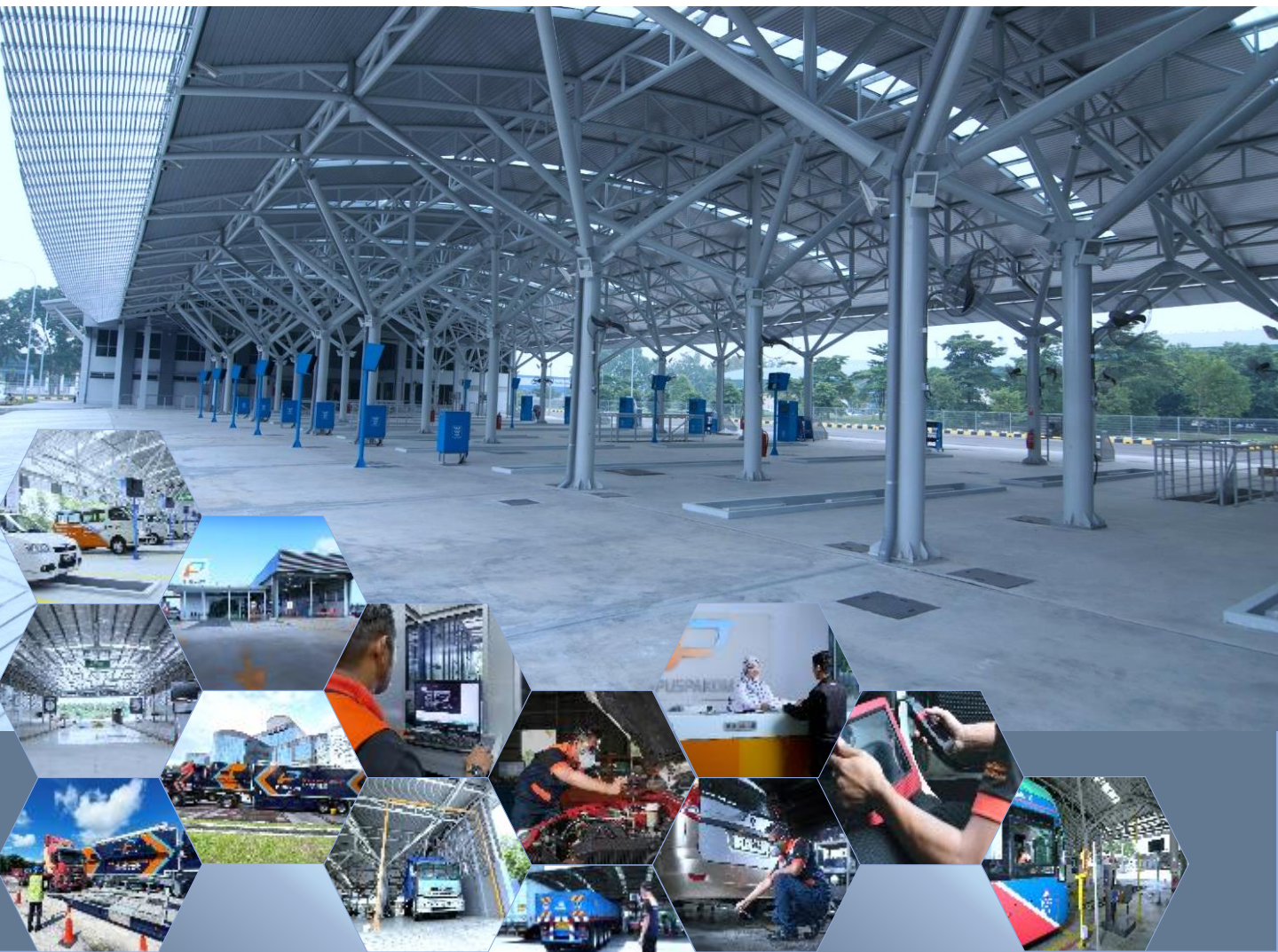


# PUSPAKOM ANTI-BRIBERY POLICY



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**PUSPAKOM Sdn. Bhd.**

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AVL	Approved Vendor List
Board	Board of Directors, PUSPAKOM Sdn. Bhd.
CEO	Chief Executive Officer, PUSPAKOM Sdn. Bhd.
CFO	Chief Financial Officer, PUSPAKOM Sdn. Bhd.
Code	Code Of Ethics and Business Practice
CRM	Corruption Risk Management
HCD	Human Capital Division, PUSPAKOM Sdn. Bhd.
LOA	Limits Of Authority
MACC	Malaysian Anti-Corruption Commission
MDA	Management Delegated Authority
MS ISO	Malaysian Standard, International Organisation for Standardisation
PDRM	Polis DiRaja Malaysia

PUSPAKOM SDN. BHD. applies zero tolerance against all elements related to bribery, corruption, abuse of power and misappropriation. This Anti-Bribery Policy addresses commitment of PUSPAKOM to integrity and in promoting a culture of transparency, openness, honesty, ethics in the conduct of its operations and business activities.

This policy provides principles, guidelines and requirements on how to deal with practices that may potentially lead to bribery or corruption in the course of daily business and operation activities within PUSPAKOM.

It also intended to assist everyone in PUSPAKOM in conducting the business and operation activities legally, ethically and with integrity.

This policy is subject to periodic review, and where applicable, amendment or update to reflect relevant new requirement or changes as and when necessary.

This policy complements to the Code, and/or with any other relevant policies and procedures. In cases of conflict between applicable law & regulation and the principles contained in this policy, the law shall prevail.

The Board shall approve any exemptions of this policy provided that such exemption has no material adverse effect to the Company and has no legal implication in relation to bribery and corruption practices.



PUSPAKOM SDN. BHD. is a subsidiary of DRB-HICOM BERHAD, and as an authorized body for vehicle roadworthy inspection, pledges to promote the culture of transparency, fairness, and accountability at the workplace to maintain a high standard of integrity and governance. In the effort to consistently and continuously fight against the risk of bribery, PUSPAKOM is committed to:-

- ✓ Provide and maintain an anti-bribery working environment for all employees and stakeholders;
- ✓ Comply to the anti-bribery laws, act, rules & regulations and procedure;
- ✓ Create a process of identification, analyse and successfully achieve Anti-Bribery Management System Objectives within the timeframe;
- ✓ Satisfy all requirements in MS ISO 37001:2016 Anti-Bribery Management System;
- ✓ Provide avenue and encourage raising of concerns regarding bribery conduct through Whistleblowing Policy;
- ✓ Continually improve the Anti-Bribery Management System;
- ✓ Appoint Integrity Committee to drive and promote PUSPAKOM's ethics, integrity & compliance matters and activities; and
- ✓ Impose appropriate action against non-compliance with this Anti-Bribery Policy.

This Anti-Bribery Policy is intended to apply to all Directors, management and employees of PUSPAKOM and all vendors, contractors, suppliers, distributors, consultants and other third parties who carry out work/services for/on behalf of PUSPAKOM as well as customers and customer's representatives who obtain PUSPAKOM services where all such parties are required to adhere to the policy.



### 4.1 Appropriate Gifts

Applying good judgment and moderation which occasionally in receiving from or offering gifts or entertainment of nominal value which create goodwill and enhance business relationships, provided the applicable requirements specified in this policy are complied with.

### 4.2 Bribery/Corruption

Offering, promising, giving, accepting or soliciting of an undue advantage of any value (which could be financial or non-financial), directly or indirectly, and irrespective of location(s), 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. Any action which would be considered as an offence of giving or receiving 'gratification' under the MACC Act. In addition, corruption may also include acts of extortion, collusion, breach of trust, abuse of power, trading under influence, embezzlement, fraud or money laundering.

### 4.3 Business Associate

An external party who has or plans to have any form of business relations with PUSPAKOM, such as customers, partner, contractor, sub-contractor, supplier, investor, and others.

### 4.4 Business Courtesy

A business courtesy includes intangible benefits such as free meals, drinks, entertainment, hospitality, recreation, transportation, discounts, accommodation, use of a donor's time on any goods or services for personal use at a rate that is not available to the general public.

### 4.5 Conflict Of Interest

Situation where personal interest interfere or could be seen to interfere with a person's objectivity in performing duties or exercising judgment.

### 4.6 Corporate Responsibility

Voluntary, self regulated and ethics-driven action to ensure the sustainability of the society and our environment

### 4.7 Donation

An especially charitable gift, contribution, subscription, present, hand out, grant, offering, gratuity, endowment or other similar donation. It can include giving or providing cash, venues, equipment, personnel time or other benefit.

### 4.8 Facilitation Payment

A payment or other provision made personally to an individual in control of a process or decision. It is given to secure or expedite a routine or administrative duty or function.

### 4.9 Gift

Money, movable or immovable property, vehicle, shares, travel tickets, entertainment, service, club membership, any form of discounts or commissions, hampers, jewellery, ornament, any gifts, souvenirs, or anything of value which is given to or received by an employee, his or her spouses or any other person on his behalf, without any or insufficient consideration known to the employee.

### 4.10 Hospitality

A generous and friendly treatment, reception or entertainment that can be perceived by a third party, to be for the purpose of bribery even if neither the giver nor the receiver intended it to be for this purpose.

### 4.11 Money Laundering

Act of a person who engages, directly or indirectly, in a transaction that involves proceeds of any unlawful activity, acquires, receives, possesses, disguises, transfers, converts, exchanges, carries, disposes, uses, removes from or brings into Malaysia proceeds of any unlawful activity or conceals, disguises or impedes the establishment of the true nature, origin, location, movement, disposition, title of, rights with respect to, or ownership of, proceeds of any unlawful activity.

### 4.12 Political Contribution

Contributions made to any political party registered under the Societies Act 1966 (Act 335) or any political party registered in the country where business is conducted.

### 4.13 Public Officer

Any person who is a member, an officer, an employee or a servant of a public body, including members of the administration, a member of Parliament, a member of a State Legislative Assembly, a judge of the High Court, Court of Appeal or Federal Court, and any person receiving any remuneration from public funds, and, where the public body is corporation sole, includes the person who is incorporated as such.

### 4.14 Relevant Authorities

Any organization or person which shall have the authority under the relevant laws of Malaysia to investigate or conduct enforcement activities or impose any fines/penalty/compound or to exercise such other powers vested in them under the relevant laws.

### 4.15 Sponsorship

Any kind of support, financially or non-financially, extended to an individual, entity, organization or association to fund, care or sustain a project, activity, individual or event with the primary purpose to promote brand and build reputation in return.

### 4.16 Support Letter

Any form of communication that is conveyed either verbally or in writing which includes letters, memos, minutes, emails, short message services, oral conversations, telephone calls or other forms intended to support an application or influence or exert pressure in any decision making of PUSPAKOM.

### 4.17 Senior Management

The senior level management consists of the CEO and heads of various divisions.

### 4.18 Whistleblowing

Channel to lodge any complaints or concern regarding misconduct or malpractice.

## 5.1 Conflict of Interest

- 5.1.1 PUSPAKOM has established a Code which has a specific chapter on the Conduct on Conflict of Interest. All employees are required to acknowledge, accept and execute the Code.
- 5.1.2 PUSPAKOM's employees should avoid situations in which their personal interest could conflict – or appear to conflict – with the Company's business.
- 5.1.3 This chapter on conflict of interest provides guidance to identify and address any circumstances that might give rise to conflict of interest amongst employees, directors, counterparties and third parties of PUSPAKOM.
- 5.1.4 At all times, employees cannot use personal influence or positions to get PUSPAKOM to do business or enter into any undertaking with a Company or a third party in which our family members or friends have an interest, directly or indirectly.
- 5.1.5 As such, employees must not take part in any activity or relationship that may conflict with our responsibilities to PUSPAKOM.
- 5.1.6 At all times, employees, or any of our family members cannot solicit, request or receive gifts, loans or other special preferences beyond what are otherwise ordinarily available from a person or third party that does, has done, or wants to do business with the Company or is a competitor of the Company.
- 5.1.7 In dealings on behalf of PUSPAKOM, employees must not realize any profits or derive any benefits. Any gifts, souvenirs or sales promotional items shall be managed according to Gift & Business Courtesy Policy.
- 5.1.8 At all times, an employee shall not allow his/her independent judgment to be prejudiced by direct or indirect personal interests including that of his/her families.
- 5.1.9 In situations where confronted with such conflict, employees shall inform their direct superior immediately.

### 6.1 PUSPAKOM Whistleblowing Policy

- 6.1.1 PUSPAKOM has adopted DRB-HICOM's Whistleblowing Policy to ensure all management and employees of PUSPAKOM and all vendors, contractors, suppliers, distributors, consultants and other third parties are able to raise concerns regarding any suspected fraud, corruption, illegal conduct, wrongdoing or any form of malpractice without being subject to victimization, harassment or discriminatory treatment, and to have such concerns properly investigated. This policy act as an early warning system to avoid possible risks of loss or adverse reputation to the Company.
- 6.1.2 The Whistleblower's identity and information will be protected, kept confidential and will not be disclosed.
- 6.1.3 Protection to the Whistleblower under the Whistleblower Protection Act 2010 (Act 711) enforced by the authority:
- a) protection of confidential information;
  - b) immunity from civil and criminal action; and
  - c) protection against detrimental action
- 6.1.4 The protection to the Whistleblower's will be given by the authority if disclosure is true, honest and in good faith. No protection will be provided if it is known that the disclosure has been made for personal or malicious intent and may subject to disciplinary action.

### 6.2 Implementation Procedures

- 6.2.1 Every complaints, reports or information can be channelled via mail or e-mail or hotline number to Group Internal Audit, DRB-HICOM Berhad as published by PUSPAKOM or DRB-HICOM Berhad from time to time.
- 6.2.2 Investigation team will assess, investigate, report and recommend a course of action in prompt and fair manner.

## 7.1 PUSPAKOM Responsibility

- 7.1.1 PUSPAKOM committed in the prevention of corruption and crimes involving its employees or any third parties.
- 7.1.2 PUSPAKOM is responsible to report any violation of anti-bribery laws involving any employee or third party to the relevant authorities.

## 7.2 Management of Misconduct

- 7.2.1 PUSPAKOM shall impose disciplinary action against any form of misconduct, in accordance to the disciplinary procedure as deemed fit.
- 7.2.2 If the misconduct is related to a criminal offence or the misconduct may lead to further criminal activities, PUSPAKOM shall make necessary report to the relevant authorities.
- 7.2.3 If the misconduct is categorised under criminal offences, PUSPAKOM with the consent of Senior Management and/or Board may refer the disclosure and all relevant information to any relevant authority such as the PDRM and/or MACC and/or others and impose any disciplinary actions in accordance to disciplinary procedure as deemed fit.

## 8.1 Donation and Sponsorship

All employees must ensure that all donation and sponsorship are not part of or in relation to the negotiation of any bid, tender, contract renewal or prospective business relationship with parties associated with receiving individual or entity. There should not be any conflict of interest, or any perceived conflict of interest, between PUSPAKOM, its employees and/or directors and the sponsored individual, entity or event. PUSPAKOM forbids any employee or director directly or indirectly from providing any donation & sponsorship in the course of his/her employment as a way to obtain a personal advantage in a commercial transaction. All forms of donation & sponsorship must comply where practicable all applicable legislation, regulations and the Code. PUSPAKOM's contribution focuses on the welfare of the community in three areas i.e. vehicle and road safety, environmental and social.

## 8.2 Corporate Responsibility

Corporate Responsibility remains as part of our commitment to the society. Our corporate responsibility policy ensures that we rigorously adhere to the highest standards in complying with, and exceed where practicable all applicable legislation, regulations and the Code. It is important to ensure that any corporate responsibility activities or requests are aligned with PUSPAKOM values and ethical policies such as the Anti-Bribery Policy. The proposed recipient must be a legitimate organization and appropriate due diligence must be conducted in particular to ascertain its legality. Any red flags must be resolved before committing any funds to the program. Even requests determined to be legitimate must be carefully structured to ensure that the benefits reach their intended recipients.



## 8.3 Political Contribution

PUSPAKOM and employees acting on behalf of PUSPAKOM are prohibited from making or offering political contribution including monetary or in-kind to political party officials or candidates for public office.

### 9.1 Facilitation Payment

- 9.1.1 PUSPAKOM prohibit facilitation payments involving unofficial and improper payments or benefits, including gifts or entertainment, provided to secure or expedite a routine or necessary action as it is seen as a form of bribery and corruption.
- 9.1.2 All PUSPAKOM employees and third-parties involved in any business dealing with PUSPAKOM must not offer, promise, give, request or accept anything which might reasonably be regarded as a facilitation payment.

## 10.1 Receiving Gifts

- 10.1.1 All employees are prohibited from soliciting, procuring or receiving directly or indirectly i.e. hampers, gifts, favors, things of value or any facility or other intangible benefit from customers including suppliers / contractors and professional advisors.
- 10.1.2 Gifts and business courtesies offered that are deemed as “appropriate gifts” to be recorded in the PUSPAKOM Gift Declaration Form.
- 10.1.3 It is compulsory for PUSPAKOM employees to furnish the above form which will be approved by their immediate superior for further action:
- a) Any approved and/or acceptance of gift will be recorded accordingly with proper written justification; or
  - b) Any unapproved gift to be returned accordingly to the respective party with proper explanation about the Company’s policy; after which
  - c) Completed forms shall be submitted to HCD for record.

## 10.2 Legitimate Business Purpose of Gifts and Hospitality

- 10.2.1 Gifts and hospitality such as meals, drinks, entertainment, travel, or accommodation will usually have a legitimate business purpose when:
- a) they are appropriate, and necessary for and provided in connection with the promotion, demonstration, or explanation of PUSPAKOM or a third-party company’s products or services; and
  - b) there is nothing to suggest an expectation in return of improper performance, undue advantage or influence or other corrupt intent
- 10.2.2 Generally, employees with the exception of Senior Management and Head of Department/Section who directly report to the CEO are not allowed to provide gifts to third parties.

## 10.3 Exceptions to the policy

10.3.1 There are certain exceptions to the policy whereby the receiving and provision of gifts are permitted, such as in the following situations:

- a) Exchange of appropriate gifts at the company-to-company level in maintaining cordial relationships with existing or future business partners;
- b) Gifts from PUSPAKOM to external institutions or individuals in relation to the PUSPAKOM's official functions, events, celebrations and disaster relief;
- c) Gifts from PUSPAKOM to its employees and directors and/or their family members in relation to an internal function, event, celebration and disaster relief;
- d) Token gifts of nominal value bearing PUSPAKOM logo or that are given out equally to members of the public, stakeholders, partners attending events such as launches, conferences, exhibitions, training, trade shows etc. and deemed as part of the PUSPAKOM's brand building or promotional activities;
- e) To external parties who have no business dealings with PUSPAKOM i.e.; monetary gifts or gifts in-kind to charitable organizations and non-governmental organizations.

## 11.1 Dealing with Third Parties

- 11.1.1 PUSPAKOM employees must be mindful and comply with all applicable rules to prevent corrupt business dealings and inappropriate business practices when dealing with third parties.
- 11.1.2 This applies whenever PUSPAKOM employee establish relationships with third parties. Employees are responsible to take reasonable precautions to ensure third party conduct business ethically.
- 11.1.3 A third party comprises of business associates including customers and public officers.

## 11.2 Due Diligence

- 11.2.1 PUSPAKOM employees must only engage with third parties if there is a legitimate need for the services or the goods that they provide.
- 11.2.2 The appropriate due diligence shall be conducted on the third party prior to any dealing to identify its background and business nature. Such due diligence should enable PUSPAKOM to determine the viability of the said third party based of their financial background, composition of directorship, shareholding and/or the standard of integrity of their business conduct. The due diligence conducted should include availability of relevant documentation on the said third parties.
- 11.2.3 PUSPAKOM should avoid dealing with any third parties known or reasonably suspected of corrupt practices or known or reasonably suspected to pay bribes.

### 12.1 Money Laundering

- 12.1.1 PUSPAKOM is against any practices related to money laundering including any dealings from proceeds of criminal activities.
- 12.1.2 PUSPAKOM shall manage its business activities in compliance to the governing acts, authorities, rules and regulations.
- 12.1.3 Any form of business undertakings or activities dealt by PUSPAKOM must be approved and monitored to avoid the implications of money laundering as defined by the statutory laws.
- 12.1.4 To avoid any risk of violating anti-money laundering laws, due diligence shall be conducted on the prospective business associates prior to any business dealing to identify its background and business nature.

## 13.1 Procurement Process

- 13.1.1 PUSPAKOM has established Procurement Policy and Procedure which applies to all employees for Company procurement activities.
- 13.1.2 All employees including procurement functions and all vendors, contractors, suppliers, distributors, consultants and other third parties shall comply with specified requirements and procedures as per the Procurement Policy and Procedure.
- 13.1.3 All employees shall avoid situations in which personal interest could conflict or appear to conflict with the Company's business. All times employees cannot use personal influence or positions to get the job from the Company or enter into any undertaking with third party in which his or her family members and friends have an interest direct or indirectly. All functions involve in the procurement process shall make necessary declaration of interest in such situations before the conduct of the procurement process.
- 13.1.4 Appropriate assessment and due diligence shall be conducted to individuals or third parties to ensure the business and background of the potential business partners are free from bribery elements or conflict of interest prior to procurement process.

## 13.2 Award Approval

- 13.2.1 Approvals for procurement award must be in accordance with the PUSPAKOM's LOA and MDA.



### 13.3 Verification of works

13.3.1 The job verification process shall be conducted to ensure all works, services, deliveries and supplies are completed according to the approved procurement requests.

### 13.4 Vendor Management

13.4.1 All procurement exercises for transaction within specified limits will use Approved Vendor List (“AVL”) as a source of vendors upon approval by CFO.

13.4.2 PUSPAKOM is required to pre-qualify new and existing non-active vendors that will participate in procurement dealings and tender exercise involving transactions within specified limits.

13.4.3 PUSPAKOM shall perform desk assessments to oversee vendors in order to reduce risk and safeguard Company interest by focusing on specific requirements.

13.4.4 PUSPAKOM will conduct periodic re-assessment and pre-qualify evaluation for AVL to provide any latest information in order to safeguard Company interest.

13.4.5 A vendor may be barred and blacklisted and will not be allowed to participate in any procurement exercises for the following reasons:

- a) Involved in a legal suit with any DRB-HICOM Group of Companies;
- b) Being deceitful in their past transactions with any DRB-HICOM Group of Companies;
- c) Has been served a winding up petition or declared bankrupt;
- d) Involved directly or indirectly in known illegal transactions; and
- e) Found to be in breach of the Code.

## 14.1 Appointment of Directors

The appointment of Directors within PUSPAKOM and its subsidiaries is under the purview of DRB-HICOM Berhad.

## 14.2 Recruitment of Employees

The recruitment for all positions at PUSPAKOM is done transparently to ensure fair and appropriate selection process that is based on merit by using the following methods:-

- 14.2.1 Initial screening will be conducted on most qualified and suitable candidates and the candidates who meet the prescribed qualification requirements will be called and evaluated in an interview session;
- 14.2.2 Interview panel shall not have any relationship with the candidate;
- 14.2.3 Candidates need to disclose in the job application form any known relationship with any of the employees who are still employed in the Company;
- 14.2.4 The HCD would then make further screenings such as evaluation of financial standings, background and reference checks with previous employers on the selected candidates. More detailed background checks would be made for higher management or critical positions;
- 14.2.5 Successful candidates to undergo medical screening at the Company's panel hospital/clinic prior joining the Company;
- 14.2.6 Upon reporting for duty, new employees are required to submit the signed employment acceptance letter, the Code, personal information and asset declaration.
- 14.2.7 Newly-joined employees will need to undergo induction sessions within specific period from the date of joining the Company which includes the introduction of the Company, terms and conditions of employment, work ethics which also includes aspects of integrity and other aspects of employment as well as the introduction of key function departments within Company.

## 15.1 Managing Support Letter

15.1.1 PUSPAKOM will not tolerate any form of support from a third party that :

- a) Causes PUSPAKOM or its employee to exercise bias or preferential treatment towards the third party;
- b) Disables PUSPAKOM or its employee to make a decision objectively;
- c) Causes PUSPAKOM or its employee to abuse its power or authority; and
- d) The outcome of any of the above may cause negative implication of the image and integrity of PUSPAKOM.

15.1.2 In the event of receiving any support letter, PUSPAKOM employees must take the following steps:

- a) If support is received in writing; or
- b) If the support is received verbally, the communication must be recorded in writing along with the information of the party providing the support and the form of support; after which
- c) Shall promptly report in writing the Support Letter received to the immediate superior for further instructions or action; and
- d) If for any reason or impractical to report to the immediate superior, staff shall report to any of Senior Management for further action.

## 16.1 Declaration of Assets

- 16.1.1 All PUSPAKOM employees are required to declare their assets, financial commitments and business interests in the same time interval determined or required by Senior Management.
- 16.1.2 The declaration is inclusive of any acquisition or disposal of assets as well as changes to the business interest that may occur during the course of the employee's employment with PUSPAKOM.
- 16.1.3 Asset declaration is one of the pre-condition for employment in which new employees shall submit the Declaration of Assets Form upon joining PUSPAKOM.

## 17.1 Limits of Authority and Management Delegated Authority

17.1.1 There are 2 levels of limits of authority which are approved by the Board of Directors of the Company namely:

- a) Limits of Authority (“LOA”); and
- b) Management Delegated Authority (“MDA”)

17.1.2 Both provides a guidelines related to financial and non-financial authority limits which covers Corporate, Contract & Purchases, Legal Matters, Finance, Accounting & Treasury, Fixed Assets/Capital Expenditure, Operating Expenditure, Corporate Communication & Corporate Responsibility, Human Capital and other matters.

17.1.3 LOA is reference for exercise of authority beyond CEO while the MDA provides a guideline for the powers of delegation within PUSPAKOM’s Management.

17.1.4. This is to ensure that the right authority is associated with the right nature of transaction within the relevant limits allowable to execute day-to-day transaction and activities.

17.1.5 In the events of uncertainty and ambiguity, it is of importance to seek Board’s approval prior to any action or implementation.

## 18.1 PUSPAKOM Code of Ethics and Business Practice (“The Code”)

This Anti-Bribery Policy complements to the Code. The Code serves as a guide and formal commitment to ensure employees act in a professional manner and demonstrate exemplary standards of ethics and integrity at all times and conduct businesses in a transparent, appropriate and fair manner. There are eight (8) underlying principles that employees must observe which are Honesty, Integrity, Leadership, Professionalism, Loyalty, Responsibility, Trustworthiness and Personal Conduct. This Code stipulates the enablers for effective implementation of and compliance to the Company's policies, laws, rules and regulations such as its distribution, maintenance and review mechanism and compelled to provide a workplace that foster trust, respect, positivity and confidence.

## 19.1 PUSPAKOM Risk Management Policy

The PUSPAKOM Risk Management Policy serves as the starting point in the risk management framework, overarching the key elements embedded within the risk management to be implemented by PUSPAKOM. The objective of the policy is to support the overall business objectives of the Company by ensuring that the risk management becomes the concern of everyone in the organization and that corruption risk management practices are consistently embedded across the Company. PUSPAKOM Risk Management Policy is to provide guideline on risk management process and aligned with the Group Risk Management Policy of DRB-HICOM Berhad.

## 19.2 Corruption Risk Management (“CRM”)

CRM is specifically focusing on activities exposed to bribery offences under Malaysian Anti-Corruption Commission (“MACC”) Act 2009. This approach and process enables the detection of signs of power abuse, malpractice and risk of corruption to an early stage and appropriate correction action can be taken.