



MISC MODERN SLAVERY STATEMENT 2018/2019

Introduction

This statement is made in accordance with Section 54 of the UK Modern Slavery Act 2015 by MISC Berhad known as “MISC”. It is intended to communicate the procedures and steps which MISC has taken relating to the management of the risk of modern slavery up to 24th May 2019.

About MISC

MISC is a world leading provider of international energy related maritime solutions and services. The principal businesses of MISC comprise energy shipping and its related activities, owning and operating offshore floating solutions, marine repair and conversion, engineering and construction works, integrated marine services, port and terminal services as well as maritime education and training.

We operate a modern and well-diversified fleet of over 135 vessels and floating assets, supported by a talented workforce made up of more than 8,500 sea and shore professionals from various nationalities. MISC is headquartered in Kuala Lumpur, Malaysia with strategic offices in various parts of the world including Japan, United Kingdom and Brazil.

We take pride in our operational efficiency and reliability, upholding the highest standards of Health, Safety, Security and Environment (HSSE), fostering a culture of excellence amongst our employees, caring for the environment as well as making a positive difference to the communities in which we operate. Our supply chain comprises mainly of businesses that provide the equipment, goods, manpower and services needed to build, maintain and operate our vessels, engineering, offshore activities and to perform our corporate activities.

MISC Human Rights Commitment and Modern Slavery Policy

In May 2019, the MISC Board has approved a ‘Human Rights Commitment’ where *“MISC is committed to respecting internationally recognized human rights in areas of its operations, complying with its Code of Conduct and Business Ethics (CoBE), and all relevant legal requirements.”*

MISC has also adopted a Modern Slavery Policy in conjunction with this statement, which reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains.

MISC's Values and Code of Conduct and Business Ethics

MISC is committed to acting with integrity in all its business dealings. The MISC Group adheres to a Code of Conduct and Business Ethics which outlines the standards and behaviours that the MISC Group upholds and which emphasises due respect for human rights and compliance with applicable global laws and rules.

As a global corporation, MISC respects the International Bill of Human Rights and supports the UN Universal Declaration of Human Rights as well as the principles concerning fundamental rights set out in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work.

MISC also has a comprehensive whistleblowing policy in place and encourages all its workers, customers and business partners to report any concerns related to its direct activities or its supply chain. This includes any circumstances that give rise to an enhanced risk of slavery or human trafficking.

Human Rights Working Group (HR WG)

MISC has established a cross-functional Human Rights Working Group to consider the way MISC implements its human rights commitments across the business and determine any adjustments or enhancement opportunities to improve our human rights performance.

The HR WG is tasked, amongst others, to develop policies and procedures which included the adoption of a Modern Slavery Policy, to conduct risk assessments and due diligence and propose improvement actions to mitigate risks identified.

Due Diligence Process

As part of our initiative to identify and mitigate risk, the HR WG are to:

1. Conduct a Social Risk Assessment and Human Rights Due Diligence across the MISC Group;
2. Determine steps taken and / or intended to be taken with regards to ensuring modern slavery and human trafficking is not taking place in MISC's business or supply chains; and
3. Ensure effective communication, awareness and training on Human Rights matters.

Supplier adherence to our values

In compliance with the MISC Human Rights Commitment and the Modern Slavery Policy, we seek to work with contractors who share our values of integrity, committed to fighting bribery and corruption and contribute to sustainable development. MISC also requires our contractors to respect internationally-recognised human rights, complying with MISC Code of Conduct and Business Ethics (CoBE) and all relevant legal requirements. In November 2018, a session was given during a MISC GHSSE Contractors Engagement Forum to raise awareness on our requirement and expectation in complying with the CoBE. In accordance with our zero-tolerance approach to slavery, forced labour and human trafficking we will seek to ensure that all future agreements, which are used for the purchase and supply of goods and services, will allow us to terminate and cease dealing with any supplier in the event of any violations.

Awareness and Training

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our business and supply chains, we are in the process of introducing training for all employees with enhanced training for relevant managers. The first training for employees was conducted in February 2019 with participation from the Human Rights Working Group members and representatives from each business function.

This statement has been approved by the MISC's Board of Directors ("Board") and is signed on behalf of the Board by:



Yee Yang Chien
President and Group Chief Executive Officer / Director
MISC Berhad
24 May 2019