

Pasukhas Group Berhad  
Anti-Bribery and Anti-Corruption Policies

## 1. Introduction

Pasukhas Group Berhad and its subsidiaries (hereafter collectively referred to as “PGB”) are committed to conducting business dealings with integrity and adopt a zero-tolerance policy against all forms of bribery and corruption. We are committed to the highest standards of ethical conduct and integrity in business activities. We shall act professionally, fairly and with integrity. We are also fully committed to comply with all laws and regulations, , which include compliance with the Malaysian Anti-Corruption Commission Act 2009 and the Malaysian Anti-Corruption Commission (Amendment) Act 2018 and any of its amendments or re-enactments that may be made by the relevant authority from time to time.

This Policy provides principles, guidelines and requirements on how to deal with bribery and corrupt practices that may arise in the course of daily business and operation activities within PGB.

## 2. Purpose

The purpose of this Policy is to:

- To set out PGB’s responsibilities and responsibilities of all our employees, officers and directors to observe and uphold PGB’s stance on zero-tolerance to bribery and corruption.
- To provide information and guidance to those working for PGB on how to recognize and deal with corruption and bribery issues.
- To protect PGB against the possible penalties and repercussions resulting from acts of bribery and corruption.

## 3. Scope

This policy applies to all Directors and Employees of the Group.

## 4. Definitions

For the purpose of this Policy, the terms listed below represent its respective definitions and shall exclude food and drinks, flowers and contribution/sponsorship to PGB official events:

“Associated Third Parties” : An external party whom the organisation has, or plans to establish some form of business relationship. This primarily include Counterparties and Business Partners, i.e. clients, customers, joint ventures, joint venture partners, consortium partners, outsourcing providers, contractors, consultants, subcontractors, suppliers, vendors, advisers, agents, distributors, representatives intermediaries and investors.

“Benefits” : Any form of advantages or profits gained by the Board, the Employees, and the Associated Third Parties.

- “Bribery” : Offering, promising, giving, accepting or soliciting of an undue advantage of any value (which could be financial or non-financial), directly or indirectly in violation of applicable law, as an inducement or reward for a person acting or refraining from acting in relation to that person’s duties, action or decision.
- “Corruption” : The provision or receipt of monetary or non-monetary bribe or reward of high value for performing in relation to the Board, the Employees’ and the Associated Third Parties’ duties. This includes misuse of a public office or power for private gain or the misuse of private power in relation to business outside the realm of government.
- “ Employees” : Means the organisation’s directors, officers, employees, staff or workers (whether full time or part time, permanent or temporary).
- “Entertainment” : (a) The provision of recreation; or  
(b) The provision of accommodation or travel in connection with or for the purpose of facilitating entertainment of the kind mentioned in item (a) above, with or without consideration paid whether in cash or in kind, in promoting or in connection with a trade or business activities and/or transactions
- “Facilitation Payments” : Small sums or bribe, unofficial payment made to secure or expedite the performance of a routine action by the Board, the Employees, and the Associated Third Parties.
- “Gifts” : Any form of monetary or non-monetary such as goods, services, cash or cash equivalents, fees, rewards, facilities, or benefits given to or received by an the Board, the Employees, and the Associated Third Parties, his or her spouses or any other person on his or her behalf, without any or insufficient consideration known to the the Board, the Employees, and the Associated Third Parties.
- “Kickbacks” : Any forms of payment intended as compensation for favourable treatment or other improper services. This includes the return of a sum already paid or due as a reward for awarding of furthering business.

## 5. Our principles

5.1 We take a zero-tolerance approach to corruption and bribery.

5.2 We conduct all of our business in an honest and ethical manner. We are committed to acting professionally, fairly and with integrity in all our relationships and business dealings in accordance with our Code of Business Conduct and Ethics Policy, and to implement and enforce effective system to counter bribery.

5.3 We will uphold all laws relevant to countering corruption and bribery. We remain bound by the laws of Malaysia, including the Malaysian Anti-Corruption Commission Act 2009 and the Malaysian Anti-Corruption Commission (Amendment) Act 2018 and any of its amendments or re-enactments that may be made by the relevant authority from time to time in respect of our conduct both at home and abroad.

5.4 To address these risks, we have taken the following steps:

- a) Implement this Policy;
- b) Perform regular corruption risk assessment on our operations and review findings;
- c) Take steps to implement training programmes for all individuals operating in areas of the organization that are identified as high risk; and
- d) Regular review and update to this Policy.

## 6. Corruption and Bribery

6.1 All persons who are subject to this Policy shall NOT:

- a) Offer, give, or promise to give a bribe or anything which may be viewed as a bribe to secure or award an improper business advantage;
- b) Offer, give, or promise to give a bribe or anything which may be viewed as a bribe to a government official, agent or representative to facilitate, expedite, or reward any action or procedure;
- c) Request or receive a bribe or anything which may be viewed as a bribe from a third party knowing or suspecting it is offered with the expectation that it will obtain a business advantage for them; or
- d) Engage in any activity that might lead to a breach of this Policy.

## 7. Gifts and Entertainment

PGB acknowledges that Gifts and Entertainment (**G+E**) may be an appropriate business practice. However, improper or excessive G+E can be a form of bribery or corruption, which is prohibited under this Policy.

## 7.1 Offering or giving G+E

Except as provided in this Policy, no G+E may be provided, directly or indirectly by PGB or any employee for or on behalf of PGB to any associated third parties.

G+E shall only be given if:

- it seeks to improve the image of PGB;
- better present products and services; or
- establishes cordial relations.

No G+E may be given where any giver is aware that it:

- will violate any Gift or Hospitality policies or regulation which the recipient is subject to; and
- is intended to induce an inappropriate advantage, reward or benefit from the recipient.

Any G+E that PGB offers or gives in connection with PGB's associated third parties must:

- Where it is to be provided to a public official, must be in compliance with the applicable governmental policy or guidelines in the jurisdiction where the public official is, for the giving of G+E to such public official;
- Be given as a legitimate, justified business courtesy;
- Be given in an open manner;
- Not create an expectation that the employee or PGB will receive something in return;
- Be in good faith and reasonable in value and frequency;
- Be compliant with any applicable laws, rules and regulations;
- Be expensed in accordance with the appropriate business expense policies and procedures;
- Not influence or appear to influence the independence of the receiver of the G+E;
- Not be provided to a customer when PGB is bidding for a contract, if those receiving the G+E have some influence on the contract decision, unless the G+E takes the form of basic refreshments provided as a business courtesy;
- Not be cash (or cash equivalents such as vouchers, gift cards, credit cards or credit notes);
- Not be, or give the appearance of being, lavish, offensive or inappropriate (for example, adult entertainment); and

- Not be in the form of per diem or daily payments (unless with the prior, written approval of the MD and will only be provided if there is a legitimate government directive requiring such payments).

## 7.2 Receiving G+E

All employees acting for or on behalf of PGB are prohibited from:

- Accepting any payments (including cash or cash equivalents such as vouchers, gift cards, credit cards or credit notes);
- Requesting gifts, contributions, gratuities, services or bribes from PGB's associated third parties, regardless of its worth;
- Accepting any G+E from a supplier when they are bidding for a contract, if those receiving the G+E have some influence on the contract decision, unless G+E takes the form of basic refreshment as a business courtesy;
- Accepting any G+E that is, or gives the appearance of, being lavish, offensive or inappropriate (for example adult entertainment);
- Accepting any favours that might be regarded as placing you under some obligation to such associated third parties;
- Accepting any gifts, the value of which is likely to be more than RM300 from an associated third party. In the event of receipt of a gift that is more than RM300, you are required as soon as practicable, and in any event no more than three (3) working days after receipt, to declare this gift to your MD and obtain written approvals before you are entitled to retain or utilise the gift. In the event the MD approves the acceptance of the gift, the MD will determine the treatment of the gift whether to:-
  - i. Donate the gift to charity;
  - ii. Hold the gift for departmental display;
  - iii. Share with other employees in the department;
  - iv. Permit it to be retained by the employee.
- Accepting any G+E in the form of per diem or daily payments;
- Accepting tickets to entertainment, cultural, social or sporting events without both the giver and receiver attending;
- Accepting from, an associated third party of PGB any G+E in your personal capacity or through any family member or agent to avoid the requirements of this G+E Policy;

### 7.3 Specific Exceptions to the G+E policy

There are exceptions to the general rule whereby the receiving and giving of G+E are permitted in the following situations:

- Exchange of gifts at company to company level (exchange of gifts as part of official company visit and the gift is treated as company's property);
- Gifts from PGB to external bodies in relation to company's official functions for e.g.
  - i. for the promotion, demonstration or explanation of products and services;
  - ii. execution or performance of the business relationship; or
  - iii. building a business relationship;
- Gifts from PGB to employees and/or their family members in relation to a recognised company function, event and celebration;
- Token gifts of nominal value that carried the Pasukhas logo (eg. T-shirts, pens, diaries, calendars) that are given out equally to members of the public, customers, shareholders and is deemed as part of PGB's brand building and promotional activities.

### 8. Facilitation Payment and Kickbacks

We do not make, and will not accept Facilitation Payments or Kickbacks of any kind. All associates must avoid any activity that might lead to Facilitation Payments or Kickbacks being made or accepted.

Any individual with any suspicions, concerns or queries regarding a payment made on our behalf or improper business practices, he or she should raise these by reporting to the Company via the channel as outlined in our Whistleblowing Policy.

### 9. Corporate Social Responsibility (CSR), Sponsorships and Charitable Donations

These are legitimate activities for entities but can be abused by being used as a subterfuge for bribery. Any CSR, sponsorship and donations must not be used to facilitate corruption, bribery and money laundering activities.

Process for CSR, Sponsorship and Charitable Donations

- All requests for CRS, sponsorship and donations must be carefully examined for legitimacy and it must not be made to improperly influence a business outcome.

The recipient must be a legitimate organisation and due diligence carried out to ascertain that the benefits reach the intended recipients whilst the programmes meet the intended objectives.

- No CSR, sponsorship and donations shall be made to beneficiary who is controlled by any political officials.
- All CSR, sponsorship and donations must be made in accordance to the approval limits in the Limits of Authority.

#### 10. Political Contributions

PGB does not make or offer monetary contributions to political parties or candidates for political office.

#### 11. Dealing with third parties

Third party means any individual or organization which the employees comes into contact during the course of their work for or with the company and it include but not limited to existing and potential customers, suppliers, vendors, consultants, advisers, agents, brokers, distributors.

All PGB's dealings with third parties must be carried out in compliance with all relevant laws and consistent with this policy.

PGB expects that all third parties acting for and on its behalf to adhere to PGB's Anti Bribery and Corruption Policy as their conducts and actions may implicate PGB and tarnish PGB's reputation. The third parties must subscribe to PGB's stance on zero tolerance on bribery and corruption. Thus, in situation where we engage third parties such as contractors, agents, intermediaries, representatives, joint venture partners, we will be obligated to conduct appropriate due diligence on these third parties. This to ensure that we are dealing with third parties that subscribe to PGB's values and ethical conduct.

#### 12. Your responsibilities

It is the responsibilities of all employees, officers and directors of the company to prevent, detect, report any bribery and other forms of corruption.

#### 13. Record keeping

PGB must keep the financial records and have appropriate internal controls in place which will evidence the business reason for any payments made to third party.

All directors, officers and employees must ensure that all expenses relating to gifts, hospitality and entertainment expenses incurred are submitted in accordance with the company's expense policy and record the reason for such expenditure.

All accounts, invoices and records relating to dealing with third parties must be maintained with strict accuracy. No accounts must be kept “off-book” to facilitate or conceal improper payments.

#### 14. Confidentiality and Protection

- 14.1 Individuals who refuse to accept or offer a bribe, or those who raise concerns or report another’s wrongdoing, are sometimes worried about possible repercussions. We encourage openness and will support anyone who raises genuine concerns in good faith under this Policy, even if they turn out to be mistaken.
- 14.2 PGB is committed to ensuring that no one suffers any detrimental treatment as a result of refusing to take part in corruption, or because of reporting concerns under this Policy in good faith. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern.

#### 15. Communication and Training

- 15.1 PGB will on a continuing basis provide specific and regular training on this Policy, and on anti-corruption and bribery laws and on how to implement and comply with this Policy, for all new and existing Employees.
- 15.2 Our zero-tolerance approach to corruption and bribery must be communicated to all the Associated Third Parties at the outset of our business relationship with them and as appropriate thereafter. Wherever possible, all the Associated Third Parties should be sent a copy of this Policy at the outset of the business relationship or shall always refer to this Policy published on our Company website.

#### 16. Monitoring and Review

- 16.1 All the Employees and the Associated Third Parties are responsible for the success of this Policy and should ensure adherence to this Policy and use it to disclose any suspected danger or wrongdoing.
- 16.2 This Policy does not form part of the associates’ contract of employment and it may be amended at any time by the Company even though all the Employees and the Associated Third Parties are welcome to comment on this Policy and suggest ways in which it might be improved.

#### 17. Red Flags

The following is a non-exhaustive list of possible red flags (for illustrative purposes only) that may arise for an individual while working for PGB and which may raise concerns under various anti-corruption and anti-bribery laws.

If the Board, employee and the Associated Third Party come across any of these red flags or believe it may occur potentially while working for PGB, he/she must make report promptly in accordance with the procedure as set out in our Whistleblowing Policy.

- (a) Become aware that a third party engages in, or has been accused of engaging in improper business practices, improper conduct or has a reputation for paying bribes or requiring bribes;
- (b) A third party demands gifts, benefits, commission or fees before committing or continue to sign up a contract;
- (c) A third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- (d) A third party refuses to provide or provide insufficient, false, or inconsistent information in response to due diligence questions;
- (e) A third party requests the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us, or a shell entity serves as a middleman especially when domiciled in secrecy haven;
- (f) There are signs that the third party is not acting on his own behalf, but is trying to conceal the true beneficial owner's identity;
- (g) A third party has a reputation of having a "special relationship" with a government, political party or other public official or has been specifically requested by a public official;
- (h) A third party refuses to sign a commission or fee agreement or insists on the use of a side-letter relating to the payment of funds;
- (i) A third party requests an unusually large or misappropriate commission, retainer, bonus or other fee or an unexpected additional fee or commission to "facilitate" a service;
- (j) A third party requests payment in cash or cash equivalent such as a money order; refuses to provide an invoice or receipt;
- (k) A third party refuses to provide an invoice or receipt for a payment, or you receive an invoice or receipt that appears to be non-standard or customized;
- (l) A third party requests that a transaction is structured to evade normal record-keeping or reporting requirements;
- (m) A third party refuses to abide by this Policy or does not demonstrate that it has adequate internal anti-corruption and bribery policies and procedures in place.
- (n) Been offered an unusually generous gift or lavish benefits or entertainment by a third party.

Date : 28<sup>th</sup> May 2020