



## MALAYSIAN GENOMICS RESOURCE CENTRE BERHAD (“MGRC” or “Group”) ANTI-BRIBERY AND CORRUPTION POLICY (“ABC POLICY”)

### 1. Introduction

The Group has established an ABC Policy which sets out a firm ‘tone from the top’ against all corrupt practices. It includes the framework for implementation, and the responsibilities of the Associated Person in regards to observing and upholding the Group’s zero-tolerance position on corruption and bribery.

The ABC Policy makes references to the Company’s Code of Conduct and Ethics, and they are summarised as below.

### 2. Scope

The ABC Policy applies to all directors, staff (whether temporary, fixed-term, or permanent), trainees, seconded staff, casual workers, agency staff, volunteers, interns, and agents of the Group.

The Group also expects its partners, contractors, sub-contractors, consultants, representatives and others performing work or services for or on behalf of the Group, or any other person associated with the Group to comply with the ABC Policy when performing such work or services.

### 3. Definitions

“**Associated Person**” means all directors, staff (whether temporary, fixed-term, or permanent), trainees, seconded staff, casual workers, agency staff, volunteers, interns and agents of the Group, and partners, contractors, sub-contractors, vendors, suppliers, service providers, consultants, representatives and all other performing work or services for and/or on behalf of the Group.

“**Bribery**” refers to the act of corruptly authorising, giving, agreeing to give, promising, offering, soliciting, receiving, or agreeing to receive any gratification.

“**Company**” means each company in the Group.

“**Corruption**” means an act of giving or receiving of any gratification or rewarding the form of cash or in kind of high value for performing task in relation to his/her job description.

“**Gratification**” means:

- a) money, donation, gift, loan, fee, reward, valuable security, property or interest in property being property of any description whether movable or immovable, financial benefit, or any other similar advantage;
- b) any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;

- c) any payment, release, discharge or liquidation of any loan, obligation, or other liability, 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);

**“Group”** means MGRC and all its subsidiary companies.

#### **4. Policy Statement**

The Group has a zero-tolerance position for bribery and corrupt activities.

The Group is committed to acting professionally, fairly, and with integrity in all its business dealings and relationships and is committed to implementing and enforcing systems that ensure corruption and bribery is prevented.

In particular, the Board of Directors and Senior Management of the Group do not condone or consent to any Associated Person:

- (a) Soliciting, receiving, or agreeing to receive any gratification whether for him/herself or for any other person; or
- (b) Giving, agreeing to give, promising or offering to any person any gratification whether for the benefit of him/herself or of another person, including with intent to obtain or retain business or any advantage in the conduct of business for the Company.

The Group will uphold all laws and regulatory requirements in all the jurisdictions in which it operates, including those relating to anti-bribery and corruption.

The Group treats any violation of the ABC Policy seriously and will undertake necessary actions including but not limited to, review of employment or appointment, disciplinary actions, dismissal, and reporting to authorities, consistent with the relevant laws and regulations.

#### **5. Gifts and Entertainment**

All staff shall exercise good judgement and ensure that the acceptance of a gift or entertainment will not result in a conflict of interest.

All staff are strictly prohibited from accepting or offering the following types of gifts and entertainment:

- (a) any form of gifts and/or entertainment which is, or which appears to be inappropriate or excessive, taking into account all relevant facts and circumstances.
- (b) any form of gifts and/or entertainment in exchange for an act by the Company or an act for the benefit of the Company; and
- (c) any other forms of gifts and/or entertainment for purposes which are prohibited under the laws of Malaysia, e.g. bribery and corruption.

Without prejudice to the above, all staff must promptly declare gifts or entertainment whether given or received.

Gifts or entertainment received that are not approved must be returned or refunded back to the person who provided the said gift or entertainment.

## **6. Donation and Sponsorship**

All donations and sponsorships undertaken by the Company which are charitable in nature ("Donations") shall adhere to conditions below:

- (a) No political Donations are permitted.
- (b) Due diligence must be conducted on recipients of Donations to ascertain that they are of reputable standing.
- (c) All Donation requests must be reviewed by the Company's Finance Department.

## **7. Facilitation Payments**

The Group shall not make facilitation payments.

## **8. Responsibilities and Commitments**

### **(a) Company's Board of Directors and its respective committees**

- Provide oversight for maintaining the highest level of corporate integrity and ethics, compliance with applicable laws and regulatory requirements on anti-corruption;
- Provide oversight for maintaining the highest level of corporate integrity and ethics, compliance with applicable laws and regulatory requirements on anti-corruption.

### **(b) Company's Senior Management**

- Ensure a high level of integrity and ethics and full compliance with all applicable laws and regulatory requirements on anti-corruption;
- Effectively manage corruption risks of the Company;
- Ensure adequate and clear policies, procedures and control systems are in place to minimise and mitigate opportunities for corrupt practices in the Company and to respond to suspected or confirmed corruption incidences in the Company;
- Encourage use of whistleblowing and other appropriate channels in relation to any suspected or real corruption incidences;
- Develop a communication plan and training program based on the Company's policies and commitments towards anti-corruption for relevant internal and external parties;

### **(c) Associated Person**

- Observe and uphold the Group's zero-tolerance position on corruption and bribery;
- Observe the ABC Policy;
- Raise concerns about improper conduct or wrongful act at the earliest opportunity through various communication channels including as set out in the Company's Whistleblowing Policy.

## **9. Risk Assessment**

Each Company shall undertake a corruption risk assessment at least once in three (3) years and as and when necessary (including when there is a change in law or circumstances of the Company's business) to identify, analyse, assess and prioritise the internal and external corruption risks of the Company. The Company's Senior Management shall review the

Company's risk assessment report and consider improvements on applicable policies and procedures in combating corruption. The risk assessment report must be presented to the Company's Board for review.

#### **10. Conflict of Interest**

The Group seeks to ensure that a conflict of interest does not adversely affect the interest of the Group, its shareholders, clients and other stakeholders through identification, prevention, and management of the conflict of interest. All Associated Persons shall have written declaration of any personal interest he/she or persons connected to the Associated Person may have in any Company decision or matter he/she is involved in.

#### **11. Reporting Channel and Whistleblowing Policy**

Internal and external parties are encouraged to raise concerns in relation to real or suspected corruption incidents or inadequacies of the anti-corruption program at the earliest opportunity.

Please refer to the MGRC's Whistleblowing Policy published at <http://www.mgrc.com.my/investor-relations/corporate-governance> for details on how such concerns may be raised.

The Company's Whistleblowing Policy protects the identity of the whistleblower, while also protecting the whistleblower from retaliation and adverse employment action, provided the disclosure was made in good faith and to the extent permitted by law.

Where relevant, the Company shall report details of incidents of corruption to the Malaysian Anti-Corruption Commission ("MACC") or other law enforcement agencies and authorities.

#### **12. Other Control Measures**

##### **(a) Financial Controls**

All expenses and claims shall be governed by the Group's payment approval authority limit and/or expenditure approval request policy and procedures.

##### **(b) Procurement**

All procurement activities shall be governed by the Group's procurement/tender policy and procedures; and

##### **(c) Record Keeping**

The Group shall establish policies and procedures regarding record keeping and document management.

#### **13. Review, Monitoring and Enforcement**

##### **(a) Review**

Internal audit shall review the Group's anti-corruption program and measures to assess its compliance, performance, efficiency, and effectiveness. The audit report shall be presented by internal audit to the Group's Board for review.

##### **(b) Monitor**

All Heads of Departments shall monitor the performance of their personnel in relation to this Policy and report any non-compliance. The non-compliance report shall be presented to the Board for review.

**(c) Enforcement**

The Group may take such disciplinary action as appropriate against personnel found to be non-compliant with the ABC Policy.

When a weakness or gap is detected during a breach, a process review exercise, or where there is a new development in the industry, laws, or regulations, improvements on the Group's policies and procedures shall be considered.

**14. Training and Communication**

The Group shall develop and implement a training program and a communication plan on its policies and commitments on anti-corruption for relevant parties.