



## ***PUNCAK NIAGA HOLDINGS BERHAD***

[416087-U]

### ***Anti-bribery and Corruption Policy***

**Puncak Niaga Holdings Berhad** and its subsidiaries ("**Puncak Niaga Group**") committed to prohibit bribery and corruption and uphold the highest standards of integrity, accountability, and professionalism in the conduct of our businesses.

Without prejudice to the generality of the above statement, **Puncak Niaga Group** is subject to the following: -

- To comply with the provisions of the Malaysian Anti-Corruption Commission Act 2009 (Act 694) and other applicable laws;
- To adopt a zero-tolerance policy against all forms of bribery and corruption by the Directors, Management, employees, and any individual or organisation acting for the Company and on its behalf;
- The Board of Directors, Management, its employees, and individuals or organisation acting or performing services for or on behalf of the Company are strictly prohibited from directly or indirectly soliciting, accepting, or offering bribes in relation to the Company's businesses and operations;
- To conduct due diligence to assess the integrity of prospective individuals or organisations acting or performing services for or on behalf of the Company prior to entering into any formalised relationships;
- To provide a framework for setting, reviewing, and achieving anti-bribery and corruption objectives;
- To encourage employee to report, in good faith, on any suspected, attempted or actual incidence of corruption in the Company;
- To commit satisfy anti-bribery and corruption management system requirements and monitor its compliance;
- Integrity Unit as independent body which control and responsible the anti-bribery process work;
- Any Puncak Niaga Group's employees who does not comply with this policy will be subjected to disciplinary proceedings;
- To review this policy to ensure that it remains relevant, appropriate, and effective in enforcing the principles outlined herein, as well as to ensure continued compliance with prevailing law.

**Tan Sri Rozali Ismail**

Executive Chairman  
Puncak Niaga Holdings Berhad  
**02 August 2022**

## **PUNCAK NIAGA’S ANTI-CORRUPTION POLICY AND PROCEDURES**

### **1. OBJECTIVE**

Puncak Niaga Holdings Berhad (“Puncak Niaga”) and Puncak Niaga Group are fully committed to upholding the highest standards of business integrity and to comply with the relevant provisions of the Malaysian Anti-Corruption Commission (Amendment) Act 2019, as amended from time to time (“MACC Act”).

The objective of this Policy and Procedures Statement is to set out the adequate procedures to be implemented to prevent the occurrence of corrupt practices in Puncak Niaga’s and Puncak Niaga Group’s business activities.

This Policy and Procedures Statement provides Puncak Niaga and Puncak Niaga Group’s employees with information and guidance on Puncak Niaga’s policies and procedures on how to avoid and respond to situations that could potentially violate the MACC Act and this Policy. Directors and employees are expected to understand and comply with the MACC Act.

This Policy and Procedures Statement are founded on the Five Adequate Procedures Principles : TRUST as laid out in the Guidelines on Adequate Procedures issued by the Malaysian Anti-Corruption Commission (“MACC”) pursuant to Section 17A of the MACC Act, namely:-

- Principle I :       Top Level Commitment
- Principle II:       Risk Assessment
- Principle III:       Undertake Control Measures
- Principle IV:       Systematic Review, Monitoring & Enforcement
- Principle V:       Training & Communication

## **2. PUNCAK NIAGA'S ANTI-CORRUPTION POLICY**

At Puncak Niaga, our **Anti-Corruption Policy of Zero Tolerance Towards Corruption And Corrupt Practices Within And Outside Puncak Niaga And Puncak Niaga Group** are founded on the following TRUST guiding principles, namely:-

### **Principle I : Top Level Commitment**

The Board of Puncak Niaga is primarily responsible for ensuring that Puncak Niaga and Puncak Niaga Group:-

- (i) Practices the highest level of integrity and ethics in the conduct of its business activities;
- (ii) Complies fully with the applicable laws and regulatory requirements on anti-corruption;
- (iii) Effectively manages the key corruption risks of Puncak Niaga and Puncak Niaga Group;
- (iv) Promotes a culture of integrity within Puncak Niaga and Puncak Niaga Group.

### **Principle 11 : Risk Assessment**

The Management of Puncak Niaga and Puncak Niaga Group shall be responsible to identify, analyze, assess and prioritize the corruption risks of Puncak Niaga and Puncak Niaga Group and to conduct comprehensive corruption risk assessment in its Quarterly Risk Assessments which includes the following:-

- (i) Opportunities for corruption and fraud activities resulting from weaknesses in Puncak Niaga's/Puncak Niaga Group's governance framework and internal controls systems and procedures;
- (ii) Financial transactions that may disguise corrupt payments;
- (iii) Business activities or industries that pose a higher corruption risk;
- (iv) Non-compliance of external parties acting on behalf of Puncak Niaga and Puncak Niaga Group regarding legal and regulatory requirements related to anti-corruption;

- (v) Relationships with third parties in its supply chain (for example agents, vendors, contractors and suppliers) which are likely to expose Puncak Niaga and Puncak Niaga Group to corruption risks.

### **Principle III : Undertake Control Measures**

The Management of Puncak Niaga and Puncak Niaga Group shall be responsible to put in place the appropriate controls and contingency measures which are reasonable and practicable in proportion to the industry, nature, complexity and size of each organization within Puncak Niaga Group in order to address any corruption risks arising from the weaknesses in each organization's governance framework, processes and procedures and to ensure that the following are put in place in the conduct of Puncak Niaga's and Puncak Niaga Group's business activities:-

- (a) Due Diligence – key considerations or criteria are established for the conduct of due diligence on any relevant parties or employees prior to entry into any formal relationships with Puncak Niaga and Puncak Niaga Group;
- (b) Reporting Channel – Puncak Niaga's Whistle Blowing Policy and channel are in place which encourage employees to report, in good faith, on any suspected, attempted or actual incidences of corruption in Puncak Niaga and Puncak Niaga Group and the identity of the whistleblower and the information reported shall be kept confidential.

### **Principle IV : Systematic Review, Monitoring & Enforcement**

The Management of Puncak Niaga and Puncak Niaga Group shall ensure that regular reviews are conducted to assess the performance, efficiency and effectiveness of its Anti-Corruption Program and to ensure that Puncak Niaga's Anti-Corruption Program is enforced within Puncak Niaga and Puncak Niaga Group.

### **Principle V : Training and Communication**

The Management of Puncak Niaga and Puncak Niaga Group shall develop and implement continuous internal and external trainings and ongoing communications relevant to its Anti-Corruption Management System covering Puncak Niaga's Anti-Corruption Policy, training, reporting channel and the consequences of non-compliance to the MACC Act and Puncak Niaga's Anti-Corruption Policy which shall include but are not limited to the following:-

- (a) Communication of the Policy – Puncak Niaga’s Anti-Corruption Policy shall be published on its website and appropriately communicated to all employees and business associates of Puncak Niaga and Puncak Niaga Group through Puncak Niaga’s intranet and website, emails, internal newsletters, Code of Business Ethics, Employee Handbook and staff assemblies or town hall sessions.
- (b) Training – Our employees shall be given anti-corruption risk awareness training on Puncak Niaga’s Anti-Corruption Policy and stand towards associated corruption risks, especially in relation to their role within and outside Puncak Niaga and Puncak Niaga Group which include but are not limited to induction programs with an anti-corruption module, internal and external trainings, communications through intranet, emails, internal newsletters, staff assemblies and town hall sessions.

### **3. SCOPE OF PUNCAK NIAGA’S ANTI-CORRUPTION POLICY**

This Policy applies to all directors and employees of Puncak Niaga and Puncak Niaga Group. All directors, employees and any third parties acting on behalf of Puncak Niaga and Puncak Niaga Group must comply with this Policy.

### **4. DEFINITIONS**

In this Policy, the following definitions shall apply:-

- 1. Bribe – A payment or promise or offer to give money, fee, commission, credit, gift, gratuity or any form of gratification which is of value to a person in a position of influence or another person with the intent:-
  - (a) To obtain or retain business for Puncak Niaga and/or Puncak Niaga Group; or
  - (b) To obtain or retain an advantage in the conduct of business for Puncak Niaga and/or Puncak Niaga Group.
- 2. Charitable Donations – A monetary gift or payment-in-kind made to a non-profit organization, charity or foundation including those organizations granted tax exempt status by the Inland Revenue Department under Subsection 44 (6) of the Income Tax Act, 1967.

3. Director – A person who is a director of Puncak Niaga and/or Puncak Niaga Group and includes both the executive and independent non-executive directors of Puncak Niaga and/or Puncak Niaga Group.
4. Employee – A person, including a director, who is appointed or employed by Puncak Niaga and/or Puncak Niaga Group, either as permanent or temporary or contract basis and paid hourly rates or monthly fees or monthly allowances or salaried, in return for financial and other compensation.
5. Facilitation Payment – A small cash payment to a low ranking GO to facilitate or expedite a routine governmental action. Facilitation Payments should be made only when absolutely necessary.
6. Gift – Any item that is provided to a third party, individual or entity that is completely gratuitous and where the giver receives nothing of value in return.
7. GO – Any person acting on behalf of a public body as defined in Section 3 of the MACC Act, the federal or state government or ministry, agency, department or other entities of the government (eg federal, state or local governmental bodies or municipalities). These include any employees of businesses or entities owned (whether in whole or in part), controlled or operated by a government agency.
8. GO Expenditures – Any reimbursable expenses for meals, entertainment, travel, accommodation, gifts, donations, contributions provided to a GO.
9. Red Flag – Refers to indicators or circumstances which could place a reasonable person on notice that a potential illegal or improper conduct has or may occur. A Red Flag does not mean that an action or transaction should immediately be terminated or is in fact a violation of Puncak Niaga’s and/or Puncak Niaga Group’s policy or the law. However, it does mean that an Employee should engage in an appropriate level of additional review, due diligence and investigation before proceeding with the next course of action.
10. Requestor – Puncak Niaga or Puncak Niaga Group’s point of contact who is overseeing the vendor or Third Party Intermediary.

11. Social Responsibility Payments – Any payment made as a requirement and in conjunction with a bid, tender or government contract. Social Responsibility Payments are required by the local governments and municipalities and are intended to improve the community or to address issues related to Puncak Niaga’s or Puncak Niaga Group’s industry or operations. Social responsibility payments include, for example, projects to upgrade water supply systems, roads, community halls, homes for the elderly, foster children, underprivileged group, kindergartens, child care centers and nurseries, schools or places of religious worship, promotion of road safety awareness campaigns, sports and recreational activities and programs, “gotong royong” activities with the local communities, social, youth, child welfare and community related programs and causes. Such payments are to be made directly to and in support of a social project, campaign, activity or program and the payment should never be made directly to a GO.
12. Sponsorship – Any funding, in monetary or non-monetary form, for a marketing activity, campaign, event or initiative where:-
  - (i) Puncak and/or Puncak Niaga Group’s name is associated with the activity, campaign, event or initiative; or
  - (ii) The funding is dedicated towards a certain pre-defined activity, campaign, event or initiative; or
  - (iii) Puncak and/or Puncak Niaga Group may receive a promotional recognition or reputation or branding enhancement opportunity.
13. Third Party Intermediary – Any agent, representative, consultant, contractor, distributor, joint venture partner or any third party engaged to act on Puncak’s and/or Puncak Niaga Group’s behalf with GOs. This includes vendors appointed, mandated or recommended by a government-related entity or official.
14. Trade Association or Professional or Corporate Membership (“Memberships”) – A membership within an industry or business trade group, professional body or association, business chamber of commerce, the purpose of which is to promote the industry and Puncak Niaga’s and/or Puncak Niaga Group’s common interests.
15. Vendors – A person or company that sells or supplies goods or services to Puncak Niaga and/or Puncak Niaga Group.

## **5. RESPONSIBILITIES**

1. The Compliance & Integrity Officer shall be responsible for implementing and enforcing this Policy for and on behalf of Puncak Niaga and Puncak Niaga Group.
2. The Managing Director of Puncak Niaga shall issue an annual assurance statement to the Board of Directors of Puncak Niaga as to whether the key corruption risks of Puncak Niaga and Puncak Niaga Group have been effectively managed and to explain deviations, if any, and the action plans to be taken to address any shortcomings encountered.
3. The Managing Directors, Heads of Divisions, Heads of Departments, Heads of Units and Management personnel of Puncak Niaga and Puncak Niaga Group shall be responsible for ensuring that the operations of Puncak Niaga and Puncak Niaga Group and the Employees under their supervision and control abide by and understand this Policy.
4. The Training Department shall be responsible to ensure that Puncak Niaga's and Puncak Niaga Group's induction programs for new Employees include the anti-corruption risk awareness module on Puncak Niaga's Anti-Corruption Policy and Puncak Niaga's and Puncak Niaga Group's stand towards associated corruption risks, especially in relation to their role within and outside Puncak Niaga and Puncak Niaga Group and continuous refresher trainings are to be conducted annually on the subject matter, where necessary.
5. All Employees of Puncak Niaga and Puncak Niaga Group shall be responsible to ensure compliance with this Policy and to report demands for bribes from any GO to the Compliance & Integrity Officer or the Executive Chairman or Managing Director or Head of Division immediately.



## **6. ADEQUATE PROCEDURES**

Under sub-section 17A (1) of the MACC Act, it is an offence to corruptly give, agree to give, promise or offer to any person any gratification whether for the benefit of that person or another person with the intent:-

- (a) To obtain or retain business for Puncak Niaga or Puncak Niaga Group; or
- (b) To obtain or retain an advantage in the conduct of business for Puncak Niaga or Puncak Niaga Group.

Sub-section 17A (2) of the MACC Act further provides that in the event Puncak Niaga or Puncak Niaga Group commits an offence under this section, upon conviction, Puncak Niaga or Puncak Niaga Group would be liable to a fine of not less than ten times the sum or value of the gratification which is the subject matter of the offence, or RM1.0 million, whichever is the higher, or to imprisonment for a term not exceeding 20 years or to both.

### **6.1 Management's Responsibility**

The Management of Puncak Niaga and Puncak Niaga Group shall ensure that the following adequate procedures are implemented to prevent the incidences of corruption in Puncak Niaga and Puncak Niaga Group:-

- (a) Establish, maintain and annually review its Anti-Corruption Compliance Program;
- (b) Promote and practice a culture of good governance, integrity and business ethics within Puncak Niaga and Puncak Niaga Group;
- (c) Comply fully with the applicable laws and regulatory requirements on anti-corruption;
- (d) Disseminate information on Puncak Niaga's Anti- Corruption Policy to its Employees and to external parties;
- (e) Encourage the use of its Whistle Blowing channel to report any suspected and/or real corruption incidents within Puncak Niaga and Puncak Niaga Group;

- (f) Ensure that adequate financial controls are in place which include the clear separation of duties for personnel tasked with handling, processing and approving payments and clear limits of authorities for financial transactions and cheque signatories for banking accounts of Puncak Niaga and Puncak Niaga Group;
- (g) Ensure that adequate non-financial controls are in place which include the clear separation of duties for personnel tasked with tender processes and clear approving limits of authorities and adequate pre-tendering processes and procedures for Puncak Niaga and Puncak Niaga Group.
- (h) Appoint a competent person as the Compliance & Integrity Officer to be responsible for all anti-corruption compliance matters, including the provision of advice and guidance to the Employees and business associates on Puncak Niaga's and Puncak Niaga Group's Anti-Corruption Compliance Program;
- (i) Ensure that the Compliance & Integrity Officer has a direct reporting line to the Audit Committee and Board of Directors of Puncak Niaga;
- (j) Ensure that the results of any audit, review of the anti-corruption risk assessment, control measures and performance are reported to the Executive Committee ("EXCO"), Compliance Internal Control and Risk Policy Committee, Audit Committee and ultimately, the Board of Directors of Puncak Niaga, and all weaknesses and/or shortcomings identified are acted upon.
- (k) Reserve the right to report any actions or activities suspected of being criminal in nature under the MACC Act to the police or the relevant regulatory authorities.

## **6.2 Third Party Intermediaries**

- (a) The relevant Divisions or Departments must take the following steps before engaging, hiring or paying any Third Party Intermediaries:-
  - (i) The Requestor must complete the Due Diligence Checklist on Vendor Form as per Appendix A and submit the completed Due Diligence Checklist on Vendor Form to the Compliance & Integrity Officer.

- (b) The relevant Divisions or Departments will conduct the due diligence procedures as set out in Section 6.3 below. If Red Flags are identified during the review of the Due Diligence Checklist on Vendor Form submitted by the Requestor by the Compliance & Integrity Officer, the engagement, hiring and payment of the Third Party Intermediary will be denied.
- (c) The relevant Divisions or Departments and the Contract and Procurement Department will perform the background check on the Third Party Intermediaries. If there is no adverse information found on a Third Party Intermediary, an acknowledgement of the use of that Third Party Intermediary will be sent by the Compliance & Integrity Officer via email to the Third Party Intermediary with a copy of the email to the Requestor and the Contract and Procurement Department.
- (d) The Compliance & Integrity Officer will maintain the record of all Third Party Intermediaries' acknowledgement emails in the Compliance folder.
- (e) The Board and/or EXCO of Puncak Niaga reserve the discretion to prohibit the use of any Third Party Intermediary at any time without assigning any reason thereof.
- (f) After the Third Party Intermediary is approved by Puncak Niaga and/or Puncak Niaga Group, a copy of the signed Letter of Award and/or Mandate Letter and/or Engagement Letter and/or Service Agreement/Contract will be given to the Compliance & Integrity Officer for record purposes.
- (g) The Requestor or any Employee of Puncak Niaga and/or Puncak Niaga Group who verify, supervise, process or approve the payment invoices received from the Third Party Intermediaries must exercise due care to detect and reject any incomplete, vague or suspicious transactions, invoices or payments.
- (h) All Third Party Intermediaries must sign Puncak Niaga's Anti-Corruption Terms and Conditions on a yearly basis in the month of January of each year. The Compliance & Integrity Officer is tasked with the responsibility to ensure that the Third Party Intermediaries adhere to this compliance requirement on a yearly basis.
- (i) All Third Party Intermediaries must undergo Puncak Niaga's and/or Puncak Niaga Group's due diligence process once every 2 years. The duration of the contract of the Third Party Intermediaries should not be more than two (2)

years but may be extended at the option of Puncak Niaga and/or Puncak Niaga Group if the performance and service levels meets Puncak Niaga's and/or Puncak Niaga Group's expectations.

- (j) Third Party Intermediaries shall perform only the work which are within the agreed scope of works. If the Third Party Intermediaries are being asked to perform works which are outside the agreed scope of works by Puncak Niaga and/or Puncak Niaga Group, a separate Due Diligence Checklist on Vendor Form must be submitted to the Compliance & Integrity Officer as stipulated under Section 6.2 (a) above. The Third Party Intermediaries may only perform the new services and/or new scope of works after the approval of the Compliance Office is obtained.

### **6.3 Due Diligence Procedures**

- (a) The relevant Divisions or Departments initiating the appointment of the Third Party Intermediaries and the Contract and Procurement Department shall be responsible for the conduct of the due diligence on the Third Party Intermediaries using Puncak Niaga's risk scorecard and risk management methodology.
- (b) The type of services/vendor categories of the Third Party Intermediaries include but are not limited to the following:-
- Business development partner
  - Consultant
  - Contractor
  - Insurance broker/agent
  - Immigration agent
  - Manufacturer's representative/dealer
  - Supplier
  - Foreign workers' consultant/agent
  - External auditors
- (c) The level of government interaction, if any, in the provision of the services by the Third Party Intermediaries, both direct or indirect, is to be ascertained.
- (d) Whether the vendor was appointed, mandated or recommended by a government-related entity or a GO.

(e) The due diligence process includes the following procedures:-

- Document verification : The objective is to obtain information on the directors and ownership structure and track record of the Third Party Intermediaries, whether the terms and rates for the proposed agreement are fair and reasonable against market rates.
- Background check : The objective is to find out, from information available in the public domain or third party sources, whether the Third Party Intermediary has been sanctioned, fined or penalized for a corruption offence in Malaysia, has a history of alleged and committed corrupt practices and to verify that the services to be rendered by the Third Party Intermediary are real and legitimate.
- Anti-Corruption Awareness : The Third Party Intermediary is to be made aware of Puncak Niaga's Anti-Corruption Policy of Zero Tolerance Towards Corruption And Corrupt Practices Within And Outside Puncak Niaga And Puncak Niaga Group and the authorized representative of the Third Party Intermediary shall be required to sign a form acknowledging that they are aware of Puncak Niaga's Anti-Corruption Policy and agree to adhere to Puncak Niaga's Anti-Corruption Policy.

#### **6.4 Prohibited Activities**

(a) As a Shariah-compliant entity and due to the increased risk of engaging a Third Party Intermediary, the following activities are prohibited/disallowed to be undertaken by the Third Party Intermediary:-

- Giving of gifts, contributions or donations to GOs on behalf of Puncak Niaga and/or Puncak Niaga Group.
- Provision of meals, entertainment, travel or accommodation to GOs on behalf of Puncak Niaga and/or Puncak Niaga Group without first furnishing the written terms of the arrangement which must be pre-approved in writing by Puncak Niaga and/or Puncak Niaga Group. These type of expenses are generally discouraged and will only be approved by Puncak Niaga and/or Puncak Niaga Group under exceptional/special circumstances.

- Making Facilitation Payment or any cash payment to GOs on behalf of Puncak Niaga and/or Puncak Niaga Group. These type of expenses are generally discouraged and will only be approved by Puncak Niaga and/or Puncak Niaga Group under exceptional/special circumstances.
- Sub-contracting or novating to other agents, representatives or other service provider to act on behalf of Puncak Niaga and/or Puncak Niaga Group without the prior written approval of Puncak Niaga and/or Puncak Niaga Group.

## **6.5 Facilitation Payments**

- (a) Whenever possible, payments should be made directly to a public body or government entities and not to the GOs and government issued receipts should be obtained for all such transactions whenever possible. Only when absolutely necessary, a small cash payment may be paid to a low level GO to facilitate or expedite a routine governmental action such as obtaining a police escort or police protection or expediting customs clearance.
- (b) Facilitation Payments should never be made to gain an unfair business advantage, including but not limited to the following situations:-
  - To win or secure a government contract or tender.
  - To obtain or retain a business.
  - To reduce or avoid tax assessments, settlements, fines and/or penalties.
  - To avoid custom duties or penalties.
  - To avoid labor, immigration, health, safety or environmental fines or penalties.
  - To improperly obtain a permit or license.
- (c) All Facilitation Payments or requests for reimbursement of Facilitation Payments which must not exceed RM300 in a single transaction must be approved by the Managing Director and Executive Chairman by filling up the petty cash reimbursement form and details of the payment/reimbursement

must be fully disclosed by the employee and verified by the immediate superior and the Head of Division/Executive Director.

- (d) In instances where there are various repeat payments to certain GOs over a period of time, the matter should be brought to the immediate attention of the Compliance Officer to investigate immediately if there are any suspicious or fraudulent activities being carried out.
- (e) All Facilitation Payments must be properly documented and verified by the immediate superior and the Head of Division/Executive Director and approved by the Managing Director and Executive Chairman regardless of the amount involved.

## **6.6 GO Expenditures**

- (a) All expenses for meals, entertainment, travel, accommodation, gifts, donations, contributions provided to any GO are categorized as GO Expenditures.
- (b) All meals, entertainment, travel and accommodation provided to GOs must be reasonable and for legitimate business purposes only. Employee(s) of Puncak Niaga and/or Puncak Niaga Group must be present during any meals or entertainment expenditures with the GOs.
- (c) Puncak Niaga and/or Puncak Niaga Group will reimburse the Employee(s) for a GO Expenditure as long as it has been pre-approved in advance and in writing by the Employee(s)' Head of Division/Executive Director and/or Managing Director and/or the Executive Chairman, as the case maybe and the GO Expenditure must meet the following criteria:-
  - The expenditure is directly related to the promotion of Puncak Niaga's and/or Puncak Niaga Group's services and directly precedes, includes or follows a business discussion or meeting involving the Employee(s) that will benefit Puncak Niaga and/or Puncak Niaga Group.
  - The expenditure is related to the performance of a contract for the government.

## 6.7 Gifts

(a) Puncak Niaga's and/or Puncak Niaga Group's Employees may provide a small gift or item with or without Puncak Niaga's and/or Puncak Niaga Group's logo which may include items such as flowers, potted plants, books or food to a GO if the following criteria are met:-

- The gift is given in an open and transparent manner.
- The gift is given as a sign of bona fide corporate hospitality, business gratitude or token of appreciation.
- The gift does not exceed RM1,000 in value to a single GO within a calendar year.
- The giving of the gift is pre-approved by the Head of Division/Executive Director and/or Managing Director and/or the Executive Chairman.
- Under special circumstances and with the pre-approval of the Executive Chairman, the gift may be up to RM3,000 in value to a single high level GO within a calendar year.
- The expenditures on gifts to GOs will be recorded in the GO Expenditure Ledger Account by the Finance Department and monitored by the Finance Department and reported by the Chief Financial Officer to the EXCO and Board on a quarterly basis.
- At any time, if the expenditures on gifts to a single GO exceed RM1,000 within a calendar year or RM3,000 to a single high level GO within a calendar year in the case of special circumstances which had been pre-approved by the Executive Chairman, the matter should be reported immediately by the Chief Financial Officer to the Executive Chairman, Managing Director, EXCO and the Board.



- (b) All Directors and Employees shall exercise due care and good judgement when receiving a gift from a third party. A gift may be received or accepted by a Director or Employee so long as the gift is reasonable in value, given during festive seasons or special occasions, infrequent in nature, transparent and open, is a bona fide hospitality and not given to influence or obtain an unfair advantage in the third party's business dealings with Puncak Niaga and/or Puncak Niaga Group.

**6.8 Charitable Donations, Corporate Social Responsibility Payments, Sponsorships and Memberships**

- (a) All expenses for charitable donations (both monetary and in-kind) or payments for corporate social responsibility programs or payments for a charitable, sustainable or educational purpose and not directed in any way to a GO in exchange for an unfair business advantage are allowed if the following criteria are met:-

- The charitable donations are made to entities or organizations that focus on the community, education, environment, health and safety, sports or sports welfare and recreational activities.
- Corporate social responsibility payments are made for the purpose of supporting a defined community welfare, education or social welfare program, project or community activity which includes but are not limited to the underprivileged groups.
- Sponsorships are made for the purpose of Puncak Niaga's or Puncak Niaga Group's participation in an exhibition, convention or event related to the Group's business and for the purpose of educational and research grants, training and education programs.
- Payments for Membership subscriptions are made to professional bodies or business chambers or trade associations that provide value to the Employees or are beneficial to Puncak Niaga or Puncak Niaga Group.

- All requests for the above contributions and payments are to be made in writing to Puncak Niaga and/or Puncak Niaga Group and in a transparent manner with adequate information explaining the purpose of such contributions and payments.
- The contributions, donations, sponsorships or payments for Membership subscriptions will promote/advance the business opportunities and/or the corporate image of Puncak Niaga and/or Puncak Niaga Group.

#### **6.9 Lobbying and Political Contributions**

- (a) As a Shariah compliant entity, it is a general policy of Puncak Niaga and/or Puncak Niaga Group to prohibit/disallow any transactions or expenses related to any form of political lobbying activities or political contributions to any political party to be made/made on behalf of or in the name of Puncak Niaga and/or Puncak Niaga Group.

### **7. SYSTEMATIC REVIEW, MONITORING AND ENFORCEMENT OF THE POLICY**

- (a) As an ongoing risk management and assurance process, the Internal Audit Department shall conduct an audit on Puncak Niaga's and/or Puncak Niaga's Anti-Corruption measures annually as part of the Internal Audit Department's Annual Audit Plan.
- (b) The Anti-Corruption Policy and Procedures will be updated and enhanced as and when deemed necessary by the Management of Puncak Niaga from time to time.
- (c) An independent third party is to be appointed to undertake a comprehensive corruption risk assessment and to provide an external assurance to the Board on the state of the governance framework and internal systems and procedures relating to Puncak Niaga's and/or Puncak Niaga Group's Anti-Corruption Policy and Procedures at least once in every three years or longer intervals, if necessary.
- (d) Any Employee who does not comply with Puncak Niaga's and/or Puncak Niaga Group's Anti-Corruption Policy and Procedures will be subjected to disciplinary proceedings.

## Due Diligence Checklist on Vendor Form

Name of Vendor : \_\_\_\_\_

### I. Due Diligence based on information furnished by Vendor or public information

#### A. Information on Vendor

The following documents must be furnished by the Vendor and annexed to this Form for verification purposes for vendor selection (✓) in the appropriate column below.

|   | Yes                      | No                       |
|---|--------------------------|--------------------------|
| a) Constitution   | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Business license   | <input type="checkbox"/> | <input type="checkbox"/> |
| c) Company structure  | <input type="checkbox"/> | <input type="checkbox"/> |
| d) Information on Directors/business executives/key personnel | <input type="checkbox"/> | <input type="checkbox"/> |
| e) Information on Shareholders/Business Owners                | <input type="checkbox"/> | <input type="checkbox"/> |
| f) Business Address/Location:                                 |                          |                          |

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Contact Tel No.: \_\_\_\_\_

Website: \_\_\_\_\_

|  |                          |                          |
|--|--------------------------|--------------------------|
| g) Past 3 years Audited Financial Statements | <input type="checkbox"/> | <input type="checkbox"/> |
|--|--------------------------|--------------------------|

h) Details of Litigation History of Vendor (if any, for the past 5 years)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

i) Details of any public sanctions or reprimands by regulatory authorities (if any, for the past 5 years)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Yes No

j) List of Trade Certifications and Standards/Quality  
Accreditations

☐
☐

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_
7. \_\_\_\_\_

k) Number of years in business: \_\_\_\_\_ years since Year \_\_\_\_\_

l) List of products and services offered

☐
☐

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_
7. \_\_\_\_\_

m) List of Major Clients and value of works/products/services for the past 3 years

- |           |          |            |
|-----------|----------|------------|
| 1. _____  | RM _____ | Year _____ |
| 2. _____  | RM _____ | Year _____ |
| 3. _____  | RM _____ | Year _____ |
| 4. _____  | RM _____ | Year _____ |
| 5. _____  | RM _____ | Year _____ |
| 6. _____  | RM _____ | Year _____ |
| 7. _____  | RM _____ | Year _____ |
| 8. _____  | RM _____ | Year _____ |
| 9. _____  | RM _____ | Year _____ |
| 10. _____ | RM _____ | Year _____ |

## II. Due Diligence based on internal check/verification by Puncak Niaga

### B. Background Verification on Vendor

- a) Telephone call to Vendor's office

Date: \_\_\_\_\_

Time: \_\_\_\_\_

Spoke to: \_\_\_\_\_ (Name) \_\_\_\_\_ (Designation)

Called made by: \_\_\_\_\_ (Name) \_\_\_\_\_ (Designation)

Details in Section A verified      Yes ☐      No ☐

Notes/Observations:- \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

- b) On site verification to Vendor's office

Date of Visit: \_\_\_\_\_

Time: \_\_\_\_\_ to \_\_\_\_\_

Inspection made by: \_\_\_\_\_ (Name) \_\_\_\_\_ (Designation)

Notes/Observations:- \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

### C. Conflict of Interest Check

- |   | Yes                      | No                       |
|---|--------------------------|--------------------------|
| a) Is Vendor related to any employee/Director of Puncak Niaga?                          | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Is Vendor procured through open tender/List of Panel Vendors?                        | <input type="checkbox"/> | <input type="checkbox"/> |
| c) Is Vendor recommended by any employee/business associates of Puncak Niaga/Government | <input type="checkbox"/> | <input type="checkbox"/> |
- If yes, specify the details below:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**D. Solvency Check on Vendor**

- |                                    | Yes                      | No                       |
|------------------------------------|--------------------------|--------------------------|
| a) Any CTOS blacklist?             | <input type="checkbox"/> | <input type="checkbox"/> |
| If yes, specify the details below: |                          |                          |

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- |                                 | Yes                      | No                       |
|---------------------------------|--------------------------|--------------------------|
| b) Financial strength on Vendor | <input type="checkbox"/> | <input type="checkbox"/> |
| Is Vendor solvent?              |                          |                          |

- a. Profit/Loss: RM \_\_\_\_\_
- b. Liabilities: RM \_\_\_\_\_
- c. Assets: RM \_\_\_\_\_
- d. Manpower Strength: \_\_\_\_\_

Notes/Other Comments, if any:-

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**Prepared by:**

**Verified by:**

\_\_\_\_\_  
**Name:**  
**Designation:**  
**Date:**

\_\_\_\_\_  
**Name:**  
**Designation:**  
**Date:**

**FORM OF ACKNOWLEDGEMENT AND  
ADHERENCE TO PUNCAK NIAGA'S ANTI-CORRUPTION POLICY**

\_\_\_\_\_  
We, \_\_\_\_\_ (Registration No.: \_\_\_\_\_ )

and having a business address at \_\_\_\_\_

\_\_\_\_\_ being a  
Contractor/Supplier/Vendor/Agent of \_\_\_\_\_ (Client) hereby  
confirm that we are aware and understand Puncak Niaga's Anti-Corruption Policy of  
Zero Tolerance Towards Corruption And Corrupt Practices Within And Outside Puncak  
Niaga And Puncak Niaga Group and we hereby further agree to adhere to Puncak  
Niaga's Anti-Corruption Policy for as long as we are acting in the above capacity for the  
Client.

This Acknowledgement is given on \_\_\_\_\_ (date) by our authorised  
representative below.

\_\_\_\_\_  
**Name of Authorised  
Representative:  
NRIC No.:  
Designation:**

\_\_\_\_\_  
**Company Chop**

**Witnessed by:**

\_\_\_\_\_  
**Name of Witness:  
NRIC No.:  
Designation:**