



ANTI-BRIBERY AND CORRUPTION POLICY

3 November 2021

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GLOSSARY

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| Approving Authority | : <i>Approving Authorities as prescribed in DanaInfra Nasional Berhad's Authority Manual</i> |
| Board | : <i>Board of Directors DanaInfra Nasional Berhad</i> |
| Company/DanaInfra | : <i>DanaInfra Nasional Berhad</i> |
| DCCE | : <i>Directors' Code of Conduct and Ethics</i> |
| Integrity Pact | : <i>Multi-party agreement entered into by parties seeking to procure goods and services of significant value to govern compliance to particular terms.</i> |
| MACC Act | : <i>Malaysian Anti-Corruption Commission Act 2009 (Act 694) including any amendment and / or subsidiary legislations thereto.</i> |
| Officers of the Company | : <i>Board, Principal Officer and/or Company Secretary of the Company.</i> |
| Project Owners | : <i>Project Owners for the MRT Project, Pan Borneo Highway Sarawak (Phase 1) Project, Light Rail Transit 3 Project and/or any other infrastructure projects mandated from time to time.</i> |

1.0 POLICY STATEMENT

- 1.1 DanaInfra Nasional Berhad (“DanaInfra” or “Company”) is committed to embracing the principles of ethical conduct, integrity and accountability in all of its business activities and operations.
- 1.2 DanaInfra has zero-tolerance towards any form of bribery and corruption by any of its Officers of the Company / or any persons acting on behalf of the Company.
- 1.3 Officers of the Company are committed to acting professionally, fairly and with integrity in all the Company’s business dealings and relationships by implementing and enforcing effective and robust procedures to prevent, monitor and eliminate any form of bribery and corruption. The Directors’ Code of Conduct and Ethics (“DCCE”) or similar document shall apply to all directors of the Company. This reflects its commitment to fight any corrupt and unethical practices in the course of conducting its business activities and operations.
- 1.4 Officers of the Company and /or others acting for and on behalf of DanaInfra are strictly prohibited from directly or indirectly soliciting, accepting or offering bribes in relation to DanaInfra’s businesses and operations. The Board is to observe the DCCE in upholding zero tolerance towards bribery and corruption.
- 1.5 DanaInfra is also committed in providing avenues for the Officers of the Company and members of the public to make reports on any improper conduct within DanaInfra. All complaints involving the Officers of the Company shall be escalated to the Chairman, and all complaints involving the Chairman shall be escalated to the shareholder i.e. Minister of Finance, Incorporated (MoF Inc.) (hereinafter referred to as the “Escalation Process”)
- 1.6 DanaInfra is bound by the laws of Malaysia, in particular the Malaysian Anti-Corruption Commission Act 2009 (“MACC Act 2009”), including any amendment and / or subsidiary legislations thereto. The Company shall also adhere to all laws relating to anti-bribery and corruption in all the jurisdictions in which the Company operates.
- 1.7 The Company is committed to fight any corrupt and unethical practices in the course of conducting its business activities and operations and emphasizes the following principles:
 - 1.7.1 Zero tolerance towards any form of bribery and corruption.
 - 1.7.2 *“No Gift” Policy*, subject to certain exceptions as listed in paragraph 5.1 below.
 - 1.7.3 Potential or actual conflict of interest should be immediately disclosed.
 - 1.7.4 DanaInfra only deals with vendors and/or service providers who adhere to anti-bribery and anti-corruption policies and/or guidelines as deemed fit by the Company.

This shall be implemented via execution of Integrity Pact (Appendix 1) or similar document with service providers, vendors, suppliers and / or contractors of the Company. For others, a general notice of similar communication in respect of the Company’s anti-bribery and anti-corruption policies may be issued by the Company.

1.7.5 Consequence management may apply to any non-compliance (such as disciplinary action, termination of contract and / or criminal proceeding where appropriate).

1.7.6 The Officers of the Company and/or any business associates / parties engaging with the Company are expected to report any suspected misconduct or wrongdoing according to the Escalation Process in paragraph 1.5. The Board shall support the individual who reports in good faith. It shall be dealt without fear of retaliation or reprisal.

2.0 OBJECTIVE

The Policy aims to:

- (a) Prevent any form of gratification and facilitate disclosure of such occurrences in the Company;
- (b) Promote standards of good corporate practices, particularly in preventing and eliminating bribery and corruption in the Company; and
- (c) Safeguard and protect the Company's reputation.

3.0 SCOPE

- 3.1 The Policy shall apply to the Board and / or Board Committee members, including members of other committees established by the Board of the Company at any level. The DCCE is to be approved and adopted by the Board.
- 3.2 Third parties such as Project Owners, consultants, counter-parties, intermediaries, contractors, volunteers, interns, agents, suppliers, vendors, advisors, clients, partners or any other person or persons, associated with the Company and / or performing works or providing services for or on behalf of the Company, would also be required to comply with the relevant parts of this Policy.
- 3.3 Any arrangements the Company makes with a third party is subject to clear contractual terms, including specific provisions relating to anti-bribery and corruption.
- 3.4 This Policy shall be read together with the Company's other approved policies, codes, manuals, procedures, guidelines, frameworks, circulars and any other document as may be issued by the Company from time to time.

4.0 DEFINITIONS

- 4.1 The words "corruption" and "bribery" may be used interchangeably but shall at all times have the same meaning ascribed to "gratification" under the MACC Act 2009 or any other Malaysian laws, including by-laws, subsequent legislations and successive legislations (if any).
- 4.2 "facilitation payment" means –

any illegal and / or unofficial payment made as an incentive for the receiver to complete some action or process expeditiously, to the benefit of the party making the payment.

4.3 “gratification” means—

any form of gift / reward, for the receiver to complete an action or process expeditiously or to omit from doing a required action to the benefit of party making / providing the gratification, which shall include the following :-

- (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 (awards, honours and medals), 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, whether in whole or in part;
- (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 favour 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, whether or not already instituted, and including the exercise or the forbearance from the exercise of any right or any official power or duty; 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).

4.4 “kickback” means –

Illegal payment either in the form of money, gift, credit or anything of value that enriches a person of power or influence, who uses the power or influence to grant another individual, organisation or company favourable treatment or other improper services.

4.5 “political contribution” means -

Any contribution, made in cash or in kind, to support a political cause. Contributions in kind can include gifts of property or services, advertising or promotional activities endorsing a political party, the purchase of tickets to fundraising events, contributions to research organisations with close associations with a political party for the benefit of that political party and release of employees with pay from the employer to undertake any political activities or alternatively to stand for office.

4.6 “revolving door” means –

The employment of a person from public office to a company with the aim of exploiting his/her experience and contacts in public service for the benefit of the company.

4.7 Bribery refers to the act of offering, giving, promising, asking, agreeing, receiving, accepting or soliciting something of value or of an advantage so to induce or influence an action to gain commercial, contractual, regulatory or personal business or advantage.

4.8 Bribery is not limited to the act of offering a bribe. If an individual is on the receiving end of a bribe and they accept it, they are also breaking the law.

4.9 Officers of the Company must not engage in any form of bribery or corruption, whether it be directly or indirectly through a third party (such as agents, distributor, family members).

4.10 For the purpose of this policy, “family or household” includes the Board and employee’s spouse(s), children (including step children and adopted children), parents, step-parents, siblings, step-siblings, grandparents, grandchildren, in-laws, uncles, aunts, nieces, nephews, cousins, and other persons who are a member of a household (*hereafter referred to as Family*). This policy shall also include “relative” as defined in Section 3 of the MACC Act 2009.

5.0 BUSINESS DEALINGS

This section refers to the following areas:-

- (a) Gifts, Entertainment & Corporate Hospitality;
- (b) Facilitation Payments;
- (c) Political Contributions;
- (d) Charitable Contributions, Donations & Sponsorships; and
- (e) Dealing with Public Officials.

5.1 Gifts, Entertainment & Corporate Hospitality

5.1.1 DanaInfra adopts a “No Gift” policy whereby, subject to only certain exceptions like accepting normal and appropriate gestures of hospitality and goodwill (whether given to or received from third parties) so long as the giving or receiving of gifts, entertainment, hospitality and travel meet the following requirements:

- 5.1.1.1 Principally, it is not made with the intention of influencing the party to whom it is being given, to obtain or reward the retention of a business or a business advantage, or as an explicit exchange for favours or benefits;
- 5.1.1.2 It is given in the name of the organisation, not in an individual’s name ;
- 5.1.1.3 It does not include cash or a cash equivalent (e.g. a voucher or gift certificate);

- 5.1.1.4 It is of nominal value not exceeding RM500, and given at an appropriate time (e.g. giving small gifts and / or organization corporate premium items around festive seasons or as a small thank you to an organization for helping with a large project upon completion), taking into account the reason for the gift, entertainment, hospitality and travel.
- 5.1.1.5 It is given or received openly, not secretly;
- 5.1.1.6 It is not selectively given to a key or influential person or any public officials, clearly with the intention of directly and / or indirectly influencing decision making; and
- 5.1.1.7 It is not given to a government official or representative without the prior approval based on the Company's Approving Authority.
- 5.1.2 Although the general principle is to immediately refuse or return such gifts, accepting a gift on behalf of the Company is allowed only in very limited circumstances as stated above. **However, in no circumstances may the Officers of the Company or his / her family / household members accept gifts in the form of cash or cash equivalents in relation to dealings with Danalnfra.**
- 5.1.3 Gifts, meals, entertainment, hospitality and travel given and received above RM500 are to be recorded, documented and registered with the Company Secretary.
- 5.1.4 Travel must be for business purpose and does not involve family. In cases where it involves family, the Officer of the Company has to declare to Danalnfra and the cost and expenses incurred for the family should be borne by the respective Officer of the Company.
- 5.1.5 The intention behind a gift, entertainment, hospitality or travel being given or received should always be considered. If there is any uncertainty, the advice of the Chairman or the Board should be sought.

5.2 Facilitation Payments

- 5.2.1 Contracts should be documented and clearly identify the services or rate of commission or fees paid to agents and intermediaries and the fees must be reasonable relative to the value of the work that is actually being done and the payment made in accordance with the appropriate procurement process and the Company's Approving Authority.
- 5.2.2 The Company does not accept and shall not make any form of facilitation payments of any nature.
- 5.2.3 The Company does not allow kickbacks to be made or accepted. The Company recognises that kickbacks are typically made in exchange for a business favour or advantage.

5.3 Political Contributions

- 5.3.1 Subject to the definition on paragraph 4.5, the Company shall not make donations, whether in cash, kind or by any other means, whether directly or indirectly to support any political parties, initiatives, committees or candidates including in jurisdictions in which it does not have a presence. The Company recognises that this may be perceived as an attempt to gain an improper business advantage.
- 5.3.2 The Company shall also ensure that it does not offer employment to any officials or ex-officials ("revolving door") that it deals or previously deal with as a form of inducement to act for the benefit of the Company during his official position.

5.4 Charitable Contributions, Donations & Sponsorships

- 5.4.1 The Company accepts and encourages the act of donating to charities as part of its corporate social responsibility initiatives, whether through services, knowledge, time or direct financial contributions (cash or otherwise). However, such initiatives must be carefully examined for legitimacy and not be made to improperly influence a business outcome.
- 5.4.2 The Board and Management must be careful to ensure that charitable contributions and sponsorships made on behalf of the Company are not used to facilitate and conceal acts of bribery.
- 5.4.3 The Company shall ensure that all charitable donations and sponsorships made are legal and ethical under local laws, guidelines and practices, and that charitable donations and sponsorships are offered or made in accordance with the Company's Approving Authority.

5.5 Dealing with Public Officials

- 5.5.1 The Company does not allow the giving or receiving, directly or indirectly, of any gifts or hospitality (exceptions as specified in paragraph 5.1 above), kickbacks or gratuities to public officials.
- 5.5.2 The Management in their dealing with public officials require particular care and consideration. Management must exercise more caution when working with public officials.
- 5.5.3 In situation where it becomes necessary to provide gift or hospitality to a public official in maintaining good business relationship, it must be made in legal and ethical manner and made in accordance with the Company's Approving Authority.

6.0 RESPONSIBILITIES

- 6.1 The Board, Management and/or any persons acting on behalf of the Company are equally responsible for the prevention, detection and reporting of bribery and other forms of corruption. They are required to avoid any activities that could lead to, or imply, a breach of this Policy.

- 6.2 If any Officer(s) of the Company breach this Policy, disciplinary action will be taken against the person which if found guilty may result in dismissal.
- 6.3 Should anyone have reasons to believe or suspect that an instance of bribery or corruption has occurred or shall occur in the future that breaches this Policy, the matter is to be escalated in accordance with the Escalation Process in paragraph 1.5.
- 6.4 The annual risk assessment shall include corruption risk assessment and reported to the Board.
- 6.5 Statistical reporting of all Anti-Bribery Corruption instances are to be reported to the Board on a half-yearly basis, if any.

7.0 RECORD KEEPING

The Company shall keep detailed and accurate financial records and shall have appropriate internal controls in place to act as evidence for all payments made. The Company shall declare and keep a written record of the amount and reason for gifts, entertainment, hospitality and travel accepted and given, and understand that such expenses shall be reported to the Board.

8.0 REVIEW OF THE POLICY

- 8.1 The Policy shall be reviewed every three (3) years or as and when required, to ensure its adequacy and operating effectiveness.
- 8.2 Internal control systems and procedures designed to prevent bribery and corruption are subject to regular audits to ensure that they are effective in practice.
- 8.3 Any change in the policy would result in consequential changes to the DCCE, which will be approved and adopted by the Board.

INTEGRITY PACT

BACKGROUND

In line with its position as a company under the Minister of Finance (Incorporated) and in pursuit of its continuous efforts to maintain a high level of competency, transparency and integrity in its day-to-day management and business undertakings, DanaInfra Nasional Berhad (“DanaInfra”) requires all of those who desire to enter into any dealings with it, to conform to its business and ethical philosophy and thus commit to a pact as prescribed herein.

THE PACT

Pursuant to the foregoing and in view of the existing/prospective business relationship with DanaInfra, I, _____ (name of representative) who is currently holding the position of _____ (designation/position) and duly authorized to sign this Integrity Pact on behalf of _____ (name of firm/company) (Company No. _____) whose business address is at _____

_____ (business address) hereby irrevocably and unequivocally commit to this Integrity Pact based on the following terms as follows:-

We shall commit ourselves to take all necessary steps to prevent corruption, gratification and unethical practices and bring transparency in all the processes through the following commitments: -

- (a) We will not offer or promise to offer to nor accept or agree to accept from any of DanaInfra’s employees or their relations the gratification/benefit for which he/she is not legally entitled to get undue favour/advantage or information during the tenure of the relationship with DanaInfra in relation to any pecuniary transactions;
- (b) If any individual(s) representing this firm/company is convicted of offering or giving bribes to any individual(s) in DanaInfra or any other individual(s) directly or indirectly engaged in the existing/prospective business relationship with DanaInfra, we hereby agree, the following actions to be taken:-
 - (i) revocation of any letter of acceptance/engagement; or
 - (ii) termination of the agreement in accordance with its provisions.
- (c) We will immediately inform DanaInfra and lodge a report with the Malaysian Anti-Corruption Commission (“MACC”), if asked to pay any illegal gratification or bribe, in violation of this Integrity Pact, by any of DanaInfra’s employees (or their relations) or comes to know any illegal payment made to any of our employees. We are aware that failure to report to MACC is an offence under Section 25 of the Malaysian Anti-Corruption Commission Act 2009 [Act 694];
- (d) We shall conform and abide with all processes of DanaInfra in our day-to-day dealings with DanaInfra;



- (e) We shall endeavor to maintain transparent processes in our day-to-day dealings with DanaInfra and shall avoid any ambiguous undertakings that would cast any aspersions by any third parties or the public at large;
- (f) As and when it is relevant to us, we will not enter into agreement with any DanaInfra employee or other third parties to derail/disturb fair tender process of DanaInfra such as price fixing or other unethical understanding such as cartel formation;
- (g) We shall ensure that all accounts, books and records are properly kept and maintained and we shall cooperate with DanaInfra in any audit or investigation exercised conducted whether by DanaInfra itself, its appointed agent(s) or any other governmental agency and agree to provide reasonable access to this firm/company's accounts, books and records relating to the business relationship/engagement/agreement with DanaInfra for the purpose of allowing DanaInfra, its agent(s) or such governmental agency to review and audit such accounts, books and records;
- (h) We covenant and undertake that we presently have no interest, and shall not have any interest, either direct or indirect, and either actual or potential, which would conflict in any manner with the performance of any services relating to the business relationship/engagement/agreement with DanaInfra. We also understand our obligation to disclose any conflict of interest to DanaInfra;
- (i) We shall at all times commit to a high-level integrity in our day-to-day dealings with DanaInfra and shall always maintain business relations with DanaInfra based on a mutual philosophy of good governance, transparency and honesty; and
- (j) I or any individual(s) representing this firm/company have read and fully understood the DanaInfra' Anti Bribery and Corruption Policy and agree to comply it all times.

I give this undertaking with all sincerity and shall commit to adhere to the spirits prescribed and in the event I or any individual(s) representing this firm/company breach any of the terms herein, DanaInfra has the right to discontinue with any dealing with us in the future.

Signed by: _____)
 _____)
 NRIC No: _____)
 on behalf of _____)
 _____)
 _____)
 (Company No. _____)

On this date:

Witnessed by: _____)
 _____)
 _____)

[Signed by Supplier's witness]