

Highlights of the Anti-Bribery and Corruption Policy & Whistleblowing Policy (“the Policies”)

This summary is provided for informational purposes only and is intended to offer a general overview. It is not exhaustive and does not replace or modify the official KAFIB's internal policies. In the event of any inconsistency or discrepancy between this summary and the official policies, the terms of the official internal policy documents shall strictly prevail.

Anti-Bribery Corruption Policy

1.0 Purpose

- 1.1 KAFIB places the highest priority on corporate integrity. We are fully responsible for ensuring all business operations adhere strictly to the most rigorous ethical standards and are in complete compliance with applicable law, regulation, and standard across all jurisdictions where we conduct business
- 1.2 KAFIB's Policies shall be in compliance with the requirements of the Malaysian Anti-Corruption Commission Act 2009 and Malaysian Anti-Corruption Commission (Amendment) Act 2018, as amended from time to time as well as applicable regulatory requirements.
- 1.3 The Policy applies to KAFIB including its directors, employees and external parties who have dealings with The Bank.

2.0 Facilitation Payments

- 2.1 KAFIB strictly prohibits the act of giving or receiving facilitation payments, either directly or through a third party.
- 2.2 The Bank will not take disciplinary action against employees who have made a facilitation payment under the genuine belief that his/her safety or freedom would have been in danger if such payment had not been made. However, this measure will be assessed on a case-by-case basis.

3.0 Conflict of Interest

- 3.1 Directors, Employees, Suppliers, and Business Associates are required to disclose any conflict-of-interest situations with the Bank which may include, but not limited to, the following:
 - (i) Close relationship with external stakeholders
 - (ii) Recipients of donations and sponsorships
 - (iii) Close relationships within the Bank;
 - (iv) Connection to recipients of donations or sponsorships

4.0 Donations and Sponsorships

- 4.1 The Bank has no political affiliations, and it shall not make any political contribution or donation to, or sponsor any events of, political parties. Whilst Directors and Employees are not prohibited to make personal political contributions or donations to political parties, such contributions or donations shall never be associated with the Bank and must always be made under the Director's or Employee's personal capacity.
- 4.2 Charitable contributions and donations made by the Bank are philanthropic in nature and must never be made with the intention to, or under the perception of being able to, influence any business-related decisions or outcomes.

5.0 Due diligence in conducting business with the Parties¹

- 5.1 Due diligence should be carried out prior to entering into a relationship or carrying out any transaction with the Parties.
- 5.2 As a general guide, screening shall be conducted via the established internal screening mechanism prior to the establishment of any relationship.
- 5.3 The due diligence will assist the relevant stakeholders in obtaining relevant available information of such Parties, for:
 - I. an informed view on the risk posed by such Parties; and
 - II. a reasonable conclusion that the Parties would conduct their activities in compliance with this Policy and the Code.

6.0 Offering or Receiving Advantages

- 6.1 As a general guide, gifts, entertainment, or hospitality which may influence, or that could reasonably be construed as having the potential to influence, any business-related decisions or outcomes may be construed as a bribe.
- 6.2 All stakeholders of the Bank's must avoid giving or receiving gifts, entertainment, or hospitality which may be construed as a bribe.
- 6.3 Gifts, entertainment, or hospitality must not be made or received with the intention to, or under the perception of being able to, influence any business-related decisions or outcomes. The Bank's business dealings, such as purchase orders, sales, and contracts, shall be conducted and decided based on business merits, such as price competitiveness, quality of goods and services, and track record. Applicable factors also include the criteria set out under the Bank's Procurement and Outsourcing Policies.
- 6.4 Employee(s) should courteously discourage offering/accepting the Advantages except for gifts or hampers for promotional activities/services, maintaining of business relationship or during festive season, which do not have any significant financial value.

¹ Refer to Appendix I for definition of "Parties".

Whistleblowing Policy

1.0 Purpose

- 1.1 This policy provides a framework for the management of whistleblowing reports and governs the conduct, mechanism, management and reporting of such framework in line with among others the relevant provisions outlined under the following legislations:

- i. Whistleblower Protection Act 2010;
- ii. Malaysian Anti-Corruption Commission Act 2009; and
- iii. Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001.

2.0 Objective

- 2.1 This policy is intended to provide an avenue for individuals to report in good faith any real and genuine concern regarding any improper conduct as provided in Section 3.1 whilst protecting the person making such disclosures from any reprisal or detrimental action.
- 2.2 This policy covers all the Bank's directors, employees, interns, third parties including consultants, vendors, contractors, external agencies and/or any other party who has a business relationship with the Bank. This Whistleblowing Policy shall be communicated to all employees (existing and new) and to third parties upon establishment of business relationship with the Bank.

3.0 Scope of Improper Conduct, Misconduct or Unethical Activities

- 3.1 The Bank's guidelines for reporting misconduct cover the following:
- (i) Criminal offences by the Bank's officers, employees and directors including fraud, corruption or abuse of power;
 - (ii) Abuse of power or misuse of the Bank's funds or assets;
 - (iii) Any financial irregularity or impropriety;
 - (iv) Gross mismanagement within the Bank;
 - (v) Breach of KAF Group's Code of Ethics and Professional Conduct;
 - (vi) Any malpractice or misdeeds, unethical and unlawful activity with regards to privileged information, material non-public information, market manipulation, rogue trading, market rigging, forgery etc.;
 - (vii) Failure to comply with provisions of the laws or regulatory obligations;
 - (viii) Assisting a person to commit any of the above instances of improper conduct; and
 - (ix) Detrimental action taken against whistleblowers or persons closely associated with whistleblowers.

4.0 Whistleblower Protection

- 4.1 The policy ensures that anyone reporting a concern in good faith will be protected from adverse or unfair treatment following their disclosure.
- 4.2 If the report has not been addressed appropriately, the Whistleblower may report his/her concern directly to Bank Negara Malaysia, Securities Commission Malaysia, Malaysian Anti-Corruption Commission or to any applicable law enforcement agency, as the case may be.

5.0 Reporting Channel

Reports may be raised by completing the Whistleblowing Form (physical/electronic forms), which is available at the KAFIB website or reaching out via the following channels:

| Whistleblowing Channel | |
|--|--|
| Person Being Reported/ Subject | Recipient |
| Chairman | Email: INED/GCCO/SMHR kib.welisten@kaf.com.my |
| Any Board member | |
| Chief Executive Officer | |
| Any EXCO Members | |
| Any Employees | Email: GCCO/SMHR kib.welisten2@kaf.com.my |
| INED (Independent Non-Executive Director) | Direct Post: Disclosure to be enclosed in a sealed envelope marked " Confidential " and " To be opened by address only ", addressed to— KAFIB Board Chairman Level 13A, Menara IQ, Lingkaran TRX, Tun Razak Exchange, 55188 Kuala Lumpur |
| GCCO (Group Chief Compliance Officer) | |
| SMHR (Senior Manager Human Resources) | |

Definitions

- 1. Parties** means any external party with whom the Bank has, or plans to establish, some form of business relationship, including counterparties and business partners i.e. clients, customers, third parties, associated persons including joint venture partners, outsourcing providers, contractors, consultants, subcontractors, suppliers, vendors, advisers, agents, distributors, representatives, intermediaries or investors;
- 2. Facilitation Payments** Facilitation Payments shall have the definition consistent with that provided by Transparency International, which is: a small bribe, also called a ‘facilitating’, ‘speed’, or ‘grease’ payment, made to secure or expedite the performance of a routine or necessary action to which the payer has legal or other entitlement;
- 3. Code** means the Group Code of Ethics and Professional Conduct;
- 4. Employees** include full-time, part-time, probationary, contract and temporary employees;
- 5. Close Relationship** refers to any of the following relationships:
 - i. being a family member of the other person, where “family” shall have the definition provided in Bursa Malaysia Securities Berhad’s Main Market Listing Requirements, i.e.
 - a) spouse;
 - b) parent;
 - c) child including an adopted child and step-child;
 - d) brother and sister; and
 - e) spouse of the person referred to in c) and d) above.
 - f) being a director, major shareholder, partner, or a person with executive power of an entity or organisation;
 - g) being a family member of the person referred to in (ii) above;
 - h) being a person who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions, or wishes of the other person; and
 - ii. being a related party as defined by the applicable regulating guidelines/regulations/policies.