows of, or suspects, a violation of this Policy, is encouraged to whistle blow or report the concerns through the mechanism set out under the Group's Whistle Blowing Policy. The provision, protection and procedures of the Whistle Blowing Policy for reporting of the violations of this Policy are available on the Company's website.

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 this Policy. All reports will be treated confidentially.

12. MONITORING AND REVIEW

The Employees and the Associated Third Parties are responsible for the success of this Policy and should ensure adherence to this Policy and use it to disclose any suspected danger or wrongdoing.

Internal control systems and procedures of the Group will be subject to regular audits to provide assurance that they are effective in countering corruption and bribery.

The Company will conduct regular risk assessments to identify the bribery and corruption risks facing the business, set anti-bribery and corruption objectives and assess the effectiveness of existing controls in achieving those objectives.

13. RECORDS-KEEPING

It is important that proper and complete records 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 and/or unethical conduct. All accounts, invoices, documents and records relating to dealings with the Associated Third Parties are maintained and recorded with accuracy and completeness.

All expenses claims relating to gifts or entertainment made to third parties must be submitted in accordance with the Group's reimbursement procedures and/or applicable policy and specifically recorded the reasons for such expenditure.

All documents, accounts and records relating to dealings with the third parties, such as customers, suppliers and business contracts, should be prepared and maintained with strict accuracy and completeness. No accounts should be kept "off-book" to facilitate or conceal improper payments.

The Group will also maintain records the relevant declaration submitted by the Employees and Associated Third Parties to ensure that all persons subject to this Policy comply with the requirements.

14. COMPLIANCE TO THE LAW

The Group will comply with all applicable laws, rules and regulations of the governments, commissions and exchanges in jurisdictions within which the Group operates. The Employees are expected to understand and comply with the MACC Act 2009 (including any amendments thereof). The Group reserves the right to report any actions or activities suspected of being criminal in nature to the police or other relevant authorities.

15. PERIODIC REVIEW

This Policy will be reviewed at least once every three (3) years to ensure its effectiveness and consistency with the governing legislation and regulatory requirements, or more frequently should there be material changes to the said legislation and regulations or circumstance of the business, if any.

16. BOARD APPROVAL

This Policy was reviewed and approved by the Board of Directors of the Company on 29 May 2020.

CODE OF ETHICS AND CONDUCT

The Code of Ethics and Conduct is to be observed by all Directors and employees of the Group in exercising and/or discharging their powers or duties shall comply with all applicable laws, rules and regulations including the constitution of the Group. The core areas of conduct include the following:-

- (a) Compliance at all times with the Code of Ethics and Conduct and the Board Charter.
- (b) Not misuse information gained in the course of duties for personal gain or for political purposes.
- (c) Uphold accountability and act in good faith and in the best interests of the Company and the Group.
- (d) Observe high standards of business, professional and ethical conduct, and to refrain themselves from offering, giving or receiving any gifts and any other form of benefits (in kind, cash, advantages and/or favour and etc) from persons or entities who deal with the Company where the gift would reasonably be expected to influence the performance of their duties in any aspect.
- (e) Adhere to the principles of selflessness, integrity, objectivity, accountability, openness, honesty and leadership, including fair dealing and the ethical handling of conflicts of interest.
- (f) Ensure the protection of the Company's legitimate business interests, including corporate opportunities, assets and confidential information.
- (g) Ensure full, fair, accurate, timely and understandable disclosure.
- (h) Declaration of any personal, professional or business interests that may conflict with responsibilities.

ENFORCEMENT OF THE CODE OF ETHICS AND CONDUCT

In the event of any violation of this Code of Ethics and Conduct by any Director or employees of the Group, the Board of Directors of the Company shall determine appropriate actions to be taken after considering all relevant information and circumstances.

REVIEW OF THE CODE OF ETHICS AND CONDUCT

The Board of Directors of the Company will review this Code of Ethics and Conduct from time to time to ensure that it continues to remain relevant and appropriate.