



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

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## 1. **INTRODUCTION**

- 1.1 MEASAT Global Berhad (“**MGB**”) and each of the group companies of and affiliated to MGB (each a “**Company**”) strictly prohibits bribery and corruption in all its businesses. The Board of Directors (“**MGB Board**”) and senior leadership of MGB require all MGB directors and employees to act honestly, with integrity, and applying the highest ethical standards in their business relationships, and has adopted a **ZERO TOLERANCE APPROACH** against all forms and acts of bribery and corruption by all directors and employees or by business partners working with and on behalf of MGB, including advisers, agents, consultants, contractors, vendors, and representatives.
- 1.2 In view of the above, this Anti-Bribery and Corruption Policy (this “**Policy**”) is adopted and endorsed by the MGB Board and the Board of each Company and is to be communicated to everyone in the MGB Group business to ensure their commitment to it. This Policy is applicable to each Company and is issued to elaborate upon the Company’s approach in anti-bribery and corruption, including but not limited to:
- raising awareness of the prohibitions under the law relating to anti-bribery and corruption so that directors (executive and non-executive) and employees (permanent or on contract) would be able to recognise potential problems and address them appropriately.
  - establishing the standards of conduct and behaviour expected of directors and employees, and define unacceptable behaviour relating to bribery and corruption.
  - setting out directors and employees’ obligations to ensure they comply with anti-bribery and corruption laws.
  - maintaining the Company’s integrity and support its business and corporate image within the community.
- 1.3 This Policy is not intended to provide definitive answers to all questions regarding bribery and corruption. Instead, it is intended to provide directors and employees with a basic introduction as to how the Company combats bribery and corruption in furtherance of the Company’s commitment to lawful and ethical behaviour at all times.
- 1.4 If directors and employees have any questions as to the scope of the applicable laws or need more specific information on this Policy, please do not hesitate to contact the Whistleblowing Committee of MGB.

### **“WHEN IN DOUBT, ASK”**

- 1.5 This Policy should be read in conjunction with the other policies of the Company to ensure that the Company operates with integrity, and in an ethical and professional manner. Such policies, as may be amended from time to time, include:
- the Code of Conduct and Ethics;
  - the Gift, Hospitality and Travel Policy;
  - the Dealing with Third Parties Policy;
  - the Anti-Bribery and Corruption Due Diligence Policy; and
  - The Whistleblowing Policy.

## 2. **APPLICATION**

- 2.1 This Policy is intended to apply to all directors (executive and non-executive) and employees (permanent or contract) of the Company. Joint venture and associated companies of the Company in which the Company is a non-controlling shareholder, are also encouraged to adopt this Policy or similar principles and standards.
- 2.2 Each person to whom this Policy applies:
- will have access to this Policy via MGB's website at <http://www.measat.com>.
  - must read and **comply** with this Policy.
  - must attend training programmes, seminars, workshops, as may be required from time to time.
  - must report matters or behaviours of concern in accordance with this Policy and the procedures set out under the Whistleblowing Policy, and co-operate with any investigations initiated pursuant to the Whistleblowing Policy.
- 2.3 All directors and employees must sign an annual Director/ Employee Declaration Form as appended in **Appendix A** indicating that they have read and understood this Policy, and that they agree to comply with it.
- 2.4 Notwithstanding that this Policy is specifically written for directors and employees of the Company, the Company expects that suppliers, contractors, sub-contractors, consultants, agents, representatives and other parties performing work or services for or on behalf of the Company, will comply with this Policy in the relevant part(s) when performing such work or services.
- 2.5 The Company's **ZERO-TOLERANCE APPROACH TO BRIBERY AND CORRUPTION** will have to be communicated to all such suppliers, contractors, sub-contractors, consultants, agents, representatives and other business partners at the outset of the business relationship with them and as appropriate thereafter.
- 2.6 The Company upholds all laws relevant to countering bribery and corruption in all jurisdictions in which the Company operates, and to the extent applicable, may be bound by all the applicable local and national laws, including but not limited to the UK Bribery Act 2010 and the US Foreign and Corrupt Practices Act 1977. In case any of the provision(s) of this Policy is found to be conflicting or inconsistent with any other applicable laws and/or statutory provisions which might govern and/or impact the said provisions of this Policy, such applicable laws and/or statutory provisions shall prevail to the extent of such inconsistency.

This Policy has been approved by the Board of MGB.

Effective Date: 1 June 2020

### 3. THE LAWS

- 3.1 The Malaysian Anti-Corruption Commission Act 2009 (“**MACCA**”) applies to the whole of Malaysia and provides for wide extra-territorial jurisdiction to deal with corruption committed inside and outside of Malaysia.
- 3.2 In short, “**corruption**” means any acts of giving or receiving “gratification”, as defined under the MACCA. In practice, this means offering, giving, receiving or soliciting something of value in an attempt to illicitly influence the decisions or actions of a person who is in a position of trust within an organisation.
- 3.3 Under the MACCA, “**gratification**” or more commonly known as “**bribery**” means offering, giving, receiving or soliciting something of value (for example money or information) in an attempt to illicitly influence the decisions or actions of a person with a position of trust within an organisation.
- 3.4 According to Transparency International, “**corruption**” means the abuse of entrusted power for personal gain. However, corruption has a broader definition than bribery.
- 3.5 This Policy refers to “bribery and corruption” as a standard term to cover all types of gratification.
- 3.6 The MACCA sets out, inter alia, the following as offences committed by a person:
- (i) corruptly **solicits, receives or agrees to receive** gratification for himself or any other person;
  - (ii) corruptly **gives, promises or offers** gratification to any person whether for the benefit of that person or of another person;
  - (iii) corruptly **gives, promises or offers** gratification to public officials;
  - (iv) **failure** of a commercial organisation **to prevent an act of corruption** committed by its employees, directors, partners, suppliers, service providers, etc.

If a commercial organisation is charged for an offence under Paragraph 3.6(iv) above, the directors of the commercial organisation, among others, are deemed to have committed such offence unless he/she can prove that the offence is committed without his/her consent and he/she has exercised due diligence to prevent such act.

It is a defence for a commercial organisation to prove that it had in place **adequate procedures** designed to prevent persons associated with it from undertaking any act of corruption.

- 3.7 The penalties for offences committed under the MACCA are as follows:
- (i) individuals guilty of the offences under Paragraph 3.6(i) to (iii) above could be subject to:
    - imprisonment for a term not exceeding 20 years; and
    - a fine of not less than 5 times of the value of the gratification, or RM10,000, whichever is higher.
  - (ii) commercial organisations guilty of an offence under Paragraph 3.6(iv) above for failing to prevent corruption acts could be subject to:
    - a fine of not less than 10 times of the value of the gratification, or RM1,000,000, whichever is higher; or
    - imprisonment for a term not exceeding 20 years; or
    - both.

#### **4. THE FIVE PRINCIPLES**

4.1 The Prime Minister's Department of Malaysia has issued a set of Guidelines on Adequate Procedures ("**Guidelines**") to assist commercial organisations in understanding the adequate procedures that should be implemented to prevent the occurrence of corrupt practices in relation to their business activities. The Guidelines focus on five principles – **T.R.U.S.T.** as set out below. The Company is committed to these principles and its implementation.

<b>T</b>	=	Top Level Commitment
<b>R</b>	=	Risk Assessment
<b>U</b>	=	Undertake Control Measures
<b>S</b>	=	Systematic Review, Monitoring and Enforcement
<b>T</b>	=	Training and Communication

4.2 The principles of **T.R.U.S.T** are further elaborated as follows:

##### **(i) Principle I - Top Level Commitment**

The Board of the Company, MGB Executive Committee ("**MGB ExCo**") and the senior management of the Company are committed to preventing bribery by directors, employees and persons associated with the Company, and ensuring that the business of the Company is carried out fairly and honestly and in a transparent manner.

The Board of the Company, MGB ExCo and senior management are committed to fostering a culture within the organisation in which bribery is never accepted, permitted or tolerated by the Company, in Malaysia or anywhere else in the world.

##### **(ii) Principle II - Risk Assessment**

As set out in Paragraph 6.1 below, the Company is committed to assessing, and will assess, the nature and extent of its exposure to potential external and internal risks of bribery. This risk assessment will be conducted periodically and on an informed basis, and will be documented and kept under review.

##### **(iii) Principle III - Undertake Control Measures**

The Company has in place:

- this Policy, procedures and processes to prevent the occurrence of corrupt practices in relation to the Company's business activities.
- due diligence procedures that are designed based on a proportionate and risk-based approach, in respect of dealings with Third Parties (as defined in Paragraph 5.5.1) that propose to enter into a business relationship with the Company, in order to mitigate any potential liability for bribery committed by Third Parties.
- reporting channel for internal and external parties to raise concerns in relation to real or suspected corruption incidents as detailed in Paragraph 6.3 below.

##### **(iv) Principle IV - Systematic Review, Monitoring and Enforcement**

The Company is committed to monitoring and reviewing its anti-bribery and corruption programme and procedures periodically and ensure its implementation to prevent bribery by directors, employees and any persons associated with it, and will make improvements on these programmes and procedures where necessary.

(v) **Principle V - Training and Communication**

The Company will provide briefings on the provisions of the MACCA to its directors and employees on an ongoing basis. The Company will roll-out internal and external communications, periodical training programmes and courses, as appropriate, to ensure that this Policy is embodied and understood throughout the organisation. Existing policies and procedures will be updated as necessary to ensure ongoing compliance with the MACCA.

**5. RULES FOR COUNTERING BRIBERY AND CORRUPTION**

**5.1 Gift, Hospitality and Travel Expenses**

As a general rule, the Company practices a “**No Gift Policy**”, the details of which are set out in the **Gifts, Hospitality and Travel Policy**, as appended in **Annexure 1**.

Directors and employees are prohibited from directly or indirectly, giving or receiving gifts that may influence good judgement and decision making, subject to certain **limited exceptions**.

5.1.1 Gifts

As set out in the **Gifts, Hospitality and Travel Policy**, only the following gifts are acceptable:

**(a) Receiving Gifts**

A director or employee may accept gifts in the following exceptional circumstances without disclosure:

- (i) gifts or hampers that are customarily distributed or given during festive seasons PROVIDED that the value of the gifts from any one party in aggregate does not exceed RM500 (“**Nominal Value**”);
- (ii) promotional gifts bearing the company logo, i.e. pens, mugs, calendars and umbrellas PROVIDED that the value of the gifts in aggregate does not exceed the Nominal Value at any one time; or
- (iii) gifts sponsored by any Third Parties (as defined in Paragraph 5.5.1) for events organised by the Company PROVIDED that there are proper document trails of such request, receipt and distribution of gifts.

**(b) Providing Gifts**

Directors and employees may offer or provide the following gifts to Third Parties, but subject always to MGB’s Limits of Authority, as may be amended from time to time (“**LOA**”):

- (i) promotional gifts bearing the Company’s logo e.g. pens, mugs, diaries, lanyards etc.), and is part of an approved marketing or promotional campaign;
- (ii) gifts exchanged at a company-to-company level (e.g. for official events or launches);
- (iii) gift that is a token of appreciation at an official function or public event (e.g. door gifts at conferences, open house etc.);
- (iv) gifts given as part of the Company’s Corporate Social Responsibility (“**CSR**”) programme; or

- (v) gifts offered in conjunction with any festive season or occasion provided that the value of such gifts does not exceed the Nominal Value.

### 5.1.2 Hospitality

Hospitality may come in many forms, such as entertainment, meals, accommodation, recreation (leisure activities), etc.

As a general rule, the Company recognises that the occasional offering or acceptance of a reasonable and modest level of hospitality in the normal course of business is a legitimate way to network and build good business relationships.

The value and nature of the hospitality must be appropriate for the circumstances and be provided in accordance with the law and local customs, in an open and transparent manner and in compliance with the rules set out in the **Gifts, Hospitality and Travel Policy**.

#### (a) **Providing Hospitality**

Directors and employees may offer hospitality provided that it is intended to **facilitate business goals without any intention to improperly cause undue influence on any party in exchange for some future benefit or result**.

#### (b) **Receiving Hospitality**

Directors and employees are required to exercise proper care and judgement before accepting hospitality offered or provided by Third Parties. Hospitality that is **extravagant** or **frequent** may often appear inappropriate, and cannot be taken as business norm. Therefore, directors and employees should politely and appropriately **decline** any hospitality that is extravagant, lavish or excessive.

### 5.1.3 Travel Expenses

Subject to the exception set out below, as a general rule, the Company prohibits directors and employees from giving or receiving travel expenses (travel, transportation, accommodation and incidental expenses) to or from any Third Parties or public officials, unless otherwise specified, instructed or approved by the Company.

#### Exception:

The incurring and charging of travel expenses for business purposes or as provided under contracts for services (e.g. consultants/advisers providing services and charging the Company for travel expenses incurred).

## 5.2 **Facilitation Payment**

### 5.2.1 What is facilitation payment?

Typically, "facilitation payment" means small, unofficial payments made in order to expedite or secure performance (e.g. performance by public officers) of a routine action of a minor nature. Example of these routine actions include:

- granting a permit, licence or other official documents
- processing government papers, such as visa or work permit
- providing police protection

A routine action does not include any decision to award or continue business, or any decision related to the terms of new or existing business.



### 5.2.2. No facilitation payment policy

Save and except for the limited exception set out in Paragraph 5.2.3 below, **the Company prohibits accepting and making** facilitation payments, and the Company expects all directors and employees to make every effort to avoid them altogether.

Directors and employees responsible in engaging Third Parties shall communicate, or make it a term of the engagement letter or contract with such Third Parties that they shall not in the course of providing services for or on behalf of the Company, make any facilitation payment.

### 5.2.3 Limited Exception to Making Facilitation Payment

The Company acknowledges that there are certain situations or circumstances where a director or employee may face with having to make facilitation payments in order to protect his/her life, limb or liberty.

In dangerous situations like this, facilitation payment is allowed but the director or employee concerned must immediately report the matter to the MGB Board (in the case of a director) or the Chief Executive Officer (“**CEO**”)/Chief Operating Officer (“**COO**”) (in the case of employee) by completing the Incident Reporting Form annexed as **Appendix B**.

The CEO/COO shall report the matter immediately to the MGB Board upon receipt of the Incident Reporting Form from the employee. The making of facilitation payment in such a situation is the only exception which can be used as a defence when faced with allegations of bribery.

#### **Case Study**

##### Facilitation Payment demanded for Entry into a Country

An immigration official demands a \$50 “entry fee” from an employee who is on his business trip to be allowed to the country even though the employee’s passport and visa are all in order.

Responses to demands for such facilitation payment could include:

- keep calm despite provocation and harassment
- take detailed notes of the related conversations - with whom and what was said
- ask the official where the requirement for such “fee” is displayed
- refuse to pay if the official cannot supply official validity of the fee
- emphasise to the official that paying such fee would be a violation of laws and Company’s policy and would result in legal and disciplinary action
- if the official still demands the fee, ask to see the official’s supervisor
- if that is refused or such supervisor also demands the fee, agree to pay but not without receipt - a formal document that identified the official’s name and identification no.
- if the official refused to provide a receipt, restate willingness to pay but not without a receipt.
- if no receipt is forthcoming, then the employee should call the local embassy and make clear to the official that he is doing so and will wait until he is given entry.

- having exhausted all avenues and still not gained entry, the employee may decide whether to make the payment or risk being returned to his/her original destination by the airport authorities.
- if he/she decides to pay, then the employee must report the incident to the Company soonest upon his/her return to the country by completing the Incident Reporting Form.
- The Company will then decide whether or not to report the incident to the authorities in the country concerned and/or report the incident to the Malaysian Anti-Corruption Commission.

**Comment:**

The decision as to whether further action should be taken, and the extent of that action, should include due regard for the personal security of the employee (and other employees of the Company) while working in the country concerned. Payment of the demanded “entry fee” reflects an “on the spot” judgment by the employee on his/her personal security.

**DOs**

- **DO** alert of any signs that you are being asked for or being offered a facilitation payment.
- **DO** communicate the Company's policy on no facilitation payments to relevant parties you are engaging with.
- **DO** ask for official receipts for all payments.
- **DO** report any real or suspected incidents of requests for facilitation payments to the MGB Board or CEO/COO (in the case of a director or employee respectively).

**DON'Ts**

- **DO NOT** give or accept, either directly or indirectly, facilitation payments to or from any person.

**5.3 Donations**

**5.3.1 General rules – CSR and non-CSR donations**

As a responsible corporate citizen, the Company is committed to cultivating strong relationships with the local communities by contributing to the well-being of the people and the nation. In accordance with the Company's commitment to contribute to the community coupled with its values of integrity and transparency, the Company may consider CSR and non-CSR related donations that are considered suitable and appropriate.

Pursuant to the LOA, the authority in relation to the provision of donations resides only with the MGB Board, CEO or COO, subject to the respective value thresholds set out therein.

Subject to the LOA, all requests for CSR and non-CSR donations shall obtain the prior approval of the CEO or COO (in the case of an employee) or the MGB Board (in the case of a director).

Directors and employees must ensure that all donations are not used as a subterfuge for bribery or used to circumvent or avoid any of the provisions in this Policy. The Company requires directors and employees to use good judgement and common sense in assessing the requests. When in doubt, directors and employees should seek further advice from the MGB Board (in the case of a director) or the Whistleblowing Committee/CEO/COO (in the case of an employee).

### 5.3.2 Criteria

All CSR and non-CSR donations must comply with the following criteria:

- the donations are allowed by applicable laws.
- the donations are in line with the Company's policy of zero-tolerance approach to bribery and corruption.
- proper due diligence or background checks on the relevant charity bodies or entities are conducted.
- the donations are made to well-established charities or entities having adequate organisational structure to guarantee proper administration of the funds.
- the donations are accurately stated in the Company's accounting books and records.
- the donations are not to be used as a means to cover up an undue payment or bribery.
- the amount of donation requested is not excessive and would not otherwise tarnish the reputation of the Company.
- the donations do not come with a direct/indirect suggestion, hint, understanding or implication that some expected or desirable outcome is required.
- there are no pending business transactions with the intended recipient.
- the request for donation is not made in anticipation, before, during or immediately after any business dealings or negotiations with the Company.
- there is no risk of a perceived improper advantage for the Company.
- there is continued monitoring of the relevant charities or entities to ensure that donations are not used as subterfuge for bribery.

### 5.3.3 Donations/ contributions to the Government

All CSR and non-CSR donations or contributions made to the Government shall require approval of the CEO or COO (in the case of an employee) or the MGB Board (in the case of a director) and subject to the authority within the LOA.

For the purposes of this Policy, the term "**Government**" means:

- (a) any officer, or employee, appointed or elected, of a local, state, or federal government, or any department, agency, ministry, or instrumentality of a government;
- (b) any individual who, although temporarily or without payment, holds a public position, employment or function;
- (c) an individual acting in an official capacity for or on behalf of a government department, agency, ministry, instrumentality, or public international organisation;

- (d) a political party official, officer, or employee, or any candidate for political office, or a member of a political party or a person with significant influence in a political party;
- (e) any officer or employee of an entity owned or controlled by a government, as well as entities that perform a government function; or
- (f) a member of a royal family, former political party official or highly connected individuals whether or not having formal authority or holding office, but could otherwise be influential including through partially owning or managing a state-owned or state-controlled entity.
- (g) any persons with political influence but not necessarily holding any formal position in any political party.

#### DOs

- **DO** ensure all the requests have been carefully examined for legitimacy and that an appropriate level of due diligence has been conducted on the proposed recipient.
- **DO** ensure the proposed recipient is a legitimate organisation and the funding of the activity is in compliance with the applicable laws and not made to improperly influence a business outcome or perceived to provide an improper advantage to the Company.
- **DO** ensure any red flags raised must be resolved before committing any funds to donations or sponsorships.

#### DON'Ts

- **DO NOT** commit any funds without first undergoing the proper due diligence or background checks to evaluate the legitimacy of the request.
- **DO NOT** try to circumvent any guidelines, rules or procedures put in place by making charitable contributions as a subterfuge for illegal payments.
- **DO NOT** conceal, alter, destroy or otherwise modify any relevant information, which in the normal course of business, may raise potential red flags that would require additional investigation, particularly if it involves public officials. If you are unsure or have any concerns, please consult the Whistleblowing Committee via email: [wbc@measat.com](mailto:wbc@measat.com).

## 5.4 Dealing with Public Officials

5.4.1 Subject to the exception set out in Paragraph 5.4.6 below, no director or employee shall provide anything of value to any officer of public body or their family members with a view to obtain or keep business or to secure some other improper advantages.

**“Officer of a public body”** means any person who is a member, an officer, an employee or a servant of a public body, and includes:

- a member of the administration
- a member of the parliament
- a member of a state legislative assembly
- a judge of a High Court, Court of Appeal or Federal Court
- any person receiving any remuneration from public funds

5.4.2 The prohibition applies to the giving of anything of value, not only money. **“Anything of value”** includes, but not limited to, the following:

- business opportunity

- favourable contracts
- stock options
- cash, cash equivalents (i.e. gift cards, vouchers) or loans
- payment for improper gifts, meals, entertainment or travel expenses
- favours, including offers for employment or internships for an officer or the officer's relative
- sponsorships, donation to charity affiliated with or sponsored by the government official
- political contribution

5.4.3 “**Anything of value**” can take many different shapes and forms, but they typically involve a “quid pro quo” that is, such thing of value will be offered or paid in exchange for some improper advantages or benefits, which include, without limitation, those designed to:

- induce the recipient to award a contract to the Company (even if in the end the Company is not awarded the contract);
- obtain advantageous treatment (for example, on tax, customs, permits or licences) that would not otherwise be available to the Company; or
- circumvent or cause non-enforcement of laws or regulations that are applicable to the Company.

5.4.4 In essence, the laws prohibit the giving of anything of value to influence an officer of a public body's actions. It is crucial that all directors and employees shall avoid even the appearance of an improper interaction with officer of public body.

5.4.5 The same prohibition applies to payment of anything of value to **foreign public official**.

“**Foreign public official**” includes:

- any person who holds a legislative, executive, administrative or judicial office of a foreign country whether appointed or elected; or
- any person who exercises a public function for a foreign country, including a person employed by a board, commission, corporation, or other body or authority that is established to perform.

#### 5.4.6 Exception

A director or employee may offer gifts to any officer of public body in conjunction with any festive season provided that the value of such gifts does not exceed the Nominal Value and subject always to the prior written approval of the CEO/COO (in the case of an employee) or MGB Board (in the case of a director) in accordance with the LOA.

#### DOs

- **DO** stay alert and be aware on local anti-bribery and corruption laws when dealing with public officials as in some countries, providing entertainment to public officials has the potential to be regarded as bribery.

#### DON'Ts

- **DO NOT** provide anything of value to any public officials or their family members unless it falls under the exception and with the prior written approval of the CEO/COO or MGB Board, as the case may be.

## 5.5 Dealing with Third Parties

5.5.1 Engaging with Third Parties<sup>1</sup> is a further area where the Company is potentially exposed to liability as a result of bribery and corruption.

5.5.2 The Company also expects Third Parties dealing with the Company to apply the highest ethical standards in their business relationships and that they have an appropriate anti-bribery and corruption compliance framework in place.

5.5.3 The Company must not enter into, or continue, a relationship with any Third Party if it cannot be satisfied that such Third Party will behave in a manner consistent with this Policy and in accordance with applicable anti-bribery and corruption laws.

To protect directors, employees and the Company from potential liability for bribery or corruption committed by Third Parties, the following steps should be taken:

- to conduct due diligence on Third Parties prior to entering a business relationship with the Third Party;
- to ensure appropriate anti-bribery provisions are included in the agreements with Third Parties;
- to conduct on-going monitoring and re-evaluation on Third Parties; and
- to monitor and consider any red flags in the course of the business relationship with Third Parties.

5.5.4 Please refer the **Dealing with Third Parties Policy**, as appended in **Annexure 2**, for further details of the applicable policies, rules and procedures when dealing with Third Parties.

## 5.6 Recruitment of Employees

5.6.1 The recruitment of employees should be based on an approved selection criteria to ensure that only the most qualified and suitable individuals are employed. This is crucial to ensure that no element of corruption is involved in the hiring of employees.

5.6.2 In line with this, the Human Resources Department (“HR”) shall ensure:

- (i) proper background checks or due diligence should be conducted to ensure that the potential employee has not been involved in any bribery or corruption cases nationally or internationally.
- (ii) more detailed background checks should be taken when hiring employees for management positions, as they would be tasked with decision-making responsibilities.
- (iii) if the candidate to be employed has a family/household relationship with an employee or director of the Company, it is properly recorded and is being made transparent.
- (iv) all rights, entitlements and benefits given to the candidate are reasonable in value.
- (v) any ‘red flag’ is resolved before recruiting. For example, if the candidate is a relative of a government official, the HR must ensure that the selection criteria in Paragraph 5.6.3 are fulfilled prior to hiring.

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<sup>1</sup> “Third Parties” includes, without limitation, agents, consultants, contractors, supplier, joint venture partners, consortium partners and proposed merger and acquisition targets.

5.6.3 The Company may hire or employ ex-Government officials or their immediate family members subject to the following criteria:

- the circumstances surrounding the candidate's employment do not give rise to appearance of impropriety;
- the candidate is objectively and unquestionably qualified in terms of education, background and experience to perform the duties for which he/she is being employed;
- there is no expectation that the candidate is being employed by the Company in exchange for any improper action or business advantage from the Government (a quid pro quo).
- the salary is reasonable and commensurate with the duties and job functions of the candidate.

#### DOs

- **DO** ensure due process and procedures are carried out based on the approved selection criteria when recruiting new employees.
- **DO** ensure due diligence is carried out to confirm that the candidate is the suitable person based on eligibility criteria and/or other prerequisites, rules and guidelines.
- **DO** ensure relevant approvals are obtained from the respective approving authority prior to issuance of an offer letter.
- **DO** ensure any 'red flag' is resolved before recruiting.
- **DO** give particular attention to any laws, guidelines or policies when a public official or their immediate family members are involved. Always consult the Whistleblowing Committee via email: [wbc@measat.com](mailto:wbc@measat.com) when in doubt.

#### DON'Ts

- **DO NOT** recruit an employee without undergoing the proper background checks to ensure that there is no perception of bribery or corruption.
- **DO NOT** try to circumvent any guidelines, rules or procedures when selecting new employees as it might put the Company in trouble in the event of any bribery allegation.
- **DO NOT** try to conceal any information where there might be a conflict of interest. If unsure, please consult the Whistleblowing Committee via email: [wbc@measat.com](mailto:wbc@measat.com).
- **DO NOT** arbitrarily award rights, entitlements and benefits. The value and types of rights, entitlements and benefits must be reasonable in value and based on the guidelines prepared by the Company.

## 5.7 Conflict of Interest

5.7.1 Directors and employees shall declare conflicts of interest where actual, potential or perceived conflicts arises.

5.7.2 The term "**conflict of interest**" describes any circumstances that could cast doubt on a director or an employee's ability to act with total objectivity with regard to the Company's interests. No director or employee shall knowingly place himself/herself in a position that would be in conflict with the interest of the Company. For instance, a "**conflict of interest**" may arise where a director or employee taking advantage of his/her role by using power, confidential information, assets or intellectual property of the Company for the benefit of himself/herself or a **Relative**.

“**Relative**” is defined in the MACCA to include, spouse, siblings, parents, grandparents, children, grandchildren, spouse’s parents, grandparents, siblings, their spouse and children, uncles, aunts, cousins, daughters-in-law and sons-in-law.

5.7.3 In avoiding situations of conflict of interest, directors and employees shall ensure that their personal financial circumstances and transactions do not jeopardise their independent and objective judgement or adversely affect their job performance.

5.7.4 While it is impossible to specify all situations where a conflict of interest may arise, the following are examples of situations that constitute a conflict:

- (i) any direct or indirect financial or other interest in a person or entity which has dealings with the Company or its related companies where the director or employee can influence decisions with respect to the Company’s dealings with such person or entity;
- (ii) serving on the board of directors or assuming employment in any capacity (with or without remuneration) with any person or body that has dealings with the Company unless authorized by the Company; and/or
- (iii) where such director or employee acting in the official capacity as a member of any tender/purchasing committee of the Company but has a direct or indirect interest in the person or entity that has a relevant matter for consideration before the said tender/purchasing committee.

5.7.5 Wherever a conflict of interest situation arises:

- (i) in the case of an employee, he/she shall disclose such conflict or potential conflict in writing to the Compliance Officer or CEO/COO (in the case of a HOD) (with a copy to the Whistleblowing Committee via email: [wbc@measat.com](mailto:wbc@measat.com)), and where relevant, abstain from voting as a member of the relevant committee on any matter in which he/she may have an interest (direct or indirect) or where there may be a potential conflict of interest. Failure to disclose fully the nature and scope of a conflict of interest will result in disciplinary action against the employee; or
- (ii) in the case of a director, he/she shall disclose such conflict or potential conflict during the board meeting in accordance with Section 221 of the Companies Act 2016. In the absence of board meetings, a director shall disclose such conflict or potential conflict to the company secretary, which conflict will then be set out in the directors’ circular resolution to be circulated.

#### DOs

- **DO** declare in writing any actual, potential or perceived conflict of interest to the Compliance Officer or CEO/COO (in the case of an employee and HOD respectively) with a copy to the Whistleblowing Committee via email: [wbc@measat.com](mailto:wbc@measat.com).

#### DON'Ts

- **DO NOT** conceal any actual, potential or perceive conflict of interest that may put integrity, credibility and decision making in question.
- **DO NOT** make decision when there is an actual or potential conflict of interest (such as during contract negotiations or tender process) without first making a disclosure.



## 6. PROCEDURES FOR COUNTERING BRIBERY

### 6.1 Risk Assessment

6.1.1 The Company will conduct a risk assessment on both internal and external risks, to establish those areas of operations that are at high-level risk from bribery. This risk assessment procedure is an on-going process in which a comprehensive assessment will be conducted every three (3) years and intermittent assessments will be conducted, when necessary.

6.1.2 The risk assessment process includes the following steps:

Steps	Descriptions
Step 1 - Risk Identification	<p>To identify all potential risks related to bribery, corruption, donations sponsorship etc. in each process of all departments.</p> <p>Identification of risks using a comprehensive and systematic process is critical to avoid potential risks not being identified and excluded from further analysis.</p>
Step 2 - Risk Assessment	<p>To rank risks based on a set of prescribed measures. Risk assessment involves consideration of the impact of the risks and the likelihood that these risks may occur. Risk is assessed by combining estimates of impact and likelihood within the context of existing control measures in place.</p>
Step 3 – Risk Response	<p>To determine and implement the appropriate responses to the risks to effectively manage the risks.</p> <p>Risk response options include transferring, avoiding, mitigating, exploiting and accepting the risk. In some cases, one risk response option may not mitigate the risk to an acceptable level. In such cases, a combination of options may be appropriate. When the option evaluated is considered both feasible and cost effective, action plans should be developed and documented with the responsible parties and timelines for completion clearly established.</p> <p>All the above information is compiled into the Risk Profile.</p>
Step 4 - Risk Monitoring	<p>To continuously monitor and review of the risk profile and the risk response plan to provide assurance that risks are being managed as expected, assess whether the risk action plans remain relevant and ensure that the risk profile anticipates and reflects changes in circumstances and new exposures.</p>
Step 5 - Risk Reporting	<p>To report to the MGB ExCo regularly on risk related activities, including results of risk monitoring and any alleged and actual breaches.</p>

6.1.3 In essence, commonly encountered external risks can be categorised into five (5) broad categories as follows:

- **Country risk:**

This is evidenced by perceived high levels of corruption, an absence of effectively implemented anti-bribery and corruption legislation and a failure of the foreign government, media, local business community and civil society to effectively promote transparent procurement and investment policies.

In transactions with any Third Parties, employees should be alert to 'country risk' and ask the following question:

"Does the Third Party operate in a country that is ranked by Transparency International as high risk for corruption?"

Please refer to the Transparency International Corruptions Perceptions Index (TICPI) - <https://www.transparency.org>

Any Third Party that operates in a jurisdiction, or a transaction that is connected to a country, with a score of 50 or less on the TICPI (Malaysia's score in 2018 is 47 and ranked 61) should be considered as medium to high risk for bribery. In this respect, employees should conduct an enhanced due diligence on the Third Party in order to satisfy himself/herself that it is reasonable in all circumstances to act.

- **Sectoral risk**

Some sectors are higher risk than others. Higher risk sectors include public work contract and construction, utilities, real estate, oil and gas etc. (Source: Transparency International Briber Payers Index 2011)

- **Transaction risk**

Certain types of transaction give rise to higher risks, for example, charitable or political contributions, licences and permits, and transactions relating to public procurement.

- **Business opportunity risk**

Such risks might arise in high value projects or with projects involving many contractors or intermediaries; or with projects which are not apparently undertaken at market prices, or which do not have a clear legitimate objective.

- **Business partnership risk**

Certain relationships may involve higher risk, for example, the use of intermediaries in transactions with foreign public officials; consortia or joint venture partners; and relationships with politically exposed persons where the proposed business relationship involves, or is linked to, a prominent public official.

## 6.2 Training

The Company will conduct awareness programmes on this Policy for all directors and employees to facilitate their understanding of this Policy. Questionnaires on this subject matter will also be circulated to test employees' understanding. New employees will be briefed on this Policy as part of their induction programme.

If necessary, refresher training or briefings will be provided either when there are significant changes to the Policy or where compliance with this Policy has been found to be below expectations.

Additional training will also be provided to directors and employees who are holding high-risk roles.

All HODs are responsible for ensuring the compliance of this Policy by their respective departments.

## 6.3 Complaints Channel and Protection

### 6.3.1 Complaints Channel

The Company encourages openness, transparency and accountability in ensuring prompt action is taken where necessary, in order to mitigate any potential financial or reputation damage arising from the violation of this Policy or any applicable law. In this respect, if anyone, including Third Parties and any outsiders, becomes aware that another person subject to this Policy has violated or is about to violate this Policy or the applicable law, whether deliberately or inadvertently, he/she is encouraged to make a report. The Company has adopted a Whistleblowing Policy to encourage the reporting of concerns and violations (or suspected violations) of this Policy and to provide effective protection to those reporting by implementing systems for confidentiality and report handling.

All reports must be made in writing and submitted for the attention of the Whistleblowing Committee to this email address: [wbc@measat.com](mailto:wbc@measat.com) or submit a hard copy of the report for the attention of the Whistleblowing Committee to MGB mailing address at Jalan Teknokrat 1/2, Cyberjaya, 63000 Selangor. The report should be marked '*Strictly Private and Confidential and to be opened by the Addressee only*'. In the case of a reportable conduct involving any member of the Whistleblowing Committee, such report should be addressed directly to MGB Board.

### 6.3.2 Protection

Anyone who raises concerns or reports on another person's wrongdoing, are sometimes worried about possible repercussions. The Company aims to encourage openness and will support anyone who raises genuine concerns in good faith under this Policy, even if they turn out to be genuinely mistaken in the concerns that were raised.

The Company is committed to ensuring that no one suffers any detrimental treatment as a result of reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place, or may take place in the future. "**Detrimental treatment**" includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern.

Further, if any employee believes that he/she or any of his/her co-workers have suffered any detrimental treatment, he/she should inform the Whistleblowing Committee immediately.

## 6.4 Communications

6.4.1 The Company will communicate this Policy to its stakeholders and the wider community.

6.4.2 In addition, this Policy and any amendments thereof must be communicated in a timely manner to the following parties by the persons responsible as follows:

Party	Person responsible	Time of communication
Directors	Company Secretary	Upon joining the Company and regularly throughout their appointment.
Employees	HR	Upon joining the Company and regularly throughout their employment.
Third Parties	Personnel from the respective departments engaging with the Third Party	Prior to engagement or renewal of contracts, and as appropriate during the course of their engagement.

6.4.3 Any directors or employees who have any comments on this Policy are welcomed to put forward their comments to the Whistleblowing Committee.

## 6.5 Internal Controls

6.5.1 The Company will establish and maintain an effective system of internal controls to counter bribery and corruption. These internal controls comprise financial, non-financial, organisational checks over the Company's accounting and record keeping practice and other business processes, such as separation of duties and approving powers, multiple signatories for transactions etc. For example, for all business transactions, there must be at least two levels of responsibilities i.e. the maker and checker. For financial activities (such as disbursements and payment activities), the Company strictly adopts multiple signatories to further mitigate any corruption risk. The system will be subject to regular reviews and audits to ensure its implementation and effectiveness.

6.5.2 Internal audits on group companies will be conducted to help ensure the Company's continued compliance with applicable anti-bribery and corruption laws and this Policy. It is the duty of all employees to cooperate with and never interfere with or obstruct such audit activities or investigations.

## 6.6 Accurate Books and Records

6.6.1 Record keeping is integral to this Policy as it serves as an evidence that the Company has taken adequate measures and proper procedures in addressing bribery and corruption risks and issues.

6.6.2 The Company must maintain an accurate and auditable record of all financial transactions in accordance with generally accepted accounting principles. This includes maintaining appropriate records of all gifts, hospitality, contributions and payments made and received. The accounting entries must not distort or disguise the true nature of any transaction. The following practices must be observed:

- keeping two or more sets of books or accounts is prohibited;
- making false entries or alterations on the books and records is prohibited, and there should not be any back-dated or post-dated documents, false invoices, false applications, statements, other false documents or applications; and
- adequate records must be kept and there must not be concealment of records, or refusal to make certain records available.

6.6.3 Directors and employees must keep records of their dealings with all external parties, including public officials and government bodies, accurate and transparent.

6.6.4 Misreporting and concealment in the accounting records of bribery and other improper acts is strictly prohibited.

## 6.7 Incident Management

6.7.1 The IA must promptly conduct an investigation of all matters reported relating to a suspected or alleged breach of this Policy upon consultation with the Whistleblowing Committee. The investigation must be conducted in a fair and objective manner. The steps taken and the results of the investigation must be documented in reasonable detail.

6.7.2 In addition, if a matter represents a serious risk to the Company's business (including, but not limited to, a reputational or financial risk) or there is a serious breakdown in internal controls (including breach of this Policy), they must immediately escalate the incident to the MGB ExCo.

6.7.3 A summary of the incidents and results of any investigation conducted must be reported to the MGB ExCo by the Internal Auditors (“IA”) within a reasonable timeframe.

6.7.4 Where illegal conduct has occurred, this may involve reporting the matter to the appropriate authorities.

## 6.8 Consequences of breach

6.8.1 Since this Policy is based on legal requirements, any violation of this Policy could subject the Company and its directors to fines, imprisonment and other criminal or civil sanctions. These violations may also result in high costs, personal reputational damage or loss of professional integrity and severely damage the reputation of the Company.

6.8.2 The Company may take appropriate disciplinary action including termination of employment or appointment or dismissal of any employee who fails to comply with this Policy, or the applicable laws. In addition, a director or employee who breaks the law may be reported to the police and other relevant authorities, and may face prosecution, criminal proceedings, fines or imprisonment, and be subject to the active pursuit of recovery of loss or damages by the Company.

6.8.3 For Third Parties, non-compliance with this Policy and the applicable laws will be considered a material breach of contract and may result in the termination of any relationship with the Company and the matter being reported to the police and other relevant authorities, and be subject to the active pursuit of recovery of loss or damages by the Company.

## 6.9 Monitoring and Review

The MGB Board has approved this Policy and the oversight of this Policy is the responsibility of the full Board. The MGB ExCo, with the assistance of the senior management, the Whistleblowing Committee and IA, will review this Policy at least annually and make any necessary amendments.

(a) The Board of the Company/MGB Exco will:

- approve, review and/or make any changes to this Policy;
- implement this Policy in all business entities over which it has effective control and using its influence to encourage adoption of equivalent policies in other business entities in which it has a significant investment or with which it has a significant business relationship;
- monitor the effectiveness of this Policy;
- provide leadership, guidance, advice and direction to promote compliance with the Policy;
- ensure a framework for the effective reporting, escalation and resolution of bribery and corruption compliance issues; and
- ensure that a qualified and independent external party will be engaged once every three (3) years to conduct a comprehensive review of this Policy and procedures to assess its effectiveness.

(b) The senior management will:

- provide leadership, guidance, advice and direction to employees to promote compliance with this Policy;
- communicate and ensure compliance with this Policy within their respective departments, business functions or units;
- report, escalate and resolve any bribery and corruption compliance issues; and

- report to the Board of the Company/MGB ExCo as appropriate.

(c) The Whistleblowing Committee will:

- establish, implement and maintain a monitoring program which covers the scope, frequency and methods for compliance review;
- oversee and monitor the performance of and compliance with this Policy and the procedures;
- manage the whistleblowing channel;
- report, escalate and resolve any bribery and corruption compliance issues; and
- provide reports to the MGB Board/MGB ExCo on, among others, the status of compliance reviews and compliance initiatives undertaken on a quarterly basis.

(d) IA will:

- undertake periodic independent audits and assessments of the compliance programme to ensure that the programme is implemented and complied with, and to identify areas for improvement;
- carry out investigation on any reports on violation of this Policy or MACCA, or pursuant to reports received from the whistleblowing channel;
- present any findings of the audits to the MGB Board/MGB ExCo for review; and
- forward the relevant findings of the audits/assessments to the relevant person-in-charge for further action, if necessary.

[End of Policy]

**APPENDIX A - DIRECTOR/ EMPLOYEE DECLARATION FORM**

(Paragraph 2.3)

**ANTI-BRIBERY & CORRUPTION POLICY –  
[DIRECTOR/ EMPLOYEE] DECLARATION FORM**

I, \_\_\_\_\_, hereby declare that I have read and understood the Anti-Bribery and Corruption Policy (“**Policy**”) issued by MEASAT Global Berhad (“**Company**”), a copy of which is [available on the Company’s intranet **OR** provided to me by the [Company Secretarial Department / Human Resources Department<sup>1</sup>].

I acknowledge that the Company takes a zero tolerance approach to bribery and corruption. I will abide by the requirements and provisions set out in the Policy and the applicable anti-bribery and corruption laws, and any related policies as may be issued by the Company at all times, as part of my terms of appointment/employment<sup>2</sup> with the Company.

I acknowledge and agree that a breach of the Policy and/or the applicable anti-bribery and corruption laws:

- (a) may be treated as a disciplinary matter and the Company may take appropriate disciplinary action including termination of my appointment/employment<sup>3</sup>;
- (b) may be reported by the Company to the police and other relevant authorities, and I may face prosecution, criminal proceedings, fines or imprisonment, and
- (c) may result in the Company taking any other remedial action as the Company deems appropriate, including the active pursuit of recovery of loss or damages suffered by the Company.

\_\_\_\_\_  
Name:  
Position:

[End of Appendix A]

<sup>1</sup> To delete as appropriate

<sup>2</sup> To delete as appropriate

<sup>3</sup> To delete as appropriate

**APPENDIX B - INCIDENT REPORTING FORM**

(Paragraph 5.2.3)

Incident Reporting Form	
Name:	
Designation:	
Department:	
Date:	
Summary of Incident:	
Please set out the details of the incident (providing as much details as possible, particularly, dates, times and locations). You may attach additional sheets, if required.	
Please provide the names and contact details of any person involved in the incident, including witnesses, if possible.	
Declaration: I confirm that the above statements are true to the best of my knowledge, information and belief.	
Form completed by:	
Signature:	
For completion by the Company	
Date form is received:	
Name of recipient and designation:	
Signature*	

\* MGB Board (in the case of a director, with such director abstaining) or the CEO/COO (in the case of employee).

[End of Appendix B]



**ANNEXURE 1 - GIFTS, HOSPITALITY AND TRAVEL POLICY**

**(Paragraph 5.1)**

[As attached]

**ANNEXURE 2 - DEALING WITH THIRD PARTIES POLICY**

**(Paragraph 5.5.4)**

[As attached]