

Anti-Bribery and Anti-Corruption Handbook

OSKH-GRM-POL-005-1

1 January 2020



OSK Group

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Revision History Log

Ver. No	Section	Section Name	Page	Details of Amendments	Effective Date	e-Circular No.
1	All	All	All	Document published	1-Jan-2020	OSKH/GRM/CIR/006

Glossary

Term	Description
"AAM"	Refers to OSK Group's Approving Authority Matrix
"ABAC Handbook"	Refers to this Anti-Bribery and Anti-Corruption Handbook
"Code"	Refers to OSK Group's Code of Conduct and Business Ethics
"employee"	Includes permanent, temporary, contract and part-time employees under OSK Group
"GHR"	Group Human Resources
"GRM"	Group Risk Management
"Head of Division"	Refers to Chief Executive Officers or the Head of respective business / functional divisions under OSK Group
"intern"	Refers to an individual engaged by OSK Group with purpose to gain work experience or practical skills
"MACC Act"	Malaysian Anti-Corruption Commission Act 2009
"OSK Group" / "the Group"	OSK Holdings Berhad and its subsidiaries, collectively
"WB Policy"	Refers to OSK Group's Whistleblowing Policy

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A. OVERVIEW

1. Introduction

- OSK Group does not tolerate any forms of bribery and corruption. In line with this commitment, OSK Group has developed this Anti-Bribery and Anti-Corruption Handbook (“ABAC Handbook”) to ensure compliance with the applicable anti-bribery and anti-corruption laws.
- This ABAC Handbook contains supplemental information on the relevant OSK Group’s policies, and shall be read with the internal policies and guidelines within OSK Group. Failure to comply may subject to disciplinary and / or legal actions deemed appropriate by OSK Group.
- Directors and employees must abide by all applicable policies and procedures when conducting business on behalf of the Group.
- In the event of any uncertainty about whether a real, potential or apparent conflict has arisen or any queries on this ABAC Handbook, immediate clarification must be consulted from the reporting manager, respective Heads of Division / Department, or Group Risk Management (“GRM”).

2. Scope

- This ABAC Handbook covers the following areas:



- 3. Reference**
- This ABAC Handbook shall be read in conjunction with the following:
 - Malaysian Anti-Corruption Commission Act 2009 (“MACC Act”) and the Prime Minister’s Department Guidelines on Adequate Procedures pursuant to Subsection (5) of Section 17A under the MACC Act
 - All applicable laws and regulations
 - OSK Group’s Code of Conduct and Business Ethics (“Code”)
 - OSK Group’s Whistleblowing Policy (“WB Policy”)
 - OSK Group’s Fraud Policy
 - OSK Group’s Approving Authority Matrix (“AAM”)
 - Other relevant existing or future policies, operations manuals and / or directives or communication issued by OSK Group from time to time
- 4. Intended Audience**
- The ABAC Handbook shall be applicable to the following:
 - Directors of OSK Group
 - Employees of OSK Group, including permanent, temporary, contract and part-time employees (collectively referred to as “employees”)
 - Interns
 - Third party(ies) performing work or services for or on behalf of OSK Group should comply with the relevant parts of this ABAC Handbook.
 - **“Third party(ies)”** in this ABAC Handbook refers to any individual or organisation performing work or services for or on behalf of OSK Group. This includes (but not limited to) the following:
 - Agents, consultants, or other intermediaries
 - Vendors and service providers
 - Joint venture partners
 - Law firms or legal advisors
 - Contractors and sub-contractors
 - Architects
- 5. Reviews and Notices**
- In the interest of maintaining best practice, this ABAC Handbook shall be reviewed periodically when deemed necessary, or as requested by the management.
 - This ABAC Handbook is circulated to all directors and employees of OSK Group through Group Human Resources (“GHR”). An electronic version of the ABAC Handbook is also available on OSK Group’s intranet and website.
 - If a rule or policy in this ABAC Handbook conflicts with a prevailing and / or applicable law, the law prevails.

B. POLICIES

B1. Anti-Bribery and Corruption

1. General

- All forms of bribery or corruption are prohibited and will not be tolerated. Any breach of this ABAC Handbook or applicable laws may result in disciplinary and / or legal action being taken.
- Directors and employees must raise any concerns regarding acts of bribery and corruption within OSK Group to the reporting manager, respective Heads of Division / Department or GRM. Alternatively, to report through OSK Group's whistleblowing channels as prescribed by the WB Policy as follows:
 - Email to Whistleblowing Coordinator via the dedicated email, whistleblowing@oskgroup.com;
 - Email to Chairman of Audit Committee via the dedicated email, acchairman@oskgroup.com; or
 - Post to Whistleblowing Coordinator at the following address:

Attn: Whistleblowing Coordinator
OSK Holdings Berhad,
Level 11, Plaza OSK, Jalan Ampang,
50450 Kuala Lumpur, Malaysia.

- Contact the Whistleblowing Coordinator directly through the dedicated hotline number at 03-2161 0662.

2. Whistleblowing

- OSK Group is committed to provide an avenue for all employees and members of the public to raise concerns about any suspected and / or known improper conduct that they may observe occurring within the Group.
- All reported concerns will be treated confidentially and are to be kept protected against any unauthorised use and access, except where it is permitted under applicable laws.

Note:

Further details on whistleblowing are elaborated in the WB Policy.

3. Bribery and Corruption

- Customers and third parties shall take practical measures to prevent corrupt practices in their dealings with the company as their actions could affect OSK Group legally and tarnish the Group's reputation.
- "**Corruption**" is the act of giving or receiving of any gratification or reward in the form of cash or in-kind for performing a task to influence improperly the action of another party. Examples of acts of corruption include but not limited to the acts of bribery, fraud, and abuse of power.
- "**Bribery**" is the offering, promising, giving, demanding or accepting of an advantage or any gratification as an inducement for an action or a reward, which is illegal and unethical.
- Bribery in the form of gifts in-kind may comprise of money, job position or placement, discount offers, services, votes, wages, loans, and other forms of payment.

4. Facilitation Payment

- Facilitation payments fall within the interpretation of gratification under the MACC Act, and therefore constitute an offense.
- Employees shall raise any suspicions, concerns or queries regarding a payment made on behalf of OSK Group or improper business practices to the reporting manager, respective Heads of Division / Department, GRM or opt to invoke the WB Policy.

5. Charitable / Political Contribution / Sponsorship

- Any donations or contributions for charitable or political purpose made on behalf of OSK Group must be approved in accordance to OSK Group's AAM.

Note:

Further details are elaborated in the Code and approving authority limit is as set out in the AAM.

A. POLICIES**B2. Dealing with Third Parties****1. General**

- All employees must ensure that all dealings with third parties are carried out consistently with values and principles of the Code, and in compliance with the applicable laws and regulations relating to bribery, corruption and fraud.
- OSK Group expects all third parties acting for or on its behalf to have an acceptable standard of integrity in the conduct of their business.
- OSK Group expects its employees to use good judgment and common sense in assessing the integrity and ethical business practices of third parties and therefore, has provided the below as a guideline.

2. Dealing with Third Parties

- To ensure third parties share OSK Group's standards of integrity, it is the responsibility of employees to:
 - undertake appropriate due diligence to assess the integrity of the prospective business counterparties. The due diligence should also take into consideration elements of corruption including bribery;
 - ensure all third parties are made aware of and understand this ABAC Handbook by executing the Third Party Declaration; and
 - monitor the performance of third parties and business practices periodically to ensure ongoing compliance.

Note:

Refer to Appendix I for Third Party Declaration clause.

- Any third parties who act in a manner inconsistent with this ABAC Handbook during the due diligence exercise or in the dealings with a third party warrant further investigation, and must be sufficiently addressed before engagement of the third party.
- To ensure procurement activities with any contractors or vendors are in line with this ABAC Handbook, employees shall:
 - undertake appropriate due diligence of contractors and vendors before they are registered with OSK Group. Contractors and vendors known or reasonably suspected of corrupt practices or bribery should be avoided;
 - ensure all contractors and vendors are made aware of, understand and comply with the relevant policies of this ABAC Handbook; and
 - monitor the performance of contractors and vendors periodically to ensure ongoing compliance.
- In the event that any contractors and vendors commit bribery or attempt to commit bribery, or act in a manner which is inconsistent with this ABAC Handbook, OSK Group reserves the right to terminate their services.

- 3. Dealing with Government or Public Bodies**
- Caution must be exercised when dealing with public officials as it is an offence for a public official to obtain any gift from any person involved in any proceeding or business transaction with him / her.
 - Offering a gratification by corrupt or illegal means to influence a public official or offering gratification for the exercise of personal influence with a public official is also an offence.
- 4. Recruitment of Employees**
- OSK Group will conduct proper background checks to ensure that the potential employee has not been convicted in any corruption and / or bribery cases. More detailed background checks shall be taken when hiring employees for management positions.

Note:

The guidelines and procedures on the recruitment functions are elaborated in Recruitment Operations Manual. For further details, refer to GHR or the respective Human Resources personnel.

End

A. POLICIES

B3. Gifts and Hospitality

1. General

- As set out in the Code, a conflict of interest exists when the personal interest of a director or an employee conflicts in any way with the interests of the Group. This ABAC Handbook prohibits excessive or inappropriate gifts and acts of hospitality to or from third parties.
- As a general guide, directors and employees shall decline excessive or inappropriate gifts or acts of hospitality that may:
 - place them in conflict of interest;
 - influence business decisions on behalf of the company;
 - create an impression that the company is trying to obtain favourable business advantage / treatment; or
 - likely to compromise personal or professional integrity.
- Directors and employees must comply with the policies set out in this ABAC Handbook and the Code, and maintain expenses within the limits of entitlement.

Note:

OSK Group encourages directors and employees to practice good judgment and discretion before accepting gifts and acts of hospitality offered or provided by customers and / or third parties.

- If in doubt whether it is appropriate to receive any gifts or hospitality offered, directors and employees shall consult the respective Heads of Division / Department or GHR for advice.

2. Gifts

- Any gifts on account of celebrations, customary gift during festive seasons, occasional business meals or gifts at corporate social events, which are not excessive and do not in any way influence the business decisions, are allowed.

Note:

Further details are elaborated in the Code.

3. Hospitality

- Acts of hospitality offered to or received from customers and third parties as part of business networking are acceptable, provided that they are appropriate, with legitimate business purpose, and not affect or be perceived as affecting business judgment.

End

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C. APPENDIX
Appendix I: Third Party Declaration

Declaration by third party:

“We are fully aware that OSK Group of Companies (“OSK”) is committed to acting professionally, fairly and with integrity in all of its business dealings and relationships wherever it operates to counter bribery and corruption. As such, we shall not offer, give, solicit or accept any bribe or form of bribe during the course of our engagement or engage in any transaction that contravene the Malaysian Anti-Corruption Commission Act 2009, any applicable anti-bribery or anti-corruption legislation, by-laws, rules and regulations (“MACC laws”) as may be imposed by the relevant authorities and/or internal policies.

In the event that we are aware or suspect any person in OSK who had/may be in breach of the MACC laws as may be imposed by the relevant authorities and/or internal policies, we shall inform OSK immediately through the whistleblowing channel at 03 2161 0662 or whistleblowing@oskgroup.com.

In the event we are in breach of the MACC laws as may be imposed by the relevant authorities and/or internal policies, we understand that OSK shall take the necessary actions against us and we shall fully indemnify OSK against any claims, fines, losses and/or damages suffered by OSK arising from and out of our breach herein.”

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