

MARCO HOLDINGS BERHAD

(196901000631) (8985-P)

(Incorporated in Malaysia)

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

1. INTRODUCTION

The Board of Directors of Marco Holdings Berhad (“MHB”) and its subsidiaries (collectively referred to as the “Group”) is committed to conducting its business professionally, ethically and with the highest standard of integrity. The Group practices a zero-tolerance approach against all forms of bribery and corruption and upholds all applicable laws in relation to anti-bribery and anti-corruption.

2. DEFINITION OF BRIBERY AND CORRUPTION

Bribery and corruption refer to the offering, promising, giving, accepting or soliciting of an undue advantage or gratification as an inducement or reward for a person acting or refraining from acting in relation to the performance of the person’s duties, which is illegal, unethical or a breach of trust.

Forms of bribery include but are not limited to kickbacks, inflated commissions, expensive gifts, excessive or inappropriate entertainment. Corrupt practices include extortion, collusion, breach of trust, abuse of power, trading under influence, embezzlement, fraud or money laundering.

3. OBJECTIVE

The objective of this Anti-Bribery and Anti-Corruption (“ABAC”) Policy is to provide information and guidance on how to recognize and deal with bribery and /or corruption.

The situations as described below in this ABAC Policy are not intended to be exhaustive and therefore may cover other situations as and when there is a change in law or circumstances in which the Group is operating in.

4. SCOPE

This ABAC Policy is applicable to all directors and employees of the Group (collectively referred to as "Personnel"). It is also expected that all Third Parties such as consultants, agents, vendors, tenants, intermediaries, representatives, contractors, sub-contractors and other persons or entities performing work or services for or on behalf of the Group ("Third Parties") comply with the relevant parts of this ABAC Policy when performing such work or services.

The term “public officials” when used in this ABAC Policy shall mean official of any governments, government agencies or any regulatory, statutory or administrative bodies, whether local or foreign. This includes elected and appointed officers or employees of national, municipal or local governments (including individuals holding legislative, administrative and judicial positions), officials of political parties and candidates for political offices, employees of government or state-controlled companies and government-linked companies.

In the event where there is a conflict between this ABAC Policy and any applicable anti-bribery and/or anti-corruption related law(s), the applicable law(s) shall prevail and all Personnel and Third Parties shall comply with the applicable law(s).

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5. GUIDANCE ON COMMON FORMS OF BRIBERY AND CORRUPTION

5.1 Gifts

All personnel are prohibited from receiving and/or offering the following, whether directly or indirectly to obtain a business or business advantage of any kind:

- (a) Any gift of cash or cash equivalent, including but not limited to gift certificates / vouchers / coupons, discounts, commission, payment of credit card charges, shares, and loans;
- (b) Any gifts provided or received with a direct/indirect suggestion, hint, understanding or implication that some expected or desirable outcome is required;
- (c) Any gifts involving parties during a tender or competitive bidding exercise;
- (d) Any gift that would be illegal or in breach of applicable laws; and
- (e) Any gift which is lavish and/or excessive or may adversely tarnish the reputation of the Group.

If in doubt about the acceptability, the gift must be rejected.

Corporate gifts, festive or ceremonial gifts may be received from or given to Third Parties provided it fulfils the conditions as stipulated below:

- (a) made for the right reason – it should be offered or received as an act of appreciation or common courtesy (example. associated with festive seasons or other ceremonial occasions);
- (b) no expectation / obligation – there must not be any expectation of any favour or improper advantage from the receiver. It must not be used to cause or induce the receiver to improperly or illegally influence any business action or inaction or cause others to perceive an improper influence;
- (c) reasonable value – its value must commensurate with the occasion and in accordance with general business practice; and
- (d) legal – it complies with the applicable laws in the countries of both the offeror and recipient of the gift.

5.2 Hospitality and/or entertainment

Hospitality means food and beverages consumed during a business meal, travel expenses (airfare, accommodations, taxi or car fare) or corporate related events or activities organised by the Group, which may involve entertainment of employees and/or other parties for the benefit of the Group. Entertainment includes tickets or admissions to sporting or cultural events (whether as a spectator or participant).

The Group prohibits the receiving and/or offering of hospitality and/or entertainment in the following situations:

- a) Any hospitality and/or entertainment provided or received with a view to improperly cause undue influence on any party in exchange for some future benefit or result;
- (b) Any hospitality and/or entertainment provided or received with a direct/indirect suggestion, hint, understanding or implication that some expected or desirable outcome is required;
- (c) Any hospitality and/or entertainment involving parties engaged in an on going tender or competitive bidding exercise;

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5.2 Hospitality and/or entertainment (continued)

- (d) Any hospitality and/or entertainment provided or received that would be illegal or in breach of any applicable laws;
- (e) Any hospitality and/or entertainment that are sexually oriented; and
- (f) Any hospitality and/or entertainment provided or received that would be perceived as lavish or excessive or may adversely tarnish the reputation of the Group.

The Group recognises that providing hospitality through corporate events, sport events or other public events or that occasional acceptance of appropriate and proportionate entertainment provided by Third Parties in the normal course of business is a legitimate way to network and build business relationships.

Notwithstanding, all Personnel must exercise due care and judgement when receiving and/or offering hospitality and/or entertainment as guided by the principles as laid down under Section 5.1

All Personnel must further exercise additional due care and judgement when providing hospitality and/or entertainment to public officials.

5.3 Donations

Donations and charitable support are acceptable (and indeed encouraged), however, directors and employees must be careful to ensure that donations and charitable contributions are not used as a scheme to conceal bribery.

5.4 Political contribution

Subject to any law that govern political contribution, the Group may make contribution to political parties or candidates. All political contributions require the approval of the Chairman of the Board and the Managing Director.

5.5 Facilitation payment and/or extortion payment

The Group prohibits accepting or giving, whether directly or indirectly, any facilitation or extortion payments.

Facilitation payments are a form of payment made personally to an individual or group in control of a process or decision to secure or expedite the performance of a routine or administrative duty or function (e.g. influencing the timing of process or issuing of permits). Extortion payment is the demanding of a gratification, whether or not coupled with a threat if the demand is refused.

There may be situations where the Personnel has no alternative but to make facilitation payments in order to protect themselves from injury, loss of life or liberty or damage to property . In such situations, this must be reported to the Chairman of the Board and the Managing Director.

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6.0 THIRD PARTIES

All Third Parties such as contractors, sub-contractors, consultants, agents, vendors, tenants, intermediaries, representatives and other persons or entities performing work or services for or on behalf of the Group should be made aware of this Policy and the arrangements with them shall be subject to clear contractual terms, including specific provisions requiring them to comply with minimum standards and provisions relating to bribery and corruption.

7.0 WHISTLEBLOWING

The details can be referred in the Whistleblowing Policy.

8.0 RECORD-KEEPING

The Group must ensure that accurate and complete records (accounts, invoices, and documents) are maintained for all payments as these would serve as evidence that such payments were bona fide, and not linked to corrupt and/ or unethical conduct.

All Personnel must declare gifts received or offered as per Group's ABAC policy in a Gifts Register maintained at the respective Division / Department / Unit which will be subjected to internal audit review. The Gifts Register shall include such details as date; receiver's or offerer's name; description of the gift and purpose for giving or receiving the gift.

For expense claims relating to hospitality and/or entertainment - the recipient's name, company/business name, and the purpose of such expenditure must be specifically recorded and approved by the Head of Division/Department.

9.0 VIOLATION AND INVESTIGATION

Any conduct which is non-compliant or in violation of this ABAC Policy and/or applicable laws will be taken seriously and will be subject to strict disciplinary actions.

The process will be co-ordinated and investigated by Group Internal Audit and shall be reported to the Audit Committee.

10.0 MONITORING AND REVIEW

This ABAC Policy is to be reviewed regularly by the Company's Board of Directors to ensure that the policy remains relevant and appropriate or as necessary when there is a change in law or circumstances in which the Group is operating in.

Periodical audits by Group Internal Audit shall be conducted to monitor, review, improve and assess the effectiveness of ongoing anti-bribery and anti-corruption efforts. The results of the audits shall be reported to the Audit Committee.