



CONTROLLED COPY

Document No: POL – ORD - 0007

Revision No: 02

Effective Date: 18 April 2022

Classification: UNRESTRICTED

ANTI-BRIBERY AND ADEQUACY POLICY



CONTROLLED COPY

Document No: POL - ORD - 0007
Revision No: 02
Effective Date: 18 April 2022
Classification: UNRESTRICTED

TABLE OF CONTENTS

1. Introduction.....	3
1.1. Purpose.....	3
1.2. Scope.....	3
1.3. Objective.....	15
1.4. Distribution/Target Audience.....	15
1.5. Review and Improvement.....	15
1.6. Abbreviations.....	16
1.7. Appendices.....	17

1. Introduction

1.1. Purpose

This Anti-Bribery and Adequacy Policy (“Policy”) of Theta Edge Berhad (“TEB”) sets out the policy statements approved by the Board of Directors. The policy shall be adopted by Theta Edge Berhad and all of its subsidiaries (respectively referred to as the Company). This includes the policies and procedures that adequately address both anti-bribery and anti-corruption.

As the Company’s businesses continue to grow, the Company and its employees are committed to a high standard of ethical and legal business conduct. The Company is also committed to presenting accurate and factual information to guide the Directors, Management, shareholders, and other stakeholders in making an informed decision.

This policy is designed to provide Board Members and Employees with a reference on integrity-related issues while performing their duties.

1.2. Scope

The general principles & prohibition under this policy shall apply to all Directors, Employees, and other relevant third parties the Company has appointed as partners and contractors to perform services for and on behalf of the Group.

It is outlined to provide a general guideline to the Directors, Employees, and other relevant third parties regarding the potential acts of bribery and corruption and how to act responsibly when subjected to.

The procedure is discussed as follows:

Principle I: Top-Level Commitment

a) Board of Directors’ Policy Statement and Corporate Governance

The Company strictly adopts a zero-tolerance policy approach against bribery and corruption in its daily operations and takes a strong stance against any such acts. The Board of Directors of the Company takes the primary responsibility for establishing and effectiveness of the anti-bribery and

anti-corruption program. As per section 4.1.3 of the National Centre for Governance, Integrity, and Anti-Corruption (“GIACC”) *Guidelines on Adequate Procedures*, the Company shall:

- (i) Practise and uphold the highest level of integrity, ethics, and accountability;
- (ii) Observe and comply fully with all applicable laws and regulatory requirements on anti-bribery and anti-corruption; and
- (iii) Effectively manages the critical corruption risks of the Company and initiates a necessary mitigation plan and control for minimizing the risk impact.

b) Structural and Procedural Requirements

To achieve the requirement of **Section 17A of the Malaysian Anti-Corruption Commission Act 2009**, the Board of Directors of the Company requires to:

- (i) Establish, maintain and periodically review an anti-corruption compliance program that includes clear policies and objectives that adequately address corruption risks;
- (ii) Promote and observe a culture of integrity within the organization;
- (iii) Issue directives on communicating the Company policies and commitments on anti-corruption both internally and externally;
- (iv) Encourage the use of reporting/whistleblowing channels concerning actual or suspected corruption incidents or inadequacies in the anti-corruption compliance programs;
- (v) Appoint a competent and professional person to lead, advise, be responsible, and to see anti-corruption compliance programs, who shall be supported by such employees who will assist and carry out such tasks;
- (vi) Ensure that the lines of authority for personnel tasked with responsibility for overseeing the anti-corruption compliance program are appropriate; and
- (vii) Ensure that the audit results, reviews of risk assessment, control measures, and performance are reported to all top-level management, including the entire Board of Directors, and acted upon.

Principle II: Risk Assessment

a) Bribery Risk Assessment

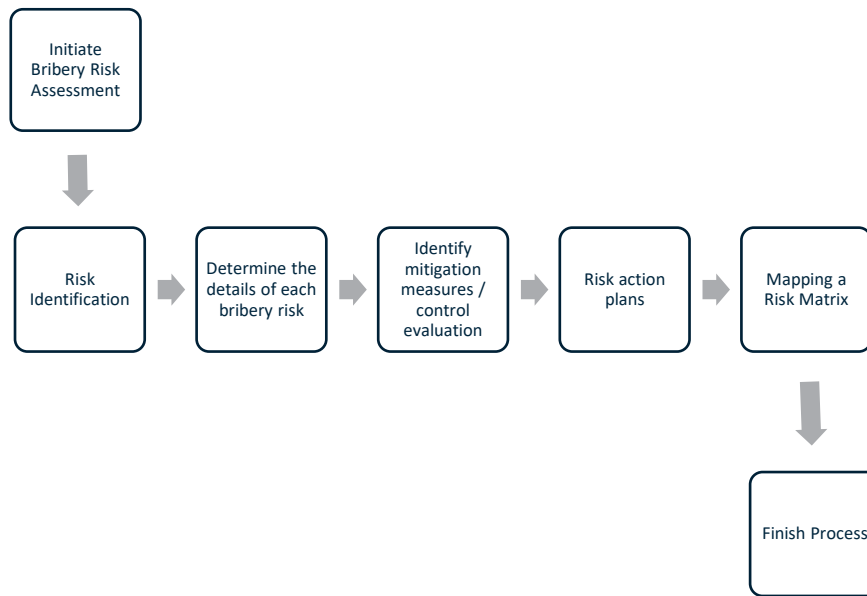
The objectives of the bribery risk assessment:

- (i) To identify, analyze, assess and prioritize the internal and external corruption risk areas in the Company that have high potential or likely influence over the management of the Company at all levels;
- (ii) To ensure business process improvement and enhancement of internal control weaknesses detected from risk assessment exercise;
- (iii) Identification of high-risk area within the organization to ensure appropriate control measures has been put in place to minimize bribery risk; and
- (iv) Self-reporting and teaching the company's high integrity behaviour in preventing and reporting bribery incidences.

The Bribery Risk Assessment (“BRA”) shall be the basis of the Anti-Bribery and Adequacy Policy and assessments must be conducted periodically but there must be at least one full-scale assessment and review every three (3) years. Evaluation and review shall include the following:

- (i) Opportunities for corrupt practice arising from system loopholes and weaknesses;
- (ii) Financial transactions which are disguised as routine payments when in fact, made for bribery and corrupt practice;
- (iii) High-risk business activities which may give rise to corruption or expose the Company to bribery and corrupt practice;
- (iv) Any external parties (e.g., contractors, sub-contractors, consultants, vendors, agents, suppliers, etc.) who may give bribery or practice corruption; and
- (v) Any supply chain exposed to/or is prone to bribery and corrupt practice (both inbound and outbound).

b) Bribery Risk Assessment (BRA) Process Flow



c) Bribery Risk Assessment Methodology

(i) Initiation and Management

The Bribery Risk Assessment is initiated and managed by ORD regularly.

(ii) Risk Identification

The business areas will be assessed and reviewed for any potential bribery risk that provides an overview of the probability of bribery risk, including identifying the root cause by using the risk assessment templates.

(iii) Identify Mitigating Controls and Action Plans

For each bribery risk identified, the mitigating controls were established and logged. An estimated timeline for resolution must be made to ensure the overall effectiveness of the

Company’s business and operation controls, which in turn was used to estimate the net risk rating.

(iv) Mapping Risk Matrix: 5x5

Once the bribery risks are identified, they will be plotted into the risk matrix to measure the exposure of the Company bribery risk based on the internal control weaknesses and bribery impact probability.

Internal Control	Inadequate	Significant	High	High	High	High
	Slightly Adequate	Significant	High	High	High	High
	Adequate	Significant	Significant	High	High	High
	Moderately Adequate	Moderate	Significant	Significant	High	High
	Strongly Adequate	Low	Moderate	Significant	Significant	Significant
		Insignificant	Minor	Moderate	Major	Critical
		Bribery Impact				

(v) Present results to the Senior Management, Periodic Review, and Revise

The completed bribery risk and mapping risk shall be presented to the Senior Management and Board of Directors of the Company for reasonable corrective action and prevention measures undertaken by the Company.

ORD shall ensure that all mitigation plans undertaken by the Company’s Senior Management will be recorded and monitored; this includes closure of action and mitigation plan based on the approved timeline.

Principle III: Undertake Control Measures

a) The Company's Anti-Bribery and Adequacy Policy

Bribery and corruption in any form related to the Group's business activities are strictly prohibited.

The anti-bribery and adequacy policy applies equally to the Company's business dealings with the private sector and the Government entities. The mere or probable appearance of bribery and corruption or any likelihood of perceived bribery and corruption must be avoided at all costs, especially when dealing with Government officials, departments, agencies, or any related entities or bodies.

Each function/department/business unit is required to complete the risk assessments monitors on a monthly basis and a consolidated risk assessment will be submitted to the BOD and ARMC every quarter to identify the bribery and corruption risk affecting the businesses, set anti-bribery objectives, and assess the effectiveness of the controls in achieving those objectives.

Employees who, in the course of their activities relating to their employment at the Company, encounter actual or suspected violations of this policy are required to immediately (or at the earliest possible moment) report their concerns using the available reporting channels. Reports made in good faith, either anonymously or otherwise, shall be addressed promptly and without incurring fear of reprisal regardless of the outcome of any investigation.

b) Audit and Compliance Program

Regular audits shall be conducted to ensure compliance with this policy. Such audits may be conducted internally by the Company or by an external party. Audit documentation should include performance improvement of action plans, periodic reviews, regular training, and periodic updates. The audit results shall be reported to the BOD and Senior Management at appropriate intervals.

Non-compliance identified by the audit and any risk areas identified through this and other means shall be promptly reported to top management by the level of risk determined.

Any person found in violation of any of this policy and being involved in such acts of bribery and corruption shall, if found guilty, be subject to the appropriate disciplinary actions, including termination of services or employment and referral to the relevant authorities.

c) Monitoring and Continuous Improvement

The Company is committed to continuously improving the operations and effectiveness of its anti-bribery and anti-corruption initiatives.

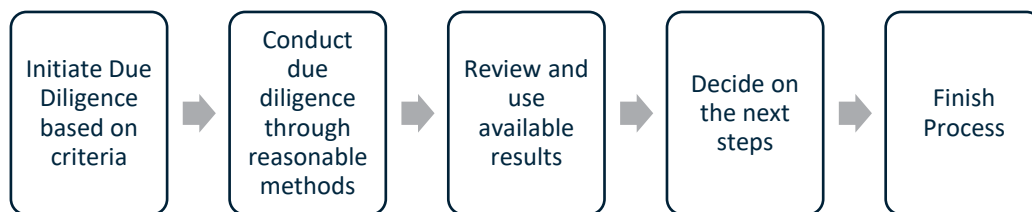
The company’s senior management shall ensure regular BRA of the anti-corruption initiatives are carried out to ensure its scope, policies, procedures, and controls match the latest bribery and corruption-related risks faced by the Company.

d) Due Diligence

Due diligence is conducted to assess the nature and extent of bribery risks relating to planned or ongoing relationships with specific categories of relevant third parties or particular types of employees in management and decision-making positions.

Due diligence process should be a comprehensive manner and aimed at obtaining sufficient and reasonable information and documents to assess bribery and corruption risks when there is an identifiable bribery risk to such bribery risk posed by certain activities, dealings, projects, transactions, or other relevant third parties.

As a general rule, the process of due diligence should be:



The assessments can be conducted by using the following methods such as:

1. For vendor/staff, a declaration is conducted based on Conflict of Interest.

2. For third parties, internet search using the business associate’s name + ‘corruption’ + reported cases, etc.
3. Verify with CCM and MACC the database for corporate background verification.
4. Use an external outsource service provider that the Company has appointed for a background check such as, etc.

e) Reporting Concerns – Whistle-blower Policy

A robust framework for whistleblowing and reporting any form of improper conduct, wrongdoings, bribery, corruption, fraud, and abuse by any Director or Employee as well as any relevant third parties, are put in place to allow such acts to be reported via an appropriate channel, while protecting the identity of the person, to prevent and uncover such acts.

As part of the internal investigation, should there be any wrongdoing against the laws, the company will take appropriate action under the referral of authorities.

Please refer to TEB *Whistle-blower Policy* for further details.

f) Conflict of Interest and Asset Declaration

A conflict of interest occurs when a person or entity with a duty to the organization has a conflicting interest, responsibility, or commitment, affecting the person’s objectivity when performing tasks on behalf of the Company.

The Company also embarks on an annual asset declaration to the member of the Board of Directors and the employees to ensure transparency and acting in the best interest of the Company.

Please refer to the TEB *Conflicts of Interest Policy* for further details.

g) Gifts, Entertainment, and Hospitality

The Company expects its employees to compete fairly and ethically for all business opportunities. To protect against any undue obligations of or influence on the employees to any external parties, the employee shall declare to the Company any gifts offered.

Entertainment is a legitimate way of building good business relationships with the External Party. Thus, selected employees can entertain External Party through reasonable acts as part of the business networking.

The hospitality given and received by employees who have interactions with external parties should be related to the business between both parties.

Please refer to TEB **No Gift Policy** for details, including its exemptions.

h) Donation and Sponsorships

The Company is committed to giving back to the broader community through its Corporate Social Responsibility (CSR) activities by providing financial and non-financial support and social services for recognized causes in society. However, such donations and benefits may be misused by certain parties as a subterfuge for corruption.

Requests for donations and sponsorship should be subject to due diligence checks or other reasonable searches to ensure the legitimacy and authenticity of recipient organizations.

Please refer to TEB **Corporate Social Responsibility Framework** for details.

i) Facilitation Payments

Facilitation payments are defined as any payment or any other additional provision over and above the regular amount payment made personally to an individual in control of a process or decision. Although such payments may be customary under certain circumstances, the laws of many countries, including Malaysia are strictly prohibited.

The Company has a zero-tolerance policy for facilitation payments about its business operations and any contracts. This policy strictly prohibits facilitation payment by either director, employees, relevant third parties, or any representatives acting for and on the company's behalf.

j) Money Laundering

Money laundering and terrorism financing are financial crimes that contribute to adverse economic effects. The Company takes appropriate measures for detecting and preventing money laundering and terrorism financing activities within its business operation. To avoid business activities violating AMLA, employees are always expected to conduct counterpart due diligence to understand the Company's prospective business counterparties' business and background by determining the origin and destination of money, property, and services.

k) Financial Controls

Financial controls are the management systems and processes implemented by the company to manage its financial transactions properly and record this transaction accurately, thoroughly, and promptly.

The Company requires separation of duties so that the same person cannot initiate and approve a payment; tiered levels of authority for payment approval are in line with the Discretionary Approving Limits (DAL) of the Company approved by the Board.

The Company requires all necessary financial controls to ensure that monetary transactions are correctly processed and recorded to prevent the occurrence of bribery and corruption.

Cash is often used for bribery and corruption due to the difficulty of tracking when and how it is employed. Hence, the Company requires cash in daily operations is restricted to the minimum, with a complete record of receipts maintained for all cash payments.

The Company shall carry out periodic financial audits at regular intervals. The reviews shall be carried out by an independent person or organization, as per the requirements of the CCM.

l) Non-Financial Controls

Non-Financial controls are the management systems and processes implemented by the company to ensure the procurement, operational, and other non-financial aspects of its activities are being correctly managed and monitored.



Document No: POL - ORD - 0007
Revision No: 02
Effective Date: 18 April 2022
Classification: UNRESTRICTED

The Company is committed to implementing the necessary non-financial controls to mitigate any bribery risks that may arise through the procurement process.

All approval shall comply with the Company's DAL, policies, and internal control manual.

m) Record Keeping and Document Controls

Policies and procedures should be stored in a secure location with restricted access to making changes.

All records concerning adequate procedures (i.e., due diligence checks, searches, conflicts of interest declarations, reports, and such other confidential documents) must be kept in a safe place and backed up regularly, and check the condition of documents and records at the filing locations periodically to prevent damage, deterioration or loss or tampering.

The Company shall maintain all relevant records on the controls used for the adequate procedures and be made available in the Company Staff portal for reference.

The document retention is following the respective governing law or act.

Principle IV: Systematic Review, Monitoring, and Enforcement

The Board of Directors of the Company, through the ORD, shall ensure that regular reviews are conducted to assess the performance, efficiency, and effectiveness of the anti-bribery and anti-corruption program and ensure the program is strictly enforced.

For this purpose, the Company is committed to:

- (i) Plan, establish, implement and maintain a bribery risk based on a monitoring program, which covers scope, frequency, and methods for review;
- (ii) Identify the competent person(s) to perform an internal audit concerning the organization's anti-bribery and anti-corruption measures;

- (iii) Conduct continual evaluations and improvements on the company’s policies and procedures concerning corruption;
- (iv) Consider an external audit by a qualified and independent third party at least once every three years to obtain assurance that the organization is operating in compliance with its policies and procedures concerning corruption;
- (v) Monitor the performance of employees concerning any anti-bribery policies and procedures to ensure their understanding and compliance with the organization’s stance in their respective roles and functions; and
- (vi) Conduct disciplinary proceedings against employees found to be non-compliant with the program.

Principle V: Training and Communication

a) Communications Policy

The Board of Directors of the Company, through the ORD, shall ensure that communications are conducted both internally and externally regarding the anti-corruption program.

Communications will include information on key policies and procedures, including anti-bribery policy, conflicts of interest, gifts, donations, entertainment, facilitation payments, reporting channels, etc.

Communication channels may be conducted in any medium, including email, training, seminars, phone calls, personal briefings, internet, intranet, etc.

The objective of the Anti-Corruption Programme Communication Plan is to create awareness and general understanding of integrity, corporate governance, and anti-bribery and anti-corruption.

Please refer to *Appendix 1: Communication Plan* for further details.

b) Training Policy

The Group shall conduct training and awareness programs for all its personnel on anti-bribery and anti-corruption, integrity, and ethics.

Training, seminars, and workshops for employees considered in a high-risk position should be done at least once every half-yearly; the program may also be extended to relevant third parties who may expose the Company to bribery risk.

Please refer to *Appendix 2: Training Matrix* for further details.

1.3. Objective

The objective of this Policy is to set out clear policies of the Board in upholding the highest standards of ethical practices and integrity by all Directors and Employees in carrying out the affairs and businesses of the Group and by all Service Providers in performing services for and on behalf of the Group.

1.4. Distribution/Target Audience

This Policy shall be used by the Directors, Employees, and Service Providers of the Company.

1.5. Review and Improvement

This policy shall be reviewed at least once every three (3) years and timely review subject to the regulations and law adopted under this Anti-Bribery and Adequacy Policy. All changes and amendments to the policy shall be governed by the Company's Document Control Policy (DCP)



CONTROLLED COPY

Document No: POL - ORD - 0007
Revision No: 02
Effective Date: 18 April 2022
Classification: UNRESTRICTED

1.6. Abbreviations

AMLA	Anti-Money Laundering Act
ARMC	Audit & Risk Management Committee
BOD	Board of Directors
BRA	Bribery Risk Assessment
CCM	Companies Commission of Malaysia
MACC	Malaysian Anti-Corruption Commission
ORD	Organization Resilience Department
TEB	Theta Edge Berhad



CONTROLLED COPY

Document No: POL - ORD - 0007
Revision No: 02
Effective Date: 18 April 2022
Classification: UNRESTRICTED

1.7. Appendices

Appendix 1: Communication Plan

No	What	How	To Whom	By Who	When	Languages
1	Importance of integrity and corporate governance for the Company regarding the information on the anti-bribery and anti-corruption program	1. Online Information (Website) 2. Email Blasts 3. Team Briefings	Internal Parties	ORD	Quarterly	English/BM
		1. Email Blasts 2. Vendor Communications 3. Printed Materials	External Parties		Quarterly/As Required	
2	Updates on policies and procedures (give updates – on incidents in the news)	1. Email Blasts 2. Online Information (Website)	Internal Parties		Annually	
3	Briefing to business partners, contractors, and vendors - Guidelines on Gifts, Donation, Entertainment & Hospitality, Information on Whistle-blower policies and procedures	1. Email Blasts 2. Online Information (Website)	External Parties		Annually	



CONTROLLED COPY

Document No: POL - ORD - 0007
Revision No: 02
Effective Date: 18 April 2022
Classification: UNRESTRICTED

Appendix 2: Training Matrix

No	Item	Title	Content	Duration	Date	Venue
1	Briefing to Directors and Top Management	Briefing on Adequate Procedures to Curb and Prevent Bribery and Corruption; TRUST Principles	<ul style="list-style-type: none"> • Corporate liability and law. • Result of bribery risk assessment and controls. • Summary of all policies listed in Anti-Bribery and Adequate Policy (TRUST Concept) • Review, monitoring, enforcement plans, audit, and compliance. • Awareness of training, seminars, workshops, and communication plans. 	2-3 Hours		
2	Conduct a workshop for high-risk departments	Finance, Procurement, Sales and Marketing, Government Liaison, etc	<ul style="list-style-type: none"> • Corporate liability and law. • Summary of all relevant policies (Anti-Bribery and Adequacy Policy, Conflict of Interest, Gifts and Entertainment, Facilitation Payments, Reporting Channel, etc.) 	Half-day		
3	Conduct to a general staff on training awareness	Briefing on Adequate Procedures to Curb and Prevent Bribery and Corruption; TRUST Principles	<ul style="list-style-type: none"> • Corporate liability and law. • Summary of policies listed in Anti-Bribery and Adequacy Policy: TRUST Concept. 	Half-day		
4	Conduct a briefing for relevant third parties' associates, suppliers, vendors, etc.,)	Briefing on Anti-Bribery Programme to Curb and Prevent Bribery and Corruption based on TRUST Principles	<ul style="list-style-type: none"> • Corporate liability and law. • Summary of policies listed in Anti-Bribery and Adequacy Policy: TRUST Concept. • Scenarios and role play. 	2-3 Hours		