

CODE OF BUSINESS ETHICS AND INTEGRITY GUIDELINE

Version 1.0 | 2024

Level 3A, MCMC Tower 2, Jalan Impact, Cyber 6, 63000 Cyberjaya, Selangor Darul Ehsan, MALAYSIA

 [+603 8680 9950](tel:+60386809950)

 [+603 8680 9940](tel:+60386809940)

 support@mtsfb.org.my

 www.mtsfb.org.my

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1.0 INTRODUCTION

1.1 Objectives

This Code of Business Ethics and Integrity Guideline (Code) serves to provide guidance and sets the minimum criteria that must be observed when conducting business with the Malaysian Technical Standards Forum Bhd (MTSFB). This reflects the seriousness of MTSFB in ensuring business is conducted ethically, transparently and with integrity.

1.2 Scope

1.2.1 This Code is applicable to the Board of Directors, Management, Employees, and all Business Stakeholders of MTSFB.

1.2.2 Business Stakeholders include, but not limited to, vendors, suppliers, grant recipients, members, and programme participants.

1.2.3 This Code is not exhaustive and does not include all the policies of MTSFB.

1.2.4 If any Applicable Laws conflict with any policy in this Code, the Applicable Laws will take precedent.

1.2.5 This Code may be reviewed, changed and updated periodically, where the latest version can be found on MTSFB's website.

1.3 Responsibility and Compliance

1.3.1 The Board of Directors, Management, Employees and all Business Stakeholders of MTSFB must understand and comply with this Code to ensure that all business is conducted in the most ethical and professional manner.

1.3.2 Employees who violate the Code may be subjected to disciplinary actions including but not limited to withholding of bonuses and increments, denial of promotions, and dismissal or termination of employment.

1.3.3 Employees are responsible for ensuring that Business Stakeholders are aware of and understand the Code. Non-compliance may lead to the termination of the business relationship or contract with MTSFB and block-listing from future dealings.

2.0 EMPLOYEE CONDUCT

Employees are recruited and appointed by MTSFB in a fair and equitable manner. Any available vacancy shall be advertised, and positions will be made available to both internal and external applicants.

2.1 General Conduct

2.1.1 An employee shall not allow his private interests to come into conflict with his duties at MTSFB. Should any situation arise during business operations that may lead to conflict of interests, an employee should communicate and declare in writing to the CEO of MTSFB at the earliest possible time.

2.1.2 An employee shall not use his position as an employee of MTSFB to further his private interests.

2.1.3 An employee shall not disclose information relating to MTSFB and its work, which is considered secret to unauthorized personnels.

2.2 Specific Prohibitions, Conditions, and Requirements

2.2.1 An employee shall not accept and/or offer any gifts, presents and/or any form of favours in the course of their employment that is of significant value.

2.2.2 An employee shall not engage in outside employment without the consent of the Management.

2.2.3 An employee shall not make any public statements, orally and/or in writing, on the policies and/or decisions of MTSFB unless permission has been obtained from Management.

2.2.4 An employee shall not live beyond the means of official emoluments or legitimate private means and refuse to give explanation to MTSFB when required to do so.

2.2.5 An employee shall not commit a criminal breach of trust in violation of the Penal Code (Act 574) of the Malaysian law.

3.0 CONFLICT OF INTEREST

A conflict of interest may arise when the ability to perform our duties effectively and impartially is impaired due to an outside appointment, relationship, or activity.

3.1 External Business Appointments, Directorships, and Activities Outside Employment

3.1.1 Generally, the Management and employees of MTSFB may not accept employment or be engaged in work for any other company or organization.

3.1.2 However, exemption will be given if such activities contribute to the betterment of the community by being an ordinary member or by holding leadership positions such as serving on non-profit community organizations, as long as such activities are not detrimental to MTSFB, and involvement does not impact job performance. Written approval must be obtained from the CEO.

3.1.3 Honorariums received for lectures, speaking engagements or expert advice provided in the capacity as experts in certain fields or as Management or Employee of MTSFB is allowed. However, all invitations for such activities must gain prior approval of line manager and the CEO and the amount of honorarium received must be duly declared to the HR Manager and CEO.

3.2 Personal Relationships and Business Dealings

3.2.1 The potential of conflict of interest may arise if a family member, relative, close friends or someone with a close relationship with us is employed by MTSFB. To prevent situations where biasness may occur, members with such relationships shall not be placed within the same reporting line.

3.2.2 MTSFB shall not enter into business dealings with employees such as purchasing of materials, other than employment contracts, unless the situation calls for it. In such cases, with supporting justifications, approval in writing by the CEO must be obtained.

3.2.3 An employee should declare in writing to their line manager should a company or organization owned by a family member or relative participate in a procurement exercise by MTSFB. The employee should not participate in the evaluation of said procurement if the company or organization is allowed to continue with the participation/not disqualified.

4.0 CORPORATE SOCIAL RESPONSIBILITY, SPONSORSHIPS, DONATIONS, GIFTS, HOSPITALITY, ENTERTAINMENT, POLITICAL CONTRIBUTIONS AND FACILITATION PAYMENTS

4.1 Corporate Social Responsibility, Sponsorships and Donations

4.1.1 Due diligence must be conducted on the recipients of MTSFB efforts for corporate social responsibility, sponsorships and donations to ensure they are legitimate bodies or organisations.

4.1.2 MTSFB prohibits any contributions intended to influence or that could be perceived as an attempt to influence decisions in favour of MTSFB.

4.1.3 Corporate social responsibility, sponsorships and donations made should preferably be aligned with the United Nations Sustainable Development Goals where possible, or aligned with the business objectives of MTSFB, maximize publicity, build brand affinity, maintain consistency in brand image, and support nation building initiatives.

4.2 Gifts, Hospitality and Entertainment

4.2.1 MTSFB prohibits the use of gifts, hospitality, and entertainment by its Business Stakeholders to its Employees, as this could influence business decisions unethically and place Employees in a position whereby their independent business judgement may be prejudiced.

4.2.2 However, it is recognized that during festive seasons or certain times of the year, it may be customary to gift employees with consumable gifts such as hampers or small gifts and souvenirs. Employees are allowed to accept such gifts provided that the amount does not exceed a substantial amount or of a cash nature. Receipt of all such gifts received must be reported in writing by the employee to his line manager.

4.2.3 It is not unusual that during business, employees may be entertained by Business Stakeholders. If such entertainment occurs too frequently and exceeds a reasonable scale, employees must report this to their line managers. The occasional meal is acceptable, but a paid holiday or lavish entertainment is not.

4.2.4 MTSFB prohibits offering gifts, hospitality and entertainment to Government officials and their family members to secure any improper advantages. Such actions are considered red flags.

4.3 Political Contributions

4.3.1 Board members, Management and Employees of MTSFB are not allowed to make any political payments or contributions on behalf of MTSFB.

4.3.2 Employees as citizens of Malaysia, have their right to participate in legitimate political activities. Such participation must be disclosed and prior approval in writing must be obtained from the Management and CEO of MTSFB if the employee wishes to stand for election as office bearers at any level of a political party.

4.3.3 Any member of Management or Employee of MTSFB who wishes to participate actively in politics and stand for election as representative at Federal or State Legislative Body must first resign from employment of MTSFB.

4.4 Facilitation Payment

4.4.1 MTSFB prohibits facilitation payment of any form.

4.4.2 Any Employee or Business Stakeholder who becomes aware of such practice of facilitation payment in MTSFB should report it immediately to the CEO of MTSFB.

5.0 DEALING WITH THIRD PARTY

5.1 Procurement Ethics

5.1.1 MTSFB's Procurement philosophy is to procure by open and transparent procedure services, goods and development works that are the best in terms of quality, price, quantity, delivery, supplier and technology as to ensure the best returns to MTSFB. All participants in the procurement processes need to uphold the basic principles of trust, honesty, fairness and transparent behaviour in business dealings.

5.1.2 All documents relating to procurement processes shall be documented, filed and properly kept by the person responsible. Purchasing agreements should clearly identify the services or products to be provided, the basis for payment, and the applicable price rate or fee.

5.2 Management of Support Letter

5.2.1 The practice of issuing and/or approving the issuance of support letters by any Employees of MTSFB to an external party is discouraged/strictly prohibited.

5.2.2 Support letters are written letters (including emails) that provide benefits or advantages to an external party.

5.2.3 Benefit and advantages include, but are not limited to, external party obtaining unfair advantage in tender exercises, to gain financial aid and/or securing projects from the Government or private sector, validating external party's conduct as being in compliance with technical codes administered by MTSFB or enhancing the credibility of certain entities over its competitors.

5.2.4 Requests for support letters received in writing must be filed in the relevant file. Any support letter provided must be approved by the CEO.

5.2.5 Any support letter received by MTSFB must be reported to the CEO.

5.3 Dealing with Members

5.3.1 MTSFB is committed to ensuring Members' interests are protected. This includes both ordinary and associate members.

5.3.2 Any contact, communication and handling of Members should be carried out in a professional manner.

5.3.3 To create value for Members, MTSFB is committed to clearly communicate its strategy and activities regularly to its Members and, to that end, maintain active dialogue with Members through planned activities and engagements.

5.3.4 In compliance with the provisions of the Personal Data Protection Act 2010 (PDPA), MTSFB is committed to safeguard the personal information of Members.

5.4 Dealing with Business Stakeholders

5.4.1 MTSFB believes that building quality relationships with Business Stakeholders will lead to competitive advantage.

5.4.2 MTSFB pursues relationships with Business Stakeholders share and practice the same values as laid out in this Code.

5.4.3 If any Business Partners wishes to report any possible violation of the Code, he may do so through the option available under Provision 8 of this Code (Whistle-blowing Policy) and/ or the Whistleblower Protection Act 2010 (WPA 2010).

5.5 Dealing with Communities

5.5.1 MTSFB is a responsible corporate citizen in the communities wherever we do business.

5.5.2 Employees of MTSFB are encouraged to support community, charitable and Non-Governmental Organisations as long as it is made clear that personal views and actions are not those of MTSFB. It must, however, be ensured that no Conflict of Interest be it actual or potential exists between employment with MTSFB and the duties in community affairs, whether elective or appointed, paid or voluntary. Outside activities must not interfere with the execution of job performance.

5.5.3 MTSFB is committed to protecting the environment by minimising the environmental impact of our business operations and operating in ways that will foster sustainable use of the earth's natural resources.

5.6 Communicating with External Parties

5.6.1 Any contact and communication with the media must be handled in a professional manner. Only an official spokesperson duly appointed by MTSFB has the authority to speak on behalf of MTSFB at any occasion and on all platforms, both physical and virtual.

5.6.2 Any Employee of MTSFB who is approached by members of the media should immediately refer them to the CEO.

5.6.3 Any written request or queries from the media should be forwarded to the CEO in order to ensure professional and consistent handling of concerns.

6.0 ANTI-CORRUPTION POLICY

MTSFB adopts a Zero-Tolerance policy against all forms of corruption, whether directly or indirectly. The Board of Directors, Management, Employees and Business Stakeholders are responsible for upholding MTSFB's reputation and applying the highest standards of ethical conduct and integrity in its business dealings in line with MTSFB's vision and mission as well as core values.

6.1 Compliance to Laws

6.1.1 The Board of Directors, Management, Employees and Business Partners are committed to comply with the MACC Act 2009 including the provision on Corporate Liability under its Section 17A, and all Applicable Laws.

6.1.2 As an officer of a public body, any Employee of MTSFB uses his office or position for any gratification, whether for himself, his relative or associate, commits an offence as provided for under Section 23 of the MACC Act 2009, and will be dealt with under the MACC Act 2009.

6.2 Leadership Commitment

6.2.1 The Board of Directors of MTSFB are committed to oversee the establishment, implementation and enforcement of effective policies and procedures in MTSFB to adequately address corruption risks; and review the adequacy and integrity of such internal control system and compliance with all Applicable Laws.

6.2.2 The Management of MTSFB are committed to ensure that the results of any audit, reviews of risk assessment, control measures and performance related to corruption risks are reported to Board of Directors and acted upon; continuously and effectively manages the key corruption risks of the organization including the implementation of Anti-Corruption Management System; and ensure communication of MTSFB's policies and commitments on anti- corruption to both internal and external parties.

6.3 Anti-Corruption Compliance

6.3.1 Corruption is the act of giving or receiving any gratification or reward in the form of cash or in-kind, irrespective of value for performing a task in relation to one's job description.

6.3.2 Corruption related offences include, but are not limited to the following:

- i. Bribery (Giving and receiving)
- ii. Embezzlement
- iii. Collusion/Bid-rigging
- iv. Abuse of power/Position
- v. False Claim
- vi. Unauthorised Disclosure of Confidential Information
- vii. Conflict of Interest

6.3.3 Employees and Business Stakeholders of MTSFB are encouraged to immediately report any corrupt practices within MTSFB as stated in Provision 8 of this Code (Whistle Blowing Policy).

6.3.4 Any offence of accepting, soliciting, giving or offering of any form of Gratification will be dealt with under the MACC Act 2009 or any other Applicable Laws.

6.3.5 Employees and Business Stakeholders of MTSFB must comply with the Anti-Corruption Policy. Non-compliance with or violation to the Anti-Corruption Policy by any Employees or Business Stakeholders may result in disciplinary action in accordance with MTSFB policies, procedures and guidelines and/or initiation of legal proceeding against those involved.

6.3.6 MTSFB will report and cooperate with the relevant Enforcement agencies and bodies in the event of any non-compliance or violation of the Anti-Corruption Policy.

7.0 ANTI-MONEY LAUNDERING

7.1 Definition

Money laundering is a process of converting cash, funds or property derived from criminal activities to give it a legitimate appearance. It is a process to clean 'dirty' money to disguise its criminal origin.

7.2 Anti-Money Laundering Compliance

7.2.1 Employees and Business Stakeholders of MTSFB must comply with the Anti-Money Laundering Policy. Non-compliance with or violation to the Anti-Money Laundering Policy by any Employees or Business Stakeholders may result in disciplinary action in accordance with MTSFB policies, procedures and guidelines and/or initiation of legal proceeding against those involved.

7.2.2 Any offence of money laundering will be dealt with under the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (AMLA 2001) or any other Applicable Laws.

8.0 WHISTLE-BLOWING POLICY

8.1 Objective

8.1.1 MTSFB wishes to provide all its Directors, Management and Employees with mechanisms for employees and other interested parties to confidentially bring to the attention of the Audit Committee/CEO/IU of the Company any concerns related to matters covered by MTSFB's Code of Conduct, legal issues and accounting or audit matters.

8.1.2 The whistle-blowing policy allows the Management to take appropriate preventive and corrective actions internally without the negative effects that come with public disclosure, such as loss of company image or reputation, financial distress and loss of investor confidence.

8.1.3 Employees and Business Stakeholders are encouraged to discreetly disclose concerns about illegal, unethical or improper business conduct within MTSFB. This will help MTSFB to monitor and keep track of such illegal, unethical or improper business conduct within MTSFB which may be difficult to detect in the normal course of business operations.

8.2 Scope of Whistle-blowing Policy

8.2.1 This policy is designed to facilitate employees and Business Stakeholders to disclose any improper conduct (misconduct or criminal offence) through internal channel. Such misconduct or criminal offences include the following:

- i. Fraud;
- ii. Bribery;
- iii. Anti-Trust
- iv. Abuse of Power;
- v. Conflict of Interest;
- vi. Theft or embezzlement;
- vii. Misuse of Company's Property;

viii. Non Compliance with Procedure

ix. Sexual Harassment & any Unethical Conduct

8.2.2 Employees and Business Stakeholders are not required to prove the cases but rather to provide sufficient information for Management to take appropriate steps.

8.3 Protection of Whistle-blower

8.3.1 The Whistle-blowing Policy is for Employees and Business Stakeholders to raise matters in an independent and unbiased manner.

8.3.2 Employees, Business Stakeholders and other interested parties are able to report their concerns related to matters covered by MTSFB's Code of Conduct, legal issues and accounting or audit matters to support@mftsb.org.my.

8.3.3 A whistleblower will be accorded with protection of confidentiality of identity, to the extent reasonably practicable. Whistleblowers will also be protected against any adverse and detrimental actions for disclosing any improper conduct committed or about to be committed within MTSFB, to the extent reasonably practicable, provided that the disclosure is made in good faith. Such protection is provided even if the investigation later reveals that the whistleblower is mistaken as to the facts and the rules and procedures involved. Any attempt to retaliate, victimise or intimidate against anyone (whistleblower) making report in good faith is a serious violation of the Code and shall be dealt with serious disciplinary actions and procedures.

8.3.4 As provided by the law, Employees and Business Stakeholders may also report illegal or unethical practices directly to the statutory bodies such as the Malaysian Anti-Corruption Commission, the Securities Commission, the Royal Police Malaysia or other similar Government agencies. In such event, protection of the confidential information is also provided for under the respective law such as the Evidence Act 1950, MACCA 2009, Companies Act 1965 and the Witness Protection Act 2009.