

ANTI-CORRUPTION AND BRIBERY POLICY OF ASIA AEROTECHNIC

<p>This policy is applicable to:</p> <ul style="list-style-type: none"> (i) Board of Directors of Asia AeroTechnic; (ii) Employees of Asia AeroTechnic; (iii) Customers; (iv) Vendors; (v) Business partners; (vi) Professional advisers; and (vii) Other third parties <p>POLICY STATEMENT</p> <p>Asia AeroTechnic (also referred to as the ‘Company’) adopts a zero tolerance policy against all forms of bribery and corruption.</p> <p>Documents which are relevant to bribery and corruption among others are the Anti-Corruption Pledge signed by the employees, Code of Ethics, Vendor Code of Conduct and Integrity Declaration.</p> <p>This policy is intended to provide a guide on the approach of Asia AeroTechnic towards corruption in order to achieve a corruption free working environment and to ensure adherence to the provision of section 17A of the Malaysian Anti-Corruption Commission Act 2009 (Amendment Act 2018) (“Section 17A MACC Act”).</p> <p>Under such provision, an organization can be found liable for corrupt act and practices carried out for the Company’s benefit or advantage by employees, directors and partners including those providing services to the organization. Any personnel (whether on the Board, part of the management team or otherwise) can be charged under Section 17A of the MACC Act whether the person is directly connected to the wrongdoer or not directly connected.</p> <p>The Company commits to providing a corruption free working environment, ensure that the employees display the highest level of integrity and ethics in the performance of duties and this is further enforced by the Company’s selection of ‘Integrity’ as one of the five core values required to be instilled and practiced by employees.</p>	<p>DEFINITION AND FORMS OF GRATIFICATION</p> <p><i>Integrity</i> is the act of doing the right thing and displaying strong moral and ethical principles and values.</p> <p><i>Corruption</i> is the abuse of office or position for personal gain and/ or improper enrichment including bribery.</p> <p><i>Bribe</i> is an inducement, reward or favour in monetary form or otherwise which includes cash and entertainment for personal gain or for business advantage.</p> <p>Corruption and bribe may be in the form of kickbacks, facilitation payments, conflict of interests, donations, sponsorship and patronage.</p> <p>Types and forms of gratification includes cash, donations, bonuses, loans, discounts, gifts, job offer, position, aid and protection.</p> <p>ADEQUATE PROCEDURES</p> <p>The Company shall be guided by the Adequate Procedures under the T.R.U.S.T principles issued by MACC as follows:</p> <p>(i) Top-level Commitment</p> <p>Commitment from management on integrity and ethical conduct including anti-corruption; compliance to the applicable anti-corruption laws and regulations; and effective management of key corruption risks.</p> <p>(ii) Risk Assessment</p> <p>Carry out corruption risk assessment (once every 3 years or when necessary) to identify, analyse, assess and prioritise risks of corruption. Findings of the assessments will be used to establish or improve processes, systems and controls to mitigate corruption risks.</p> <p>(iii) Undertake Control Measures</p> <p>Put in place appropriate control measures to address corruption risks identified including policies and procedures and reporting channels.</p>
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<p>(iv) Systemic Review, Monitoring and Enforcement</p> <p>Regular review of effectiveness of integrity and anti-corruption programme that is in place.</p> <p>(v) Training, Education and Communication</p> <p>Train, educate and communicate policies and information by way of awareness programs pertaining to integrity and corruption including through printed materials, by digital or electronic means, posters, slogans and trainings.</p> <p>ANTI-CORRUPTION POLICIES</p> <p>NO GIFT POLICY</p> <p>The ‘No Gift Policy’ is outlined in the Code of Ethics Handbook which was launched by the Deputy Director-General Education of MARA in September 2018.</p> <p>The purpose of business entertainment and gifts in a commercial setting is to create goodwill and sound working relationships, not for customers or vendors to gain unfair advantage.</p> <p><i>No gift, entertainment or benefit should be offered, given or accepted by any employee or family member of an employee unless it meets the following criteria:</i></p> <ol style="list-style-type: none"> i. The gift is with corporate branding ii. Is consistent with customary business practices iii. Does not have commercial value iv. Cannot be construed as a bribe or payoff v. Does not violate any laws or regulations. <p>Notwithstanding the above, the following are allowed as long as it is of reasonable value and is not excessive as to be construed as a bribe:</p> <ol style="list-style-type: none"> (i) Food or foodstuff (ii) Food/ fruit hampers during festive seasons which may be given to a department and not to individuals. (iii) Modest meals for the purpose of business and networking. (iv) Gifts for occasions and celebration 	<p>(resignation, recognition, birthday, newborn, well wishes)</p> <p>(v)Token of appreciation (talks, officiation, etc)</p> <p>(vi)Commemorative gifts or door gifts at Company’s official functions, events and celebration.</p> <p>(vii)Exchange of gifts at Company’s event including signing ceremony</p> <p>Employees should check with IGU on the appropriateness of gift, entertainment or benefit.</p> <p>Employees are constantly reminded of the No Gift Policy through the Asia AeroTechnic channels of communication including through the Company’s internal portal, AAT Sphere Bulletin, posters and the Code of Ethics Handbook.</p> <p>CORPORATE HOSPITALITY AND ENTERTAINMENT</p> <p>Entertainment and corporate hospitality must serve a legitimate business purpose, be transparent and is limited to meals. Corporate hospitality and entertainment shall commensurate with the recipients official capacity and not personal capacity.</p> <p>Lavish entertainment must be avoided unless it befits the occasion and justified which will have to be endorsed by the Chief Executive Officer.</p> <p>SPONSORSHIP</p> <p>Sponsorship which improves branding of the Company must bring real and measurable benefits to the Company.</p> <p>Sponsorship activities can take place in the areas of sports, education, culture and other areas as deemed appropriate. Any sponsorship activities must be approved by the Board.</p> <p>CHARITY AND DONATIONS</p> <p>Taking part in charity activities and company donations are part of the Company’s social responsibility. Donations include anything of value that can be in cash or in kind, such as goods or services.</p>
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<p>Donations must be transparent and given to charitable organisations or entities/ homes/ organisations in need.</p> <p><i>Political donations are not permitted unless approved by the Board.</i></p> <p>FACILITATION PAYMENT</p> <p>Facilitation payments are payment made to secure or expedite the performance of routine official action (such as processing government papers, issuing licenses or permits, clearing goods through customs or security protection, etc) to which the company is entitled without such payment.</p> <p><i>Facilitation payment is not permitted by the Company.</i></p> <p>KICKBACKS</p> <p>Kickbacks are the return of a sum paid as a reward for awarding of business.</p> <p><i>Kickbacks are strictly prohibited.</i></p> <p>Any individual with concerns or enquiries regarding any payment made on our behalf or improper business practices can approach and go direct to Integrity & Governance Office of Asia AeroTechnic.</p> <p>CODE OF ETHICS AND DECLARATION OF INTEREST BY THE BOARD</p> <p>As a form of commitment to integrity, the Chairman and Board of Directors sign a Code of Ethics Declaration and Declaration of Interest upon appointment to the Board.</p> <p>VENDORS AND SUPPLIERS OF ASIA AEROTECHNIC</p> <p>Vendors and Suppliers are required to register with the Company's Supply Chain Department prior to provision of services to Asia AeroTechnic.</p> <p>Vendors and Suppliers commitment to integrity are obtained in the form of the signed:</p> <p>(1) Integrity Declaration as provided in the Vendor Code of Conduct; and</p>	<p>(2) Anti-Corruption Declaration in the Supplier's Registration Questionnaire.</p> <p>CUSTOMERS OF ASIA AEROETECHNIC</p> <p>Customers understand and acknowledge the need to adhere to laws pertaining to Anti-Corruption and Bribery by the signing of relevant contracts and the Customer Guide.</p> <p>IMPLICATION OF CORRUPTION AND BRIBERY</p> <p>The Company takes corruption and bribery very seriously and any violation of this Policy may result in disciplinary action which can lead to termination of employment, termination of contract where it involves third parties and the violation may be reported to the police or MACC, consistent with local laws.</p> <p>The Board has oversight of this Policy and everyone having dealings with Asia AeroTechnic including employees of the Company are required to be familiar with and comply with this Policy.</p> <p>Corruption and/or bribery is a criminal offense and is punishable under the MACC Act. Any violation of the MACC Act is punishable by way of fine and/ or imprisonment of up to 20 years. Where bribery or corruption is suspected to have been committed, please immediately lodge a report with Integrity & Governance Office of Asia AeroTechnic through the channels mentioned below. Details of complainant will be kept confidential and reports can be submitted without any fear of negative consequences as long as the reports are made in good faith.</p> <p>REPORTING</p> <p>Complaints can be submitted through the following channels:</p> <p>For employees:</p> <p>1) Direct complaints to the Integrity & Governance office at Hangar 1.</p> <p>2) In a sealed envelope and to be hand delivered to:</p> <p style="padding-left: 40px;">Integrity & Governance Office, Hangar 1, Sultan Abdul Aziz Shah Airport.</p> <p>3) Complete the Whistleblower Form which is available through IMR system.</p>
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For business associates:

- 1) To complete the Whistleblower Form that can be obtained from AAT's website.
- 2) Email directly to jg@asiaaerotechnics.com