

WASCO BERHAD
Registration No. 199901020946 (Company No. 495846-A)
AND ITS GROUP OF COMPANIES

ANTI-MONEY LAUNDERING POLICY

1. POLICY STATEMENT

Wasco Berhad and its Group of Companies ("Wasco") are committed to adhere to the high ethical standards of business conduct in order to combat money laundering and terrorism financing within Wasco.

Wasco will remain vigilant in mitigating and preventing the risk of money laundering and terrorism financing in our business operations and in order to achieve the objective, Wasco undertakes to implement/conduct:

- (a) Periodic training and communication across Wasco to ensure that all employees and Directors are aware and updated on the requirements against anti-money laundering and terrorism financing.
- (b) Robust policies, systems, practices, processes and procedures to mitigate, prevent and detect money laundering and terrorism financing activities.
- (c) Periodic risks and internal audit assessments, reviews and assurance to ensure that the systems, practices, processes and procedures remain robust and relevant in order to manage, mitigate and prevent risks associated with anti-money laundering and terrorism financing.
- (d) Business Associates due diligence screening, review and measures (pre and post contract award)
- (e) Timely reporting of suspicious transaction/circumstances to the Reporting Officer being the Group Managing Director/Group Chief Executive Officer
- (f) Proper record keeping of all relevant documentation.

This policy applies to all employees and Directors of Wasco and covers the activities undertaken in Malaysia or overseas, in relation to the direct and indirect activities of Wasco. The holding Company, Wasco Berhad and its local group of companies will observe all applicable local laws including the Malaysia Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 and any subsequent amendments, while all other foreign companies within Wasco will observe relevant applicable law in their respective country pertaining to Anti-Money Laundering Acts, laws, regulations or equivalent governing them ("the Acts").

2. SCOPE

This policy complements and should be read in conjunction with The Principles of Business Conduct, Directors' Code of Ethics, Anti-Bribery and Corruption Policy, Conflict of Interest Policy and Whistle Blowing Policy. They are available on the Company's website at www.wascoenergy.com

3. FRAMEWORK

This policy sets out the general framework to manage, mitigate and prevent risks associated with money laundering and terrorism financing activities within Wasco.

The following are the measures established and implemented across Wasco:-

3.1 Training and communication

Periodic training and communication across Wasco through various channels and initiatives to ensure that all employees and Directors are aware and updated on the requirements of the Acts.

3.2 Internal Controls

Robust policies, systems, practices, processes and procedures to be enhanced to mitigate, prevent and detect money laundering and terrorism financing activities.

These policies, systems, practices, processes and procedures will be reviewed from time to time to ensure that they are relevant and effective.

3.3 Risk-based approach

Periodic risks and internal audit assessments, reviews and assurance are conducted to ensure that the systems, practices, processes and procedures remain robust and relevant in order to detect and prevent money laundering and terrorism financing and in compliance with the Acts

3.4 Business Associates Due Diligence

Due diligence screening is to be conducted on every business associate that has dealing with Wasco. Wasco has a reliable and effective due diligence process to obtain information, data and documents from independent sources pertaining to business associates on their background. The information and data obtained will be filtered, screened and verified to identify the identity of business associates and their beneficial ownerships. Similarly, the appropriate background checks and scrutiny will also be conducted on individual business associates to ensure that they are legitimate.

These measures are taken to also ensure that the business associates do not fall under the sanction lists maintained by the Ministry of Home Affairs and the United Nations Security Council and other sanction authorities. Sanction means economic, trade, finance restriction, embargo and other restrictions imposed by the relevant sanction laws and regulations by the sanction authorities against an individual, corporation or country.

Business associate means an external party with whom Wasco has or intends to establish some form of business relationship. They may include clients, customers, joint ventures, associates, joint venture partners, consortium partners, outsourcing providers, contractors, consultants, subcontractors, suppliers, vendors, advisers, agents, distributors, representatives, intermediaries and investors.

Wasco has established the following forms to be completed by business associates as part of the due diligence process:-

- (1) Vendor Business Conduct Form
- (2) Vendor Qualification Form
- (3) Conflict of Interest Form
- (4) Integrity Questionnaires Checklist Form

3.5 Cooperation with law enforcement authorities

Render full cooperation to the enforcement authorities in the event of any suspicious transaction or activity is identified and determined.

3.6 Record Management

Proper record keeping of all relevant documents pertaining to transactions' details, business associates' due diligence information, data and documents, and documents required by the relevant authorities and the Acts must be retained in accordance with Wasco's records retention principles and laws

4. MONEY LAUNDERING AND TERRORISM FINANCING ACTIVITIES AND PROHIBITIONS

Money laundering is a process of converting cash, funds or properties derived from criminal activities to give it a legitimate appearance. It is a process to clean 'dirty money' in order to disguise its criminal origin.

Money laundering activities may include:

- i. engaging directly or indirectly, in a transaction that involves proceeds of an unlawful activity or instrumentalities of an offence;

- ii. acquiring, receiving, possessing, transferring, converting, exchanging, carrying, disposing or using proceeds of an unlawful activity or instrumentalities of an offence
- iii. removing from or bringing into Malaysia, proceeds of an unlawful activity or instrumentalities of an offence; or
- iv. concealing, disguising or impeding the establishment of the true nature, origin, location, movement, disposition, title of, rights with respect to, or ownership of, proceeds of an unlawful activity or instrumentalities of an offence.

Terrorism financing is the act of providing financial support, funded from either legitimate or illegitimate sources, to terrorists or terrorist organisations to enable them to carry out terrorist acts or to benefit any terrorist or terrorist organisation.

Terrorism financing may include:

- (i) providing or collecting any property to be used for any terrorism act;
- (ii) dealing with property including funds derived from property owned or controlled by any terrorist;
- (iii) entering into or facilitating any transaction related to property owned or controlled by any terrorist;
- (iv) providing any financial or other related services to any terrorism act;
- (v) making available any property or any financial or related services for the benefit of any terrorism act.

4.1 Terrorism financing involves:-

Prohibition of suspicious transactions/red flags that may include but are not limited to the following :-

- (i) payments made by third party that are not party to the contract;
- (ii) payments to or from accounts of third parties that are not parties to the contract;
- (iii) payments made in currencies that differs from invoices;
- (iv) abnormal or extraordinary payment requested that differs from the invoice and is not provided in the contract or agreement;
- (v) attempts to make payments by third party in cash or otherwise than in cash that differs from invoices or not in the normal business practice;

5. SUSPICIOUS TRANSACTIONS OR ACTIVITIES REPORTING

The reporting of suspicious transactions or circumstances will be directed to the Group Managing Directors/Group Chief Executive Officer (“the Reporting Officer”):-

Mr. Gian Carlo Maccagno

Email: Giancarlo.maccagno@wascoenergy.com

Telephone: +603-26856800

Address: Suite 19.01 Level 19,

The Gardens North Tower

Mid Valley City

Lingkaran Syed Putra

59200 Kuala Lumpur

Malaysia.

6. PERIODIC REVIEW AND UPDATE

This policy shall be reviewed and updated by the Board of Wasco Berhad at least once every three years or when necessary to ensure that it is relevant and up-to-date and in compliance with the requirements of applicable Act.

7. DISCIPLINARY PROCEDURES

WASCO may elect to discipline employees who have committed an offence for money laundering or terrorism financing activities, including dismissal.