



ZECON BERHAD

Registration No. 198501002015(134463-X)

ZECON GROUP'S ANTI-BRIBERY AND CORRUPTION POLICY

Approved and adopted by the Board on 22 May 2020

TABLE OF CONTENTS

1.	INTRODUCTION	1
2.	OBJECTIVE	1
3.	DEFINITIONS	1
	i) Bribery	1
	ii) Gratification	1-2
4.	BRIBERY AND IMPLICATIONS	2
5.	ETHICAL COMMITMENT	2
6.	PREVENTION OF BRIBERY	2-3
7.	GUIDANCE ON COMMON FORMS OF BRIBERY AND CORRUPTION.....	3
	i) Offer of Advantage.....	3
	ii) Acceptance of Advantage.....	3
	iii) Gift Policy.....	3
	iv) Entertainment.....	4
8.	CONFLICT OF INTEREST.....	4
9.	THIRD PARTIES COMPLIANCE.....	4
10.	REPORTING OF VIOLATIONS OF POLICY AND WHISTLE BLOWER'S PROTECTION	4
11.	COMPLIANCE WITH THE CODE.....	4
12.	MONITORING AND REVIEW OF THE POLICY	4

ZECON GROUP
ANTI BRIBERY AND CORRUPTION POLICY

1. INTRODUCTION

The Board of Directors of Zecon Berhad's (Zecon or the Company) has established and adopted this Anti-Bribery And Corruption Policy ("Policy") in accordance with the Guidelines on Adequate Procedures issued pursuant to Section 17A(5) of the Malaysian Anti-Corruption Commission Act, 2009.

Zecon and its group of companies ("the Group") commits to conduct its business with integrity as well as complying with all applicable laws.

The Group had put in place adequate procedures to prevent all directors, employees, personnel under contract, agents and other associated persons ("Associated Persons") from undertaking gratification and is constantly sharing, reminding and raising awareness regarding the policy and procedures with all Associated Persons, through orientations, at meetings and discussions, and to keep on record through minutes of meetings, employee's handbook, newsletters and other electronic platform/devices.

2. OBJECTIVE

This Policy serves to demonstrate the resolve by the Group as regards its position on bribery and corruption in all its forms while conducting and carrying on business whether in or outside Malaysia. It represents the non-exhaustive guideline to all Associated Persons under the Group in conducting all business or affairs of the Group that comply with the provisions of the Malaysia Anti-Corruption Commission Act 2009 (including any amendments thereof) (MACC Act).

3. DEFINITIONS

i) Bribery is defined as the act of giving, agree to give, promising or offering, receiving any forms of gratification whether directly or indirectly for the benefit of the director or employee or their family or the Group. For the purpose of this Policy, "family" includes the director's or employee's spouses, children (including step children and adopted children), parents, step parents, siblings, step siblings, grandparents, grandchildren, in-laws, uncles, aunts, nieces, nephews, cousins and other persons who are a member of the director's or employee's household.

ii) Gratification means:-

- i) 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;
- ii) any office, dignity, employment, contract or services and agreement to give employment or render services in any capacity;
- iii) any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;
- iv) any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;

- v) any forbearance to demand any money or money's worth or valuable thing;
- vi) 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 any 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
- vii) any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding paragraphs (a) to (f).

4. BRIBERY AND IMPLICATIONS

- i) This Policy shall apply to all directors, managers and employees, including permanent, part time, probationary and employees under contract and trainees (collectively referred to as directors and employees) of the Group in dealing with external parties in the commercial context.
- ii) Managers and supervisors of all levels have additional responsibilities under the Policy and are held to a higher standard of compliance. They are required to create and maintain an open environment that is comfortable for employees to ask questions, raise concerns and report misconduct.
- iii) All directors and employees of the Group must refrain from any acts of bribery which takes the form of offering, promising, giving, demanding or receiving anything of value to anyone in the form of bribes, kickbacks and/or any other improper gratification (including gifts, hospitality and entertainment) to improperly influence the outcome of any transaction whether it is for their own personal benefit or for the benefit of the Group.
- iv) The Group strictly does not tolerate any bribes given for purposes of obtaining or retaining business for the Group or provides an advantage to the businesses of the Group. The Group does not tolerate any such acts of bribery even in a personal capacity.
- v) Any director or employee of the Group that breaches any provision of the Policy may fall within the scope of serious misconduct and may be subject to disciplinary action, up to and including dismissal, depending on the facts and circumstances of each case.

5. ETHICAL COMMITMENT

The Group regards honesty, integrity and fair play as our core values that must be upheld and practiced at all times by all directors and employees of the Group.

This Policy sets out the standard of conduct expected of all directors and employees.

6. PREVENTION OF BRIBERY

The Group prohibits all forms of bribery and corruption. All directors and employees are prohibited from accepting and offering any bribes in conducting all business or affairs of the Company, whether in or outside of Malaysia.

All directors and employees, while carrying out their duties must comply with the provision of the Malaysia Anti-Corruption Commission Act 2009 (including any amendments thereof (the Act) and Must Not:

- i) Offer or accept, agree or promise to offer or accept any advantage from others for the benefit of himself/herself or another person.
- ii) Offer or accept, agree or promise to offer or accept any advantage with the intention to obtain or retain business for the Company
- iii) Offer any advantage to any employee of a public body or Government department as a reward for any gain, favour or assistance in business dealings with the public body or the Government.

7. GUIDANCE ON COMMON FORMS OF BRIBERY AND CORRUPTION

i) Offer of Advantage

All directors and employees are prohibited from offering or promise to offer any advantage to any director, staff member or agent of another company or organisation including public bodies and Government departments, for the purpose of influencing such person in any dealings, whether directly or indirectly through a third party, when conducting the Group's businesses.

ii) Acceptance of Advantage

All directors and employees should not accept any advantage for themselves or others from any person, company or organisation having business dealings with the Group. The advantage includes but is not limited to the following:

- a) Money or Monetary Equivalent
- b) Property or Interest/Share in Property
- c) Discounts and Commission
- d) Donation and Gift or Souvenir (except for those listed in Clause 7(iii) of this Policy)
- e) Loan or Advance
- f) Shares or Equity or Position (in another company)
- g) Sexual Favour
- h) Cancellation or Discharge of Owing, Dues and Loan
- i) Any Other Undertaking or Promise of any gratification within the meaning of any of the above.

iii) Gift Policy

All directors and employees may accept (but not solicit) the following when offered on a voluntary basis:

- a) Promotional gifts or souvenirs of a nominal value
- b) Gifts given on festival or special occasions not more than RM500 in value
- c) Discounts or special offers given by any person or company to them as customers which are applicable to any other customers in general.
- d) Souvenirs or corporate memento from another company local or foreign which is cultural in nature and are given at official functions are deemed as offers to the Group. The director or employees concerned should declare the acceptance to the Company Secretary or Head of Corporate Department.
- e) If a director or employees being offered any advantage not covered in Clause 7(ii), he or she must always declare such acceptance to the Company Secretary or Head of Corporate Department.

iv) **Entertainment**

All directors and employees should avoid frequenting entertainment from persons with whom the Group has business dealings to avoid putting himself or herself in a position of obligation.

8. CONFLICT OF INTEREST

All directors and employees should avoid any conflict of interest situation where their private interest conflicts with the interest of the Group. When carrying out official duties or conducting procurement, recruitment, and selection of quotations or tenders (contract of works or supply of goods or services) or any other business for the Group, the conflict of interest may arise in but not limited to the following forms:

- i) Related Parties Dealings
- ii) Misuse of Official Position, Company or Group Assets and Information
- iii) Outside Employment
- iv) Financial Assistance

9. THIRD PARTIES COMPLIANCE

- i) All directors and employees must conduct due diligence when dealing with third parties whom the Group has contracted with or engaged to provide services or supply goods, including but not limited to, joint venture partners, professional advisors, consultants, contractors and subcontractors, suppliers and potential business associates.
- ii) All third parties will be informed of this Policy via Zecon corporate website (www.zecon.com.my) and through Evaluation, Selection And Monitoring Suppliers, Contractors And Consultant procedures under the Group's Integrated Management System (IMS)

10. REPORTING OF VIOLATIONS OF POLICY AND WHISTLEBLOWER'S PROTECTION

Directors and employees or any other persons who wish to report a violation against this Policy can refer to the Group's Whistleblowing Policy which can be found on the corporate website for actions and procedures.

11. COMPLIANCE WITH THE POLICY

All directors and employees must understand and comply with this Policy when performing their duties for the Group, whether in or outside of Malaysia. Managers and supervisors should ensure that their subordinates understand and comply with this Policy.

Any director or employees in breach of this Policy will be subjected to disciplinary action as described in the Group Employee's Handbook. In cases of suspected corruption or other criminal offences, a report shall be made to the relevant authorities.

12. MONITORING AND REVIEW OF THE POLICY

The Policy will be monitored by the Group's Risk Management Committee (RMC) and Internal Audit for compliance and enforcement. The Group will review the Policy regularly to ensure its effectiveness and relevancy and, in any event, at least once in every 3 years.