



# **CODE OF CONDUCT AND ETHICS**

Version 5.0

## Table of Content

<b>1.0 OVERVIEW .....</b>	<b>1</b>
1.1 Objective .....	1
1.2 Application of Policy.....	1
1.3 Policy Statement .....	1
1.4 Interpretation.....	1
1.5 Policy Information.....	1
<b>2.0 OVERVIEW OF THIS CODE .....</b>	<b>3</b>
<b>3.0 PRINCIPLE 1 - COMPETENCE.....</b>	<b>4</b>
3.1 Continuous Professional Development and Training .....	4
<b>4.0 PRINCIPLE 2 - COMPLIANCE .....</b>	<b>5</b>
4.1 Personal Declarations on Legal and Regulatory Proceedings, Fitness and Propriety .....	5
4.2 Compliance with Laws and Regulations.....	5
4.3 Competition Laws .....	6
4.4 Anti-Money Laundering and Counter-Financing of Terrorism.....	6
4.5 Compliance with Shariah Governance Framework.....	7
4.6 Maintaining Vigilance against Financial Crime .....	7
<b>5.0 PRINCIPLE 3 - INTEGRITY .....</b>	<b>8</b>
5.1 General Conduct .....	8
5.2 Misuse of Information.....	8
5.3 Integrity of Records and Information .....	9
5.4 Performing False Trading, Market Rigging and Manipulation .....	9
5.5 Misuse of Bumiputera Names in Public Share Issue.....	10
5.6 Personal Finances.....	10
5.7 HLIB's Assets .....	10
5.8 Reporting Illegal or Unethical Acts.....	11
5.9 Critical Incident Reporting .....	11
5.10 Anti-Fake News .....	12
5.11 Intellectual Property .....	12
<b>6.0 PRINCIPLE 4 - CONSUMER PROTECTION .....</b>	<b>13</b>
6.1 Fiduciary Duties.....	13

<b>7.0 PRINCIPLE 5 - CONFIDENTIALITY</b> .....	<b>14</b>
7.1 Protecting Customer and HLIB’s Confidential Information .....	14
7.2 Disposal or Return of Confidential Information.....	15
7.3 Press Releases, Public Statements Appearances and Appointments .....	15
7.4 Social Media Usage .....	15
<b>8.0 PRINCIPLE 6 - OBJECTIVITY</b> .....	<b>16</b>
8.1 Conflict of Interest .....	16
8.2 Misuse of Position.....	17
8.3 Anti-Bribery and Corruption, Gifts and Entertainment .....	18
<b>9.0 PRINCIPLE 7 - WORK ENVIRONMENT</b> .....	<b>18</b>
9.1 Safe and Healthy Workplace.....	18
9.2 Diversity and Inclusion .....	19
9.3 Sustainability.....	20
9.4 Drug Free Workplace and Alcohol Consumption.....	20
9.5 Office.....	20
<b>10.0 CONSEQUENCES OF NON-COMPLIANCE WITH THE CODE</b> .....	<b>20</b>
<b>11.0 SUMMARY OF CHANGES</b> .....	<b>22</b>

	<b>HONG LEONG INVESTMENT BANK</b>	<b>Version 5.0</b>
	<b>Code of Conduct and Ethics</b>	Effective Date: 19 April 2023

**Reference in the  
relevant  
legislation**

**1.0 OVERVIEW**

**1.1 Objective**

HLIB Code of Conduct and Ethics aims to ensure high standard of professionalism and ethics in the conduct of our business.

This Code incorporated 5 principles (Competence, Integrity, Consumer Protection, Confidentiality, Objectivity) introduced by FSPB and 2 principles (Compliance, Work Environment) introduced by HLIB.

**1.2 Application of Policy**

All employees and any other persons permitted to perform duties or functions within, or for and on behalf of, HLIB.

**1.3 Policy Statement**

This Policy Document sets out the Code of Conduct and Ethics of HLIB.

This Policy is subject to annual review or whenever there are major changes to the relevant laws, rules and regulations. Any major amendments and updates made to this Policy shall be approved by the Board as per HLIB Governing Document Policy.

**1.4 Interpretation**

- “BARMC” refers to Board Audit and Risk Management Committee of HLIB
- “BNM” refers to Bank Negara Malaysia
- “Board” refers to Board of Directors of HLIB
- “Bursa” refers to Bursa Malaysia Securities Berhad
- “FSPB” refers Financial Services Professional Board
- “GMD/CEO” refers to Group Managing Director / Chief Executive Officer
- “HLIB” refers to Hong Leong Investment Bank Berhad
- “HOD” refers to Head of Department
- “HR Department” refers to Human Resources Department
- “SC” refers to Securities Commission Malaysia

**1.5 Policy Information**

<b>Policy Owner/ Administrator</b>	Head, Human Resources
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<b>Accountable Officer updating this Policy</b>	Head, Human Resources or Manager, Human Resources
<b>Responsible Party(s) to comply with this Policy</b>	All employees and any other persons permitted to perform duties or functions within, or for and on behalf of, HLIB.
<b>Summary of Changes</b>	Please refer to Section 11.0 – Summary of Changes.
<b>Approval Date</b>	19 April 2023
<b>Effective Date</b>	19 April 2023
<b>Next review Date</b>	18 April 2024
<b>Related forms, publications and websites</b>	None
<b>Version No.</b>	5.0
<b>Reviewed and Concurred by</b>	GMD/CEO
<b>Endorsed by</b>	BARMC
<b>Approved by</b>	Board

## 2.0 OVERVIEW OF THIS CODE

Hong Leong Investment Bank Berhad 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”).

This Code applies to:

- All employees who work in HLIB across the jurisdictions in which it operates – including but not limited to permanent, part-time and temporary employees;
- Any other persons permitted to perform duties or functions within, or for and on behalf of HLIB – including but not limited to contractors, vendors, business partners, secondees, interns, persons on industrial attachment, remisiers, and agency staff (hereinafter referred to as “3rd Parties”).

You are responsible for fully understanding and complying with the Code. You are required to provide an affirmation that you have read, fully understood and will comply with the Code, annually.

The Code also forms part of the terms and conditions of employment/engagement with HLIB. Any failure to comply with this Code or any HLIB policies relevant to your role will be treated very seriously by HLIB. Such failure shall constitute misconduct and may result in disciplinary action, up to and including termination of employment (for employee) or termination of your engagement or relationship (in relation to 3<sup>rd</sup> parties) with HLIB.

There are seven key pillars to this Code:

- COMPETENCE
- COMPLIANCE
- INTEGRITY
- CONSUMER PROTECTION
- CONFIDENTIALITY
- OBJECTIVITY
- WORK ENVIRONMENT

### IMPORTANT FURTHER READING

- FSPB Code of Ethics for the Financial Services Industry (Dec 2015)
- FSPB Guidance Notes on Code of Ethics for the Financial Services Industry (Oct 2017)
- FSPB Professional Code for the Financial Services Industry (May 2018)
- Financial Services Act 2013
- Capital Markets and Services Act 2007

### 3.0 PRINCIPLE 1 - COMPETENCE

HLIB is committed to ensuring that all individuals develop and maintain the relevant knowledge, skills and behaviour to ensure that our business operations and activities are conducted professionally and proficiently.

*Part B of Code Of Ethics For The Financial Services Industry (Principle 1: Competence)*

#### 3.1 Continuous Professional Development and Training

You must help ensure HLIB meets its legal, compliance and regulatory obligations as well as stakeholder and customer expectations by possessing and maintaining the skills and knowledge needed to perform your role. To do so, you must:

ATTAIN COMPETENCE	MAINTAIN COMPETENCE
<ul style="list-style-type: none"><li>• Acquire the relevant knowledge, skills and behaviours to attain the competency requirements of the role and the standards of HLIB.</li><li>• Carry out your duties and responsibilities diligently and competently.</li><li>• Seek help from your line managers or from HR to fill in any gaps in skill, knowledge or expertise.</li><li>• Ensure you understand the steps to be taken to achieve competence.</li></ul>	<ul style="list-style-type: none"><li>• Keep up to date with the job requirements at least annually.</li><li>• Continuously learn and improve your skills, knowledge and expertise for your role and job function.</li><li>• Proactively keep abreast with changes in law, regulation and industry best practices relevant to your role and function.</li></ul>

Multiple training channels are in place to enable easy access for employees to be upskilled. You are to ensure that you personally complete any training programmes within the stipulated time frame. Allowing a colleague to complete your training or sharing answers to help a colleague is strictly forbidden.

If the performance of your role requires you to maintain a professional license or industry accreditation, you must ensure that you continue to maintain such license or accreditation and complete all necessary training and examinations within the required timeframe.

## **4.0 PRINCIPLE 2 - COMPLIANCE**

### **4.1 Personal Declarations on Legal and Regulatory Proceedings, Fitness and Propriety**

HLIB continuously assesses all individuals to ensure their suitability for the roles they perform.

You must promptly declare to HR Department (for employees) or HLIB (for 3rd Parties) if you are involved in any criminal, civil or regulatory proceedings, whether or not the proceedings relate to HLIB, including but not limited to:

- Any arrest, charge, conviction or legal proceeding relating to a criminal charge including unresolved criminal charges, however minor;
- Any inquiry or action by a financial institution regulator, law enforcement agency or similar authority;
- Any legal claims against you relating to fraud, dishonesty, or unfair or unethical conduct committed by you; or
- Any traffic offences that involve court proceeding.

Where an employee is identified to hold a position of key responsibility, HLIB is required to assess their fitness and propriety prior to appointment and on annual intervals thereafter, based on criteria relating to:

- Probity, personal integrity and reputation;
- Competence and capability; and
- Financial integrity

If you have been identified as an employee holding a position of key responsibility, requiring a 'fit and proper' declaration and assessment, you must notify HR Department without delay of any information that may materially compromise your capability, fitness and propriety.

*BNM Fit & Proper  
Criteria Policy  
Document*

### **4.2 Compliance with Laws and Regulations**

HLIB operates in a highly regulated environment. You must comply at all times with all applicable laws, regulations and regulatory requirements, and be open and transparent with regulators. Remember that it is important to comply with not just the letter, but also the spirit and intent, of the law. You must fully cooperate with and provide accurate information for any internal or external investigations, subject only to confidentiality requirements or legal privilege.

Additionally, you are responsible for fully understanding and ensuring compliance with legal or regulatory requirements which are specific to your role.

Violations of the Code or any laws, regulations, or regulatory requirements that apply to HLIB may weaken regulator, stakeholder or customers'



confidence and put our reputation at risk. This can result in negative repercussion for HLIB such as regulator criticism, legal action, fines and penalties. As such you may be subjected to disciplinary action including dismissal from employment (for employee) or termination of your relationship with HLIB (for 3rd Parties). Misconduct that will result in disciplinary actions also includes:

- Violating or asking others to violate the Code; or
- Failing to report to HR Department any known violation of the Code or any suspicion, reasonably held, of a violation of the Code.
- Retaliating against another employee or 3<sup>rd</sup> party for raising a concern in good faith or for participating in an investigation.

Where appropriate or where required to do so, HLIB may also:

- seek remedies in a civil court including but not limited to monetary damages and/or a court order prohibiting an employee or individual from continuing to violate the Code or any laws, regulations, or regulatory requirements that apply to HLIB;
- report such violation to the police, law enforcement agencies and/or regulators, which may result in criminal liabilities and/or penalties for the violating employee or individual; and
- report such violation in employment records databases maintained by regulatory authorities and/or industry bodies which may be referred to by future employers during the employment process.

#### **4.3 Competition Laws**

You must ensure that your actions towards business partners, competitors and governmental authorities at all times reflect fair and proper business practices and are in compliance with the laws and regulations governing competition. Among conduct that you shall comply with include:

- i. Do not engage or enter into any form of agreement, arrangement or concerted practice with an actual or potential competitor that is or may be deemed to be anti-competitive, such as fixing prices, sales or markets.
- ii. Do not communicate or share commercially sensitive information with actual or potential competitors, or third parties who may potentially pass such information to competitors.
- iii. To use commercially sensitive information for legitimate purposes only.

#### **4.4 Anti-Money Laundering and Counter-Financing of Terrorism**

- i. All persons, including employees or 3<sup>rd</sup> parties must abide by the laws and regulation pertaining to Anti-Money Laundering and Counter Financing of Terrorism.
- ii. Employees and 3<sup>rd</sup> parties must always ensure that they are conducting business with reputable counterparties, for legitimate business purposes and with legitimate funds and if they suspect money

laundering activities, they must report it to their respective HOD, or the relevant person designated by HLIB.

#### **4.5 Compliance with Shariah Governance Framework**

HLIB places great importance in ensuring the Islamic financial system operates in accordance with the requisite Shariah governance framework or any other relevant policies/guidelines. You are required to promptly report to Compliance Department any known or suspected Shariah non-compliant involving any of our Islamic based services or operations.

#### **4.6 Maintaining Vigilance against Financial Crime**

Globally, criminals increasingly target financial institutions' products and systems as a conduit to launder proceeds of crime, finance terrorism, commit fraud and bypass national and international sanctions. If you fail to comply with applicable anti-money laundering, counter-terrorist financing and money transfer sanctions procedures, processes and laws, you and HLIB may be subject to severe penalties including large fines and imprisonment.

You must never cause HLIB to commence or continue a business relationship with a person whom you know or suspect to be carrying out any type of criminal activity. You must file an internal suspicious transaction report immediately where such knowledge or suspicion arises.

#### **IMPORTANT FURTHER READING**

Key Group Policies relating to compliance with important laws and regulations which you must comply with at all times include:

- HLIB's Compliance Policy
- BNM's Anti-Money Laundering, Countering Financing of Terrorism and Targeted Financial Sanctions for Financial Institutions Policy Document
- BNM's Code of Conduct for Malaysia Wholesale Financial Markets Policy Document
- BNM's Fit and Proper Criteria Policy Document
- BNM's Guidelines on Investor Protection
- SC's Guidelines for Marketing Representatives

## **5.0 PRINCIPLE 3 - INTEGRITY**

HLIB's vision, mission and values identifies a strong values-based culture to guide decisions, actions and interactions with stakeholders as a key enabler for success.

### **5.1 General Conduct**

Each of us has a responsibility to uphold the Code and as such, we have a duty to demonstrate the highest standards of business conduct by always doing the right thing.

HLIB relies on you to practice sound decision-making and take actions that will preserve a strong positive values-based culture in the workplace. You are responsible for your decisions and must not engage in unethical or illegal conduct, even where you are acting on the instructions of another colleague, your manager or superior. If you are ever unsure of the proper course of action, you should seek advice from your manager, HOD, Compliance Department or HR Department, as appropriate.

Personal appearance can contribute to HLIB's image and reputation. You are expected to present a neat and professional appearance at all times during work hours. You must dress in attire that is appropriate for a workplace and work related activities, observing local dress codes (including wearing uniforms) as applicable.

For employees or relevant 3rd parties, you must attend work punctually, adhering to HLIB's working days, official working hours and break times. Any incidents of irregular attendance and/or lack of punctuality will result in disciplinary action. In the event of any emergency resulting in absence or non-adherence to official working hours, you must inform and obtain the approval of your immediate superior as soon as possible, without delay. As an employee, you shall be deemed to have unilaterally broken your employment contract if you are continuously absent from work for more than two (2) consecutive working days without prior leave approved from HLIB and without any reasonable justification.

Examples of behaviour that could be seen as not being punctual include leaving early for lunch and/or coming late after lunch and coming late for work and/or leaving early from work without the prior approval of your supervisor or manager.

### **5.2 Misuse of Information**

You are prohibited from using material, confidential or non-public information about HLIB's, our employees, our customers or other companies that conduct business with us for unauthorized purposes or to gain a direct or indirect advantage, pecuniary or otherwise, for yourself or any other person.

You must not deal in the securities of any company listed or pending listing on a stock exchange at any time when you are in possession of information which you know, or reasonably ought to know, is inside information. You must also keep such inside information confidential and not disclose such information to any person who is not authorized to receive such information. In addition to a breach of the Code, such dealing may also constitute a criminal offence.

‘Inside information’ is information on the affairs, operations, or financial position of a company that will affect the market price of its publicly traded securities, which is not generally available to the public and which, if made generally available, a reasonable person would expect to have a material effect on the price or value of the securities.

‘Deal’ or ‘dealing’ includes acting as principal or agent, in acquiring or disposing (or agreeing to acquire or dispose) such securities. Procuring or inducing another person to deal is also prohibited.

### **5.3 Integrity of Records and Information**

Record keeping policies and controls are essential to the successful operation of HLIB and our ability to meet our legal and business obligations. Each of us is responsible for being accurate, complete and honest in HLIB’s records and for complying with all of the record keeping policies, controls and procedures we have in place.

You must never falsify any book, record, account or information that relates to the business of HLIB, customers, employees, suppliers or our assets. This means being honest and accurate in all aspects of your job, including entries you make on expense reports, timekeeping records, results you record on sales incentive plans and claims you make under our employee benefit plans.

Accounting records and reports must be complete and accurate. You must never backdate records and reports or make entries or allow entries to be made for any account, record or document that are false or would obscure the true nature of the transaction, as well as to mislead the true authorization limits or approval by the relevant authority of such transactions.

### **5.4 Performing False Trading, Market Rigging and Manipulation**

HLIB has a duty to Bursa and SC to maintain a fair and orderly market in the securities and derivatives market to uphold the market integrity and market confidence level.

Therefore, you shall not create, or cause to be created, or do anything that is calculated to create, a false or misleading appearance of active trading in any securities on a stock market, including market rigging and manipulation.

### **5.5 Misuse of Bumiputera Names in Public Share Issue**

All employees of HLIB must not be knowingly involved in their personal capacity in any scheme which is designed to permit a non-Bumiputera to use Bumiputera nominees to subscribe for any public share issue.

If an employee in the normal course of his/her work is in a position to know that Bumiputera names are being used by non-Bumiputera customers in an application for public share issues, whether or not with the consent of the Bumiputera nominees, the employee must report the matter immediately to your immediate supervisor or manager and must not willfully facilitate such transactions.

### **5.6 Personal Finances**

Any improper handling of your personal finances could undermine your credibility and the reputation of HLIB. It could also cause others to question your decision-making on the job or task that you are handling. Therefore, you must handle your personal finances responsibly, with integrity, and in compliance with all relevant laws and regulations and with any product terms and conditions which you have agreed. In relation to your borrowings, you must not and must not be seen to have abused your position for your personal advantage and the aggregate of your debts shall not cause you serious pecuniary indebtedness. You must not promote or participate in illegal financing schemes, tontine schemes (kootu funds) and otherwise carry on illegal activities for your own personal gain or the gain of others.

HLIB reserves the right to carry out checks on your past, as well as present financial activities and patterns. If you fail to fulfil your financial obligations as and when they fall due or have been the subject of a judgement debt which is unsatisfied, either wholly or partly, HLIB may take appropriate action, including:

- i. Removing you from certain positions or roles e.g. position of authority, cash handling, customer relationship or handling etc.
- ii. Termination of employment if you are declared bankrupt and we deem that you are no longer suitable to be employed by HLIB.
- iii. Termination of your relationship with HLIB (for 3rd parties).

An employee's career advancement may also be adversely impacted as a result of his poor financial standing or failure to provide sufficient evidence of good financial standing if and when requested by HLIB.

### **5.7 HLIB's Assets**

Our assets are the resources we use to conduct our business. You are to use HLIB's assets for legitimate business for and on behalf of HLIB and appropriately safeguard them including against cyber-related attack, theft, loss, waste or abuse.

Our assets include without limitations:

- i. Physical assets, such as office furnishings, cars, equipment and supplies;
- ii. Technology assets, such as laptops, tablets, computer hardware, software and information systems;
- iii. Financial assets, such as cash; and
- iv. Information assets, such as Intellectual property, proprietary business information, including information about products, processes, policies, services, systems, clients and other data.

HLIB monitors how you use our assets, including email and internet, as permitted by law and regulation, to detect misconduct.

### **5.8 Reporting Illegal or Unethical Acts**

You must speak up if you witness or if you are improperly instructed to carry out illegal or unethical acts within HLIB, including wrongdoing by customers, employees or 3rd Parties.

You are required to promptly report any known violation of the Code or any suspicion, reasonably held, of any violation of the Code, HLIB policy or any law, regulation or regulatory requirements applicable to our business. Reporting is required whether or not you are involved in the violation. Just as you will be held responsible for your own actions, you can also be held responsible for failing to report the actions of others if you knew or should reasonably have known that they were in violation of the Code, any applicable policy, law, regulation or regulatory requirements.

Your report will be handled discreetly and shared where necessary, for example with persons who are involved in investigating, resolving, or remediating the issue. Employees who have concerns about possible retaliatory action may lodge a report with your HOD or Compliance Representative, the Compliance Department or through HLIB whistleblowing channels (<https://www.hlib.com.my/Files/Whistleblowing Form.html>)

### **5.9 Critical Incident Reporting**

It is the responsibility of an employee who encounters a Critical Incident (i.e. financial, legal, reputational or operational risk or impact to HLIB) to immediately notify the manager, superiors, HOD and/or Compliance Department (in relation to legal and regulatory incidents) for prompt communication to other HOD as necessary. This is to enable HLIB to manage the situation appropriately in order to mitigate any risk posed to HLIB.

Failure to report a Critical Incident shall constitute a serious misconduct and appropriate disciplinary action, including termination of employment, may be taken against the employee.

### 5.10 Anti-Fake News

HLIB is cognisant of its business reputation and integrity and the importance of maintaining goodwill and harmony in the office. With this in mind, HLIB takes a stern view of any employee using the HLIB's communication channels to express views which may be offensive to others. You are strictly prohibited from sharing any racist, sexist, political or hate based news, views or material. Sharing of any unverified news is also strongly discouraged. Before sharing any email, article or news, the employee should take reasonable steps to verify the information contained therein by cross checking the material with reputable news sites or official channels.

### 5.11 Intellectual Property

- i. Any invention, improvement, literary rights, copyrights, trademarks, patents and/or new discoveries ("the Intellectual Property") which originates from or is conceived by you, whether alone or with any person or persons while in the employment of HLIB, which relates either directly or indirectly to HLIB, shall belong to and be the absolute property of HLIB.
- ii. You shall promptly disclose to HLIB all such Intellectual Property made by you alone or with any person or persons and shall hold such Intellectual Property on trust for HLIB.
- iii. You shall assign and hereby agree to assign to HLIB any and all rights to the Intellectual Property, as and when directed by HLIB and further agree that HLIB and its successors and/or assigns shall have the absolute right to use experimentally or commercially the Intellectual Property or any part thereof.
- iv. You shall at the request and expense of HLIB do all things necessary or desirable to substantiate the rights of HLIB as mentioned here.
- v. This provision shall not apply to any invention for which no equipment, supplies, facilities, know-how or trade secret information of HLIB was used and which was developed entirely on your personal time and which does not relate to the business of HLIB, directly or indirectly, or HLIB's actual or demonstrated anticipated research and/or development, or which does not result from the work performed by you for HLIB.

#### IMPORTANT FURTHER READING

- HLIB's Compliance Policy
- HLIB's Whistleblowing Policy
- HLIB's Material Information Policy
- BNM's GP7 - Code of Ethics: Guidelines on Share Trading
- BNM's GP7 - Code of Ethics: Guidelines to Prevent Misuse of Bumiputera Names in Public Share Issue

## 6.0 PRINCIPLE 4 - CONSUMER PROTECTION

A core mission of HLIB is to help customers succeed through simple, relevant, personal and fair investments. We must act responsibly and be fair and transparent in our business practices, including treating our colleagues, customers and business partners with respect. We must consider the impact of our decisions and actions to all stakeholders including the Hong Leong group of companies' reputation as a whole.

*Part B of Code Of Ethics For The Financial Services Industry (Principle 3: Fairness)*

### 6.1 Fiduciary Duties

You have a duty to act in the best interest of HLIB and its customers/stakeholder.

You have a duty to act with integrity, conducting yourself in an open, honest and accountable manner and avoiding any acts that might damage the reputation of HLIB. At all times, you must:

- i. Comply with applicable laws and regulatory requirements regarding consumer protection;
- ii. Fully embrace the principle of treating consumers fairly in carrying out your role;
- iii. Ensure that our promotion and marketing methods are fair, clear and not misleading;
- iv. Bear in mind the financial literacy and profile of the target group of your sales and marketing efforts;
- v. Obtain or confirm information about the needs of the customer;
- vi. Ensure that any product and/or service offered is suitable to fulfil the needs of the customer;
- vii. Ensure that any of our Islamic products and/or services offered are Shariah compliant and suitable to fulfil the needs of the customer;
- viii. Be transparent in the provision of information about a product and/or service, including its features, risks and rewards;
- ix. Give customers equal access to such information;
- x. Handle customer data securely and keep customer data confidential; and
- xi. Take customer complaints seriously and attend to them promptly.

In conducting your work with integrity, you must:-

- i. Not take unfair advantage of anyone through manipulation, concealment, abuse of confidential information, misrepresentation of material facts, or other unfair dealings or practices; and
- ii. Comply with all relevant the laws and regulations that specifically prohibit discrimination against current or prospective customers and business partners on the basis of race, sex, religion, or other non-risk factors.



## **7.0 PRINCIPLE 5 - CONFIDENTIALITY**

HLIB is committed to provide a safe, reliable and secure investment experience for our customers.

### **7.1 Protecting Customer and HLIB's Confidential Information**

Our customers and business partners trust us to protect their confidential information, whether that information relates to financial, personal or business matters. Confidential information can be written, oral or electronic and includes a wide variety of data – including but not limited to technology applications, business strategies, customer lists, credit procedures, customer and personnel information.

In the course of, or after cessation of, your employment, you must not disclose or misuse customer data/information or HLIB's confidential information, in breach of your duty to HLIB, this Code, applicable laws, policies and guidelines regardless of whether such disclosure or misuse results in personal gain, financial or otherwise. Any breach of confidentiality must be reported immediately to the department head and his/her designated Compliance Representative and report the incident to Compliance. You have a duty to protect such confidential information and to take adequate precautions to maintain the confidentiality of such information before sharing it with anyone, inside or outside the workplace. You are reminded to observe the following at all times:

- i. Do not share confidential information with friends or family, or with colleagues who are not authorised to receive such information;
- ii. Do not discuss confidential information in public or common places where others could hear you (corridors, lift, lobby etc.);
- iii. Do not access or use confidential information for unauthorised purposes;
- iv. Do not circulate confidential information, in internal mass postings, or outside HLIB (including to your own personal email address), unless permitted to do so under applicable law, regulations, and internal policy or procedures;
- v. Collect confidential papers immediately from printers, photocopiers and fax machines;
- vi. Be vigilant about whether your computer screen or papers can be read by someone else;
- vii. Use passwords and regularly change passwords;
- viii. Do not share your passwords with anyone;
- ix. Ensure hard copies of confidential information are stored in locked cabinets and soft copies securely stored; and
- x. Shred any documents containing confidential information when they are no longer needed.

## **7.2 Disposal or Return of Confidential Information**

Disposal of confidential information must be done in a way that protects the confidentiality of the information. Paper records must be shredded and storage media must be formatted in a way that ensures third parties or unauthorised persons cannot access the information.

## **7.3 Press Releases, Public Statements Appearances and Appointments**

Unless with prior approval from GMD (for employee) or HLIB (for 3rd parties), you must not make any (oral, written or other) public statement, regarding HLIB's confidential and/or proprietary information. This includes without limitation our internal policies, financial information, internal affairs or corporate affairs, or any statement containing or relating to HLIB's confidential information or proprietary information. In case of matters concerning HLIB, only GMD or the President, and senior executive with the explicit approval of the GMD, Hong Leong Financial Group President or Hong Leong Financial Group Chairman are authorized to make or release any statements on HLIB to the media or the public, provided that they are for the purpose of communicating sales, marketing, customer services or public relationship and related information.

You must promptly inform GMD if you are approached by a member of the media to comment on any matter pertaining to HLIB.

Unless with prior approval from GMD, you must not:

- i. accept offers for media exposure for the promotion of self or self-interests;
- ii. participate as a speaker in talks, seminars, conferences that are not sanctioned by HLIB;
- iii. accept appointments to councils, committees or boards for any associations, governmental or non-governmental organizations, societies etc. in your capacity as an employee. For appointments in your personal capacity, please read carefully the section on Conflict of Interest.
- iv. Give reference for any person or entity in HLIB's capacity or use HLIB's name, save insofar as required in the course of normal business.

When in doubt, you must consult and seek approval from the HR Department (for employees) or HLIB (for 3rd parties).

## **7.4 Social Media Usage**

You must use good judgment in the use of social media and other online activity. Be mindful not to disclose confidential and/or proprietary information. Do not post or seek posting of confidential information or information which could cause reputational damage to HLIB, your colleagues, customers or 3rd Parties of HLIB. Such restricted postings include referrals, recommendations, material subject to intellectual property rights, photos, videos, etc. Information that might damage the reputation of HLIB is not to be posted or disseminated and should be

reported to HR (for employees) or HLIB (for 3rd parties), should you become aware of such information.

HLIB is cognisant of its business reputation and integrity and the importance of maintaining goodwill and harmony in the office.

#### IMPORTANT FURTHER READING

- Section 133, 134 & 151 of the Financial Services Act
- BNM's Management of Customer Information and Permitted Disclosures Policy Document
- HLIB's Compliance Policy
- HLIB's Material Information Policy
- HLIB's Personal Data Protection Policy
- HLIB's IT Policy
- HLIB's Email and Internet Access Procedure

## 8.0 PRINCIPLE 6 - OBJECTIVITY

You must not allow any conflict of interest, bias or undue influence of others to override your business and professional judgment. You must not be influenced by friendship or association in performing your role. Decisions must be made on a strictly arms-length business basis.

*Part B of Code Of Ethics For The Financial Services Industry (Principle 5: Objectivity)*

### 8.1 Conflict of Interest

You must not engage directly or indirectly in any personal or business activity that competes or conflicts with the interest of HLIB:

i. Other Business Interests and Employment

Conducting any non-HLIB paid or unpaid employment or business activity (including acquiring another business) is prohibited.

You must not undertake paid or unpaid employment or other business activities outside of HLIB's working hours unless you have prior written approval from your department head and HR Department. Approval shall be granted only where the interests of HLIB will not be prejudiced.

If you have a financial interest in a customer – for example as a sole proprietor, partner, shareholder, creditor or debtor, or a close family member has a financial interest in a customer, such an interest must be disclosed immediately to HR Department. You must not be directly involved in HLIB's dealings with the customer so long as the interest continues to exist.

- ii. Corporate Directorships  
You must not serve as a director of a legal entity without the approval of the Board.
- iii. Trusteeships  
You must not accept an appointment as an executor, administrator or trustee of customers' estates. If such an appointment is made and you are also a beneficiary of the estate, you must notify and obtain prior approval from Senior Management for your signing authority for the estate's bank account(s), which shall not be unreasonably withheld.
- iv. Working with Relatives  
You should not work with your immediate family members (i.e. spouses, parents, siblings or children) as colleagues, or with another colleague with whom you have a personal relationship, in the same Division/Department/Branch and/or in a position of direct and/or indirect subordination or supervision within HLIB. You must promptly declare any such situations to the Human Resources Division. HLIB has the right to take all necessary steps to ensure any element of conflict is removed, including requiring the transfer of affected persons. Where a transfer is not possible, HLIB is entitled to take such action as may be deemed necessary to remove the risk or potential for conflict.

When in doubt about any potential situation of conflict, you must consult HR Department.

## **8.2 Misuse of Position**

You must not use your position to influence other employees, (current and potential) customers and 3rd Parties of HLIB to act: i) against the interests of HLIB; ii) against the employees', (current and potential) customers' and 3rd Parties' own interests; iii) in your personal interest; or iv) in the interest of any person other than themselves and HLIB .

For the avoidance of doubt, you are prohibited from using or allowing the use of HLIB name or facilities, your position and/or connection with HLIB:

- i. To gain personal advantage for yourself or for others, including in political, investment or other activities.
- ii. To gain preferential treatment for yourself or for others, such as in purchasing goods, securities and in obtaining loans.
- iii. For speculative activities in commodities (gold, silver etc.), foreign exchange or securities, whether acting personally or on behalf of another.
- iv. To engage employees of other financial institutions in unethical and/or prohibited arrangements for personal or mutual gain, e.g. approving a bank loan in return for obtaining approval for you or your nominee's bank loan, bypassing relevant policies and procedures.

You must not enter into prohibited transactions through nominees. Immediate family members (i.e. spouses, parents, siblings or children) are presumed to be nominees.

### **8.3 Anti-Bribery and Corruption, Gifts and Entertainment**

You must at all times comply with local anti-bribery and corruption laws and regulations. In Malaysia, the main legislation is the Malaysian Anti-Corruption Commission Act 2009. Severe penalties, including heavy fines and imprisonment, can be applied to any person found guilty of bribery or corruption.

In the normal course of your employment, giving and receiving gifts and entertainment can legitimately facilitate the building of goodwill in your business relationships. However, inappropriate or excessive gifts or entertainment (whether offered or received by you) can amount to or give the impression of bribery, corruption or other improper influence.

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

You must promptly declare any gift or entertainment which you (or others on your behalf) giving or receiving. If any gifts or entertainment with value above the quantum set out by Gifts and Entertainment Procedures, prior approval is required as per the approving Matrix.

#### **IMPORTANT FURTHER READING**

- Malaysian Anti-Corruption Commission Act 2009 and the Malaysian Anti-Corruption Commission (Amendment) Act 2018
- Guideline on Adequate Procedures issued by the Prime Minister's Department pursuant to s17A(5) MACC Act
- HLIB's Gifts and Entertainment Procedures
- HLIB's Anti-Bribery and Corruption Policy
- HLIB's Donation and Sponsorship Policy

## **9.0 PRINCIPLE 7 - WORK ENVIRONMENT**

### **9.1 Safe and Healthy Workplace**

A safe and healthy workplace is important for the wellbeing of everybody. You have a duty to help maintain a healthy and safe working environment at the workplace and to comply with applicable health and safety laws, including the Occupational Safety and Health Act 1994 and HLIB's policies and directives as they relate to the health, safety and security of its

workforce, its customers and others who may be present at their place of work.

You have a duty to take reasonable care of your safety and health and that of other persons who may be affected by your acts and omissions at work. If you become aware that you may pose a health or safety risk to others at their place of work, such as you having or suspecting that you have an infectious disease, you must immediately inform the HR Department and co-operate with HLIB to take necessary steps to address such risk.

We are committed to a non-violent working environment, free of threats, intimidation and physical harm. Any acts or threats of violence towards another person or HLIB's property should be reported immediately. The unauthorized possession or use of weapons, or menacing references to weapons, while at work, on HLIB's premises or while on HLIB's business or during HLIB sponsored events, is also prohibited.

We work in an industry where the threat of criminal activity is real. Practice good physical security habits and be alert to ensure the safety of all individuals. Don't allow unauthorized individuals into secure areas. Anyone asking to make a delivery or provide a service should be able to show valid identification, which should indicate, where appropriate, their affiliation with the organization they represent. We rely on you to promptly report any criminal activity or situations that could pose a threat to you or to others.

Employees are requested to always practice the following:

- i. If you become aware of any actual or potential health or safety hazard, report it immediately to your manager;
- ii. Any accidents at work involving injury or damage must be reported immediately to your manager; and
- iii. Always maintain a clean, hazard free and healthy environment by keeping passageways clear.

## **9.2 Diversity and Inclusion**

HLIB employs/engages people from a variety of backgrounds, origin, experience and culture. Discrimination of any kind is strictly prohibited, including any discrimination of race, colour, nationality, ancestry, citizenship status, creed, religion, age, gender, pregnancy, maternity, marital status, or physical disability.

You must not, at any time, engage in or support acts of harassment or inappropriate or abusive conduct by or against our employees, customers or business partners. Examples of unacceptable conduct include unwelcome jokes, threats, physical contact, derogatory comments, teasing, bullying, intimidation or other offensive or abusive language or action.

HLIB will not tolerate discrimination, harassment or intimidation and will take all allegations seriously. It is the responsibility of everybody to report any behaviour that is unlawful, abusive or otherwise violates this Code.

### **9.3 Sustainability**

HLIB is committed to reduce the effect of our operations on the environment so that we are able to build our franchise in a safe and healthy environment. We aim to do this by managing the resources we use across HLIB and raising staff awareness about the importance of caring for the environment. HLIB will be mindful of its activities with employees, business partners and the community we operate within to ensure human rights are safeguarded. Where there is any adverse impact, we are committed to addressing these.

### **9.4 Drug Free Workplace and Alcohol Consumption**

You must not sell, distribute, possess, use or be under the influence of illegal drugs in the workplace or while performing work related duties.

You must not consume alcohol at any time during the working day, and/or at a HLIB sanctioned event, to such a level that your ability to work is significantly impaired.

### **9.5 Office**

The primary purpose of an office is to support our employees in performing their job and you are reminded to always be mindful and sensitive in your actions and words at the office. HLIB prohibits its employees from:-

- i. Carrying out personal activities such as promoting religious or political beliefs amongst co-workers;
- ii. Carrying out political campaigns at the office; and
- iii. Performing prayer rituals at places other than prayer room without the prior approval of HR Department.

#### **IMPORTANT FURTHER READING**

- Occupational Health and Safety Act 1994
- BNM's Climate Change and Principle-based Taxonomy Document

### **10.0 CONSEQUENCES OF NON-COMPLIANCE WITH THE CODE**

Where an employee breaches or violates any part of the Code, HLIB reserves the right, at any time, whether or not such breach or violation has since been remedied, to carry out any one or more of the following:

- i. Remove the employee from certain positions or roles e.g. position of authority or trust, including without limitation, to cash handling;
- ii. Take disciplinary action, including without limitation, suspension of employment;

- iii. Terminate their employment or terminate their engagement or relationship (in relation to contract staff), with immediate effect upon notice and without compensation;
- iv. Report such violation to the police, law enforcement agencies and/or regulators, which may result in criminal liabilities and/or penalties for the violating employee; or
- v. Report such violation in employment records databases maintained by regulatory authorities and/or industry bodies which may be referred to by future employers during the employment process.



## 11.0 SUMMARY OF CHANGES

Ver.	Approval Date	Summary of Changes
1.0	October 2018	Approved version
2.0	April 2019	<ol style="list-style-type: none"> <li>1. Revised the gifts &amp; entertainment quantum under clause 6.3</li> </ol>
3.0	July 2020	<ol style="list-style-type: none"> <li>1. Updated the format of Policy in accordance to HLBI's Policies and Standard Operating Procedures Documentation Policy.</li> <li>2. Included Anti-Bribery and Corruption (ABC) Policy in clause 7.3 Anti-Bribery and Corruption, Gifts and Entertainment.</li> </ol>
4.0	April 2021	<ol style="list-style-type: none"> <li>1. Added a new principle, Principle 2 - Compliance and included Competition Laws and Anti-Money Laundering and Counter-Financing of Terrorism clauses in this principle.</li> <li>2. Added intellectual property clause in Principle 3 - Integrity.</li> <li>3. Amended principle 4 name from Fairness to Consumer Protection.</li> <li>4. Added Disposal or Return of Confidential Information clause in Principle 5 - Confidentiality.</li> <li>5. Amended principle 7 name from Environment to Work Environment.</li> </ol>
4.1	March 2022	<ol style="list-style-type: none"> <li>1. Changed the whistleblowing website link in clause 5.8 – Reporting Illegal or Unethical Acts.</li> <li>2. Reworded clause 9.1 – Safe and Healthy Workplace for better clarification.</li> <li>3. Changed “Bank” and “Company” to “HLIB” to standardize the wording in this policy</li> <li>4. Expanded the Important Further Reading for clause 7.0 – Principle 5: Confidentiality and clause 9.0 – Principle 7: Work Environment</li> </ol>
5.0	April 2023	<ol style="list-style-type: none"> <li>1. Reworded clause 3.1 – Continuous Professional Development and Training “Attain Competence” for better clarification.</li> <li>2. Amended clause 7.0 “Important Further Reading” – from Privacy Notice to HLIB's Personal Data Protection Policy.</li> </ol>

		3. Added the Consequence of non-compliance with the code.
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