

Anti-Bribery and Anti-Corruption Handbook

FDT-POL-001-1

20 November 2020



OSK
FOUNDATION

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Revision History Log

| Ver. No | Section | Section Name | Page | Details of Amendments | Effective Date | e-Circular No. |
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| 1 | All | All | All | Document published | 20 Nov 2020 | FDT/CIR/001 |
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Glossary

| Term | Description |
|----------------------|--|
| “AAM” | Refers to OSK Foundation’s Approving Authority Matrix |
| “ABAC Handbook” | Refers to this Anti-Bribery and Anti-Corruption Handbook |
| “BOT” | Refers to OSK Foundation’s Board of Trustees |
| “CSR” | Corporate Social Responsibility |
| “employee” | Includes permanent, temporary, contract and part-time employees, as well as interns under OSK Foundation, and employees of OSK Group who are engaged or represent OSK Foundation in CSR related activities |
| “HR” | Human Resources department |
| “intern” | Refers to an individual engaged by OSK Foundation with purpose to gain work experience or practical skills |
| “MACC Act” | Malaysian Anti-Corruption Commission Act 2009 |
| “Management” | Comprises of the Chief Executive Officer of OSK Foundation and individuals as approved by OSK Foundation’s Board of Trustees |
| “OSK Group” | Refers to OSK Holdings Berhad and its subsidiaries, collectively |
| “Trustee” | Refers to a member of OSK Foundation’s Board of Trustees |
| “the Foundation” | Refers to OSK Foundation |
| “Interested Parties” | Refers to people or organisations who are potential or existing beneficiaries of OSK Foundation by way of financial donations, sponsorships, collaborative partnerships, and/or volunteerism |

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A. OVERVIEW

1. Introduction

- OSK Foundation does not tolerate any forms of bribery and corruption. In line with this commitment, OSK Foundation has developed the 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 Foundation’s policies, and shall be read together with the internal policies and Foundation’s Operations Manual.
- Trustees and employees must abide by all applicable policies and procedures when conducting business on behalf of the Foundation. Failure to comply may result in disciplinary and / or legal actions deemed appropriate by OSK Foundation.
- In the event of any uncertainty about whether a real, potential or apparent conflict has arisen or if there are any queries on this ABAC Handbook, immediate clarification must be sought from Risk Management or the Management.

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
 - OSK Foundation Approving Authority Matrix
 - OSK Foundation Operations Manual
 - Other relevant existing or future policies, operations manuals and / or directives or communication issued by OSK Foundation from time to time

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- 4. Intended Audience**
- The ABAC Handbook shall be applicable to the following:
 - Board of Trustees of OSK Foundation (“BOT”)
 - Employees of OSK Foundation, including permanent, temporary, contract and part-time employees, as well as interns; and employees of OSK Group who are engaged or represent OSK Foundation in CSR related activities (collectively referred to as “employees”)
 - Other OSK Group entities involved in or collaborating with OSK Foundation in performing its Corporate Social Responsibility (“CSR”) related activities
 - Third Party(ies) performing work or services for or on behalf of OSK Foundation should comply with the relevant parts of this ABAC Handbook.
 - **“Third Parties”** refers to any individual or organisation performing work or services for or on behalf of OSK Foundation. The definition of Third Parties includes (and are not limited to) the following:
 - Agents, consultants, or other intermediaries
 - Vendors and service providers
 - Partners and collaborators
 - Advisors
- 5. Reviews and Notices**
- In the interest of maintaining best practice, this ABAC Handbook shall be reviewed periodically when there is a change in legislation, or as requested by the Management.
 - This ABAC Handbook is circulated to all Trustees and employees of OSK Foundation through Human Resources (“HR”). An electronic version of the ABAC Handbook is also available on OSK Foundation’s intranet and website.
 - If a rule or policy in this ABAC Handbook conflicts with a prevailing and / or applicable law, the law prevails.

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B. POLICIES
B1. Anti-Bribery and Anti-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.
- Trustees and employees must raise any concerns regarding acts of bribery and corruption within OSK Foundation to Risk Management, or the Management. Alternatively, to report such matters through OSK Foundation’s whistleblowing channels as prescribed in the Whistleblowing Policy as follows:
 - Email to the Whistleblowing Coordinator via the dedicated email, whistleblowing@oskfoundation.com;
 - Email to the BOT via the dedicated email, bot@oskfoundation.com; or
 - Post to the Whistleblowing Coordinator at the following address:

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

2. Whistleblowing

- OSK Foundation is committed to provide an avenue for all Trustees, employees and members of the public to raise concerns about any suspected and / or known improper conduct that they may observe occurring within OSK Foundation.
- 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 law.

Note:
 Refer to [OSK Foundation’s Whistleblowing Policy](#) for further details.

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- 3. **Bribery and Corruption**
 - Third parties shall take practical measures to prevent corrupt practices in their dealings with the Foundation as their actions could affect OSK Foundation legally and tarnish OSK Foundation’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 offence.
 - Facilitation payment is a type of payment that is made to a public/ government official with the intention to persuade or influence them to expedite an administrative process. Facilitation payments can be made directly/ indirectly to the individual officer(s) who is/are in direct or indirect control of the administrative decision.
 - Employees shall raise any suspicions, concerns or queries regarding suspected or proven payment made by or on behalf of OSK Foundation or any improper conduct to: Risk Management, or the Management or opt to invoke the channels available under the Whistleblowing Policy.

- 5. **Charitable / Political Contribution / Sponsorship**
 - Any donations or contributions for charitable or political purposes made by OSK Foundation must be approved in accordance to OSK Foundation’s Approving Authority Matrix (“AAM”).

Note:
Refer to [OSK Foundation’s Approving Authority Matrix](#) for further details.

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B. POLICIES

B2. Dealing with Third Parties

1. General

- All employees must ensure that all dealings with third parties are carried out consistently in line with the objective of OSK Foundation, and in compliance with the applicable laws and regulations relating to bribery, corruption and fraud.
- OSK Foundation expects all third parties acting for or on its behalf to have an acceptable standard of integrity in the conduct of their business and/or operations.
- OSK Foundation 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 adhere to OSK Foundation’s standards of integrity, it is the responsibility of employees to:
 - undertake appropriate due diligence to assess the integrity of the prospective organisations. The due diligence should also take into consideration elements of bribery, corruption and fraud;
 - ensure all third parties are made aware of and understand this ABAC Handbook by executing the Third Party Declaration Form upon their appointment for the purpose of carrying out work for or on behalf of the Foundation; 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.

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- To ensure procurement activities with any third parties are in line with this ABAC Handbook, employees shall:
 - undertake appropriate due diligence of third parties before they are registered with OSK Foundation. Third parties known or reasonably suspected of corrupt practices or bribery should be avoided;
 - ensure all third parties are made aware of, understand and comply with the relevant policies of this ABAC Handbook;
 - monitor the performance of third parties periodically to ensure ongoing compliance; and
 - ensure execution of third party ABAC declarations by individuals or parties carrying out work for or on behalf of OSK Foundation have to be carried out concurrently with the appointment of such role(s). All third-party declaration forms are extended to countersign parties together with the Foundation’s ABAC Handbook and Whistleblowing Policy of which they must acknowledge their full understanding and agreement to the policies prior to signing the declaration form. As per the policies, it is the responsibility of the countersign party to alert OSK Foundation of any suspected/ proven improper conduct in carrying out their role for or on behalf of OSK Foundation.
 - In the event that any third parties commit bribery or attempt to commit bribery, or act in a manner which is inconsistent with this ABAC Handbook, OSK Foundation 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 with the intention to persuade or influence a public or government official or offering gratification for the purpose of exercising personal influence towards a public or government official is also an offence.
- 4. Recruitment of Employees**
- OSK Foundation 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.

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B. POLICIES

B3. Gifts and Hospitality

1. General

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

Note:
OSK Foundation encourages Trustees and employees to practice good judgment and discretion before accepting gifts and acts of hospitality offered or provided by Interested Parties.

- If in doubt whether it is appropriate to receive any gifts or hospitality offered, Trustees and employees shall consult HR 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.

3. Hospitality

- Acts of hospitality offered to or received from Interested Parties as part of sponsorship or donation networking are acceptable, provided that they are appropriate, with legitimate purpose, and not affect or be perceived as affecting sponsorship or donation judgment.

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C. APPENDIX

Appendix I: Third Party Declaration

Declaration by third party:

"We are fully aware that OSK Foundation is committed to counter bribery, corruption and fraud by acting professionally, fairly and with integrity in all of its business dealings and relationships. 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 Foundation 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 Foundation immediately through the whistleblowing channel at 03 2161 0662 or whistleblowing@oskfoundation.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 Foundation shall take the necessary actions against us and we shall fully indemnify OSK Foundation against any claims, fines, losses and/or reputational damages suffered by OSK Foundation arising from and out of our breach herein."

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