

# **CODE OF CONDUCT & ETHICS**

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## 1. Purpose

HLMT's mission is to be a leading takaful provider driven by operational excellence and core values while upholding the Shariah principles and values. As such, HLMT commits to a high standard of professionalism and ethics in the conduct of its business and professional activities as set out in this Code.

This Code of Conduct & Ethics (this Code) serves to outline HLMT employees' obligations to observe and comply with all applicable laws and regulations and regulatory requirements. All HLMT employees are required to know and comply with the applicable laws, regulations and this Code.

## 2. Scope

This Code applies to:

- You, all employees who work in HLMT – including but not limited to permanent, part-time and temporary employees; and
- Any other persons permitted to perform duties or functions within HLMT – including but not limited to vendors, suppliers, contractors, secondees, interns, industrial attachment, Takaful agents (collectively, “**third party service providers**”).

## 3. Policy Statement

You are responsible to fully understand and comply with this Code. You are required to undertake the prescribed training and provide an annual affirmation that you have read, fully understood and will comply with this Code.

If you are employees at branches, you are expected to know and comply with the laws, regulations, this Code and the codes of conduct that apply in the jurisdictions where they operate. In cases where local laws and/or regulations prescribe different requirements, the stricter of the requirements shall apply.

Any failure to comply with this Code, or any HLMT policies relevant to your role, will be treated very seriously by HLMT. Such failure shall constitute misconduct and may result in disciplinary action, up to and including termination of employment (for employees) or termination of your relationship with HLMT (third party service providers).

### **OVERVIEW OF THIS CODE: IMPORTANT FURTHER READING**

- Financial Services Professionalism Board (FSPB) Code of Ethics
- Islamic Financial Services Act 2013
- Islamic Financial Services Board (IFSB) Guiding Principles on Conduct of Business For Institutions Offering Islamic Financial Services
- Sect 17A MACC Act 2009
- Competition Act 2010

## 4. Principles

There are seven (7) key principles to this Code:

- Competence
- Compliance
- Integrity
- Consumer Protection
- Confidentiality

Reference in the relevant legislations / regulations

- Objectivity
- Work Environment

#### **4.1 Principle 1 – Competence**

HLMT is committed to ensuring that its employees develop and maintain the relevant knowledge, skills and behavior on the Shariah compliant characteristics of our products and services to ensure our activities are conducted professionally and proficiently.

#### **Continuous Professional Development and Training**

As an employee, you are required to ensure that HLMT 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

- Ensure you meet competency standards of HLMT and its regulators;
- Seek help from your immediate superior to fill in any gaps in skill, knowledge or expertise;
- Ensure you understand the steps to be taken to achieve the required competence.

##### MAINTAIN COMPETENCE

- Keep up to date with the job requirements;
- Continuously learn and improve your skills, knowledge and expertise for your role and job function;
- Proactively keep abreast with changes in law, regulation and industry best practice relevant to your role and function, and to HLMT's business.

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

If your job role requires you to possess valid membership and/or license with relevant professional body or associations, or industry accreditation, you must ensure that these remain valid at all times and do not lapse.

#### **4.2 Principle 2 – Compliance**

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

HLMT continuously assesses employees to ensure their suitability for the roles they perform.

You must promptly declare to the Human Resources (HR) Division any criminal, legal or regulatory proceedings in which you are involved, whether or not the proceedings relate to HLMT, including:

- Any arrest, charge, conviction or legal proceeding of a criminal nature 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.

You do not need to declare minor traffic offences. If you have questions on whether you need to declare a criminal, legal or regulatory proceeding, contact the HR Division.

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

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

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

### Data Management

- i. HR staff are only allowed to access employee information or use any personal information provided by the employee for the purpose of carrying out their duties as a HR staff of the company.
- ii. HR is to adhere to the data retention period of 7 years <sup>1</sup> and shall not retain personal data for longer than necessary for the fulfilment of the purpose for which it was collected unless such retention is necessary for the operational, audit, legal, regulatory, tax or accounting requirements.
- iii. HR must also take all reasonable steps to ensure that all personal data (paper or digital) is destroyed or permanently deleted if it is no longer required for the purpose for which it was collected unless such retention is necessary for their operational, legal, regulatory, tax or accounting requirements.
- iv. Staff personal data can be retained for a longer period of time if such retention is necessary for the following purposes:
  - a) Legal proceedings or regulatory or similar investigation or obligation to produce the said information;
  - b) A crime or misconduct is suspected or detected;
  - c) Information is relevant to a company in liquidation or receivership, where a debt is due to HLMT; or
  - d) Information is considered to be of a potential historical importance.

- (i) Section 61 (2) of the Employment Act (EA) 1955
- (ii) Code of Practice on Personal Data Protection for Insurance and Takaful Industries in Malaysia (CPPDP)

### Compliance with Laws and Regulations

HLMT 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. You must fully cooperate with, and provide accurate information for any internal or external investigations.

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

<sup>1</sup> Although the EA 1955 requires only 6 years retention of employee data, HLMT will maintain the data for 7 years in accordance with the Section 245 (3) of the Companies Act 2016 due to employee data is also related to financial matters of the company such as payroll or taxation.

Violations of this Code or any laws, regulations, or regulatory requirements that apply to HLMT may result in disciplinary action up to and including dismissal. Misconduct that will result in disciplinary actions also includes:

- Violating or asking others to violate this Code;
- Failing to raise a known or suspected violation of this Code;
- Retaliating against another employee for raising a concern in good faith or for participating in an investigation.

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

- Seek remedies in a civil court including but not limited to financial damages and/or a court order prohibiting an individual from continuing to violate this Code or any laws, regulations, or regulatory requirements that apply to HLMT;
- Report such violation to the police and/or regulators, which may result in criminal liabilities and/or penalties;
- 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.

### **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. You must :

- i. not engage in 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. not communicate or share commercially sensitive information with actual or potential competitors, or third parties who may potentially pass such information to competitors.
- iii. not use commercially sensitive information other than for legitimate purposes only.

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

- i. All persons, including employees, third-party service providers and business partners, must abide by the laws and regulation pertaining to Anti-Money Laundering and Counter Financing of Terrorism.
- ii. Employees and third-party service providers 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 Head of Department, Compliance Representative or the relevant person designated by HLMT.

You must never cause HLMT to commence or continue a relationship with a person whom you know or suspect to be carrying out a financial crime. You must file an internal suspicious transaction report immediately whenever such knowledge or suspicion arises.

### **Compliance with Islamic Financial Services Act 2013 and BNM Shariah Governance Policy Document (SGPD)**

HLMT places great importance in ensuring its business operations adheres to the IFSA 2013, SGPD or any other relevant policies or guidelines.

You are required to promptly report any known or suspected Shariah non-compliance incident/event.

**COMPETENCE: IMPORTANT FURTHER READING**

- BNM Compliance Policy
- HLMT Compliance Policy
- BNM Fit and Proper Criteria Policy
- Islamic Financial Services Act 2013
- BNM Shariah Governance Policy
- HLMT Shariah Governance Policy

**4.3 Principle 3 – Integrity**

HLMT's Vision, Mission and Values identify a strong values-based culture to guide decisions, actions and interactions with stakeholders as a key enabler for success.

**General Conduct**

Each HLMT employee has the responsibility to uphold this Code and demonstrate the highest standards of business conduct by doing the right thing and uphold the integrity by complying with Shariah rules and principles at all times.

HLMT relies on you to practice sound decision-making and take actions that will preserve a strong 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. If you are ever unsure of the proper course of action, you should seek advice from your manager, Head of Department, Chief Compliance Officer or Head of Human Resources.

Personal appearance can contribute to HLMT'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 the workplace and work-related activities, observe the local dress codes (including wearing uniforms) where applicable.

You must attend work punctually, adhere to HLMT'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 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 HLMT and without any reasonable excuse.

Examples of behavior that could be seen as lacking punctuality 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.

**Integrity of Records and Information**

Record keeping policies and controls are essential to the successful operation of HLMT and our ability to meet our legal and business obligations. Each of us is responsible for the accurate and complete update and maintenance of HLMT'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 or account that relates to the business of HLMT, 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 marketing incentive plans and claims you make under our employee benefit plans.

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

### **HLMT's Assets**

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

HLMT's assets include:

- 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, including information about products, services, systems and other data.

The utilisation of HLMT's assets including email and internet is continuously monitored to detect and prevent misconduct and unauthorised use as permitted by law and regulation.

### **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 HLMT, which relates either directly or indirectly to HLMT, shall belong to and be the absolute property of HLMT.
- ii. You shall promptly disclose to HLMT all such Intellectual Property made by you alone or with any person or persons and shall hold such Intellectual Property in trust for HLMT.
- iii. You shall assign and hereby agree to assign to HLMT any and all rights to the Intellectual Property, as and when directed by HLMT and further agree that HLMT 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 HLMT do all things necessary or desirable to substantiate the rights of HLMT 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 HLMT was used and which was developed entirely on your personal time and which does not relate to the business of HLMT, directly or indirectly, or HLMT's actual or demonstrated anticipated research and/or development, or which does not result from the work performed by you for HLMT.



### **Personal Finances**

As an employee, any improper handling of your personal finances could undermine your credibility and the reputation of HLMT. 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 the contractual terms to which you are bound. In relation to your financing and/or 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.

HLMT reserves the right to carry out checks of an employee's past as well as present financial activities and patterns. Where an employee fails to fulfil his financial obligations as and when they fall due or has been the subject of a judgement debt which is unsatisfied, either in whole or in part, HLMT may take appropriate action, including:

- i. Removing the employee from certain positions or roles, e.g. position of authority, cash handling, etc.;
- ii. Termination of employment if the employee is declared bankrupt and is no longer suitable to be employed by HLMT.

An employee's career advancement may also be impacted as a result of his poor financial standing.

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

You must speak up if you witness or if you are improperly instructed to carry out illegal or unethical act, including wrongdoing by third parties (such as customers, vendors or business partners).

You are required to promptly report any known or suspected violations of this Code, HLMT 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 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. If you have concerns about possible retaliatory action, you may lodge a report to the Head of HR or through HLMT's Whistleblowing channels.

### **Critical Incident Reporting**

It is the responsibility of an employee who encounters a Critical Incident i.e. Shariah non-compliant, financial, legal, reputational or operational risk to immediately notify the superiors and functional reporting heads for prompt communication to Senior Management of HLMT. This is to enable HLMT to manage the situation appropriately in order to mitigate any risk posed to HLMT.

**INTEGRITY: IMPORTANT FURTHER READING**

- HLMT Whistleblowing Policy
- BNM Reporting under Operational Risk Integrated Online Network
- HLMT Incident Management Standard Operating Procedure
- Guidelines: Company Dress Code

**4.4 Principle 4 – Consumer Protection**

A core mission of HLMT is to help clients succeed through simple, relevant, personal and fair takaful dealings. 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.

**Fiduciary Duties**

You have a duty to act in the best interest of HLMT and its customers.

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 HLMT. At all times, you must:

- Comply with applicable laws and regulatory requirements regarding consumer protection;
- Fully embrace the principle of treating consumers fairly in carrying out your role;
- Ensure that promotion and marketing methods are fair, clear and not misleading;
- Bear in mind the financial literacy of the target group of your promotion and marketing efforts;
- Obtain or confirm information about the needs of the customer;
- Ensure that any product and/or service offered is suitable to fulfil the needs of the customer;
- Ensure that any of our Islamic product and/or service offered is Shariah compliant and suitable to fulfil the needs of the customer;
- Be transparent in the provision of information about a product and/or service, including its features, risks and rewards;
- Give customers equal access to such information; and
- Take customer complaints seriously.

In conducting your work with integrity, you must:-

- Not take unfair advantage of anyone through manipulation, concealment, abuse of confidential information, misrepresentation of material facts, or other unfair dealings or practices; and
- Comply with all relevant 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.

**CONSUMER PROTECTION: IMPORTANT FURTHER READING**

- BNM Policy Document on Fair Treatment of Financial Consumers
- HLMT Fair Treatment of Customers Policy

**4.5 Principle 5 – Confidentiality**

HLMT is committed to provide a safe, reliable and secured takaful experience for our customers and employees.

**Protecting Customer and HLMT's Confidential Information**

Our employees, business partners and customers 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/engagement, you must not disclose or misuse customer or HLMT's confidential information, whether or not for personal financial gain. You have a duty to protect such confidential information and to take the following precautions:

- 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 can hear you (corridors, lift, lobby etc.);
- iii. Do not access or use confidential information for unauthorised purposes;
- iv. Do not widely circulate confidential information, in internal mass postings, or outside HLMT (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. Do not share your passwords with anyone;
- viii. Ensure hard copy confidential information is stored in locked cabinets and soft copies securely stored; and
- ix. Shred any documents containing confidential information when they are no longer needed.

The duty of confidentiality is both a legal and ethical obligation. Laws concerning confidentiality, particularly the Personal Data Protection Act 2010 (PDPA), must be strictly adhered to.

### **Data Management**

In order to ensure that our employees handle personal data of our customers safely and according to its intended purpose only, personal data or documents containing personal data should not be retained longer than necessary for the fulfilment of the purpose it was collected and any required processes until such time as required by any prevailing laws in Malaysia that is guided by PDPA requirements such as Section 245 (3) of the Companies Act 2016, Section 61 (2) of the Employment Act 1955, Code of Practice on Personal Data Protection for Insurance and Takaful Industries in Malaysia .

- i. Staff are only allowed to access customer information or use any personal information provided by them for the purpose of carrying out their duties as a staff of the company in processing the data submitted by the customer or employee
- ii. Staff are to adhere to the data retention period of minimum of 7 years or longer if specified by any prevailing laws, code of conducts or internal policies and shall not retain personal data for longer than necessary after the cessation of the customer's certificate of the

- staff unless such retention is necessary for the operational, audit, legal, regulatory, tax or accounting requirements.
- iii. Staff must also take all reasonable steps to ensure that all personal data (paper or digital) is destroyed or permanently deleted if it is no longer required for the purpose for which it was collected unless such retention is necessary for their operational, legal, regulatory, tax or accounting requirements.
  - iv. Customer's personal data can be retained for a longer period of time if such retention is necessary for the following purposes:
    - a) Legal proceedings or regulatory or similar investigation or obligation to produce the said information;
    - b) A crime or misconduct is suspected or detected;
    - c) Information is relevant to a company in liquidation or receivership, where a debt is due to HLMT; or
    - d) Information is considered to be of potential historical importance.

- i. Section 245 (3) of the Companies Act 2016
- ii. Code of Practice on Personal Data Protection for Insurance and Takaful Industries in Malaysia

### Misuse of Information

You are prohibited from using material, non-public information about HLMT, our customers or other companies that conduct business with us to gain a direct or indirect advantage 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. In addition to a breach of this Code, such dealing may also constitute a criminal offence.

'**Inside information**' is information 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 of such company.

'**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.

### "Clean Desk" Policy

HLMT practices and enforces a "Clean Desk" Policy. This means that all employees are responsible for clearing their desks of any confidential information when they leave the office.

Laptops should be secured in place. Documents, especially those with confidential or sensitive information, must be stored securely and appropriately.

### 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 that third parties or unauthorised persons cannot access the information.

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

You must not make any oral, written or other public statement, regarding HLMT, unless with prior written approval from GMD. This includes our internal policies, financial information, internal affairs or corporate affairs, or any statement containing or relating to HLMT's confidential information.

In case of matters concerning HLMT, only GMD, IGP and Chairman are authorised to make or release any statements on HLMT to the media or the public, provided that they are for the purpose of communicating, marketing, customer services or public relationship and related information. Senior executives may make or release such statements, only where they have obtained explicit prior approval from GMD, IGP or Chairman.

You must promptly inform GMD or the Corporate Communication Department if you are approached by a member of the media to comment on any matter pertaining to HLMT.

Unless with prior written 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 any talks, seminars, conferences that are not sanctioned by Group or HLMT;
- iii. Accept appointments to councils, committees or boards for any associations, governmental or non-governmental organisations, societies etc. in your capacity as a HLMT 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 HLMT's name save insofar as required in the course of normal business.

When in doubt, you must consult the Compliance Department and Corporate Communication Department, as well as seek approval from GMD and President.

### **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 regarding HLMT, its employees, stakeholders, customers or business partners (e.g. vendors).

Restricted postings include referrals, recommendations, material subject to intellectual property rights, photos, videos, etc. Information that might damage the reputation of HLMT is not to be posted or disseminated and should be reported to Corporate Communication Department, should you become aware of such information.

#### **CONFIDENTIALITY: IMPORTANT FURTHER READING**

- HLMT Management of Customer Information
- HLMT Personal Data Protection Policy
- HLB IT Security Policy
- Hong Leong Group's Media and Public Relation Policy
- HLMT Data Management and Management Information System Policy

### **4.6 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.

**Conflict of Interest**

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

i. Other Business Interests and Employment

Conducting any non-HLMT paid or unpaid employment or business activity (including acquiring another business) without the approval of HLMT is prohibited.

You must not undertake paid or unpaid employment or other business activities outside of HLMT's working hours unless you have prior written approval from your Head of Department and the HR Department.

Approval shall be granted at the sole discretion of HLMT only where the interests of HLMT and the Group will not be prejudiced.

If you have a financial interest in a customer of HLMT – for example as a sole proprietor, partner, shareholder, creditor or debtor – such an interest must be disclosed immediately to the HR Department. You must not be directly involved in HLMT'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 approval from HLMT's Board of Directors.

iii. Trusteeships

You may only accept an appointment as an executor, administrator or trustee of customers' estates if you have prior written approval from the HR Department. If such an appointment is made without your knowledge, you must notify the HR Department without delay to obtain their approval to retain such appointment once you become aware. Such approval shall not be unreasonably withheld.

iv. Working with Relatives

Employees should not work with their immediate family members (i.e., spouses, parents, siblings or children), or another colleague with whom they have a personal relationship, in the same Division/Department/Branch and/or in a position of direct subordination or supervision. You must promptly declare any such situations to the HR Department. HLMT has the right to take all necessary steps to ensure any element of conflict of interest is removed, including requiring the transfer of affected employees.

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

**Misuse of Position**

You must not use your position to influence other employees, current and potential customers or business partners of HLMT to act in your personal interest or in the interest of anyone other than themselves and HLMT.

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

- 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/financings;
- iii. For speculative activities in commodities (gold, silver, etc.), foreign exchange or securities, whether acting personally or on behalf of another; and
- iv. To engage employees of other financial institutions in unethical and/or prohibited arrangements for personal or mutual gain, e.g., approving a takaful certificate in return for a personal benefit, 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.

### **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 and obtain approval for any gift or entertainment which you (or others on your behalf) give or receive, in accordance with HLMT's Gifts and Entertainment Procedures.

#### **OBJECTIVITY: IMPORTANT FURTHER READING**

- HLMT Gifts and Entertainment Standard Operating Procedure
- HLA Procurement/Tender Procedures
- HLMT Anti-Corruption System Policy & Standard Operating Procedure

## **4.7 Principle 7 – Work Environment**

### **Safe Workplace**

A safe and healthy workplace is important to the wellbeing of every employee. We rely on you to comply with applicable laws such as the Occupational Safety and Health Act 1994 and HLMT's policies as they relate to ensuring the health, safety and security of our workforce, our customers and others who may be present on our premises.

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 HLMT's property should be reported immediately. The unauthorised possession or use of weapons, or menacing references to weapons, while at work, on HLMT's business, on HLMT's business premises or during HLMT-sanctioned 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 co-workers and customers. Do not allow unauthorised 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 organisation they represent. We rely on you to promptly report any criminal activity or situations that could pose a threat to you or to others.

You are 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, stack and store.

### **Diversity and Inclusion**

HLMT employs/engages people from a variety of backgrounds and 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.

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

### **Sustainability**

HLMT 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 HLMT and raising staff awareness about the importance of caring for the environment. HLMT will be mindful of its activities with employees, business partners and the community we operate within to ensure human rights are safeguarded. Where there are adverse impacts, we are committed to addressing these. You must contribute towards building a legacy of growth, performance, integrity and ethical leadership by these common values and share our HLMT's commitment to sustainability and aim to create lasting social benefits when performing your duties or function within HLMT.

### **Drug-free Workplace and Alcohol Consumption**

You must not sell, manufacture, 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 working hours, while on HLMT's business or on HLMT's business premises, and/or at a HLMT-sponsored event.



**Office**

The primary purpose of an office is to support you in performing your job and you are reminded to always be mindful and sensitive in your actions and words at the office. HLMT prohibits you 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 ritual at places other than prayer room without the prior approval of the HR Department.

**ENVIRONMENT: IMPORTANT FURTHER READING**

- Occupational Health and Safety Act 1994

**5. Definitions and Abbreviations**

The definitions and abbreviations used in this document are as follows:

CEO	Chief Executive Officer of HLMT
CHAIRMAN	Chairman of HLMT
EXCO	Executive Committee
GBRMC	Group Board Risk Management Committee
GMD	Group Managing Director of HLMT
HLAH	HLA Holdings Sdn Bhd
HLMT	Hong Leong MSIG Takaful Berhad
HR	Human Resource
IGP	Intermediate Group President
SOP	Standard Operating Procedures
You	Employees of HLMT or parties to whom this Code apply as defined under paragraph 2 of this Code.
EA	Employment Act 1955
CA	Companies Act 2016
CPPDP	Code of Practice on Personal Data Protection for Insurance and Takaful Industries in Malaysia

**6. Policy Information**

<b>Policy Owner</b>	Head, Human Resources	
<b>Responsible Person (s)</b>	All staff	
<b>Version No. and date Approved</b>	Version 1.0	22 April 2019
	Version 2.0	17 September 2020
	Version 3.0	22 April 2021
	Version 4.0	13 September 2022
<b>Summary of Revisions</b>	<u>Version 1.0</u> New	
	<u>Version 2.0</u> <ul style="list-style-type: none"> <li>• Revised the document format to align with the HLMT Documentation Policy.</li> <li>• Amended clause on Anti-bribery and Corruption, Gifts and Entertainment.</li> <li>• Updated list of policies and procedures that associated to this Code.</li> </ul>	
	<u>Version 3.0</u> <ul style="list-style-type: none"> <li>• Section 1: First paragraph from Section 3 is moved here.</li> </ul>	

- Section 2: To include vendors and suppliers.
- Section 3: To remove the paragraph on employees in branches in other jurisdictions, as HLM Takaful does not have any branches outside of Malaysia.
- Section 4, item 4.1: Amendment to Continuous Professional Development and Training paragraph for better clarity, i.e., remove the 2 tables and change into 2 clauses.
- Section 4, item 4.2: Added a new key principle, i.e., Compliance,
  - Personal Declarations on Legal and Regulatory Proceedings, Fitness and Propriety – formerly under Competence principle, now under Compliance principle.
  - Compliance with Laws and Regulations – formerly under Competence principle now under Compliance principle.
  - Competition Laws – new clause added.
  - Replaced Maintaining Vigilance against Financial Crime, with Anti-Money Laundering and Counter-Financing of Terrorism, formerly under Item 4.1 Principle 1 - Competence to Item 4.2 Principle 2 – Compliance.
- Section 4, item 4.3: Elaboration of Intellectual Property formerly under Item 4.2 Principle 2 – Integrity.
- Section 4, item 4.3: Expansion of clause Personal Finances to include *misuse of position*.
- Section 4, Item 4.4: To rename from Fairness to Consumer Protection.
- Section 4, item 4.7: To expand the clause on sustainability.

#### Version 4.0

- Change from 'Policy' to 'Code'
- 1. **Purpose** – "HLMT's mission is to be a leading takaful provider for all" is edited and 'for all' is deleted
- 3. **Policy Statement** – Added 'the prescribed' before training and 'annual' before affirmation
  - Change '(for colleagues)' to '(for employees)'
  - Change '(for contractors and others)' to '(third party service providers:'
- Deleted **4.1 Principle 1 – Competence: Attain Competence** item (ii) 'Carry out your duties and responsibilities responsibly and competently'
- Added **4.2 Principle 2 – Compliance: Data Management** by HR staff Retention period and purpose of retention beyond required period, deletion or destroying of personal data at the end of retention period and Reference in the relevant legislations / regulations – EA 1955 and CPPDP
  - Added footnote on retention period of employee data to follow CA 2016
- Changed **4.2 Principle 2 – Compliance: Competition Law** from 'Among conduct that you shall comply with include' to 'You must'.
- Changed **4.2 Principle 2 – Compliance with Islamic Financial Services Act 2013 and BNM Shariah Governance Policy Document (SGPD)** from 'the Islamic financial systems operates in accordance to' to 'its business operations adheres to'
- Changed **4.3 Principle 3 – Integrity: HLMT's Assets** last paragraph from 'to detect misconduct' to 'to detect and prevent misconduct'
- Deleted **4.3 Principle 3 – Integrity: Personal Finances** 'such as his promotion being withheld'.
- Added 4.5 Principle 5 – Confidentiality: Data Management. Retention period and purpose of retention beyond required period, deletion or destroying of personal data at the end of retention period and Reference in the relevant legislations / regulations – CA 2016 & CPPDP
- Added 4.6 Principle 6 – Objectivity: Conflict of Interest 'at the sole discretion of HLMT'
- Changed **4.7 Principle 7 – Work Environment: Safe Workplace** from 'HLMT-sponsored event' to 'HLMT-sanctioned event'
- Changed **4.7 Principle 7 – Work Environment: Drug-free Workplace and Alcohol Consumption** from 'HLMT-sanctioned event' to 'HLMT-sponsored event'

	<ul style="list-style-type: none"> <li>Added in 4 more <b>5. Definitions and Abbreviations</b> – ‘You’; ‘EA’; ‘CA’; ‘CPPDP’</li> </ul>
<b>Effective Date</b>	13 September 2022
<b>Next Review Date</b>	12 September 2023
<b>Relevant Legislation</b>	<ol style="list-style-type: none"> <li>Islamic Financial Services Act 2013.</li> <li>Occupational Health and Safety Act 1994.</li> <li>Section 17A MACC Act 2009.</li> <li>Competition Act 2010.</li> <li>Employment Act (EA) 1955</li> <li>Companies Act 2016</li> <li>BNM Fit and Proper Criteria Policy Document.</li> <li>BNM Shariah Governance Policy Document.</li> <li>BNM Operational Risk Integrated Online Network (ORION) Policy Document.</li> <li>BNM Fair Treatment of Financial Consumers Policy Document.</li> <li>BNM Compliance Policy Document.</li> <li>Code of Practice on Personal Data Protection for Insurance and Takaful Industries in Malaysia</li> </ol>
<b>Related Policies and Procedures</b>	<ol style="list-style-type: none"> <li>Hong Leong Financial Group’s Code of Conducts &amp; Ethics Policy.</li> <li>Financial Services Professionalism Board (FSPB) Code of Ethics.</li> <li>HLMT Compliance Policy.</li> <li>HLMT Management of Customer Information Policy.</li> <li>HLMT Personal Data Protection Policy.</li> <li>HLB IT Security Policy.</li> <li>HLMT Data Management and Management Information System Policy.</li> <li>HLMT Fair Treatment of Customers Policy.</li> <li>Hong Leong Group’s Media and Public Relation Policy.</li> <li>HLMT Anti-Corruption System Policy.</li> <li>HLMT Whistleblowing Policy.</li> <li>HLMT’s Gifts &amp; Entertainment Standard Operating Procedure.</li> <li>HLMT Anti-Corruption Standard Operating Procedure.</li> <li>HLMT Incident Management Standard Operating Procedure.</li> <li>HLMT Anti-Corruption System Standard Operating Procedure.</li> <li>HLA Procurement/Tender Standard Operating Procedure.</li> <li>Companies Act 2016 Section 245 (3)</li> <li>Employment Act (EA) 1955 Section 61 (2)</li> <li>Code of Practice on Personal Data Protection for Insurance and Takaful Industries in Malaysia</li> </ol>
<b>Reviewed and Concurred By and Date Reviewed and Concurred</b>	CEO 18.07.22
<b>Endorsed By and Approved By and Date Endorsed</b>	EXCO 20.07.22  Shariah Committee 21.07.22  Group Board Risk Management Committee (GBRMC) 01.09.2022
<b>Approved By and Date Approved</b>	HLMT Board of Directors 13.09.2022