



MMCS GROUP Anti-Bribery & Corruption Policy

1. Policy Statement

MM COMPUTER SYSTEMS SDN. BHD. ("MMCS") and its subsidiaries, which include Micro Technology Solution Sdn Bhd ("MTS") and SMIND Sdn Bhd ("SMIND") (the "**Group**") adopts a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly, and with integrity in all business dealings. All forms of bribery and corruption are strictly prohibited. This includes offering, giving, soliciting, or accepting bribes in any form. MMCS will uphold all laws relevant to countering bribery and corruption in all jurisdictions in which it operates.

The purpose of this Anti-Bribery & Corruption Policy ("Policy") is to ensure that MM COMPUTER SYSTEMS SDN. BHD. ("MMCS") conducts its business in an ethical, honest, and transparent manner. This Policy aims to prevent bribery and corruption in all business dealings and maintain compliance with applicable laws, including the Malaysian Anti-Corruption Commission Act 2009 and other relevant regulations.

This Policy applies to all directors, officers, employees, agents, contractors, consultants, suppliers, vendors, and any other parties acting on behalf of MMCS ("Personnel"). It covers all business operations of MMCS, whether conducted domestically or internationally.

2. Definition of Bribery and Corruption

Bribery refers to the offering, giving, receiving, or soliciting of something of value as a means to influence the actions of an individual in the performance of their duties.

Corruption means the act of soliciting, giving, accepting or receiving gratification, directly or indirectly, to/from a person in authority either in the form of money, services or valuable goods as an inducement or reward to or not to do an act in relation to the person's principal affairs – in short, corruption is essentially an abuse of entrusted power or position to secure or gain a personal benefit; and

Gratification is defined in Section 3 of the MACC Act 2009 and includes money, donation, gift, loan, fee, reward, valuable security, property or interest in property, employment, appointment, release, forbearance, undertaking, promise, rebate, discount, services employment or contract of employment or services and agreement to give employment or render services in any capacity. The provision or receipt of gratification is not an offence unless it is done **corruptly**.

3. Governance and Reporting Structure

The Board of Directors holds overall responsibility for ensuring compliance with the MMCS's Anti-Bribery & Corruption (ABC) Policy. It sets the tone from the top by reviewing and approving the ABC Policy, sets the risk appetite in relation to bribery and corruption risks as well as reviews to ensure that PPG has adequate and competent resources for ABC-related matters.

The Audit Committee is delegated with the oversight role in relation to ABC management. It reviews MMCS's implementation of and compliance with the ABC Policy as well as the bribery and corruption risk assessments conducted. In addition, reviews, audits, assessments or monitoring in relation to ABC management conducted by the management team and/or the Compliance Unit shall be reported to the Audit Committee for further review on a yearly basis, which would eventually be reported to the Board of Directors.

The management team is responsible for implementing and executing the ABC Policy and any ABC management initiatives (i.e. control measures). It is also tasked with clearly communicating the ABC Policy to all relevant parties such as employees and business associates. It ensures that bribery and corruption risk assessments are done timely and properly. Apart from undergoing the necessary training on ABC management, it is also responsible for ensuring adequate training relating to ABC is provided to employees and notification of ABC Policy to business associates.

The Compliance Unit comprises 1 (one) Chairman, Senior Manager from Human Resource Admin Department, and 3 (three) members from different departments of the Group, Senior Finance Manager from Finance Department, Finance Manager from Finance Department and representative from Project Service Department. In the event a member of the Compliance Unit is potentially implicated or directly involved in the ABC matter, he/she shall willingly and completely abstain from reviewing or deliberating on that matter.

Department Heads are accountable for ensuring their respective teams adhere to the Policy and for addressing any breaches within their areas of responsibility. Employees and third-party associates must understand and adhere to the Policy, raising any concerns or potential breaches through appropriate channels.

4. Risk Assessment

The risk assessment process will be conducted annually or whenever significant changes occur in business operations or the regulatory environment. All findings will be used to update and strengthen MMCS's ABC Policy and procedures.

The Compliance Unit of the Group should be responsible for updating the risk assessment progress and reporting yearly to those charged with governance on the status and results of the anti-corruption risk assessment as well as on the implementation of any resulting risk mitigation action plans.

5. Key Principles

5.1 Gifts, Entertainment, Hospitality and Travel

It is the responsibility of all employee and Directors of MMCS Group and its subsidiaries to ensure that external parties engaged in business dealings are made aware of the Group's zero-tolerance stance on bribery and corruption. The Group recognizes that the giving or receiving of gifts and hospitality can be part of building business relationships; however, such activities must be approached with caution and transparency to avoid actual or perceive impropriety.

The Group permits the giving and receiving of gifts, hospitality, and travel only under the following conditions:

- **Internal Recognition:** Gifts given by the Group to employees and directors and / or their immediate family members in conjunction with internal or publicly recognized functions, events, or celebrations (e.g. in recognition of long service, retirement, or achievement);
- **Official Corporate Exchanges:** Exchange of gifts at organization-to-organization level (e.g. between companies during official visits or courtesy calls), where such gifts are treated as company property and properly documented.
- **Event-Related Tokens:** Gifts given to external institutions or individuals during the Group's official functions, events, or public celebrations (e.g., commemorative items or door gifts distributed to all guests).
- **Corporate Promotional Gifts:** Nominal value token or branded gifts bearing the company logo (e.g. pens, calendars, t-shirts, diaries) distributed equally during conferences, exhibitions, trade shows, training, or stakeholder engagement events. These are considered part of brand building or promotional activities.
- **Charitable Gifts:** Donations or in-kind contributions to charitable institutions or individuals who have no direct business dealings with the Group, provided such gifts are properly documented and free from corrupt intent.
- **Impartiality and Judgement:** Any token or corporate gifts offered must compromise the independence or objectivity of the recipient's business decisions.
- **No Corrupt Intent:** The gift or hospitality must not be intended to induce or reward improper behavior and must comply with the Malaysian Anti-Corruption Commission (MACC) Act 2009 and the Group's ABAC Policy.
- **Company Sponsored Travel:** Participation in company approved inspection trips or incentive tours whether local or overseas must be approved and fully sponsored by the Group. Eligibility should be based on job role and operational need.

- Official Accommodation: Hotel stays provided in conjunction with company events or business trips must be paid directly by the Group and not involve third party sponsors.
- Festive Tokens: Receiving of small monetary gifts (e.g., “ang pow” or red packets) from clients or business associates during major festivals (Chinese New Year, Hari Raya Aidilfitri, Deepavali) with a value not exceeding RM500 is permissible and does not require declaration provided it is given in accordance with customary tradition and without any form of obligation or expectation.

Employees of the Group are not allowed to offer or provide gifts to any third party, client, or business associate without obtaining prior written approval from Management. Any such gift must be properly justified, documented, and aligned with the Group’s ethical standards and Anti-Bribery & Corruption (ABAC) Policy.

In addition, Directors and Employees are discouraged from accepting gifts from any party that has or seeks to establish business dealings with the Group. If acceptance is unavoidable due to cultural customs or courtesy, the recipient must ensure that:

- The gift is declared in accordance with the Group’s Gift Declaration Procedure;
- The gift does not create or appear to create a conflict of interest;
- There is no element of influence, inducement, or reward for an actual or intended business advantage.

Under no circumstances may any gift in the form of cash or cash equivalents (e.g., vouchers, bank cheques, shares, prepaid cards) be accepted, whether directly or indirectly. This prohibition is absolute and non-negotiable.

5.2 Facilitation Payments

The Group does not accept and will not make any form of facilitation payments of any nature. We recognise that facilitation payments are a form of bribery that involves expediting or facilitating the performance of a public official for a routine governmental action. We recognise that they tend to be made by low level officials with the intention of securing or speeding up the performance of a certain duty or action.

The 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 or their family’s personal security at risk. Under these circumstances, the following steps must be taken:

- Keep any amount to the minimum;
- Ask for a receipt, detailing the amount and reason for the payment;
- Create a record concerning the payment; and
- Report this incident as soon as possible to the Compliance Unit.

5.3 Political Contributions

The 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.

5.4 Corporate Social Responsibilities (CSR), Sponsorships and Donations

MMCS is committed to cultivating a strong relationship with the local communities in which we live and work by contributing to the well-being of the people and the nation. It is however important that all Corporate Social Responsibility (CSR), sponsorships and donations are made in accordance with the Group's guidelines and receive prior authorization from the Group's Management or the Board where applicable.

As part of our commitment to CSR and sustainable development, as a general matter, the Group provides such assistance in appropriate circumstances and in an appropriate manner. However, such requests must be carefully examined for legitimacy and not be made to improperly influence a business outcome.

As set out in the ABC Policy, employees must ensure that all sponsorships and donations are not used as a subterfuge for bribery or used to circumvent or avoid any of the provisions of the Code of Conduct and Business Ethic, including in particular, the prohibition on bribery.

MMCS needs to be certain that donations to foreign-based charities or beneficiaries are not disguised illegal payments to government officials, and must ensure that the charity does not act as a conduit to fund illegal activities in violation of international anti-money laundering, anti-terrorism and other applicable laws.

In accordance with MMCS's commitment to contribute to the community coupled with its values of integrity and transparency, all sponsorships and donations must comply with the following:

- vetted in accordance with MMCS's due diligence process
- ensure such contributions are allowed by applicable laws
- obtain all the necessary internal and external authorisations
- be made to well established entities having an adequate organisational structure to guarantee proper administration of the funds
- be accurately stated in the company's accounting books and records
- not to be used as a means to cover up an undue payment or bribery
- summarised on a monthly/quarterly basis and passed to the Compliance Unit for review and monitoring

5.5 Third Parties

Third parties acting on behalf of MMCS are expected to adhere to this Policy. Due diligence must be conducted before engaging third parties to ensure they align with MMCS's anti-bribery and corruption standards.

6. Responsibilities

All MMCS personnel (including its Board of Directors, and directors and personnel of its controlled organisations) are required to carry out those responsibilities and obligations relating to the Group's anti-bribery and corruption stance, alongside those already in existence, which includes the following:

- Be familiar with applicable requirements and directives of the policy and communicate them to subordinates;
- Ask the Compliance Unit if any questions about this policy arise or if there is a lack of clarity about the required action in a particular situation;
- Always raise suspicious transactions and other "red flags" (indicators of bribery or corruption) to immediate superiors for guidance on the next course of action;
- Be alert to indications or evidence of possible violations of this policy;
- Promptly report violations or suspected violations through appropriate channels;
- Attend required anti-bribery and corruption training as required according to position;
- Not misuse their position or MMCS's name for personal advantage.

When dealing with business associates, all MMCS personnel shall not:

- express unexplained or unjustifiable preference for certain parties;
- make any attempt at dishonestly influencing their decisions by offering, promising or conferring advantage;
- exert improper influence to obtain benefits from them;
- directly or indirectly offer or make promises or corrupt payments, in cash or in kind for a specific favor or improper advantage from them.

During an active or anticipated procurement or tender exercise, personnel participating in the exercise in any way whatsoever, shall not:

- receive gifts or hospitality or any kind from any external party participating, planning to participate, or expected to participate, in the procurement or tender exercise 2 months before and after;
- provide anything other than a corporate gift and token hospitality to any external/third party related to the exercise;
- be involved in any discussions regarding business or employment opportunities, for personal benefit or for the benefit of a business associate;
- abuse the decision-making and other delegated powers given by the top management; and
- bypass normal procurement or tender process and procedure.

When dealing with external parties in a position to decide to MMCS's benefit (such as a Government official or client), MMCS personnel shall not:

- offer, promise or make any attempt at dishonestly influencing the person's decision by directly or indirectly offer or make promise of corrupt payments, in cash or in kind;
- be involved in any discussions regarding business or employment opportunities, for their own personal benefit or for the benefit of the external party;

- otherwise abuse the decision-making and other delegated powers given by the top management, in order to illicitly secure an outcome which would be to the commercial advantage to themselves and/or the Group; and
- exert improper influence to obtain personal benefits from them.

MMCS's managers have a particular responsibility to ensure that the ABC Policy requirements are applied and complied within their department or function and to monitor compliance with the policy. They also must ensure that subordinates in 'Exposed Positions' (identified as vulnerable to bribery through a risk assessment) attend relevant training.

7. Staff Declaration

All MMCS personnel shall certify in writing that they have read, understood and will abide by this policy. A copy of this declaration shall be documented and retained by the Human Resources Department for the duration of the personnel's employment.

The Compliance Unit reserves the right to request information regarding an employee's assets in the event that the person is implicated in any bribery and corruption-related accusation or incident.

8. Training and Communication

MMCS will provide regular training to Personnel to ensure they understand this Policy and their responsibilities. The Policy will be communicated to all employees and made available on MMCS's intranet and website.

9. Monitoring and Review

To ensure continued relevance and effectiveness, MMCS shall implement a structured monitoring and review process for its Anti-Bribery & Corruption Policy.

The Company shall conduct audits at least once every three (3) years to assess the adequacy, effectiveness, and proper implementation of the Anti-Bribery & Corruption Policy. These audits may be conducted more frequently if deemed necessary by the Management or Audit Committee.

The Management and Compliance Officer shall review the policy's implementation on a regular basis to ensure it aligns with changes in regulatory requirements, operational needs, and emerging bribery and corruption risks.

The review shall include, but is not limited to:

- Suitability of the policy in addressing current bribery and corruption risks.
- Effectiveness of controls and reporting mechanisms.
- Staff awareness and adherence to the policy.
- Recommendations for improvement or amendments, if necessary.

10. Reporting and Whistleblowing

Personnel are encouraged to report any actual or suspected bribery or corruption incidents. Reports can be made confidentially and without fear of retaliation in accordance with MMCS's Whistleblowing Policy disclosed on corporate websites.

Personnel who, in the course of their activities relating to their employment at MMCS, encounter actual or suspected violations of this policy are required to report their concerns using the reporting channels stated in Whistleblowing Policy.

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

Non-compliance with this Policy may result in disciplinary action, including termination of employment or contracts. MMCS reserves the right to report any non-compliance to relevant authorities.

11. Approval and Implementation

This Policy has been approved by the Board of Directors of MMCS and is effective as of 1st August 2025. All Personnel are required to comply with this Policy without exception.