



# **HONG LEONG BANK GROUP CODE OF CONDUCT & ETHICS**

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## 1. INTRODUCTION

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A fundamental value of the Hong Leong Bank Group (“**HLBG**” or the “**Bank**”) is that we are ‘Here for the Long Term’. In upholding this value, the Bank commits to a high standard of professionalism and ethics in the conduct of our business and professional activities as set out in this Code of Conduct & Ethics (“**Code**”) Board Policy.

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## 2. SCOPE

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The Code is applicable to:

- All employees who work in the Bank across the jurisdictions in which we operate, which include the Bank's Overseas Branches and the Bank's overseas subsidiaries;
- Board of Directors of the Bank; and
- Any other persons permitted to perform duties or functions within the Bank – including but not limited to contractors, secondees, interns, industrial attachments and agency staff.



As the Code forms part of the terms and conditions of employment, our employees are required to adhere to a high standard of professionalism and ethics in the conduct of their business, professional activities and personal lives.

**Failure to comply with this Code constitutes misconduct and may result in disciplinary action including termination of employment / engagement.**

### 3. PRINCIPLES

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There are seven key pillars to the Bank's Code of Conduct & Ethics:

<b>Principle 1 – Competence</b>	<p>The Bank is committed to ensuring that its employees develop and maintain the relevant knowledge, skills and behaviour to ensure that our activities are conducted professionally and proficiently.</p> <p>Our employees must possess and maintain the skills and knowledge needed to perform their roles in accordance with the standards required by the Bank to meet its legal, compliance and regulatory obligations.</p>
<b>Principle 2 – Compliance</b>	<p>The Bank operates in a highly regulated environment and our employees are responsible to ensure that they fully understand and comply with all applicable laws, regulations and regulatory requirements.</p> <p><u>Personal Declarations on Legal and Regulatory Proceedings, Fitness and Propriety</u></p> <p>Employees are assessed to ensure their suitability for the roles they are hired for and the roles they continue to hold. Employees must promptly declare to the Bank any criminal, legal or regulatory proceedings in which they are involved in. When employees are identified as a Key Responsible Person (KRP) or Other Material Risk Taker (OMRT), the Bank assesses their fitness and propriety prior to being appointed and annually thereafter.</p>

### Compliance with Laws and Regulations

Employees must understand and comply with all applicable laws, compliance and regulatory requirements, including but not limited to the requirements in:-

- Financial Services Act 2013;
- Islamic Financial Services Act 2013 and BNM's Policy Document on Shariah Governance;
- Malaysian Anti-Corruption Commission Act 2009;
- BNM's Policy Document on Fair Treatment of Financial Consumers;
- BNM's Policy Document on Code of Conduct for Malaysia Wholesale Financial Markets and the Bank's Board Policy on Global Markets Code of Conduct;
- Federation of Investment Managers Malaysia's Code of Ethics; and
- any other requirements issued by governing authorities /bodies.

### Uphold compliance to fight against Financial Crime

Employees must never cause the Bank to commence or continue a banking relationship with a person or company whom they know or suspect to be carrying out a financial crime. Employees are required to strictly adhere to internal reporting and escalation processes should they know or suspect of any financial crime activity.

### **Principle 3 – Integrity**

The Bank's Vision, Mission and Values identifies a strong value-based culture that guides decisions, actions and interactions with stakeholders as a key enabler for the success of the Bank. The Bank relies on our employees to practice sound decision-making with integrity and take actions that will preserve our values.

### General Conduct

Each employee has a responsibility to uphold the Code and a duty to demonstrate the highest standards of business conduct by doing the right thing, always. The Bank relies on all employees to practice sound decision-making and take actions that will preserve the Bank's values and reputation. Under the Code, employees have a duty to protect the Bank's business image, goodwill and reputation including maintaining good personal judgment, integrity and a strong sense of personal accountability at all times, ensuring that personal conduct does not bring disrepute to the Bank or tarnish the Bank's image.

### Personal Finances

Employees must handle their personal finances responsibly, with integrity, and in compliance with all relevant laws and regulations and with any contract terms and conditions which they have agreed to, as issues with personal finances can undermine their credibility and the reputation of the Bank.

### Reporting Illegal or Unethical Acts

Employees must speak up if they witness or if they are improperly instructed or advised to carry out illegal or unethical act(s), including wrongdoing by third parties (such as customers, vendors or business partners). Employees must fully cooperate and provide accurate information in any internal or external investigation.

### **Principle 4 – Fairness**

Part of the Bank's mission is to help our clients succeed through simple, relevant, personal and fair banking. Employees must act responsibly and be fair and transparent in all our business practices, including treating colleagues, customers and business partners with respect. We must consider the impact of our decisions and actions on all stakeholders.

### Fiduciary Duty

Employees must act in the best interest of the Bank and its customers. They must conduct themselves in an open, honest and accountable manner, avoiding any act that may damage the reputation of the Bank.

At all times, employees must:

- a) Comply with applicable laws and regulatory requirements regarding consumer protection;
- b) Fully embrace the principle of treating consumers fairly;
- c) Ensure that promotion and marketing methods are fair, clear and not misleading;
- d) Bear in mind the financial literacy of the target group of their sales and marketing efforts;
- e) Obtain or confirm information about the needs of the customers;
- f) Ensure that any product and/or service offered is suitable to fulfil the needs of the customers;
- g) Ensure that any of our Islamic products and/or services offered is Shariah compliant and suitable to fulfil the needs of the customers;
- h) Be transparent in the provision of information about a product and/or service, including its features, risks and rewards;
- i) Give customers equal access to such information;
- j) Take customer complaints seriously; and
- k) Adhere to the BNM's Policy Document on Fair Treatment of Financial Consumers



## Principle 5 – Confidentiality

The Bank is committed to providing a safe, reliable and secure banking environment and experience for our customers.

### Protecting the Customer's and the Bank's Confidential Information

The Bank's customers and business partners trust the Bank to protect their confidential information, whether that information relates to financial, personal or business matters. In the course of, or after cessation of, employment, employees must not disclose or misuse customer information or any other Bank's confidential information, whether or not for personal financial gain.

Employees must not share confidential information with friends or family, or with colleagues who are not authorized to receive such information;

Employees must not discuss confidential information in public or common places where it could be overheard (corridors, lifts, lobby, taxis etc.); and

Employees must not circulate/receive confidential information or customers' information through any channel not approved by the Bank, including their own personal email addresses / devices.

### Misuse of Information

The Bank strictly prohibits employees from using material, non-public information about the Bank, the Bank's customers or other companies that conduct business with the Bank to gain or indirectly obtain an advantage for themselves or any other person. Employees are prohibited from dealing in the securities of any company listed or pending listing on a stock exchange at any time when they are in

possession of insider information which they know, or reasonably ought to know, that is not publicly available information.

## **Principle 6 – Objectivity**

The Bank's employees must not allow any conflict of interest, bias or undue influence of others to override their business and professional judgment. Employees must not be influenced by friendships or association in performing their role. Decisions must be made strictly on an arm's-length business basis.

### **Anti-Bribery and Corruption**

Employees must adhere to the Bank's Anti-Bribery and Corruption Policy and at all times comply with local anti-bribery and corruption laws and regulations.

### **Gifts and Entertainment**

Employees are strictly prohibited from giving or receiving a gift or entertainment which is or which appears to be inappropriate, frequent or excessive, taking into account all relevant facts and circumstances.

The following gifts and entertainment are prohibited to be accepted or offered:-

- a) Any amount of cash or cash equivalent as a form of monetary gift (angpows, gift cards, vouchers etc), unless stated otherwise in the Code;
- b) Any other forms of gift and/or entertainment, in exchange for an act by the Bank or an act for the benefit of the Bank; and
- c) Any other forms of gift and/or entertainment for purposes which are prohibited under the laws of Malaysia, e.g. bribery and corruption.

### Conflict of Interest

Employees must not accept other employment or be engaged directly or indirectly in any personal or business activity that competes or conflicts with the interest of the Bank. For charitable roles, prior approval from the Bank is required.

### Misuse of Position

Employees must not misuse their position in the Bank to influence other employees, current and potential customers or business partners of the Bank to act in their personal interest or in the interest of anyone else.

## **Principle 7 – Work Environment**

### Safe Workplace

A safe and healthy workplace is important for the wellbeing of every employee. The Bank is committed to providing a safe and non-violent working environment and will remove any unacceptable behaviours from the workplace. The HLB Group will not tolerate any form of discrimination, harassment (including sexual harassment) or intimidation.

### Sustainability

The Bank is committed to reduce the effect of its operations on the environment so that the Bank is able to build our franchise in a safe and healthy environment. The Bank aims to do this by managing the resources we use across the Bank and raising staff awareness about the importance of caring for the environment. The Bank will be mindful of its activities with employees, business partners and the communities the Bank operates within to ensure human rights are safeguarded. Where there are adverse impacts, we are committed to addressing them.