



PESTEC INTERNATIONAL BERHAD
(formerly known as PESTECH International Berhad)
AND GROUP OF COMPANIES

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

PURPOSE

PESTEC's Anti-Bribery and Anti-Corruption Policy ("**Policy**") aims to extend our commitment towards conducting our business ethically and with utmost integrity for all its operations locally and overseas.

The Policy outlines the Group's guiding principle and its zero-tolerance approach against all forms of bribery and corruption. The Policy leverages on the values and core principles set out in the Group's Code of Ethics. Full compliance to the spirit of this Policy is mandatory and PESTEC is committed to reinforce this Policy in the conduct of its business globally with highest honesty and integrity.

This Policy requires all employees to comply with prevailing anti-bribery and corruption laws and regulations in Malaysia regardless of where we are operating and the applicable local laws and regulations in the country with our presence. PESTEC also expects that its any third party or its intermediaries (i.e., agents, representatives, suppliers, contractors, sub-contractors, service providers, consultants and other stakeholders performing work or services for or on behalf of PESTEC) to adhere to relevant parts of this Policy when performing work and services together with PESTEC.

PESTEC employees are expected to read and acknowledge the contents in the Policy and any ignorance thereof shall not be accepted as an excuse for their violation.

This Policy may be revised, supplemented or rescinded in full or part from time to time to keep abreast with the prevailing applicable laws and regulations concerning anti-bribery and anti-corruption in Malaysia and elsewhere where PESTEC is operating as well as to meet the Group's operational requirements.

APPLICABILITY

This Policy applies globally to the Board of Directors, management, employees and contract workers of all entities in PESTEC Group.

For joint venture companies and/or associated companies in which PESTEC holds a minority stake, PESTEC shall strive to commit the other shareholder(s) to adopt the policy or a similar standard for the joint venture and/or associated companies.

WHAT IS BRIBERY AND CORRUPTION?

BRIBERY is the offering, promising, giving, accepting or soliciting of an undue advantage of any value (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 action in relation to the performance of that person's duties.

(Source : As defined in ISO 37001:2016)

CORRUPTION is the act of giving or receiving of any gratification or reward in the form of cash or in-kind of high value for performing a task in relation to his/her job description.

(Source : As defined in www.sprm.gov.my)

PESTEC'S GUIDING PRINCIPLES

1. PESTEC adopts **ZERO-TOLERANCE** towards any form of bribery or corruption. Bribery and corruption in all forms relating to PESTEC's business activities are strictly prohibited.
2. PESTEC establishes governance processes for day-to-day operations in its business functions where there is an adequate check and balance to cultivate work integrity within the Group.
3. Employees shall not, directly, for or through any external party, promise, offer, make, authorize, solicit or accept any financial or other advantage, to obtain or retain business or secure an improper personal advantage in the conduct of business.
4. PESTEC is committed to acting professionally, fairly, honestly and with integrity in all our business dealings and relationships wherever we operate and implementing and enforcing effective systems to prevent or counter bribery and corruption.
5. Adequate due diligence shall be performed when we engage with third parties such as agents, distributors or joint venture partners for any business arrangements to ensure that they are not acting corruptly, and to periodically monitor their performance to ensure ongoing compliance.
6. Employees should avoid putting themselves in situations and positions that may create or appear to create conflicts of interest. They shall declare their interests as soon as they become aware of the conflict of interest situation.
7. Every employee shall play a role in preventing any instances of bribery and corruption and to report any corresponding concerns or suspicions to the Group's whistleblower channel. PESTEC commits to protecting employees who, in good faith, raise genuine bribery concerns or suspicions.
8. Relevant communication and adequate training on the Policy will be provided to all employees.
9. Employees will be required to confirm that they have read and understood the Policy and that they comply with its terms as part of their ongoing employment assessment processes. Failure to comply with this Policy, whether or not this is intentional, may lead to disciplinary action (up to and including dismissal) and criminal liability for the individual involved.

10. This Policy shall be communicated to all business associates and third parties at the outset of the business relationship with them and as appropriate thereafter.

PESTEC has identified the following seven (7) key elements for this Policy, supplemented with adequate guidelines and procedures, in its efforts to prevent bribery and corruption throughout its operations:-

- 1. Restricted Gift**

Subject to relevant internal approvals and procedures, PESTEC permits restricted provision of modest gifts, hospitality or certain other things up to capped value which are permissible and directly related to the promotion or demonstration of the PESTEC Group's business. Under no circumstances may PESTEC personnel accept gifts in the form of cash or cash equivalent. PESTEC personnel must immediately declare and adhere to the relevant procedures on gift-giving and receiving.

- 2. Entertainment and Corporate hospitality**

PESTEC recognises that providing modest entertainment is a legitimate and common practice within the business environment to foster good business relationships. Hospitality and entertainment must be unsolicited and not affect, or perceived as affecting, business judgement and may only be offered in conjunction with legitimate business meetings, conferences or events hosted, supported or sponsored by PESTEC. Entertainment or hospitality governed under a defined limit of authority may be extended on reasonable and modest basis.

- 3. Corporate Social Responsibility ("CSR"), Donations, Sponsorships and Scholarships**

All requests for donation and sponsorships shall be documented and examined to ensure the funds are channeled to acceptable CSR and related programs. Generally, PESTEC does not make donation or sponsorship to any beneficiary which is controlled or influenced by any public officials.

PESTEC prohibits the giving or receiving of donations and sponsorships to influence business decisions. Due diligence must be performed to ensure the recipient is a legitimate organisation and the donation and sponsorship is allowed by applicable laws.

Scholarships may be awarded based on strict and approved criteria to ensure qualified students are recipients of the scholarship. The selection process should be properly recorded to ensure transparency and no element of corruption is involved in the granting of scholarships.

4. Facilitation Payments

PESTEC prohibits offering, promising, requesting, accepting or obtaining, either directly or indirectly, facilitation payments in the business. Employees and third parties, in particular intermediaries, are prohibited from making facilitation payments on the Group's behalf.

5. Dealing with Public Officials

Employees are required to exercise integrity when interacting with public officials and engage in a transparent and straightforward manner. Employees shall not offer, promise or give any undue advantage, gifts or hospitality to a public official to make the official act or refrain from acting in relation to the performance of his/her duties, in order to obtain or retain business or other improper advantage in the conduct of business. This applies regardless of whether the advantage is offered directly or indirectly through an intermediary.

6. Political Contributions

PESTEC may, in very limited circumstances, make political contributions in countries where such contributions are permitted under the law. If any contribution is made, it must be permissible under applicable laws, must not be made with any promise or expectation of favourable treatment in return and must be accurately reflected in PESTEC books and records.

7. Dealing with Third Parties

PESTEC expects that all third parties or intermediaries, including suppliers, contractors, agents, consultants, joint venture partners, introducers or government intermediaries who act for or on its behalf, to comply with all relevant laws. All forms of bribery and corruption are prohibited.

Employees will be provided with relevant guidelines and procedures for the elements as set out in this Policy.

RECORD KEEPING AND DOCUMENTATION

PESTEC shall maintain proper and accurate books and records, in line with applicable laws, regulations and accounting and reporting principles, to evidence that adequate financial and non-financial controls established within PESTEC has taken place to mitigate any bribery and corruption risk. Employees must ensure that all financial transactions are properly recorded in a complete, true and fair manner. No accounts must be kept "off-book" to facilitate or conceal improper payments and false or deceptive entries into books and records are strictly prohibited.

All transactions shall be properly reviewed, approved and documented. All relevant internal controls procedures, both financial and non-financial controls such as segregation of duties, must be followed to ensure that all payments PESTEC makes or receives are properly accounted for in reasonable detail, including the amount of the payment, the recipient and the purpose for the expenditure.

REPORTING CHANNEL

Employees who encounter any actual or suspected violation of this Policy, such as being offered a bribe or asked to engage in corrupt activity by a third party, must report the incident promptly. PESTEC practices an open door policy and encourages all employees to share concerns with their superiors or use the dedicated, secure whistleblowing channel as below:

Dedicated Whistle-Blowing email address: whistleblower@pestec-international.com

By phone : +60 3 7845 2186

By fax : +603 7845 2187

By mail to : No 26, Jalan Utarid U5/14, Seksyen U5, 40150 Shah Alam, Selangor Darul Ehsan, Malaysia

Reports made in good faith, either anonymously or otherwise, shall be addressed in a timely manner and without incurring fear of reprisal regardless of the outcome of any investigation.

Retaliation in any form against the person who has, in good faith, reported a violation or possible violation is strictly prohibited.

REVIEW OF THIS POLICY

This Policy may be reviewed and updated periodically in accordance with the needs of PESTEC and any relevant development in the regulations / legislature as well as evolving industry and international standards that may have an impact on the organisation.



ENVIRONMENTAL SUSTAINABILITY POLICY

PESTEC is committed to support the principles of environmental sustainability and we believe that sustainable environment is a successful factor to our business and the customer we serve.

We shall seek continual improvement throughout our business operations to lessen the impact on the local and global environment by meeting or exceeding the environmental regulatory requirements; conserving energy, water and other natural resources; reducing waste generation; pollution prevention; recycling and; reducing the use of toxic materials.

Through implementation of this policy, PESTEC will be advancing environmental stewardship in which we operate. Accordingly, PESTEC will:

CONSERVATION AND PROTECTION OF ENVIRONMENT ARE OUR MAIN GOAL

- Practice environmental conservation through responsible use of natural resources such as water; forests; fossil fuels and etc.
- Practice environmental protection through programs that are aimed at reducing the risks to the environment from contaminants such as hazardous materials, and wastes.

OUR APPROACH TO CONSERVATION AND PROTECTION OF ENVIRONMENT

- The Board oversees the climate strategy
- Management participation in environment management system to continually improve our environmental performance.
- Employee share the responsibility to encouraging a culture to conserve and protect the environment at the area which we operate.
- Comply with applicable environmental laws, regulations, and other requirements.
- Develop and maintain environmental management programs with objectives and targets to minimize adverse environment impacts.
- Dealing proactively with climate change issues by efficient use of natural resources, effective pollution prevention and waste minimization programs to reduce, reuse and recycle materials.
- Deploying information technology infrastructures for communicating, storage of information and work monitoring to reduce the necessity to travel or reliance on paper and tools.
- Shifting to renewable energy consumption as far as practicable to reduce our impact on the environment including carbon footprint.
- Ensure environmental risk is contained to acceptable levels, and applied to all aspects of our operation in a structured process.
- Promote awareness and structured training at workplace.

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OCCUPATIONAL HEALTH AND SAFETY (OHS) POLICY

Workplace health and safety is very important for the well-being of both employees and employers because human loss is immeasurable and intolerable. PESTEC believes there is nothing we do is so important that it cannot be done safely. We must all make sure that we do not put ourselves, colleagues, contractors, customers or the public at unnecessary risk, so we can go home safe and well every day. OHS is everyone's responsibility and the practice of it needs to grow as a value and become a habit in everyone's life.

ZERO REPORTABLE ACCIDENT AND INCIDENT ARE OUR MAIN GOAL

- Practice safety precaution such as prevention of work-related injury and ill-health to achieve zero reportable accident

OUR APPROACH TO OCCUPATIONAL HEALTH AND SAFETY

- Management shall strategize the precautions required in the company to make sure the employees are safe enough for all the time
- Employees shall cooperate with the management with regard to occupational health and safety and not engage in any improper conduct that could endanger own health and safety or that of anyone else.
- Comply with OHS legislations and other requirements as imposed under the relevant laws, rules and regulations.
- Develop and maintain OHS management program with objectives and targets
- Conduct OHS risk assessment and ensure applicable risk control is undertaken to reduce OHS impacts to acceptable level including eliminating the hazards.
- Work with contractors and other stakeholders to ensure all OHS risks are appropriately managed.
- Investigate all reported incident / accident and to take appropriate corrective actions.
- Encourage workers participation and consultation in OHS programs.
- Promote awareness and structured training at workplace to embed OHS considerations into business decision making at all levels.
- Ensure a crisis and emergency management is in place.

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QUALITY POLICY

PESTEC is an integrated electrical power technology company that offers solutions for High Voltage (HV) and Extra High Voltage (EHV) electrical system. Quality in HV and EHV electrical system is not only related to the project functionality and value, but may also be related to the national interest, the safety of people's lives and property. We recognise quality is important for customer satisfaction that will results in customer loyalty, also to the safety of electrical operating personnel and the safe operation of the equipment in power grid. Therefore, an effective quality control measures must be in place to ensure overall quality and reliability of the construction projects and products produced. We are committed to provide high quality products and services and we shall build a culture of service excellence. We will:

COMMITMENT TO EXCELLENCE

- Be customer focused and to prioritized our customers' needs and expectation.
- Practice safe engineering design

OUR APPROACH TO EXCELLENCE

- Management participation in quality management system to continually improve our quality performance.
- Comply to engineering principles, industrial guidelines, statutory regulation and other relevant requirements.
- Provide timely and reliable information to customer
- Provide quality products and services that consistently meet customer satisfactions
- Develop and maintain quality objectives and targets to demonstrate our commitment
- Periodically review the policy and objectives setting for its suitability, performance and continual improvement
- Promote awareness and structured training at workplace for employee to perform their work more efficiently.

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