DRB-HICOM BERHAD

(203430-W)

VENDOR CODE OF CONDUCT (VCOC)

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1. Introduction

DRB-HICOM Berhad ("DRB-HICOM", "Company", "we", "us" or "our") has established conduct standards for its business relationships that reflect our shared values of excellence, decorum, teamwork, integrity, innovation, quality, as well as transparency. All companies under the DRB-HICOM (collectively known as "DRB-HICOM Group of Companies") are expected to ensure that its Vendors share and embrace this commitment to regulatory compliance.

2. Scope

The VCOC applies to all vendors supplying goods and services ("Vendor", "Vendors", "your" or "you") to DRB-HICOM Group of Companies.

3. Vendor Responsibility & Compliance to VCOC

3.1 While Vendors are independent entities from DRB-HICOM, the business practices and actions of the Vendors, when conducting business with or on behalf of the Company, may significantly affect and reflect our Company. Therefore, DRB-HICOM expects all Vendors and their employees, agents and subcontractors to abide by our high ethical standards set forth in this Vendor Code of Conduct ("VCOC") guidelines, while conducting business with us or on our behalf.

3.2 As reflected in the DRB-HICOM's VCOC, the Company is committed to high standards of integrity and sustainability. DRB-HICOM has a "zero tolerance" policy when it comes to unethical business behaviour, such as bribery, corruption, and forced labour. We expect all of our Vendors to adhere to similar standards and to conduct their business ethically.

3.3 As Vendors of DRB-HICOM, you must comply with all applicable laws and regulations, the requirements set out in this VCOC and your respective contractual obligations to us.

3.4 DRB-HICOM may take necessary and appropriate action for any breach of the VCOC, which may include but is not limited to debarment and preclusion from proposing any work to DRB-HICOM for a pre-determined period. In addition, all legal rights of DRB-HICOM are reserved notwithstanding any action undertaken by DRB-HICOM in respect of this clause.

4. VCOC Main Principles

This VCOC defines the main principles underlying your business activities as one of our Vendors. The following three (3) principles ensure sustainable development in our supply chain:

a. Environment
b. Social
c. Governance & Ethics



The main principles in the DRB-HICOM Sustainable Supply Chain

4.1 Environment

(a) Safety, Health and Environmental

(i) Vendors shall be responsible for the safety of all persons who may be affected by their activities and shall comply with the Company's safety regulations and procedures.

(ii) Vendors shall ensure that all works undertaken complies with all the safety, health and environmental regulations and guidelines of Malaysia.

(iii) Vendors shall comply with all applicable local authority requirements and regulations, with all permits and records obtained, kept and properly recorded.

(iv) Vendors are encouraged to supply less environmentally- and socially-damaging products which consider all phases of the products lifecycle i.e. production, transportation, maintenance and disposal.

(v) DRB-HICOM encourages Vendors to institute effective environmental management systems which details the process of managing their environmental impacts and implement as appropriate.

4.2 Social

(a) Professional Conduct

(i) Vendors shall respect the personal dignity, privacy and rights of each individual.

(ii) Vendors shall not engage or be involved in any type of harassment and violence.

(iii) Vendors shall not commit prohibitive behaviour including gestures, language and physical contact, that is sexual, coercive, threatening, abusive or exploitative.

(iv) Vendors shall not engage or be involved in any activities that may be categorized as a crime that is punishable under Malaysian law.

(b) Wages & Working Hours

Vendors shall ensure that their employees are fairly compensated and that, at a minimum, they comply with all applicable wage and hour laws, or industry standard.

(c) Labour standards and protection

(i) Vendors shall ensure fair labour conditions, and that all immigration regulations in Malaysia are adhered to with respect to the employment and work permits of their employees.

(ii) Vendors shall ensure fair labour condition for their employees, and compliance to all relevant laws and regulations including but not limiting to prohibition of human trafficking, child labour, forced labour, bonded labour, indentured labour, involuntary prison labour, slavery or human trafficking.

(iii) In hiring and practices such as promotions, rewards, and access to training, Vendors shall not engage in discrimination based on race, colour, age, gender, sexual orientation, ethnicity, disability, pregnancy, religion, political affiliation, union membership or marital status.

(d) Community Engagement

Vendors are encouraged to help foster social and economic development and contribute to the sustainability of the communities in which it operates.

(e) Working and Living Conditions

(i) Where applicable, DRB-HICOM expects all Vendors to comply with The Workers' Minimum Standards of Housing and Amenities Act 446 (Amendment) 2019. The act has been extended to all employment sectors providing housing and accommodation for workers, and also seeks to improve the Guidelines for Foreign Workers Accommodation 2018 by the Department of Labour of Peninsular Malaysia (JTKSM). This covers the minimum standard

accommodation space, basic facilities for workers' accommodation and elements of security and hygiene.

(ii) Vendors are to provide a safe and healthy work environment. Adequate steps shall be taken to minimise the causes of hazards inherent in the working environment and establish a hygienic work environment.

(f) Responsible Sourcing of Materials

(i) DRB-HICOM expects all Vendors to obtain materials with full deliberation and care to avoid the sourcing or usage of materials which are unlawful or obtained through unethical or unacceptable means (such as sourcing of conflict minerals* or manufactured by using slave, forced or child labour). DRB-HICOM expects our suppliers to undertake similar measures with their own suppliers to ensure elimination of conflict materials across the supply chain.

**Minerals originated from conflict regions that directly or indirectly finance or benefit armed groups that are perpetrators of serious human rights abuses*

4.3 Governance & Ethics

(a) Anti-Bribery & Anti-Corruption

(i) Vendors shall strictly observe and comply with applicable anti-bribery and anti-corruption laws and regulations, which may include, but are not limited to the Malaysian Anti-Corruption Commission Act, 2009 (Act 694) and its amendments.

(ii) Vendors shall strictly observe and comply with DRB-HICOM's Anti-Bribery and Anti-Corruption Policy, Group Procurement Policy, this VCOC as well as any other relevant policies, standard operating procedures, and work instructions.

(iii) DRB-HICOM expects the Vendors to implement anti-bribery and anti-corruption management systems or put in place adequate and appropriate controls to enable DRB-HICOM or any other organisations manage the risks of bribery and corruption that may reasonably arise in business dealings and/or relationships.

(iv) DRB-HICOM requires Vendors to demonstrate full commitment to preventing bribery and corruption in the business dealings and/or relationships.

(v) Vendors must conduct business in the most ethical manner and shall avoid any practices that could be construed as bribery, corruption or business malpractices.

(vi) Vendors shall not engage or involve in any acts of bribery or corruption. The giving or agreeing to give or promising or offering of any gratification as an inducement or a reward to any person with the view to influence the placing of any order/award/contract will result in the instant revocation/termination of any award/contract.

(b) Intellectual Property Rights

Data of any kind, such as sketches, drawings, models and the likes shall be returned to DRB-HICOM as soon as they are no longer necessary for the completion of works.

(c) Maintain Accountability

Vendors shall maintain full accountability for services rendered / goods supplied and honour their commitments on a timely basis and in accordance with their obligations under the specific agreements and undertaking with DRB-HICOM.

(d) Gift & Entertainment

(i) Vendors are not permitted to offer or sponsor any social entertainment or personal trips for employees of DRB-HICOM.

(ii) During a tender / RFQ process, Vendors shall refrain from entertaining or treating any employees of DRB-HICOM or their family members who involved in the evaluation such as providing special invitation to events or offering a vacation.

(e) Fair Dealings & Integrity

(i) Vendors shall conduct all procurement and business relationships with honesty, integrity, respect and fair manner.

(ii) Vendors shall endeavour to deal fairly and should not take unfair advantage of anyone through the manipulation, concealment, abuse of privileged information, misrepresentation of material fact or any other unfair business practices.

(f) Honest Representation

(i) Vendors shall provide honest and open representation of their organisation, its qualifications, experience and capabilities.

(ii) Vendors shall disclose accurate references of previous work or engagements which they have undertaken.

(g) Conflict of Interest

(i) Vendors shall declare any potential or actual conflicts of interest to DRB-HICOM even if it happens after the appointment, and/or to immediately address the conflict as soon as it is known.

(ii) If in doubt, Vendors shall highlight the conflict to DRB-HICOM immediately.

(iii) Vendors shall disclose if any of DRB-HICOM employee or family members has an interest in the Vendor's business.

(h) Confidentiality of Information & Data Protection

(i) Vendors must undertake that all confidential information shall not be disclosed, given access to, procured, gathered, collected, received or handled by any third party without written consent from the Company.

(ii) Vendors shall not make use the DRB-HICOM employee's name or the Company name for publicity purposes without the written consent of the employee or Company.

5.0 Two-way Engagement

DRB-HICOM looks forward to hold regular engagement sessions with its Vendors in order to achieve compliance to this VCOC and to understand Vendors' concerns. Should Vendors have difficulties in implementing the principles of the VCOC, DRB-HICOM is willing to work with the Vendors towards achieving full compliance.

6.0 Self-Monitoring & Self-Assessment

Suppliers are responsible for self-monitoring their compliance with this VCOC. DRB-HICOM may ask the Vendors to assess their compliance by answering the on-line VCOC self-assessment questionnaires.

If and when any situation arises that causes the supplier to operate in violation of this VCOC, supplier should inform DRB-HICOM's key contact as soon as possible. Suppliers are expected to cooperate fully in any investigation.

7.0 On-Site Audits

DRB-HICOM and/or an authorized third party acting on our behalf may verify compliance to the VCOC on site.

8.0 Raising Concerns / Whistle Blowing

DRB-HICOM encourages the Vendors to report or disclose any attempted, suspected, and actual improper conducts or business malpractices through the established whistleblowing channels as follows:

Whistleblowing Hotline	1-800-88-2005
E-mail	whistleblowing@drb-hicom.com
Letter	Board Audit Committee Chairman or Head of Group Internal Audit & Integrity Division, Level 5, Wisma DRB-HICOM, No. 2, Jalan Usahawan U1/8, Seksyen U1, 40150 Shah Alam, Selangor Darul Ehsan.
Whistleblowing Box	Located at Level 1 & 5 of Wisma DRB-HICOM

Any report or disclosure will be dealt in confidential manners, to protect the identity of the whistleblower or reporter, and of others involved or reference in the report.

Vendor Acknowledgement

I acknowledge receipt of the VCOC.

I/we hereby confirm that I/we have read and understand the VCOC and agree to abide by it.

I acknowledge that my engagement and relationship with DRB-HICOM are contingent on following and adhering to this VCOC.

Name	
NRIC No	
Designation	
Company	
Date	

Signature & Company Stamp