



RHB BANKING GROUP

Corporate Integrity Statement

Our Commitment to doing business the ‘Right way’

RHB Banking Group (“the Group”) firmly believes the manner in which we conduct our business affairs must embed good practices which are **ethical, honest, fair and transparent**. In-line with our beliefs, the Group ensures the highest standard of corporate governance are practiced in the manner we conduct our business affairs. The Group continuously inculcates good ethical business practices among its employees, clients, vendors, suppliers, service providers and other business partners to ensure any business activity undertaken by the Group is free from acts of bribery, corruption and fraud.

The Board of RHB Bank Berhad sets the tone from the top with the establishment of relevant policies that forbid the acts of fraud and/or corruption by the employees of the Group as it destroys shareholder value, undermine investors’ confidence and is the antithesis of sustainable growth. The company’s anti-corruption practices and policies are in adherence to all relevant Malaysian laws, including the Malaysian Anti-Corruption Commission Act 2009.

The Group also forbids any payment of facilitation service to anyone in obtaining contracts or services for the Group. Any offer of gifts or hospitality to external parties must be in line with the Group’s Anti-Bribery & Corruption Policy and also Gifts & Hospitality Guideline.

RHB's Existing Internal Controls' Policy & Procedural Documents to conduct business the 'Right Way'

- Group Anti-Bribery & Corruption Policy
- Group Whistleblowing Policy
- Group Corporate Sponsorship & Donation Policy
- Group Fit & Proper Policy
- Group Anti-Money Laundering & Counter Financing of Terrorism Policy
- Group Fraud Risk Management Policy
- Group Policy on Related Party Transactions
- Group Gifts & Hospitality Guideline
- Group Code of Ethics & Conduct for Employees
- Group Code of Ethics & Business Conduct for Directors

These strategic internal control documents and procedures serve to guide the employees and have been strategically devised as counter measures to combat and prohibit all forms of fraud, bribery and corruption in day-today operations.

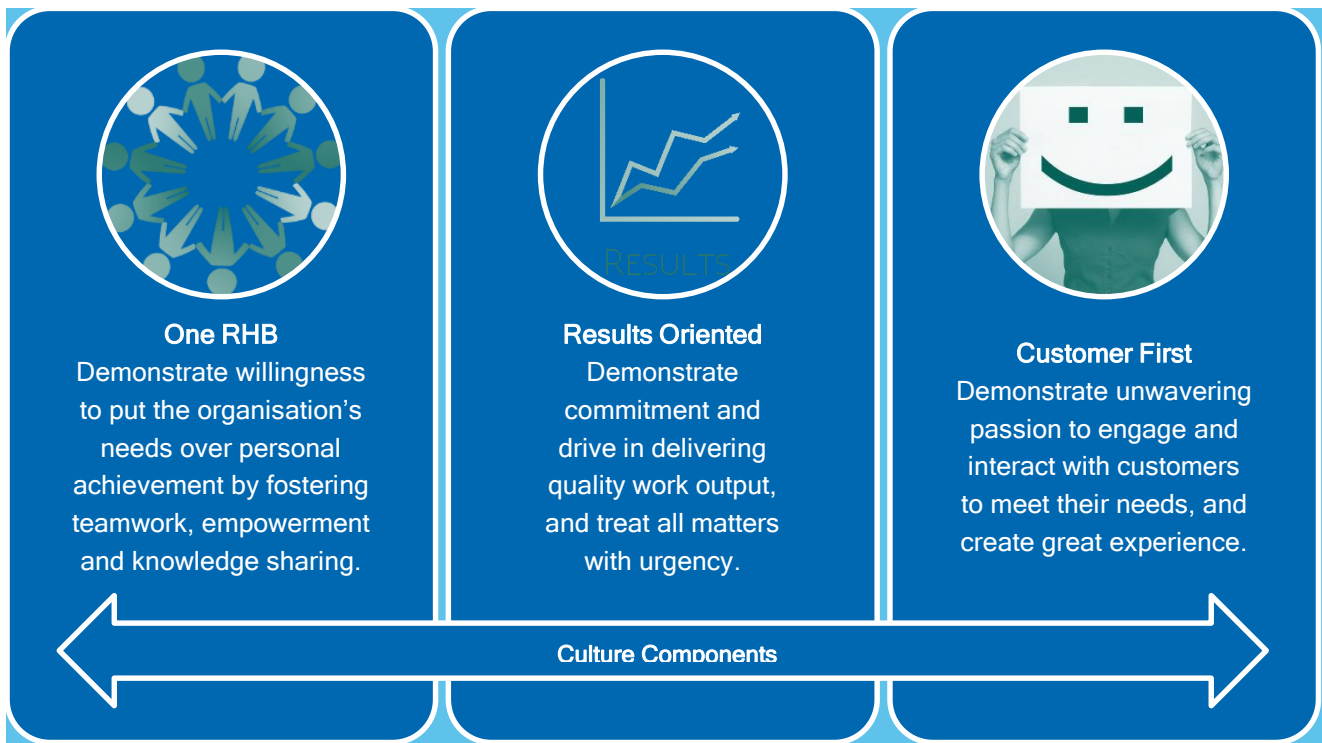
Core Shared Values

RHB Banking Group is guided by its strong core values that are pillared by **P.R.I.D.E.** The Group's commitment to its core values is driven by its abhorrence to any business practice or activity that requires or encourages any of its employees, representatives or agents to commit any fraudulent act or corrupt offence. This devotion is translated into its corporate culture and embraced by the employees as RHBians' common shared values.

This process is embedded top down whereby the Company's core shared values encourage its Directors, Senior Management and the rest of the employees to have **P.R.I.D.E.** in upholding the spirit and the letter of legal and regulatory requirements, including preserving integrity and professional ethics.



At RHB, we understand the value of cultivating and nurturing a corporate culture that is inclusive, customer centric and productivity driven. A strong corporate culture contributes to the identity and values of our organisation and supports our efforts to attract and retain the right talent, differentiate ourselves from our peers and highlight our corporate competitive advantage and brand identity.



“T.R.U.S.T.” Principles

The Board and senior management continue to set the tone from the top by ensuring the internal control documents and procedures are reviewed and updated regularly. This is a reflection of the Board and Senior Management’s enduring commitment to adopting adequate internal controls as part of its comprehensive anti-corruption and anti-fraud programmes.

These initiatives are in line with the requirements of subsection 17A(5) of the Malaysian Anti-Corruption Commission Act 2009 in adopting 5 main “T.R.U.S.T.” principles as defence mechanism against corporate liability of corruption, namely:

T	R	U	S	T
Top Level Commitment	Risk Assessment	Undertake Control Measures	Systematic Review, Monitoring and Enforcement	Training & Communication

The Group also carries out periodic monitoring on its anti-corruption and anti-fraud programmes to ensure existing programmes are relevant, effective and efficient to combat such illegal activities.

Group Anti-Bribery & Corruption (“ABC”) Policy

In promoting ethical business practices, the Group is committed to design and institute appropriate policies and procedures to support the Group’s business operations and assist its Employees to understand their obligations in upholding corporate integrity and the Group’s reputation.

The Group does not condone any act of bribery and corruption, which are criminal acts in nature, as well as indictable offences. As such, all personnel at all levels within the Group must never compromise integrity, either for personal benefit or for the Group’s purported benefit. To support this effort, the Group has in place a Group Anti-Bribery & Corruption Policy that strongly prohibits persons associated with RHB from committing a corrupt act either in their individual capacity or in a capacity representing the Group. The said policy generally outlines the following key principles:

Principle 1: Zero Tolerance for Bribery and Corruption

The Group has zero tolerance on bribery and corruption, in line with its core shared values and Group Code of Ethics & Conduct for Employees. Employees of RHB Banking Group are prohibited from engaging in any form of bribery or corruption. This includes offering, soliciting or accepting bribes whether directly or indirectly through any third parties.

Principle 2: Reporting Actual or Potential Violations

All Employees must report any request for an improper payment, or any indication that a person might be making corrupt payments or that a person has an inclination or plan to violate any anti-bribery laws, immediately through the approved whistleblowing channels and avenues as provided by the Group.

Principle 3: Sponsorship, Donation and Contribution

The Group and its Employees are prohibited from making any sponsorship, donation and contribution with intention to induce a party to engage in improper conducts.

Principle 4: Gifts, Hospitality and Entertainment

Employees must ensure compliance to Group Gifts and Hospitality Guideline prior to offering, promising or receiving any of the above- mentioned.

Principle 5: Extortion and Request to Carry Out Improper Payment Activity

The Group and its Employees must actively resist extortion and all other demands for improper payments made under duress.

Group Whistleblowing Policy (“GWP”)

The GWP provides a proper mechanism and sets the minimum standards to be adhered by entities across the Group in dealing with disclosure on questionable actions or wrongdoings by any personnel and business partners of the Group. It encourages Personnel to raise their concerns regarding malpractices or corporate misdeeds without any fear of retaliation or discrimination. This policy enables the management to be informed of and to detect any unlawful conducts, unethical occurrences, corruption or questionable practices at an early stage and help to nurture the culture of accountability, integrity and transparency among Personnel and Business Partners of the Group.

The **key principles** of the Group Whistleblowing Policy are:

Principle 1

The Group has zero tolerance on any form of fraudulent misconducts, corrupted acts or major business and human rights violations, in line with the Codes (all ethics related codes within the Group) and the Group’s shared Values.

Principle 2

The Boards and the Senior Management must give full commitment in leading the Group and its Personnel towards a culture of integrity, openness, compliance and disclosure.

Principle 3

The Group must provide assurance and protection to the whistle blowers who report discreetly in bona fide (good faith) on unethical behaviours and business misconducts within the organisation or of its Business Partners.

Principle 4

The whistle blower must provide basic information on the alleged unethical behaviours and business misconducts, including his/her own personal information, to be qualified as the Group’s registered or formal whistleblowing reports.

Principle 5

All whistle blowers must escalate the alleged unethical behaviours and business misconducts through the approved formal channels and avenues as provided by the Group.

Principle 6

The Group retains the prerogative in all instances to determine when circumstances warrant an investigation (after due deliberation and evaluation processes) and the appropriate investigative process to be employed in line with the relevant policies, laws and regulations.

Principle 7

The Group must have clear investigation procedures and process to handle investigation of the whistleblowing cases.

Principle 8

The Group must have proper record-keeping on all the reported cases of whistleblowing and maintain a high degree of confidentiality on such reports.

Principle 9

The Group must be transparent on disclosure of reported whistleblowing cases and the outcome of cases being investigated, in line with good governance practice.

Principle 10

The Group must periodically conduct awareness and communicate to its Personnel and Business Partners on the availability of formal channels and avenues for whistleblowing.

For detailed information on RHB Banking Group's Anti-Bribery & Corruption Policy and Whistleblowing Policy, kindly visit its corporate website at www.rhbgroup.com.

Gifts & Hospitality

The Group has in place Gifts & Hospitality Guideline which provides its Employees with guidance on situations that they may face in their day-to-day business conduct and dealings and provides the necessary course of action that is required to be undertaken.

The main objective of introducing guidance notes on gifts and hospitality is to discourage the Group and its employees from giving and accepting gifts to or from external parties. Lavish gifts and hospitality are strictly not allowed and are among those categorised as prohibited items. Items which require prior approval from designated Senior Management personnel are those which are not ordinary corporate gifts in nature, are not customary gifts given during festive seasons, and gifts & hospitality (including business entertainment) with values beyond permitted threshold limits *e.g. The value threshold limits for gifts & hospitality (excluding business entertainment offered to business partners) are set at RM500 (for Malaysia operations), SGD200 (for Singapore operations) and LAK 1.000.000 (for Laos operations) respectively.*

As part of its transparency and accountability initiatives, any offer or acceptance of gifts and hospitality which requires prior approval, or if it involves lavish gifts and bribery attempt, needs to be disclosed to Head of respective RHB entity and such records are copied to and centrally maintained at Group Integrity & Governance for future reference. Employees are expected to exercise good judgement when accepting gifts and hospitality from clients, including third parties. Some gifts and hospitality are permissible, subject to employees observing the Code and the Company's internal policies and guidelines to avoid any conflict of interest or violations of laws and codes of ethics.

Employees are advised to consult their immediate Supervisor/Head when in doubt relating to situations which are related to giving and accepting of gifts and hospitality. In situations where the immediate Supervisor or the Head requires further clarification, the matter should be escalated to the Group's Chief Integrity & Governance Officer ("CIGO") or to Group Integrity & Governance division for advice and clarification.

Sustainable Procurement

RHB Banking Group's procurement activities are guided by the Group Procurement Guideline which ensures dealings with suppliers are conducted with the highest level of transparency, ethical standards and fairness. The Group Procurement Guideline, along with the Supplier's Terms & Conditions and the respective Operational Manuals will progressively incorporate selected Environmental, Social & Governance ("ESG") considerations, with a focus on good corporate governance.

The Group has a robust e-procurement system that ensures responsible procurement practices underpin governance, fairness and transparency. To uphold the integrity of RHB's supplier relations, potential suppliers / vendors are required to acknowledge and sign the Procurement Code of Integrity prior to the start of the tender process. The code outlines the practice of anti-corruption and serves as guidelines to address any misconduct and also justifications for the disqualification of suppliers from the tender process.

Procurement Code of Integrity

- Commitments of the Parties

The parties commit to take all measures necessary to prevent corruption in their dealings.

- Reporting Violations

If any Party obtains knowledge of conduct of the other Party, or of an employee, agent, representative or an associate of that Party which constitutes corruption, or if any Party has substantive suspicion in this regard, that Party will inform the same to the Malaysian Anti-Corruption Commission or other similar agency in respective jurisdiction.

Our internal procurement process is managed by the Group Tender Committee which comprises senior management. This Committee oversees the procurement process according to the Group Procurement Guideline and ensures the following:

- Ethical, fair and transparent procurement processes
- A qualified, responsible and diverse range of suppliers
- Procurement activities are based on open and fair trade
- Suppliers are selected objectively based on quality, cost, delivery and stability of supplies
- Comprehensive evaluation criteria including supply consistency, environmental awareness and compliance with legal and regulatory requirements when selecting new suppliers.

The Group also supports small and independent suppliers by adopting a decentralised model which allows branches to locally source their own suppliers. This is part of the Group's effort to support respective community where it has presence to foster the growth of local, small and medium size businesses.