



ASTAKA HOLDINGS LIMITED

(Company Registration No: 200814792H)

POLICY & PROCEDURES

Anti-Bribery & Corruption Policy

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1.0 Policy Statement

- 1.1. Astaka Holdings Limited and its subsidiaries (hereafter collectively referred to as “AHL” or the “Group”) adopt a zero-tolerance policy against all forms of bribery and corruption. We are committed to the highest standards of ethical conduct and integrity in business activities. We shall act professionally, fairly and with integrity. We are also fully committed to comply with all laws and regulations which govern our business and operations.
- 1.2. Employees and directors are strictly prohibited from either directly or indirectly offering, promising, providing, receiving, or agreeing to receive any form of gifts, entertainment, contribution, donation, or sponsorships to or from any person or organisation, including any government agencies, individual government officials, group or individuals possessing political or governmental relationships or intentions, private companies and employees of those private companies under any circumstances.
- 1.3. This Anti-Bribery & Corruption Policy (“ABC Policy”) shall be read together with AHL’s other internal policies/ procedures/ guidelines/ manuals including but not limited to AHL’s Code of Conduct, Employee Handbook and Whistleblowing Policy.

2.0 Purpose

- 2.1. The purposes of this ABC Policy are: -
 - i. to set out AHL’s responsibilities and responsibilities of all our employees, officers, and directors to observe and uphold AHL’s stance on zero-tolerance to bribery and corruption.
 - ii. to provide information and guidance on how we expect our employees and those working for us to conduct themselves.
 - iii. to provide guidance on how to recognise bribery and corruption and to set out the procedure on how to raise concerns on breaches of this policy, without fear of reprisal.
 - iv. to ensure that AHL has adequate procedures in place to prevent and detect bribery and corruption.
 - v. to protect AHL against the possible penalties and repercussions resulting from acts of bribery and corruption.

3.0 Scope and Applicability

- 3.1. The scope of this ABC Policy applies to AHL and all its subsidiaries. It is applicable to all directors, officers, and employees (whether permanent, contract or temporary) of AHL and its subsidiaries.
- 3.2. AHL also expects that third parties that have dealings with AHL such as agents, distributors, representatives, contractor, sub-contractors, suppliers, vendors, consultants, customers, and others who perform work or services for and on behalf of AHL will comply with the relevant parts of this ABC policy when performing such work or services.
- 3.3. This ABC policy is not intended to provide answers to all questions regarding bribery and corruption. Instead, it is intended to provide the directors, officers, employees and third parties with a guide on how to prevent and detect bribery and corruption in pursuant to AHL’s commitment to zero-tolerance on bribery and corruption.

4.0 Responsibility of this ABC Policy

- 4.1. The Risk Management & Compliance Department (“RMC”) shall be primarily responsible for the implementation and administration of this ABC Policy. The RMC has the responsibility for

monitoring the use and effectiveness of this ABC Policy and dealing with any queries on its interpretation.

5.0 Compliance with Laws and Regulations

- 5.1. AHL upholds all applicable laws and regulations, including Singapore Prevention of Corruption Act, as well as the local anti-bribery and corruption laws and regulations in countries where AHL engages in any activity.
- 5.2. In the event of any inconsistency or conflict between the provisions of this ABC Policy and the relevant laws and regulations in the countries where AHL engages in any activity, the latter shall prevail.
- 5.3. AHL's operations are based in Malaysia and this ABC Policy shall at all times comply with the laws and regulations of Malaysia. The paramount laws on bribery and corruption are the Malaysian Anti-Corruption Commission Act 2009, Amendment Act 2018 ("MACC Act") and the Penal Code (Chapter IX).

6.0 Infringement of this ABC Policy

- 6.1. The infringement of this ABC Policy shall constitute a serious misconduct or offence that warrants a disciplinary action up to and including dismissal against the offender.

7.0 Corruption and Bribery

- 7.1. Corruption is defined as abuse of position for personal gain or misuse of position to help others to improperly enrich themselves.
- 7.2. Bribery is the most common form of corruption and it can be broadly described as the offering, promising, giving, accepting, or soliciting of an advantage as an inducement or reward for an action which is illegal or a breach of trust in order to gain any commercial, contractual or personal gain or advantage.
- 7.3. Bribery can be in the form of cash and other forms including non-cash gifts, lavish entertainment or hospitality or other reward or benefit. Bribes can be direct (e.g., you give a bribe to someone) or indirect (e.g., you get someone else to give a bribe to another person).
- 7.4. It is important to note that it will be irrelevant whether the bribe was accepted or not, was given or not, merely by offering the bribe would be sufficient for an offence to be committed.
- 7.5. Bribery and corruption are punishable offences under the MACC Act. There are 4 main offences prescribed by MACC Act:
 - i. Soliciting/receiving gratification as per Section 16 & 17(a);
 - ii. Offering/giving gratification as per Section 17(b);
 - iii. Intending to deceive (false claim) as per Section 18;
 - iv. Using office or position for gratification as per Section 23.
- 7.6. Additionally, any breaches of this ABC Policy may be tantamount to a breach of Section 17A of the MACC Act in which in the event any commercial organisation commits an offence under Section 17A shall, on conviction, be liable to: -
 - a. A fine not less than 10 times the sum or value of gratification or RM1million, whichever is higher; OR
 - b. Its officers concerned, imprisonment for a term not exceeding 20 years, or BOTH.
- 7.7. Gratification as defined in MACC Act as:-

- a. Money, donation, gift, loan, fee, reward, valuable security, property, or interest in property, whether movable or immovable, financial benefits;
- b. Office, dignity, employment, contract of employment/services and agreement to give employment/render services in any capacity;
- c. Payment, release, discharge/liquidation of loan, obligation or other liability;
- d. Valuable consideration of any kind, discount, commission, rebate, bonus, deduction or percentage;
- e. Any forbearance to demand any money or money's worth or valuable thing;
- f. 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 a disciplinary; civil or criminal, whether or not already instituted, and including the exercise or the forbearance from exercise of any right or any official power or duty; and
- g. Any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of (a) to (f).

8.0 Gifts, Hospitality and Entertainment

AHL acknowledges that Gifts, Hospitality and Entertainment (**G+H+E**) may be an appropriate business practice. However, improper or excessive G+H+E (which includes travel and accommodation) can be a form of bribery, corruption or gratification, which is prohibited under this ABC Policy.

8.1. Offering or Giving G+H+E

8.1.1. Except as provided in this Policy, no G+H+E may be provided, directly or indirectly by AHL or any director, officer, employee or third party/ agent for or on behalf of AHL or any director, officer, employee.

8.1.2. G+H+E shall only be given if:

- i. it seeks to improve the image of AHL;
- ii. it better presents products and services; or
- iii. it establishes cordial relations.

8.1.3. No G+H+E may be given where any giver is aware that it:

- i. will violate any Gift or Hospitalities policies or regulation which the recipient is subject to; and
- ii. is intended to induce, support or reward improper conduct in connection with any business or anticipated future business involving AHL.

8.1.4. Any G+H+E that AHL offers or gives in connection with AHL's business must:

- i. where it is to be provided to a public official, must be in compliance with the applicable governmental policy or guidelines in the jurisdiction where the public official is, for the giving of G+H+E to such public official;
- ii. be given as a legitimate, justified business courtesy;
- iii. be given in an open manner;
- iv. not create an expectation that the employee or AHL will receive something in return;
- v. be in good faith and reasonable in value and frequency;
- vi. be compliant with any applicable laws, rules and regulations;
- vii. be expensed in accordance with the appropriate business expense policies and procedures;

- viii. not influence or appear to influence the independence of the receiver of the G+H+E;
- ix. not be provided to a customer when AHL is bidding for a contract, if those receiving the G+H+E have some influence on the contract decision, unless the G+H+E takes the form of basic refreshments provided as a business courtesy;
- x. not be cash (or cash equivalents such as vouchers, gift cards, credit cards or credit notes);
- xi. not be, or give the appearance of being, lavish, offensive, or inappropriate (for example, adult entertainment); and
- xii. not be in the form of per diem or daily payments (unless with the prior, written approval of the CEO and will only be provided if there is a legitimate government directive requiring such payments).

8.2. Receiving G+H+E

8.2.1. All directors, officers, and employees as well as any third party/agent acting for or on behalf of AHL, or its directors, officers and employees are prohibited from:

- i. accepting any payments (including cash or cash equivalents such as vouchers, gift cards, credit cards or credit notes);
- ii. requesting gifts, contributions, gratuities, services, or bribes from AHL's suppliers, or clients, regardless of its worth;
- iii. accepting any G+H+E from a supplier when they are bidding for a contract, if those receiving the G+H+E have some influence on the contract decision, unless G+H+E takes the form of basic refreshment as a business courtesy;
- iv. accepting any G+H+E that is, or gives the appearance of, being lavish, offensive, or inappropriate (for example adult entertainment);
- v. accepting any favours that might be regarded as placing you under some obligation to such person or party;
- vi. accepting any gifts, regardless of the value from an individual or a group. In the event of receipt of a gift, you are required as soon as practicable, and in any event no more than three (3) working days after receipt, to declare this gift to the Human Resource and Admin ("HRA") Department and obtain written approvals before you are entitled to retain or utilise the gift. Declarations should be made on the nature of the gift, relationship between the receiver and giver as well as the estimated value of the gift(s) using the **Declaration of Gift Form** (refer to Appendix 1). In any event, no G+H+E beyond RM500 in value and no gift of cash should be accepted by any employees.
- vii. The Declaration of Gift Form will be forwarded to the HRA Head of Department ("HOD") for approval. In the event the HR HOD approves the acceptance of the gift, the HR HOD will determine the treatment of the gift whether to:-
 - donate the gift to charity;
 - hold the gift for departmental display;
 - share with other employees in the department;
 - permit it to be retained by the employee.
 - accept any G+H+E in the form of per diem or daily payments;
 - accept tickets to entertainment, cultural, social, or sporting events without both the giver and receiver attending;

- accept from, a business contact of AHL any G+H+E in your personal capacity or through any family member or agent to avoid the requirements of this G+H+E Policy;

8.2.2. Records of gift received will be maintained by the HRA Department through a **Gift Register**. All employees are required to register all gifts, irrespective of the amount, that they receive or provide. On a quarterly basis, HRA Department to submit the Gift Register along with the Declaration of Gift Forms to the RMC Department for review and verification.

8.2.3. Unless necessary, all employees shall avoid attending meal treat arranged by business partners, especially contractors / suppliers. Meeting is advisable to be held in office.

The Group recognises that in the course of business the act of entertaining business associates and partners are an industry norm, and this might not be subjected to the provision in Clause 8.2.1 (vi) & (vii). However, utmost care shall be taken to ensure that the nature of such entertainments is not inappropriately lavish or excessive, they are not frequent or reflect a pattern of frequent acceptance from the same person or entity and the entertainment does not create the appearance of an attempt to influence any business decisions.

9.0 G+H+E Policy for Directors

9.1. Company Directors must be themselves committed to refrain from offering, giving, or receiving any G+H+E (in kind, cash, advantages, favour or otherwise) from Third Parties who deal with AHL where the G+H+E would reasonably be expected to influence the performance of the Director's duties in any aspect.

10.0 Spouses, Family Members and Partners

10.1. AHL directors, officers and employees are not permitted to offer or provide G+H+E to a spouse, a family member, or a partner of a Third Party.

11.0 Specific Exceptions to the G+H+E policy

11.1. There are exceptions to the general rule whereby the receiving and giving of G+H+E are permitted in the following situations:

- Exchange of gifts at company-to-company level (exchange of gifts as part of official company visit and the gift is treated as company's property);
- Gifts from AHL to external bodies in relation to company's official functions for example.:
 - for the promotion, demonstration, or explanation of products and services;
 - execution or performance of the business relationship; or
 - building a business relationship;
- Gifts from AHL to employees and directors and/or their family members in relation to a recognised company function, event and celebration;
- Token gifts of nominal value that carried the AHL logo (e.g., T-shirts, pens, diaries, calendars) that are given out equally to members of the public, customers, shareholders and is deemed as part of AHL's brand building and promotional activities.

11.2. In all cases, no director, officer, or employee may receive G+H+E (excluding basic refreshments provided as a business courtesy) more than four times in a rolling 12-month period from the same Third Party and make reasonable efforts to ensure that no individual shall receive G+H+E (excluding basic refreshments provided as a business courtesy) from AHL more than four times in a rolling 12-month period. For the avoidance of doubt, no G+H+E, regardless of value or frequency, shall be offered, given, solicited or accepted where there is a corrupt motive.

12.0 Facilitation Payments

- 12.1. Facilitation payments are typically small, unofficial payments made to secure or expedite the performance of a routine or necessary action (such as the issuance of permits, licences, processing visas or work permits, provisions of mail pick-up service etc) to which the payer is entitled, legally or otherwise.
- 12.2. Offering, promising, requesting, paying facilitation payments is strictly prohibited. The facilitation payments need not involve cash or other asset, it can be any sort of advantage to influence them in their duties.
- 12.3. All directors, officers and employees must not offer, promise, give, request, accept or receive anything which may be regarded as a facilitation payment. If any employee does receive a request or offered facilitation payment, the said employee must immediately report to directly to the RMC Department.

13.0 Kickbacks

- 13.1. Kickbacks are typically payments made in return for a business favour. These kickbacks are fulfilled after a company has awarded a contract. They take place in purchasing, contracting procurement or other departments responsible for decisions to award contracts. The supplier provides the bribe by kicking part of the contract fee back to the buyer, either directly or through intermediary.
- 13.2. All directors, officers and employees must avoid any activity that might lead or suggest that kick back will be made by or on behalf of AHL. Any suspicions, concerns or queries regarding a payment should be reported to the RMC Department.

14.0 Corporate Social Responsibility (“CSR”), Sponsorships and Charitable Donations

- 14.1. These are legitimate activities for entities but can be abused by being used as a subterfuge for bribery. Any CSR, sponsorship and donations must not be used to facilitate corruption, bribery, and money laundering activities.
- 14.2. Process for CSR, Sponsorship and Charitable Donations:
 - i. All requests for CSR, sponsorship and donations must be carefully examined for legitimacy and it must not be made to improperly influence a business outcome.
 - ii. The recipient must be a legitimate organisation and due diligence carried out to ascertain that the benefits reach the intended recipients whilst the programmes meet the intended objectives.
 - iii. No CSR, sponsorship and donations shall be made to beneficiary who is controlled by any political officials.
 - iv. All CSR, sponsorship and donations must be made in accordance with the approval limits in the Limits of Authority.
 - v. The CSR, sponsorship and donations are accurately stated in the company’s accounting books and records;
 - vi. The CSR, sponsorship and donations are not to be used as a means to cover up any undue payment or bribery.

15.0 Dealing with Third Parties

- 15.1. Third party means any individual or organization which the employees come into contact during the course of their work for or with the company and it include but not limited to existing and potential customers, suppliers, vendors, consultants, advisers, agents, brokers, distributors.
- 15.2. All AHL's dealings with third parties must be carried out in compliance with all relevant laws and consistent with this ABC policy.
- 15.3. AHL expects that all third parties acting for and, on its behalf, to adhere to AHL's ABC Policy as their conducts and actions may implicate AHL and tarnish AHL's reputation. The third parties must subscribe to AHL's stance on zero tolerance on bribery and corruption. Thus, in situation where we engage third parties such as contractors, agents, intermediaries, representatives, joint venture partners, we will be obligated to conduct appropriate due diligence on these third parties. This to ensure that we are dealing with third parties that subscribe to AHL's values and ethical conduct.
- 15.4. To further ensure that AHL does business with third parties that share our standards of integrity, we must do the following:
- i. Conduct due diligence to assess the integrity of the third parties.
 - ii. Do not enter into business dealings with any third party that is suspected of engaging in bribery and improper business practices unless those suspicions are investigated and resolved.
 - iii. All third parties must be made aware of AHL's ABC Policy, Code of Conduct, Whistleblowing Policy, and our expectations of them.
 - iv. Monitor third party performance and business practices periodically
- 15.5. For projects, prior to the engagement or commencement of any business or professional relationship, all third parties (e.g., contractors, sub-contractors or consultants) must sign a declaration form (refer to Appendix 2) which states that:-
- i. They understand and will comply will all laws relating to anti bribery and anti -corruption.
 - ii. They are committed to the ABC Policy.
 - iii. They have not been convicted or subject to any investigations by the relevant authorities for actual or suspected breach of law.
 - iv. They undertake to inform AHL of any breach/infringement of this ABC Policy.
 - v. They agree that the declaration form shall form part of the terms and conditions of their appointment and/or contract of service.
 - vi. They acknowledge that AHL has the right to terminate or suspend their contract and disqualify them from tendering for future contracts if they are found to be in breach of the ABC Policy.
- 15.6. If during the due diligence exercise or in the dealings with the third party, there are "red flags" being raised, these "red flags" must be investigated and addressed before the engagement of the third party can proceed.
- 15.7. Examples of "red-flags" include the following:--
- i. The transaction is with a company that is a country known for high incidence of corrupt payments;
 - ii. The third party has "special" ties with government or public officials;
 - iii. Reference check revealed a flawed background or reputation for getting things done regardless of the circumstances or suggest that for a certain amount of money, the third party can fix the problem;
 - iv. Objection to anti-bribery warranties in the agreements/ contract;

- v. Convoluted payment arrangements such as payment in cash, payment to third party or request for upfront payment for expenses or other fees;
 - vi. The third-party requests for his/her identity not to be disclosed; and
 - vii. Lack of an office or established place of work.
- 15.8. If all the red flags are sufficiently mitigated, then AHL, on presentation of the record of mitigation plans and action formulated and taken, may proceed with the relationship. If the red flags are not sufficiently mitigated, then further work need to be carried out prior to entering into a contract.
- 15.9. Employees should seek advice from Head of Department whenever particular questions arise relating to third parties that AHL has appointed or is considering appointing.

16.0 Your Responsibilities

- 16.1. It is the responsibilities of all employees, officers, and directors of the company to prevent, detect, report any bribery and other forms of corruption.

17.0 Record Keeping

- 17.1. AHL must keep the financial records and have appropriate internal controls in place which will evidence the business reason for any payments made to third party.
- 17.2. All directors, officers and employees must ensure that all expenses relating to gifts, hospitality and entertainment expenses incurred are submitted in accordance with the company's expense policy and record the reason for such expenditure.
- 17.3. All accounts, invoices and records relating to dealing with third parties must be maintained with strict accuracy. No accounts must be kept "off-book" to facilitate or conceal improper payments.

18.0 Raising Concerns and Speak Up

- 18.1. It is vital that all directors, officers or employees and third-party agents adhere and comply with this ABC Policy and AHL encourage them to act as our first line of defence by raising their concerns and speaking up when they see, or become aware of bribery, corruption, and gratification.
- 18.2. Any queries or uncertainties whether a particular act constitutes bribery or corruption may be raised with the RMC Department.
- 18.3. AHL has an environment where employees can raise concerns and report without fear of reprisal or retaliation through the Whistleblowing channel and/or through whistleblowing@astaka.com.my.
- 18.4. All concerns raised are taken seriously and AHL is committed to ensuring that all matters raised are appropriately investigated, to the extent that this is possible. For concerns raised with the RMC Department or via the AHL Whistleblowing Line, the RMC aim to conclude all investigations within 60 calendar days.

19.0 Victim of Bribery or Corruption

- 19.1. It is mandatory for a directors, officers, or employee to report to the RMC Department if they:-
- i. are being offered a bribe by third party; or
 - ii. are being asked to make one; or
 - iii. suspect that it may happen in the future; or

- iv. reasonable believe that another employee is a victim of bribery.

20.0 Protection and Reporting Violations

- 20.1. AHL is committed in ensuring that no one will suffers any detrimental treatment as a result of refusing to take part in bribery or corruption or because of reporting in good faith their suspicion that an actual or potential bribery has taken place or make take place in the future.
- 20.2. If the director, officer, or employee believe that he/she has suffered such any unfair treatment or retaliation, they can report the to the RMC Department for investigation. If the matter is not remedied, then they may raise the matter with the CEO.
- 20.3. Concerns may also be raised through the whistleblowing policy which the concerns with go to the Whistleblowing Committee.

21.0 Training and Communication

- 21.1. Training of this ABC Policy is mandatory, and attendance is compulsory for all directors, officers, and employees. Training on this ABC Policy forms part of the induction process for all new employees. Thereafter all existing directors, officers and employees will be required to attend periodic updates, reviews, and training on how to implement and adhere to this policy.
- 21.2. AHL's zero tolerance stance on bribery and corruption and this ABC Policy must be communicated to all third parties at the outset of all AHL's business relationship with them.

22.0 Monitor and Review

- 22.1. The RMC Department will monitor the effectiveness and the review the implementation of this policy. Any improvements identified will be made as soon as possible. Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.
- 22.2. The RMC Department will report regularly on compliance of this policy to the Audit Risk Committee and the Board of Directors.
- 22.3. All directors, officers, employees and third party/agents are responsible for the success of this policy and should ensure that they use it to disclose any bribery or corruption. All directors, officers and employees are invited to comment on this policy and suggest ways to improve it. Any comments, suggestions or queries should be addressed to the RMC Manager.
- 22.4. This ABC Policy will be reviewed annually by AHL and may be amended at any time. All directors, officers and employees will be notified of any material revisions to this Policy.