HLBHK ANTI-BRIBERY AND CORRUPTION POLICY ("ABC POLICY")

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1. INTRODUCTION

Hong Leong Bank Berhad, Hong Kong Branch ("HLBHK" or the "Branch") has established an ABC Policy which sets out a strong 'tone from the top' stance against all corrupt practices and the responsibilities of the Associated Person (see Section 3 below) in regards to observing and upholding Hong Leong Bank Berhad Group's ("HLBG or the "Bank") zero-tolerance position on corruption and bribery.

The ABC Policy provides guidance on how to prevent, deal with and combat bribery and corrupt activities and issues that may arise in the course of business and to ensure that adequate procedures are implemented to prevent the occurrence of corrupt practices in the Branch in line with:

- HLBG Board Policy on Anti-Bribery and Corruption;
- Prevention of Bribery Ordinance (Cap.201);
- Banking Ordinance (Cap.155);
- Independent Commission Against Corruption Ordinance (Cap.204); and
- HKMA Supervisory Policy Manual CG-3 Code of Conduct.

The ABC Policy makes references to:

- Bank's Board Policy on Code of Conduct and Ethics;
- Board Policy on Procure To Pay, Fixed Assets & General Ledger Control;
- Board Policy on Whistleblowing;
- HLBHK Gifts and Entertainment SOP.

The requirements of these policies are incorporated in the document hereunder.

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2. SCOPE

The ABC Policy applies to all directors, employees (whether temporary, fixed-term, or permanent), trainees, seconded staff, casual workers, agency staff, interns, agents of the Bank.

The Bank also expects its partners, contractors, sub-contractors, vendors, suppliers, service providers, consultants, representatives and others performing work or services for or on behalf of the Bank, or any other person associated with HLBG, to comply with the ABC Policy when performing such work or services.

3. DEFINITIONS

"Associated Person"	means all directors, employees (whether temporary, fixed-term, or permanent), trainees, seconded staff, casual workers, agency staff, interns, and agents of HLBG, including partners, contractors, sub-contractors, vendors, suppliers, service providers, consultants, representatives and all others performing work or services for and/or on behalf of HLBG or any other person or persons associated with HLBG.
"Bribery"	refers to the act of corruptly authorising, giving, agreeing to give, promising, offering, soliciting, receiving, or agreeing to receive any gratification.
"Corruption"	means an act of giving or receiving of any gratification or reward in the form of cash or in kind of high value for performing task in relation to his/her job description.
"Gratification"	a) money, donation, gift, loan, fee, reward, valuable security, property or interest in property being property of any description whether movable or immovable, financial benefit, or any other similar advantage; b) any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity; c) any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part; d) any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage; e) any forbearance to demand any money or money's worth or valuable thing; f) any other service or favour of any description, including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted, and including the exercise or the forbearance from the exercise of any right or any official power or duty; and g) any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding paragraphs (a) to (f).
"HLBG" or the "Bank"	means Hong Leong Bank Berhad and all its subsidiaries and branches.
"HLBHK" or the "Branch"	means Hong Leong Bank Berhad, Hong Kong Branch

4. POLICY STATEMENT

HLBHK has a zero-tolerance position for bribery and corrupt activities.

HLBHK is committed to acting professionally, fairly and with integrity in all its business dealings and relationships, and is committed to implementing and enforcing systems that ensure corruption and bribery is prevented.

In particular, the Board of Directors and Senior Management of HLBHK do not condone or consent to any Associated Person:

a) corruptly soliciting, receiving or agreeing to receive any gratification whether for him/herself or for any other person; or

b) corruptly giving, agreeing to give, promising or offering to any person any gratification whether for the benefit of him/herself or of another person, as an inducement to or reward for:

   1. obtaining or retaining business for the Bank; or
   2. obtaining or retaining any advantage in the conduct of business for or affairs of the Bank or for any other person; or
   3. doing or forbearing to do anything in respect of any matter or transaction in the conduct of business for or affairs of the Bank.

HLBHK will uphold all laws and regulatory requirements relating to anti-bribery and corruption in all the jurisdictions in which it operates.

HLBHK treats any violation of the ABC Policy seriously and will undertake necessary actions including but not limited to, review of employment or appointment, disciplinary actions, dismissal, stop third party contractors/service providers from further business dealing etc., as well as report to the relevant authorities any wrongdoings, consistent with the requirements of the relevant laws and regulations.

5. ANTI-BRIBERY AND CORRUPTION COMPLIANCE PROGRAMME

HLBHK shall establish and maintain an Anti-Bribery and Corruption Compliance Programme ("ABC Programme") with the objective of minimizing and mitigating opportunities for corruption/bribery in HLBHK and to effectively manage corruption/bribery risks of HLBHK.

6. PRINCIPLE I: TOP LEVEL COMMITMENT

(i) Bank's Board of Directors and/or its respective Committees

- Provide oversight and establish "tone-from-the-top" for maintaining highest level of corporate integrity and ethics, compliance with applicable laws and regulatory requirements on anti-bribery and corruption;
- Approve the ABC Policy;
- Approve the ABC Programme;
- Manage key corruption/bribery risks and whistleblowing cases of the Bank; and
- Receive, review and monitor the effectiveness of the ABC Programme.

(ii) Bank's Senior Management

- Promote a culture of integrity within the Bank;
- Ensure high level of integrity and ethics and full compliance with all applicable laws and regulatory requirements on anti-bribery and corruption;
- Effectively manage corruption/bribery risks of the Bank;
- Ensure that adequate and clear policies, procedures and control systems are in place to minimise and mitigate opportunities for corruption and bribery in the Bank and to respond to suspected or confirmed corruption and bribery incidences in the Bank;
- Encourage the use of whistleblowing and other appropriate channels in relation to any suspected or real corruption incidences;
- Develop a communication plan and training program based on the Bank's policies and commitments towards anti-bribery corruption for relevant internal and external parties;
- Act upon and report to the Board the results of any audit, reviews of risk assessment, control measures and performance in relation to the ABC Programme.

(iii) Associated Person

- Observe and uphold HLBHK's zero-tolerance position on corruption and bribery;
- Observe the ABC Policy;
- Raise concerns about improper conduct or wrongful act at the earliest opportunity through various communication channels including as set out in the Bank's Whistleblowing Policy where that is the preferred channel to raise issues.

(vi) HLBHK Compliance Department

The HLBHK Compliance Department shall:

- attend to all anti-bribery and corruption matters including the provision of advice and guidance to personnel and business associates in relation to the ABC Programme;
- coordinate and review the HLBHK's Anti-Bribery and Corruption ("ABC") Risk Assessment;
- coordinate and monitor the implementation of the ABC Policy, taking into consideration HLBHK's Risk Assessment in relation to bribery and corruption;
- act as a centralize function to communicate HLBHK's general stance on anti-bribery and corruption to external parties on behalf of HLBHK and keep records of all communications for record keeping purposes;
- report on the implementation of the ABC Programme to the HLBHK Risk and Compliance and Governance Committee ("RCGC") and HLBB Board Risk Management Committee ("BRMC").

HLBHK Compliance Department can be reached at hlb_compliance@hlb.com.hk

Note: Promotional, marketing and training related emails, sent or forwarded to the email address above will not be entertained.

7. PRINCIPLE II: RISK ASSESSMENT

HLBHK Compliance Department shall undertake the ABC Risk Assessment of the overall HLBHK's operations at least once in in two (2) years and as and when necessary. This includes when there is a change in law, changes in the HLBHK's business(es) or there are circumstances whereby a risk assessment is warranted. The intent of the ABC Risk Assessment is to identify, analyse, assess and prioritise actions needed to mitigate internal and external corruption/bribery risks identified.

Senior Management of HLBHK shall review the HLBHK's risk assessment report and consider improvements on HLBHK's policies and procedures in combating corruption/bribery. HLBHK's risk assessment report will be presented to the Bank's Board for review.

8. PRINCIPLES III: UNDERTAKE CONTROL MEASURES

8.1 GIFTS & ENTERTAINMENT

The receipt and giving of gifts and entertainment shall be governed by the Bank's Board Policy on Code of Conduct & Ethics and Gifts & Entertainment SOP, where specific approval(s) is/are required even before incurring specific types or amounts of spend when it comes to giving of gifts and entertainment, as well as receiving of gifts and entertainment.

Board of Directors ("Board")

The Board should refrain themselves from receiving, soliciting, giving or offering any gift (including cash or cash equivalent) and/or entertainment or any other form of benefits from or to persons or entities who deal with the Bank where the gift and/or entertainment would reasonably be expected to influence the performance of the director's duties in any aspect.

Employees

All employees shall exercise good judgment and ensure that the acceptance of the gift or entertainment will not result in a conflict of interest when seen in the context of their employment with the Bank.

All employees are strictly prohibited from accepting or offering the following types of gifts and entertainment:	a) any form of gifts and/or entertainment which is, or which appears to be, inappropriate, frequent or excessive, taking into account all relevant facts and circumstances; b) any amount of cash or cash equivalent (angpows (including e-angpow via online transfer), gift cards, vouchers etc); c) any form of gifts and/or entertainment in exchange for an act by the Bank or an act for the benefit of the Bank; and d) any other forms of gifts and/or entertainment for purposes which are prohibited under the laws of Hong Kong.

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Without prejudice to the above, all employees must promptly declare any gift or entertainment above HKD 200 which they give or receive.

Gifts or entertainment received that are not approved by the relevant authority within the HLBG, must be returned or refunded back to the person who provided the said gift or entertainment.

8.2 DONATION & SPONSORSHIP

All donations and sponsorships undertaken by the Branch which are charitable in nature ("Donations") shall be governed by the Bank's Board Policy on Procure To Pay, Fixed Assets & General Ledger Controls which provides, *inter alia*:

a) No political donations are permitted.
b) Due diligence must be conducted on recipients of donations to ascertain that they are of reputable standing.
c) All donation requests must be reviewed by the Marketing and Communication division and approved by the Approving Authority as set out in the Board Policy on Procure To Pay, Fixed Assets & General Ledger Controls.
d) Donations must not be split into smaller denominations to bypass the approving route.

8.3 FACILITATION PAYMENTS

The Bank shall not make facilitation payments.

8.4 DUE DILIGENCE

To ensure that Associated Person share the Bank's zero tolerance stance against bribery and corruption, the Bank shall undertake due diligence to assess the integrity of the Associated Person, which shall include background checks and/or document verification and/or conducting interviews, prior to entering into any formalised relationship with them and periodically thereafter.

8.5 CONFLICT OF INTEREST

The Bank seeks to ensure that a conflict of interest does not affect the interests of the Bank, its shareholders, clients and other stakeholders through identification, prevention and management of the conflict of interest.

All Associated Person shall declare any personal interest he/she or persons connected to the Associated Person may have in any Bank's decision or matter he/she is involved in.

8.6 REPORTING CHANNEL AND WHISTLEBLOWING POLICY

Internal and external parties are encouraged to raise concerns in relation to real or suspected corruption/bribery incidents or inadequacies of HLBHK ABC Programme at the earliest opportunity.

Please refer to the Bank's Whistleblowing Policy for details on how such concerns may be raised to the Board and/or raised anonymously.

The Bank's Whistleblowing Policy protects the identity of the whistleblower, as well as protects the whistleblower from retaliation and adverse employment action, provided the disclosure was made in good faith.

Where relevant, the Bank shall report details of the corruption and bribery incidents to the relevant authorities.

8.7 OTHER CONTROL MEASURES

a. Financial Controls

All capital and operating expenditure shall be governed by the Bank's pre-approval limit in accordance with the Bank's Board Policy and SOP on To Pay, Fixed Assets & General Ledger Controls whilst all payments and staff claims shall be governed by payment authority limits in accordance with payments and staff claims policy.

b. Procurement

All procurement activities shall be governed by the Bank's Board Policy on Procure to Pay, Fixed Assets & General Ledger;

c. Record Keeping

The Bank shall record and maintain in a timely manner accurate and complete financial transactions together with adequate supporting documentation authorized upon review by the senior management. The Bank has established policies and procedures with regard to record keeping for managing documentation, these shall be strictly followed.

8. PRINCIPLES IV: SYSTEMATIC REVIEW, MONITORING & ENFORCEMENT

When a weakness or gap is detected during a breach, a process review exercise, or where there is new development in the industry, laws or regulations, improvements on the Branch's policies and procedures shall be considered and/or rectified promptly.

(i) Review

Group Internal Audit shall review the HLBHK's ABC Programme and measures to assess its compliance, performance, efficiency and effectiveness. The audit report shall be presented by Group Internal Audit to the Bank's Board Audit Committee for review and report to the Board subsequently for full Board deliberation/review.

Group Compliance shall undertake periodic reviews on the HLBHK's implementation of and adherence to the ABC Policy. The reports shall be presented by Group Compliance Department to the Bank's Board Risk Management Committee for review and report to the Board.

(ii) Monitor
All Heads of Departments shall monitor the performance of their personnel in relation to this Policy and report any non-compliance to HLBHK's CE and to any other Bank's designated person or committee. The non-compliance report shall be escalated promptly by HLBHK Compliance to the HLBHK's Risk and Compliance Governance Committee and to Group Compliance for reporting to the relevant governance committees in Head Office.
(iii) Enforcement
The Branch shall take appropriate disciplinary action against Associated Person found to be non-compliant with the ABC Policy.

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9. PRINCIPLE V: TRAINING & COMMUNICATION

The Bank has appropriate training programs and communication plans on the Bank's policies and commitments on anti-bribery and corruption for all relevant parties.

Date: December 2024