

AGRICORE CS HOLDINGS BERHAD
Registration No. 202301018008 (1511930-P)
(Incorporated in Malaysia)

ANTI-BRIBERY AND CORRUPTION POLICY

POLICY STATEMENT

Agricore CS Holdings Berhad (“Agricore or “the Company”) and its subsidiaries (“the Group”) are fully committed to conducting its business with highest integrity, in accordance with all relevant laws and regulations on anti-bribery and corruption (“ABC”).

This policy sets out the minimum requirements, roles and responsibilities for combating bribery and corruption as well as measures for preventing, detecting, handling and responding to bribery and corruption issues.

The Group takes a zero-tolerance approach against all forms of bribery and corruption and is committed to compliance with all applicable laws in relation to anti-bribery and corruption in Malaysia.

OBJECTIVE

This Policy aims to ensure that all employees and the associated persons are aware of their obligation to prevent, deal with and combat corruptions, briberies, conflicts of interest or similar unethical acts that they may have, and to comply with this Policy to follow highest standards of ethical conduct of business.

SCOPE

This Policy applies in all countries and regions where the Group operates and applies to all employees and directors of Agricore Group. This Policy also should be used as a guidance by stakeholders, business partners or any individual/organization that deals with the Group’s employees/facilities and provide services for or on behalf of the Group (collectively known as “Associated Persons”).

AGRICORE CS HOLDINGS BERHAD
Registration No. 202301018008 (1511930-P)
(Incorporated in Malaysia)

ANTI-BRIBERY AND CORRUPTION POLICY

DEFINITION

Corruption

Corruption under the MACC Act 2009 (Act 694) means any action which would be considered as an offence of giving or receiving “gratification” directly and indirectly as an incentive or reward to perform or not to perform a task related with official duties.

Potential Corrupt Behaviours

- Transactive** - Agreement to give and receive gratification (win-win situation)
- Extortive** - Threat with intention of inaction
- Defensive** - Bribery for self-protection
- Investive** - Bribery for future reward/ favour
- Nepotism** - Abuse of power and position for personal benefit/ family/ allies
- Autogenic** - Corruption that become a practice and culture in organisation
- Supportive** - Proxies/ Cronies placement in strategic places(hotspot) in organisation

Bribery

Bribery is the offer, promise, giving, demanding or accepting of an advantage as an inducement for an action which is illegal, unethical, a breach of trust or the improper performance of a contract. Bribery refers to the interpretation of “gratification” under Section 3, Act 694.

Gratification can be subdivided into the following categories (without limitation to):-

MONETARY	OF-MONETARY VALUE	EMPLOYMENT	NON-MONETARY VALUE
<ul style="list-style-type: none">• Money• Donation• Gift• Loan• Fee• Reward• Financial benefit• Valuable security	<ul style="list-style-type: none">• Immovable property (house, land)• Movable property (car, shares in a company)	<ul style="list-style-type: none">• Dignity or title• Agreement to give employment or render services	<ul style="list-style-type: none">• Undertaking or promise to do or not to do something (orally or in writing, with conditions or without)• Favors

ANTI-BRIBERY AND CORRUPTION POLICY

CORRUPT OFFENCES AND CONSEQUENCES

Any person who commits an offence under sections 16, 17, 21 and 23 of the MACC Act 2009, shall on conviction be liable to Imprisonment for a term no exceeding twenty (20) years and a fine not less than five (5) times the sum or value of the gratification which is the subject matter of the offence, or ten thousand ringgit (RM10, 000), whichever is the higher.

Section 17A(2) of the MACC Act provides that any commercial organization who commits an offence under the section shall on conviction be liable to a fine of not less than ten (10) times the sum or value of the gratification or one million ringgit (RM1,000,000) whichever is the higher, or to imprisonment for a term not exceeding twenty (20) years or to both.

DUTIES AND RESPONSIBILITIES OF EMPLOYEES AND ASSOCIATED PERSONS

All employees and Associated Persons are responsible for refraining from and preventing any act of bribery or corruption. They are not allowed to ask, offer, solicit or receive any forms of gratification. They are responsible and encouraged to report, in good faith, any actual or suspected or attempted act of bribery or corruption promptly to enable the Group to conduct relevant investigation. Report of any actual or suspected incident and conflict of interest shall be made to the HR Manager, Senior Management or Managing Director of the Group. If the Complainant has any doubt and deem necessary, the Complainant may contact the Chairperson of the Audit and Risk Management Committee (“ARMC”) of the Company at whistleblower@agricore.com.my.

COMPLIANCE WITH THE POLICY AND ADEQUATE PROCEDURES UNDERTAKEN BY THE GROUP

All employees and Associated Persons are required to comply fully with this Policy and not permitted to pay, offer, accept or receive a bribe in any form. Agricore Group stresses the following practices :

I. Top Level Commitment

The Board endorses its ARMC to oversee the development of ABC programme of the Group. The primary objective is to set tone for zero tolerance of bribery and corruption. The ARMC shall assess and review the risk assessment programme at least annually to identify and evaluate specific risks on bribery and corruption inherent in or potentially affecting the Group’s business. The assessment shall take into consideration the probability of the occurrence of bribery and corruption and the impact thereof based on the risk parameters endorsed by the Board of Directors, as well as the control measures and mitigating measures implemented by the Management.

ANTI-BRIBERY AND CORRUPTION POLICY

There is a direct reporting channel and communication with the Chairperson of ARMC whom is reachable at whistleblower@agricore.com.my. Employees as well as the public are able to report concerns pertaining to actual or suspected corruption or bribery incidents directly to the ARMC Chairperson. Where relevant, the Group shall report the corruption or bribery incident to the relevant authorities, including the police or Malaysian Anti-Corruption Commission.

The Chief Financial Officer (“CFO”) or the Group’s senior management appointed by the Board, who is acting as the Group Compliance Officer is assigned to oversee the risk assessment process, to implement adequate procedures, review and monitoring the adequacy, operating and effectiveness and continuing relevance of this Policy, including compliance of this Policy by Associated Persons.

The Group Internal Auditor is the independent authority tasked to assess the operating effectiveness of the ABC Policy and shall report to the ARMC of any failings or weaknesses including the relevant recommendations for management to mitigate the reported issues.

II. Risk Assessment

A corruption risk assessment which covers all areas of the Group’s operations that identify the risk exposure towards bribery and corruption according to role and functions of employees and Associated Persons should be conducted at least once a year. The ARMC shall oversee the risk assessment process and delegate the responsibility for its implementation to the Group’s Compliance Officer.

III. Undertake Control Measure

The main areas of the Group’s control measures can be summarized as follows :

a. Conduct of Due Diligence

The Group shall undertake a due diligence process on the Associated Persons to assess the integrity of Associated Persons including background checks and verification of documents submitted before entering into any formal relationship with them. The departments responsible to conduct the due diligence as follows :

Activities	Department
Onboarding of Board members	Nomination Committee and Company Secretary (where relevant)

AGRICORE CS HOLDINGS BERHAD
Registration No. 202301018008 (1511930-P)
(Incorporated in Malaysia)

ANTI-BRIBERY AND CORRUPTION POLICY

Recruitment of employees	Human Resource Department
Third parties service providers, agent, contractor, business partners, etc.	Respective functional departments

- b. Gifts, entertainment, hospitality, donation and sponsorship
The receipt and giving of gifts, entertainment, hospitality, donation and sponsorship are governed by the Group's Code of Ethics and Conduct, and Financial Policies and Procedures where the threshold and authority limits are clearly defined. Pre-approval is required from the designated Management or Director before incurring such expense.
- c. Facilitation payments
Facilitation payments are a form of bribery that involves expediting or securing the performance of a public official for certain duty, action, consent or approval. The Group shall not make any facilitation payment of any nature.
- d. Procurement
The Group's procurement function is governed by the Group's Financial Policies and Procurement Policy which are embedded with system of internal controls on supplier selection, quotation comparison, procurement management and supervision of supplier's performance. All suppliers are selected on the basis of their capacity, price, quality and delivery.
- e. Financial controls
All capital and operating expenditure, and payments are governed by the financial authority limits and authorization procedures of the Group's Financial Policies.
- f. Conflict of interest
An Associated Person shall declare any actual or potential conflict of interest in any decision or matter the Associated Person is involved in.

IV. Systematic Review, Monitoring and Enforcement

Systematic monitoring and review ensure that the Group's control environment is continuously updated and improved to fully meet the latest requirements of the law in relation to anti-bribery and corruption. The ARMC shall require periodic reviews to be undertaken by the management and report the progress on the implementation to the ARMC. The Internal Auditor shall audit the programme in terms of operational compliance and adequacy.

ANTI-BRIBERY AND CORRUPTION POLICY

V. Training and Communication

Training is fundamental for employees to develop the knowledge necessary to manage situations such as solicitation of bribes. The HR Manager shall conduct training on this Policy as part of the induction process for all new employees. The Group's ABC Policy and zero tolerance attitude will be clearly communicated to all employees and Associated Persons. Where applicable, the Group shall request written acknowledgement and undertaking from the employees and Associated Persons for record. Awareness programme shall be conducted from time to time for all employees to refresh their awareness on the ABC measures and to continuously promote integrity and ethics. There shall be proper record keeping for managing documentation related to adequate procedures undertaken by the Group.

PROTECTION TO WHISTLEBLOWER

The whistleblower will be protected from any retaliation within Agricore Group as a direct consequence of the disclosure. The whistleblower's identity and such other confidential information of the whistleblower will be kept confidential and not be disclosed.

This policy on anti-bribery and corruption has been adopted by the Board on 19 September 2023.