



# **ANTI-BRIBERY & CORRUPTION POLICY**

**THREE-A RESOURCES BERHAD**

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THREE-A RESOURCES BERHAD (“**3A**”) and its subsidiaries (collectively known as “**3A Group**”) are committed to establish an ethical work environment for all employees and in compliance with all applicable laws and regulations in the countries where it does business. The Company is committed to ensure zero-tolerance against any form of bribery and corruption. We commit to maintain high standards of integrity, transparency and accountability in conducting in our business operation.

## 1. OBJECTIVE

- 1.1 The Board of Directors of 3A is committed to comply with the Anti-Bribery and Corruption law in Malaysia. This Anti-Bribery & Corruption Policy (“**Policy**”) is developed for the purpose of fulfilling the said legal and regulatory requirements and sets out the 3A Group’s overall position on bribery and corruption in all forms, such as dealing with third parties, gifts, hospitality, managing conflict of interest and whistleblowing.
- 1.2 The objective of this Policy is to:
  - provide guidance to identify and deal with bribery and corruption issue;
  - set out the roles and responsibilities in observing and upholding the position on bribery and corruption.

## 2. SCOPE

This Policy applies to:

- Directors (both Executive and Non-Executive) and employees (including full time, probationary, contract, part-time and temporary) of 3A Group (“**Personnel**”).
- Any third party (person or entity) such as agents, distributors, representatives, contractor, sub-contractors, suppliers, consultants, customers and others who perform work or services for and on behalf of 3A Group (“**Business Associates**”).

## 3. ANTI-BRIBERY AND CORRUPTION STATEMENT

- 3.1 3A Group takes a zero-tolerance approach to all forms of bribery and corruption and shall continuously conduct its business activities ethically, honestly and with high standards of integrity. This also applies to the 3A Group’s business activities in all countries worldwide.
- 3.2 Under the Malaysian Anti-Corruption Commission Act 2009 (revised 2018) (“**MACC Act**”), bribery and corruption are criminal offences and the legal consequences include fine of unlimited amount and/or imprisonment of up to twenty (20) years. A commercial organisation commits an offence if an associated person corruptly gives any gratification with intent to obtain or retain business or an advantage in the conduct of business, for the commercial organisation.
- 3.3 The MACC Act stipulates four (4) main offences, being:
  - Soliciting / Receiving Gratification (Bribe)  
Sections 16 & 17(a) MACC Act
  - Offering / Giving Gratification (Bribe)  
Section 17(b) MACC Act
  - Intending to Deceive (False Claim)  
Section 18 MACC Act

- Using Office or Position for Gratification (Bribe) (Abuse of Power / Position)  
Section 23 MACC Act

The Malaysian Anti-Corruption Commission (Amendment) Act 2018, which is in force on 1 June 2020 introduces two (2) more offences, being:

- Offering / Giving Gratification by commercial organisation (Corporate Liability)  
Section 17A MACC Act
- Deemed Parallel Personal Liability for Senior Personnel (Personal Liability)  
Section 17A(3) MACC Act

- 3.4 Since the provisions in this Policy are based on legal requirements, violating this policy may subject individuals and 3A Group to penalties, including fines and imprisonment. Such violations may also severely damage the reputation of the 3A Group and its Personnel. As such, Personnel and Business Associates shall not, whether directly or indirectly, offer, give, receive or solicit any item of value, in an attempt to illicitly influence the decisions or actions of a person in a position of trust within an organization, either for the intended benefit of the 3A Group or the persons involved in the transaction.
- 3.5 The anti-bribery and corruption statement apply equally to the 3A Group's business dealings with Government (public sector) and commercial (private sector) entities, and includes their directors, employees, agents, consultants, representatives and others such as officials, politicians and public bodies.
- 3.6 The 3A Group encourages Personnel and Business Associates to report any suspected, attempted or actual bribery and corruption cases, and prohibits retaliation against those making reports in good faith. The 3A Group also provides assurance that no Personnel shall be penalised or suffer any adverse consequences in retaliation for refusing to pay or receive bribes or participate in other illicit behaviour.

#### **4. CONFLICT OF INTEREST**

- 4.1 Conflict of interest may arise in situations where Personnel engage in business or other activities outside the 3A Group or have personal interests, whether it benefits themselves or their closely related person(s), i.e. relatives or close associates, which competes or conflicts with the interests of the 3A Group.
- 4.2 Personnel must obtain approval from their respective head of department ("HOD") or Human Resource ("HR") Department before undertaking activities which may give rise to conflict of interest.
- 4.3 Personnel shall declare their conflict of interest, both on a scheduled basis, and ad hoc as soon as they arise.

#### **5. GIFTS AND HOSPITALITY**

- 5.1 All Personnel are not allowed to give or accept any gifts or hospitality where it is for an improper purpose and can be deemed as a gratification, regardless of whether it is to benefit the personnel individually or to benefit the business of 3A Group.

5.2 The intention behind giving or accepting any gifts and hospitality must always be considered first. It should never be for an improper motive to obtain or retain a business, or to obtain some form of benefit or advantage, whether it is for the business or for the individual employee.

5.3 If Personnel are unsure of how to consider the intention behind any gifts, hospitality or entertainment offered, the personnel must always disclose and refer the matter to the HOD or HR department to obtain advice and approval before proceeding.

#### 5.4 Gifts and Hospitality Giving

- i. Personnel shall not offer or give a gift or hospitality if they are aware or suspect that it would be in breach of the rules of the organisation where the recipient works or if it is against the local laws.
- ii. Personnel must obtain prior clearance and approval from HOD before giving any gifts, hospitality or entertainment to any person or corporation which is not of any improper motive.
- iii. Corporate gifts, festive or ceremonial gifts may be given to our Business Associates or other parties provided it fulfils all of the following conditions:
  - the right reason - it should be clearly given as an act of appreciation or common courtesy associated with festive seasons or other ceremonial occasions
  - no obligation - 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
  - no expectation - there must not be any expectation of any favour or improper advantages from the receiver
  - made openly - the giving out of the gift and hospitality shall be done in an open and transparent manner
  - reasonable value - the type of gift and its value must commensurate with the occasion and in accordance with general business practice
  - legal - it complies with applicable laws
  - documented - the expense must be approved and documented in accordance with 3A Group's operating procedures

#### 5.5 Gifts and Hospitality Accepting

- i. Personnel are expected to decline gifts or hospitality with the exception being:
  - corporate gifts of nominal / appropriate value;
  - gifts of appropriate value during festive seasons or other ceremonial occasions;
  - gifts given at work-related conferences, seminars or business events;
  - refreshments or meals during meetings or business purposes
- ii. Personnel and Business Associates must not directly or indirectly solicit for gifts from any party for themselves or for on behalf of 3A Group.

- iii. Where any gifts, hospitality or entertainment is not improper and received before prior approval can be obtained, the Personnel must always disclose such gifts to the HOD and HR Department, regardless of its value.
- iv. If Personnel are unsure of how to consider the intention behind any gifts, hospitality or entertainment offered, the personnel must always disclose and refer the matter to the HOD or HR department to obtain advice and approval before proceeding.
- v. Where it is difficult or inappropriate to decline the offer of a gift, hospitality or entertainment (i.e. when meeting with an individual of a certain religion/culture who may take offence), it may be accepted but it must be declared and/or surrendered to the HOD and HR department, who will assess the relevant circumstances and take the necessary steps, including returning the gift on the employee's behalf, where appropriate or required to do so.
- vi. Personnel must record any gifts received, irrespective of value, in the Gifts Register within three (3) working days of receipt.

## 6. ENTERTAINMENT

Entertainment could be considered to be a bribe if it is given or received with the intention of influencing someone to act improperly, or as a reward for having acted improperly. Personnel are allowed to offer or accept entertainment and recreation, provided there is proper justification and subject to the approval from the Company.

- i. Personnel are strictly prohibited from either paying for or participating in any activities which are exorbitant, illegal and immoral such as lavish / extravagant social functions not related to the Group's business activities or entertainment from a business associate (including potential business associate) during the procurement process which may cause 3A Group to be perceived in an unfavourable or negative manner.
- ii. Entertainment activities shall be limited to only those individuals who have a legitimate business purpose. 3A Group will not pay for or reimburse expenses for the said individuals closely related person(s), i.e. spouse(s), family members, relatives or close associates who do not have a legitimate business purpose with 3A Group.

## 7. DONATIONS AND SPONSORSHIP

- 7.1 3A Group allows charitable donations, educational donations and public welfare sponsorships for legitimate reasons and as permitted by existing laws and regulations. However, 3A Group strictly prohibits the giving and receiving of donations and sponsorships to influence business decisions.
- 7.2 3A Group may only make political contributions where such contributions are permitted under applicable law(s), and subject to the approval from board of directors of the 3A Group in consultation with the Executive Director of 3A.
- 7.3 Personnel may participate in political activities in their individual capacity with their own money and at their own time but to make it clear that their individual political views and actions are personal and not reflective or representative of 3A Group. 3A Group will not reimburse any personal political contributions.
- 7.4 Any political contribution by 3A or its subsidiaries shall not be made with an intention to obtain or retain business or an advantage for the benefit of 3A Group.

## 8. FACILITATION PAYMENTS

3A Group prohibits the giving, offering, or promising of facilitation payments of all kinds by either Personnel or Business Associates acting on behalf of 3A Group. In any occasion where the Personnel are forced to make facilitation payments, they must immediately report the incident to the Executive Directors or HR Department for the necessary action to be taken.

## 9. ANTI-BRIBERY AND CORRUPTION COMPLIANCE FUNCTION

9.1 The HR Department of 3A Group is responsible for all anti-bribery and anti-corruption compliance matters.

9.2 The HR team is adequately equipped to act effectively against bribery and corruption in the following manner:

- Provide advice and guidance on anti-corruption compliance training and issues relating to bribery and corruption
- Take appropriate steps to ensure adequate monitoring, analysis and evaluation of the anti-corruption training
- Report on the performance of the anti-corruption compliance programme to the management and Audit Committee regularly

## 10. MONITORING AND REVIEW

10.1 3A Group is committed to making the anti-bribery and anti-corruption effort as a continuous effort to maintain the reputation and standards of 3A Group.

10.2 Audits shall be conducted to monitor, review and assess performance and effectiveness of ongoing anti-bribery and anti-corruption efforts by 3A Group. Such audits may be conducted internally by or by an external party. The results of any audit, risk assessment, review of control measures and performance shall be reported to the Audit Committee and acted upon accordingly.

10.3 Personnel is encouraged to raise any concerns or inadequacies in the anti-corruption compliance programme to the HR Department or the Senior Management of 3A Group.

## 11. ENFORCEMENT FOR NON-COMPLIANCE

3A Group regard acts of bribery and corruption seriously and will take appropriate actions in the event of non-compliance of this Policy. For our Personnel, non-compliance of this Policy may lead to disciplinary action and termination of employment. For Business Associates, non-compliance of this Policy may lead to termination of contract and claim for damages.

## 12. TRAINING AND AWARENESS

12.1 3A Group shall conduct adequate awareness programmes or training on anti-bribery and anti-corruption to all Personnel.

12.2 This Policy shall be communicated to all Personnel and Business Associates, and it is deemed that they have read and understand 3A Group's position on anti-bribery and corruption.

### 13. REPORTING OF VIOLATION OF POLICY (WHISTLEBLOWING)

- 13.1 3A Group strongly encourages reporting (whistleblowing) of real or suspected cases of bribery and corruption without fear of retaliation or reprisal.
- 13.2 3A Group is committed to the enforcement of this Policy and provides assurance that whistleblowers will not suffer any form of retribution, victimization or detriment, so long as the reports are done in good faith. Such protection is accorded even if the investigation later reveals that the whistleblower is mistaken regarding the facts, rules and procedures involved.
- 13.3 The reporting of bribery, corruption and other forms of misconduct, including violations of this Policy through designated secure channels, available to all Personnel and external parties including Business Associates. Details of the whistleblowing procedure is available on the 3A website.
- Disclosure via [Whistleblower Report Form](#)
  - Disclosure via protected email address at [info@three-a.com.my](mailto:info@three-a.com.my)

### 14. RECORD KEEPING

3A Group shall keep detailed and accurate financial and other records, and shall have appropriate internal controls in place as evidence of all payments made. The Group shall report and keep a written record of the amount and reason for gifts, hospitality and entertainment received and given, including donations, sponsorships and expenses of similar nature, and understand that such expenses are subject to management review.

### 15. AUDIT COMPLIANCE AND MONITORING

- 15.1 The HR Department is responsible for monitoring the adequacy and operating effectiveness of this Policy and shall review its implementation on a regular basis, including assessing its suitability, adequacy and effectiveness.
- 15.2 Internal control systems and procedures designed to prevent bribery and corrupt gratification are subject to regular audits to ensure that they are effective in practice.
- 15.3 All employees of 3A Group are responsible to complete all training modules of this Policy and keep themselves up-to-date with the latest policies and processes, in particular, this Policy and ensure that the highest standards of compliance are followed

### 16. REVIEW OF POLICY

This Policy will be amended or revised from time to time to ensure its adequacy in implementation and enforcements. Any amendment or revision shall be reviewed and endorsed by the Board.

### 17. GLOSSARY

<b>Bribery</b>	The act of giving or receiving 'gratification' in exchange for some kind of influence or action in return, that the recipient would otherwise not offer.
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- Corruption**                    The abuse of entrusted power for personal gain. Essentially, it is the act of giving or receiving of any gratification or reward in the form of cash or in-kind of high value for performing a task in relation to his/ her job description.
  
- Facilitating Payment**    A payment or other provision made to or received personally from a third party in control of a process or decision, in order to secure or expedite a routine or administrative duty or function.
  
- Gratification**                “Something of value” which includes, but not limited to money, donation, gift, loan, fee, reward, valuable security, information, 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.