

MINHO's Anti-Corruption Policy serves as a foundation to establish, implement, maintain, review and improve an anti-bribery and anti-corruption system in the organization, in line with the Malaysian Anti-Corruption Commission ("MACC") Amendment Act 2018 ("the Act"). Maintaining a workplace culture with strong ethics and integrity is part of a competent governance framework and is fundamental to good organizational performance towards creating a business environment that is fair, transparent and free from bribery and corruption. The Policy seeks to ensure that the employees, businesses and parties acting for and on behalf of the Company shall comply with the applicable provisions of this policy.

The Policy is applicable to all the Group's employees, contractors, vendors, agents or persons or companies engaged by MINHO or for any business-related activity or relationship, whether formally or informally.

MINHO Group is committed to upholding the highest standards of ethical conduct, integrity and accountability in all our business activities and operations. MINHO Group has a zero-tolerance policy towards any form of bribery and corruption by, or of, its employees or any persons or companies acting for or on behalf of MINHO Group. The Policy applies throughout MINHO and reflects our commitment to fight any corrupt and unethical practices while conducting business in the jurisdictions where we operate. The Board of Directors and Top Management are committed to implementing and enforcing effective and robust policies and procedures to prevent, monitor and eliminate corruption.

Employees and any parties acting for or on behalf of MINHO Group are strictly prohibited from directly or indirectly soliciting, accepting or offering bribes in relation to MINHO Group's businesses and operations. Employees across MINHO Group are expected to observe the Policy and uphold MINHO Group's zero-tolerance towards bribery and corruption.

MINHO has implemented a Whistle-blowing Policy to enable all employees and members of the public to make reports on any alleged improper conduct within the Group.

MINHO has a clear framework to deal with instances where employees are not in compliance with the related policies and procedures. It seeks to ensure prompt, consistent and fair treatment for all employees and to assist in enabling both the employees and the Company to be clear about the expectations of both parties.

The Company reserves the rights to take disciplinary action against any employee who breaches the Company's policies and procedures. Further to disciplinary actions taken by the Company, employee who commits an act of bribery or corruption is still subjected to conviction under the relevant anti-bribery laws.

Types of corruption

The Malaysian Anti-Corruption Commission ("MACC") defined corruption as the act of giving or receiving any "gratification" or reward in the form of cash or in-kind value for performing a task in relation to his/her job description.

Gratification is defined as:

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 or value;

any office, dignity, employment, contract of employment or services and agreement to give employment or render services in any capacity;

any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;

any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;

any forbearance to demand any money or money's worth or valuable thing;

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

any offer, undertaking or promise, whether conditional or unconditional, of any Gratification within the meaning of any of the preceding paragraphs (i) to (vi).

Further to the foregoing, the following acts shall constitute an act of **Corruption**:

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 cumulatively result in considerable public losses.

Grand Corruption

It spreads through the highest levels of organization, bringing about major abuses of power, disobedience of the rule of law, economic instability and the breakdown of good governance.

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.

Bribery

Bribery is the most common form of corruption. It is described as the act of offering, promising, giving, accepting or soliciting of an undue advantage of any value (which could be financial or non-financial), directly or indirectly, and irrespective of location(s), in violation of applicable law, as an inducement or reward for a person acting or refraining from acting in relation to the performance of that person's duties.

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 a 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.

Extortion

Extortion relies on coercion to induce cooperation, such as threats of violence or the exposure of sensitive information.

Abuse of Function

The abuse of function or position is the performance of or failure to perform an act by a Personnel, in violation of the law, with a view to obtain an undue advantage for himself/herself or for another person or entity.

Favouritism and Nepotism

Favouritism, nepotism and clientelism involve abuses of discretion. Such abuses can either involve a direct personal benefit or does not involve a direct personal benefit to the Personnel. Such abuses happen when a person or an organization is selected, regardless of qualifications, merit, or entitlement, for a job or benefit because of affiliations or connections.

Creating and Exploiting Conflicting Interest

Creation or exploitation of some conflict between the individual's professional responsibilities 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.

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.

Kickbacks

These are bribes fulfilled after an enterprise has awarded a contract to a customer. They take place in purchasing, contracting, or other departments responsible for decisions to award contracts. The supplier provides the bribe by kicking part of the contract fee back to the buyer, either directly or through an intermediary.

Facilitation payments

These are typically payments made to secure or expedite the performance of a routine or necessary action to which the payer is entitled, legally or otherwise.

Charitable donations, sponsorship, travel, and promotional expenses

These are legitimate activities for entities but can be abused as a subterfuge for bribery. There are risks attached to such transactions where it may be perceived that an advantage has been given to obtain or retain business.

Conflict of interest

A conflict of interest occurs where a person or entity with a duty to the enterprise has a conflicting interest, duty, or commitment. Having a conflict of interest is not in itself a corruption, but corruption can arise where a Personnel the duty due to the enterprise by acting in favour to a separate interest to the detriment of the enterprise.

Collusion

This can take various forms, of which the most common include bid rigging, cartels, and price-fixing.

Bid rigging

The way that conspiring competitors effectively raise prices in situations where purchasers acquire goods or services by soliciting competing bids. Essentially, competitors agree in advance who will submit the winning bid on a contract through a competitive bidding process. As with price fixing (see below), it is not necessary that all bidders participate in the conspiracy.

Price fixing

An agreement among competitors to raise, fix, or otherwise maintain the price at which their goods or services are sold. It is not necessary that the competitors agree to charge exactly the same price, or that every competitor in a given industry join the conspiracy. Price fixing can take many forms, and any agreement that restricts price competition may violate applicable competition laws.

Cartels

A secret agreement or collusion between enterprises to commit illicit actions or fraud. Typically, this will involve price fixing, information sharing, or market rigging by setting quotas for production and supply.

Illegal information brokering

The brokering of corporate confidential information obtained by illegal methods.

Insider trading

Any securities transaction made when the person behind the trade is aware of non-public material information and is hence violating his or her duty to maintain confidentiality of such knowledge.

Tax evasion

The illegal non-payment of tax to the government of a jurisdiction to which it is owed by a person, enterprise, or trust who should be a taxpayer in that jurisdiction.