

Code of Conduct and Business Ethics

OSKH-GHR-POL-001-1

28 February 2018

OSK Holdings Berhad (207075-U)

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Revision History Log

Ver. No	Section	Section Name	Page	Details of Amendments	Effective Date	e-Circular No.
1	All	All	All	Document published	28-Feb-18	OSKH/GHR/CIR/001

Glossary

Term	Description
"Code"	Refers to this Code of Conduct and Business Ethic policy
"Company"	OSK Holdings Berhad
"employees"	Includes permanent, temporary, contract employees and interns under OSK Group
"GHR"	Group Human Resources
"OSK Group"	OSK Holdings Berhad and its subsidiaries, collectively
"price sensitive information"	Refers to non-public material information regarding the company that may affect the price of the company's securities

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A. POLICIES

A1. Overview

1. Introduction

- The Code of Conduct and Business Ethics (“Code”) is a statement of OSK Holdings Berhad’s commitment in promoting good business conduct and maintaining a healthy corporate culture, which is in alignment with OSK Group’s core values of Excellence, Forward Thinking, People Driven, Integrity and Humility & Respect.
- This Code applies to all directors and employees of OSK Holdings Berhad and its subsidiaries, collectively (hereinafter referred to as “OSK Group”).
- All directors and employees are expected to conduct their business with the highest principles of moral behaviour and integrity. The Code is in keeping with this objective and identifies the particular responsibilities that each director and employee must assume to merit public confidence and to protect the good reputation of OSK Group.
- Given the diverse business, this Code may not address every or all situations that may arise. In addition to adhering to the Code, directors and employees must also abide by other applicable policies and procedures when conducting business on behalf of the Company. If there is any doubt about whether a real, potential or apparent conflict has arisen or have any queries on the Code, no matter how trivial, immediate clarification must be consulted from the immediate superior, respective Heads of Division / Department, or Group Human Resources (“GHR”).
- For avoidance of doubt, if a prevailing and / or applicable law conflicts with a rule or policy set out in this Code, the law prevails.

2. Intended Audience

- This Code shall be applicable to the following:
 - Directors (executive and non-executive) of OSK Group;
 - Employees of OSK Group, including permanent, temporary, contract employees and interns (collectively refers to as “employees”); and
 - All businesses and countries that OSK Group operates.
- It is imperative that all directors and employees read, understand and adhere to the Code. A breach of the Code will result in disciplinary action, which may include summary dismissal if found guilty.

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3. Scope

- The Code is divided into three (3) main sections as follows:



4. Reference

- This Code shall be read in conjunction with the following:
 - OSK Group's Fraud Policy
 - OSK Group's Whistleblowing Policy
 - OSK Group's Personal Data Protection Policy
 - OSK Group's IT Policy for Employees
 - OSK Group's Diversity & Inclusion Policy
 - OSK Group's Related Party Transaction / Recurrent Related Party Transaction Policy
 - Disciplinary Procedures Policy (currently under development)
 - Any other relevant future policies or operations manuals which are developed by OSK Group

End

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A. POLICIES

A2. Business Conduct and Ethics

1. **Introduction**
 - This section summarises the values, principles and business practices that guide the business conduct of the Group and provides the minimum ethical requirements expected from the directors and employees.
 - All directors and employees must ensure that decisions and actions for or on behalf of the Group conform to the highest standard of ethical conduct. This involves the notions of integrity in the name of profit or competition.
2. **Compliance with Laws, Rules and Regulations**
 - Directors and employees must abide by and adhere to all laws, rules and regulations governing the way OSK Group operates its business, including any standards and directives from statutory or regulatory bodies (where applicable).
 - Directors and employees must abide by and adhere to all circulars, guidelines, internal policies, procedures and directives that may be imposed, amended and / or updated by OSK Group from time to time.
3. **Insider Trading**
 - “**Insider trading**” is the purchase or sale of a company’s securities effected by, or on behalf of a person with knowledge of relevant but non-public material information regarding the company that may affect the price of the company’s securities (“price sensitive information”) if made public.
 - Insider trading is a serious violation which may subject to legal actions. Directors or employees who have access to price sensitive information are not allowed to trade in securities of the Company or the shares of another listed company if that information has not been made public.
 - All price sensitive information about the Company should be considered confidential information. To use price sensitive information for personal financial benefit or to “tip” others who might make an investment decision on the basis of this information is not only unethical but also illegal.
 - Employees who obtain price sensitive information related to the Company in the course of their work are strictly prohibited to use or share that information, in whole or in part, to other parties for the purpose of insider trading.

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- 4. Abuse of Power or Authority**
- The abuse of power refers to an improper use of a position of influence, power or authority by a director or employee in the course of performing work, which causes personal harm or violates proper workplace behaviour.
 - Abuse of power or authority is strictly prohibited and failure to comply may result in disciplinary action in accordance with the Disciplinary Procedures.
- 5. Money Laundering and Financing of Terrorism**
- Directors and employees are expected to be mindful of the risk of money laundering activities within OSK Group and to raise any suspicious transactions of money laundering, bribery or financing of terrorism to immediate superior, Head of Division / Department or GHR, or may opt to invoke the Whistleblowing Policy.
 - The suspicious transaction must be reported to the Management for decision on the appropriate action(s) to be taken.
 - Suspicious transaction refers to any attempted or proposed transactions that:
 - Appears unusual and has no clear economic purpose;
 - Involve unusual and large amount of cash that does not commensurate with the customer's profile or business activities or transactions; and
 - Involves proceeds from an unlawful activity (e.g. indicates that the customer is involved in money laundering or terrorism financing activities).
- 6. Receiving Gifts**
- While OSK Group encourages developing sound stakeholder relationships, directors and employees shall not accept cash or inappropriate gifts that may place them in conflict of interest, influence business decisions or likely to compromise their personal or professional integrity.
 - 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 under this Code.
 - If in doubt whether it is appropriate to receive any gifts, directors and employees should discuss with their immediate superiors, Heads of Division / Department or GHR for advice.
- 7. Charitable / Political Contribution**
- As part of OSK Group's commitment to corporate social responsibility and philanthropic activities, the Company may make donations or contributions for charity.
 - An employee must obtain prior approval in accordance to OSK Group's Approving Authority Matrix before making contributions to any charity or political causes on behalf of OSK Group.

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- 8. Record Keeping, Accounting and Auditing**
- The Company has established internal control standards and procedures to ensure that assets are protected and properly used and that financial records and reports are accurate and reliable. All directors and employees share responsibility for maintaining and complying with required internal controls.
 - The Company requires honest and accurate recording and reporting of information. All financial reports, accounting records, auditing records, research reports, expense accounts and other similar documents must accurately and clearly represent the material facts.
 - Improper or fraudulent accounting, documentation or financial reporting is contrary to the Company's Fraud Policy and may be in violation of applicable laws.
 - The records should always be retained or destroyed according to the Company's record retention policies.
- 9. Confidentiality**
- Directors and employees must maintain the confidentiality of confidential information entrusted to them by the Company or its customers, except when disclosure is authorised or required by laws or regulations.
 - Confidential information includes all non-public information that might be of use or intend to competitors, or harmful to the Company, directors, employees or its customers, if disclosed. It also includes information that suppliers and customers have entrusted to the Company.
- 10. Protection and Proper Use of Company Assets**
- All directors and employees should endeavour to protect the Company's assets and ensure their efficient and proper use. Company assets should not be used for any non-Company business purposes.
 - The obligation of a director and employee is to protect the Company's assets which includes its proprietary information, such as trade secrets, patents, trademarks and copyrights, as well as business, marketing and service plans, designs, databases, records, salary information and any unpublished financial data and reports.
 - Any unauthorised use or distribution of this information violates Company's policy and could also be illegal.
 - Theft, carelessness and waste have a direct impact on the Company's profitability. Any suspected incident of fraud or theft must be immediately reported to the immediate superior, Head of Division / Department for action, and may result in disciplinary action in accordance with the Disciplinary Procedures.

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- 11. Human Rights**
- As a conglomerate operating in diverse businesses, the Company is committed to protect our employees' rights and provide a workplace that is safe, healthy and secure.
 - The Company is committed to respecting labour rights principles in accordance with the relevant Malaysia labour laws.
- 12. Occupational Health, Safety and Environment**
- OSK Group is committed to providing all employees a safe, healthy and conducive workplace environment, and to providing a platform where employees can report any health, safety and environment related incidents through its Incident Management Policy.
 - Every director and employee must conscientiously and diligently comply with the safety and health requirements, work rules and standard operating procedures set out in the Group's Safety & Health Policy.

End

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A. POLICIES

A3. Conflict of Interest

1. Definition of Conflict of Interest

- “**Conflict of interest**” exists when the personal interest of a director or an employee conflicts in any way with the interests of the Company. All situations where a conflict of interest may exist must be reported to the Group Management and appropriate approvals must be obtained.
- Amongst the examples of conflict of interest includes, but not limited to the following:
 - Conflict of financial interest
 - Directors, employees or their families own or control 20% or more financial interest in customers, suppliers, contractors, competitors or any business enterprises which do or seeks to do business with or provide services to the Company
 - Outside employment or business activities
 - The director or employee holds employment or engages in business activities where the nature of its business is in conflict with the Company; or
 - The director or employee serves as a director, board member, officer or partner of other companies / entities where the nature of its business is in conflict with the Company
- If in doubt whether there is a conflict of interest, employees should discuss with the immediate superiors, Heads of Division / Department or GHR for advice.
- Directors or employees with a conflict of interest must disclose any obligation, commitment, relationship or interest that could conflict or may be perceived to conflict with his / her duties by making a declaration to GHR (for all employees) or Company Secretarial (for all directors).

Note:

Refer to Appendix I for Conflict of Interest Disclosure Statement (applicable to all employees).

Refer to Disclosure of Interest prescribed under Related Party Transaction / Recurring Related Party Transaction Policy (applicable to all directors).

- The disclosure must be made upon joining the Group, or as soon as the conflict has occurred.
- On receiving such a disclosure, the Management may at its sole discretion require the employee to curtail, modify or completely cease the outside activity, if it is in the opinion that it creates a real, potential or apparent conflict of interest with OSK Group.

End

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A. POLICIES

A4. Personal Conduct

1. **Introduction**
 - All employees are expected to conduct their roles with the standards according to the stipulated guidelines and attempt their best effort to maintain OSK Group's reputation.
 - This section covers the following areas:
 - Misconduct
 - Dress Code
 - Personal Appearance
 - Diversity and Inclusion
 - Harassment
2. **Misconduct**
 - **"Misconduct"** refers to any action or omission by an employee which is inconsistent with the expressed or implied terms and conditions of employment or which is immoral or illegal in nature. Misconduct is a violation of the general rules which may result in disciplinary action by the Company, including immediate dismissal.
3. **Dress Code**
 - The Company requires all employees to adopt a style and manner of dress appropriate to their role. This code is an integral part of the Company's culture and any inappropriateness could expose the Company and damage its reputation.
 - It is not meant to unreasonably restrict the freedom of expression that is conveyed through one's attire but to maintain a professional business-like appearance which is very important to the success of the OSK Group.
 - All clothes must be clean and in good repair. Discernible rips, tears or holes will not be tolerated.
 - Employees are not allowed to wear the following items during official working hours: slippers, shorts, T-shirts, jeans, hats, sleeveless shirts, singlet, sneakers, revealing or tight-fitting attire.
 - Exception is given on casual Fridays or certain promotional events where employees are allowed to wear the corporate T-shirts with decent jeans or where employees are medically challenged with approval from their respective superiors.


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- 4. Personal Appearance**
- All employees are required to have a neat appearance appropriate to their job assignment. Grooming preferences or dictates by religion, ethnicity, etc. are not restricted but should always be well presented.
- 5. Diversity and Inclusion**
- The Company expressed its commitment to creating an environment that appreciates individuality and diversity through its Diversity & Inclusion Policy.
 - The Company believes a wide band of inclusion helps to foster nation building and create a harmonious and productive environment.
- 6. Harassment**
- Harassment in workplace is an unwanted behaviour directed at another employee that could be on-off or pervasive, and has the purpose or effect of violating the employee's dignity or creating an intimidating, hostile, degrading, humiliating or offensive environment for the employee.
 - All directors and employees are expected to demonstrate their commitment to this policy and to challenge behaviour which is unacceptable or questionable. Any issue related to discrimination or any form of harassment must be reported immediately to the immediate superior, Head of Division / Department or GHR, or invoke the Whistleblowing Policy.
 - The Company does not tolerate any form of harassment and violence that affect the physical, emotional and psychological well-being of employees. Any directors or employees found to have engaged in any form of harassment, including sexual harassment, will be subject to disciplinary measures in accordance with the Disciplinary Procedures, which may include dismissal and / or criminal proceeding.

End

B. APPENDIX

Appendix I: Conflict of Interest Disclosure Statement

	CONFLICT OF INTEREST DISCLOSURE STATEMENT
SECTION A: To be filled up by employee	
General Information	
Name: _____	
Company: _____	Division / Department: _____
Conflict of Interest Information Detail	
I hereby declare that I DO NOT HAVE any of the following conflict of interest. <i>Please tick appropriate box(es) where applicable</i>	
<input type="checkbox"/> My family member(s) or I do not own or control 20% or more financial interest in OSK Group's customers, suppliers, contractors, competitors or any business enterprises which do or seek to do business or provide services to OSK Group	
<input type="checkbox"/> I do not hold outside employment or engage in business activities that conflicts with OSK Group.	
<input type="checkbox"/> I do not serve as a director, board member, officer or partner of other companies/entities that conflicts with OSK Group.	
Please provide details of the conflict of interest, if any (use separate sheet if necessary):	

Employee Declaration	
<input type="checkbox"/> I confirm that I have read and understand the Code of Conduct and Business Ethics ("Code"), and agree to observe and adhere to the Code, throughout my employment with OSK Group.	
<input type="checkbox"/> I confirm that this form has been completed to the best of my knowledge and that the information contained on this form is complete and accurate. I understand that non-disclosure and/or partial disclosure of any conflict of interest may result in consequential action being taken.	
_____	Name: _____
	NRIC: _____
(Signature)	Date: _____
SECTION B: To be filled up by Group Human Resources	
Review and Decision	
<input type="checkbox"/> There is no conflict of interest.	
<input type="checkbox"/> There is conflict of interest. Proposed action to be taken to mitigate the declared conflict:	

Decision by _____ Date: _____	
Effective Date: 28-Feb-2018	
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