

MCE HOLDINGS BERHAD

Registration No. 201501033021 (1158341-K)
(Incorporated in Malaysia)

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

Policy Statement

MCE Holdings Berhad and its subsidiaries (“MCE Group”) are committed to conducting business in an ethical and honest manner. MCE Group has zero-tolerance for bribery and corrupt activities. We are committed to acting professionally, fairly, and with integrity in all business dealings and relationships.

MCE Group will constantly uphold all laws relating to anti-bribery and corruption in all the jurisdictions in which we operate. We are bound by the laws of the Malaysia, including the Malaysian Anti-Corruption Commission Act (“MACC Act”), in regards to our conduct both at home and abroad.

MCE Group recognizes that bribery and corruption are both illegal and unethical, either of these activities could cause MCE Group serious damage to our reputation. It is, with this in mind that we commit to preventing bribery and corruption in our business, and take our legal responsibilities seriously.

Scope

This policy applies to all directors and employees of MCE Group.

Definitions of Bribery

Bribery is defined as any action which would be considered as an offence of giving or receiving ‘gratification’ under MACC Act.

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 a position of trust within an organisation. ‘Gratification’ is defined in the MACC Act to mean the following:

- 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).

Bribery may be 'outbound', where someone acting on behalf of the Group attempts to influence the actions of someone external, such as a Government official or client decision-maker.

It may also be 'inbound', where an external party is attempting to influence someone within the Group such as a decision-maker or someone with access to confidential information.

Bribery and corruption are closely related. However, corruption has a wider remit. See 'Corruption' definition below.

Definitions of Corruption

The Transparency International definition of corruption is 'the abuse of entrusted power for personal gain.'

For the purpose of this policy, corruption, is defined primarily as any action which would be considered as an offence of giving or receiving 'gratification' under MACC Act ('Bribery' as defined above).

In addition, corruption may also include acts of extortion, collusion, breach of trust, abuse of power, trading under influence, embezzlement, fraud or money laundering.

Gifts and Hospitality

1. MCE Group accepts normal and appropriate gestures of hospitality and goodwill (whether given to/received from third parties) so long as the giving or receiving of gifts meets the following requirements:
 - a) it is not made with the intention of influencing the party to whom it is being given, to obtain or reward the retention of a business or a business advantage, or as an explicit or implicit exchange for favors or benefits;
 - b) it is not made with the suggestion that a return favour is expected;
 - c) it is in compliance with local law;
 - d) it is appropriate for the circumstances (e.g. giving small gifts around festive season or as a small thank you to a company for helping with a large project upon completion);
 - e) it is of an appropriate type and value and given at an appropriate time, taking into account the reason for the gift;
 - f) it is given/received openly, not secretly;
 - g) it is not selectively given to a key, influential person, clearly with the intention of directly influencing them;
 - h) it is not offer to, or accepted from, a government official or representative or politician or political party, without the prior approval of Group Managing Director; and
 - i) it is not above a certain excessive value, (in excess of RM 500.00).

2. Where it is inappropriate to decline the offer of a gift (i.e. when meeting with an individual of a certain religion/culture who may take offence), the gift may be accepted so long as it is declared to the Head of Department of the involved employee and Human Resources Manager who will assess the circumstances.
3. MCE Group recognises that the practice of giving and receiving business gifts varies between countries, regions, cultures, and religions, so definitions of what is acceptable and not acceptable will inevitably differ for each.
4. As good practice, gifts given and received should always be disclosed to the employee's Head of Department and Human Resources Manager. Gifts from suppliers should always be disclosed.
5. The intention behind a gift being given/received should always be considered. If there is any uncertainty, the advice of the employee's Head of Department and Human Resources Manager should be sought.

Facilitation Payments and Kickbacks

1. MCE Group adopts a strict stance that disallows facilitation payments.
2. MCE Group does not allow kickbacks to be made or accepted. We recognise that kickbacks are typically made in exchange for a business favour or advantage.
3. MCE Group recognises that, despite our strict policy on facilitation payments and kickbacks, employees may face a situation where avoiding a facilitation payment or kickback may put their/their family's personal security at risk. Under these circumstances, the following steps must be taken:
 - a) keep any amount to the minimum;
 - b) ask for a receipt, detailing the amount and reason for the payment;
 - c) create a record concerning the payment; and
 - d) report this incident to the involved employee's line manager.

Political Contributions

MCE Group will not make donations, whether in cash, kind, or by any other means, to support any political parties or candidates. We recognise this may be perceived as an attempt to gain an improper business advantage.

Charitable Contributions

MCE Group accepts (and indeed encourages) the act of donating to charities – whether through services, knowledge, time, or direct financial contributions (cash or otherwise) – and agrees to disclose all charitable contributions it makes.

Employees must be careful to ensure that charitable contributions are not used to facilitate and conceal acts of bribery.

MCE Group will ensure that all charitable donations made are legal and ethical under local laws and practices, and that donations are not offered/made without the approval of the Group Managing Director.

Conflict of Interest

1. A conflict of interest exists if a personal has any interest or activity that might be considered to interfere with that person's objectivity when performing duties or exercising judgment on behalf of MCE Group. An actual or potential conflict of interest may occur when an employee is in a position to influence a decision that may result in a personal gain for that employee or his relative or to MCE Group's disadvantage. An employee should take care to ensure that business dealings with outside firms, persons, organisation or company should not result in unusual gains for those firms, persons, organisation or company.
2. Personal gain may result not only when an employee or his relative has a significant ownership in a firm organisation or company with which MCE Group does business but also when an employee or his relative receives kickbacks, bribe, substantial gift or special consideration as a result of any transaction or business dealing involving the MCE Group.
3. MCE Group's policies require that employees (and their immediate family, spouses and family living in the same household) do not have any ownership interests in, or own property with, any of the MCE Group's suppliers, contractors, agencies, customers, or competitors (or their office employees) unless MCE Group determine that such ownership interests does not conflict with the employee's obligations to the Company. These restrictions do not apply to ownership of shares of a public listed company.
4. To avoid a conflict of interest situation, employees are prohibited, during the course of their employment with MCE Group, from:
 - a) taking up or engaging in any other employment, trade, or business outside the business of MCE Group without the prior written consent of MCE Group;
 - b) marketing products or services in competition with MCE Group's products and services;
 - c) using the MCE Group's equipment materials resources or information for any outside work; and

MCE Group has a policy requiring that employees not work for, or conduct any outside business with a competitor. Employees may not be engaged in any manner by a competitor of MCE Group.

Employee Responsibilities

As an employee of MCE Group, each of the staff must ensure that he/ she read, understand, and comply with the information contained within this policy, and with any training or other anti-bribery and corruption information he/ she is given.

All employees and those under our control are equally responsible for the prevention, detection, and reporting of bribery and other forms of corruption. They are required to avoid any activities that could lead to, or imply, a breach of this anti-bribery policy.

If the employee has reason to believe or suspect that an instance of bribery or corruption has occurred or will occur in the future that breaches this policy, he/ she must notify the Group Managing Director and/ or Senior Independent Non-Executive Director.

If any employee breaches this policy, they will face disciplinary action and could face dismissal for gross misconduct. MCE Group has the right to terminate a contractual relationship with an employee if they breach this anti-bribery policy.

Reporting of Policy Violation

Employees who encounter actual or suspected violations of this Policy are required to report their concerns. Each employee has a responsibility to ensure that suspected -bribery and corruption incidents are reported promptly. MCE Group practices an open door policy and encourages all employees to share concerns and suggestions with superiors and colleagues who are able to address them in an appropriate manner. MCE Group's Whistle Blowing Policy and Procedures sets out secured whistleblowing channels below:-

a) Whistle Blowing Policy and Procedures at:

<https://multicode.com.my/Investor/WhistleBlowingPolicy.pdf>

b) Emails:

Senior Independent Non-Executive Director: jane@fyg.com.my

Group Managing Director : gohkc@multicode.com.my

Group Executive Director : anne@multicode.com.my

Reports made in good faith, either anonymously or otherwise, shall be addressed in a timely manner and without incurring fear of reprisal regardless of the outcome of any investigation.

Training and Communication

MCE Group will provide training on this policy as part of orientation program for all new employees. New recruits are expected to pass the assessment at the end of the orientation program and attest that MCE Group's Anti-Bribery and Anti-Corruption Policy shall be complied with in the course of his/her employment.

In addition, under circumstances of suspicious behaviour, allegations and/or investigations relating to bribery or corruption, Group Managing Director and/ or Group Executive Director and/ or Senior Independent Non-Executive Director and Human Resources Manager reserves all rights to request the relevant employee to declare information regarding assets owned as deemed necessary.

Head of Department and/ or Human Resources Department may at any time recommend that certain trainings be repeated to any employee if deemed necessary based on circumstantial requirements. Human Resources Department shall maintain all records of trainings in collaboration with compliance with MCE Group's Anti-Bribery and Anti-Corruption Policy.

Record Keeping

MCE Group will keep detailed and accurate financial records, and will have appropriate internal controls in place to act as evidence for all payments made. We will declare and keep a written record of the amount and reason for hospitality or gifts accepted and given, and understand that gifts and acts of hospitality are subject to managerial review.

Monitoring and Reviewing

Internal control systems and procedures designed to prevent bribery and corruption are subject to regular audits either internally or conduct by external consultants to ensure that they are effective in practice.

Non-compliance identified by the validation or identified through other risk assessments undertaken shall be reported to the Audit and Risk Management Committee.

MCE Group is committed to continually improving its policies and procedures relating to anti-bribery and anti-corruption.

This Policy is adopted on 27 June 2020.

This Policy was last reviewed on 27 June 2022.