



MCT BERHAD

COMPANY REGISTRATION NO.: 200901038653 (881786-X)

(INCORPORATED IN MALAYSIA)

ANTI-BRIBERY & ANTI-CORRUPTION (‘ABAC’) POLICY FOR THIRD PARTIES

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1. INTRODUCTION

- 1.1 MCT Berhad and its group of companies ("**MCT**") observes and upholds a zero-tolerance position on bribery and corruption, and is committed in implementing guidelines and enforcing systems to ensure that corruption and bribery is prevented and avoided at all levels of MCT's daily operations. This position is to reflect our core values of integrity and ethics where we practise transparency and governance in our business dealings and relationships with third parties and acting with professionalism and sound business management.
- 1.2 This Anti-Bribery and Anti-Corruption Policy ("**ABAC**") exists to set out the responsibilities of MCT and those who have business dealings/relationships with MCT in observing and upholding our zero-tolerance policy on corruption and bribery.
- 1.3 It acts as a source of information and guidance for all third parties and is intended to help them recognize and deal with bribery and corruption issues, as well as understand their responsibilities in this context.

2. SCOPE

MCT's ABAC policy is applicable at all times to all Third Parties as defined in item 3 in Clause 3 (Definitions) below and also in dealings with government officials and/or other representatives ("**Third Parties**") acting on behalf of the entity under a contract for service or is engaged by MCT for any business related activity, whether formally and informally.

3. DEFINITION

- A. "**Bribery**" means bribe or corruption that occurs when one person gives, offers, pays, seeks or accepts a payment, gift, favour or a financial or other advantage from another to influence a business outcome improperly, to induce or reward improper conduct or to gain any commercial, contractual, regulatory or personal advantage. It can be direct or indirect form of bribery through Third Parties.
- B. "**Donation**" means a voluntary contribution in the form of monetary or non-monetary gifts to a fund or cause for which no return service or payment is expected or made. Contributions to industry associations or fees for memberships in organisations that serve business interests are not necessarily considered Donations.
- C. "**Third Parties**" means and includes any individual or organisation performing work or services for or on behalf of MCT, who (including but is not limited to) our suppliers, consultants, vendors, service providers, contractors, sub-contractors, real estate agents, external lawyers/solicitors, trainees, seconded staff from external parties, interns, agents, sponsors, business partners or any other person associated with us, or any of our subsidiaries or joint ventures or their employees, wherever they are located.
- D. "**Sponsorship**" means partnering with external organisations to deliver mutual benefits through an exchange of monies, products, services, content or other intellectual property.

- E. **“Facilitation Payments”** means a form of Bribery in which payments of “anything of value” are made with the purpose of expediting or facilitating the performance by a Public Official or a person with a certifying function of a routine governmental action to obtain or retain business or any other undue advantage. Facilitation payments are typically demanded by low level and low income Public Officials in exchange for providing services to which one is legally entitled without such payments.
- F. **“Gifts, Invitations & Hospitality”** means invitations that are given or received in relation to social functions, sporting events, meals and entertainment, gifts or customary tokens of appreciation.
- G. **“Kickback”** means a bribe to obtain an undue advantage, where a portion of the undue advantage is 'kicked backed' to the person who gave, or is supposed to give, the undue advantage.
- H. **“Public Official”** means officials or employees of any government or other public body, agency or legal entity, at any level, including officers or employees of state-owned enterprises and officers or employees of enterprises which are mandated by a public body or a state-owned enterprise to administrate public functions.

4. RESPONSIBILITIES

- 4.1 All business associates and third parties doing business with MCT are required to adhere to this ABAC Policy.
- 4.2 The following levels in MCT are designated and expected to ensure that the policy guidelines are implemented and carried out across the organisation:
 - (i) Human Capital Department: Policy Owner
 - (ii) Risk Management: Monitors Business Units activities in terms of policy compliance.
 - (iii) Integrity & Governance Committee: Regular review of policy, case management review, evaluation and policy amendments.
 - (iv) Head of Departments and Sections (**“HODs”/“HOS”**):
As the process owner, the respective HOD is entrusted to obtain the ABAC Declaration Form duly acknowledged from third parties with a copy extended to Risk Management Department for record and safekeeping.

5. REFERENCES

- 1. Malaysian Anti-Corruption Commission (**“MACC”**) Section 17A; and
- 2. MCT’s Anti-Bribery & Anti-Corruption Policy (**“ABAC Policy”**).

6. POLICY

6.1 Due Diligence

In order to ensure MCT is undertaking business with third parties that share the same standard of integrity and ethical business practice as MCT, we would need to perform the following but not limited to:

- (i) Perform due diligence and assess the prospective third parties' reputation and qualifications with the focus on its integrity prior to entering into a business dealing with the said third party.
- (ii) Due diligence may be conducted in numerous ways, including but not limited to:
 - (a) Document verification
 - (b) Background check
 - (c) Online / Web search
 - (d) Interview
 - (e) Questionnaire
 - (f) Screening tools such as CCRIS, CTOS
 - (g) Government and/or Judicial database
- (iii) Item ii (a) to (e) – Due diligence to be performed by respective department PIC that deal with 3rd party.
Item ii (f) to (g) – Due diligence to be carried out by Legal Department.

6.2 Integrity Declaration

All Third Parties must be made aware of and agree to comply with the Anti-Corruption laws and this ABAC Policy. They shall sign the Integrity Declaration Form to confirm their acceptance and agreement to the ABAC policy.

6.3 Frequency of conducting due-diligence may occur in the following events:-

- (i) Prior to first time engagement and/or project commencement
- (ii) Renewal of contracts
- (iii) Performance evaluation
- (iv) Incidents of misconduct
- (v) Changes in circumstances

6.4 Prior to appointment by MCT, third parties must comply with the following process:

- i) Filling up & submission of MCT's ABAC Declaration Form
- ii) Completing the ABAC Questionnaire

7 FACILITATION PAYMENTS & KICKBACKS

7.1 MCT does not allow the making of Facilitation Payments. We do not make, and will not accept Facilitation Payments or Kickbacks of any kind anywhere in the world.

- 7.2 Where the Facilitation Payment is being extorted or the Third Party is being coerced to pay it, it must be reported to MCT as soon as possible.
- 7.3 Any Third Party with any suspicion, concern or query regarding a Facilitation Payment made on MCT's behalf or involve improper business practices, shall immediately report the matter to MCT using the channel prescribed in Clause 8 below.

8 REPORTING ON CONCERN OR WHISTLEBLOWING

- 8.1 Any party who encounters actual or suspected violation of this ABAC Policy is required to report their concerns using the channel below:
Email Hotline: whistleblowing-mct@bdo.my
Online Portal: <http://bdoethics.com>
Telephone Hotline: 03-2616 7005 (from Monday to Friday, excluding public holidays)
- 8.2 All Information provided by the whistleblower shall be kept strictly confidential.

9 PROTECTION

- 9.1 Third Parties who refuse to take part in bribery, or report in good faith under this Policy their suspicion that an actual or potential bribery or other corruption offence has taken place or may take place in the future will be protected from detrimental treatment (Detrimental treatment includes cancellation of the contract awarded by MCT) and retaliation.

10. APPENDIX

- (i) Appendix 1: ABAC Declaration Form for Third Parties
- (ii) Appendix 2: ABAC Questionnaire
- (iii) Appendix 3: Due Diligence Checklist