



PRESS RELEASE
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**MHB SIGNS 'CORPORATE INTEGRITY PLEDGE' WITH
MALAYSIAN ANTI CORRUPTION COMMISSION**

Dato' Haji Mohamad Yusoff bin Akope, Deputy Commissioner and Director, Inspection and Consultancy Division of the Malaysian Anti-Corruption Commission (MACC), **Dato' Simi bin Abdul Ghani**, Deputy Commissioner and Director, Malaysian Anti-Corruption Commission of Johor and **Assistant Superintendent Lee Chong Heng**, Senior Investigating Officer, District Police Headquarters of Seri Alam, Johor as well as management members of MACC, PETRONAS and MISC were among the guests who attended Malaysia Marine and Heavy Engineering Holdings Berhad's (MHB) 'Corporate Integrity Pledge' signing ceremony today at the Renaissance Hotel, Johor Bahru.

MHB was represented by **Mr Dominique de Soras** MD &CEO who signed the Corporate Integrity Pledge (CIP) on behalf of the Company. He was accompanied by **En Ausmal Kadin** GM Legal & Human Resource, **Capt Selva Kumar**, Chief Transformation Officer and members of the MHB management committee.

By signing the CIP with MACC today, MHB formally declares that it will work to create a business environment that is free from corruption; and that MHB will uphold the *Anti-Corruption Principles for Corporations in Malaysia* in the conduct of its business and in the Company's interactions with the Malaysian Government and its global- local business partners.

Mr de Soras highlighted that: "Integrity is the respect and adherence to moral codes and ethical principles in doing business. Companies today must have Integrity compliance in their DNA in order to satisfy not just the authorities, but also their clients, shareholders and employees."



The MD & CEO of South-east Asia's largest offshore construction, conversion and marine repair facility added that: "As a responsible citizen of more than 40 years in Malaysia with a leading corporate presence in Johor; it makes good business sense for the Company to promote a zero tolerance policy on corruption.

"MHB has been nurturing an environment of Integrity among our 4,000 workforce in Pasir Gudang and Kuala Lumpur. Integrity compliance means not breaking the law, following professional rules and meeting societal expectations. We have now enhanced our Integrity compliance efforts by formally adopting and implementing the PETRONAS Group Integrity Policy."

The MHB Group has strategic partnerships with global oil and gas industry leaders such as Technip and Samsung, and conducts business with multiple stakeholders along the entire industry value chain. With deep roots in Johor, MHB's subsidiary – MMHE - is also one of the first and largest employers and developers of local Malaysian talent. The offshore construction and marine repair company employs a workforce of 4,000 employees in its two yards in Pasir Gudang.

Over the last year and a half, MHB has been working to embed Integrity as a work culture and way of life in its yards and offices. The Company's Code of Conduct and Business Ethics (COBE) journey began when it was launched in November 2012 as part of MHB's transformation programme. MHB then launched its Anti-Bribery & Corruption Policy and Guidelines (ABC Manual) in April 2014. The ABC Manual complements the overall corporate governance in MHB.

MHB has made effort to educate its staff and multiple stakeholder groups on COBE through a comprehensive communications campaign and sustained interactive assessments to ensure its employees, subcontractors and vendors understand exactly how the standards of behaviour and ethical conduct impact them.



MHB's commitment and compliance to CIP involved fulfilling several audit requirements. By signing the CIP, MHB and MACC will work closely together in establishing more integrity framework and anti-corruption measures as part of the mechanisms to protect MHB's reputation and interests. MHB is committed to practise a high standard of governance, transparency and accountability.

Mr de Soras also emphasised that international organisations, particularly those operating in high-risk industries and countries, must also protect themselves by ensuring their integrity compliance programmes are comprehensive and effective. Regulators across the globe have dramatically stepped up enforcement of anti-bribery and corruption regulations, and this trend is expected to continue.

He said: "Bribery or corruption related offences would have severe reputational and/or financial consequences for our Company. It is therefore timely and imperative for MHB to combat corruption by firmly setting the 'tone at the top' and by driving the culture of responsibility and accountability right through the Company".

"We want Malaysian regulators to note this proactive step taken to set up adequate procedures to counter bribery and corruption risks within the Company. Implementation of the COBE and ABC Manual are not merely necessary to avoid criminal prosecution – it reinforces the robust business practices already enforced in US, EU and advanced Asian organisations. Having an Integrity Policy will protect the Group's operations beyond borders."

Closer to home - having the integrity framework and principles now in place will enforce MHB's effort to fight corruption in its upstream fabrication and ship repair yards and eliminate mismanagement in its megaprojects. The framework and principles on integrity provide clear guidance in terms of initiating and implementing a system that mandates compliance and provides measurable benchmarks to achieve. The anti-bribery and corruption framework is now MHB's tool to upgrade formal controls in the Company and its 'emblem' to profile MHB in the international market and arena of global competition.



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