

Anti-Bribery and Corruption Policy (“AB&C Policy”)

Alliance Bank Malaysia Berhad (“Alliance Bank” or the “Group”) is fully committed to conduct its business dealings with integrity. To achieve this commitment, the Group has adopted a zero tolerance approach against all forms of bribery and corruption in carrying out its daily operations.

SECTION 1: PURPOSE

This Policy sets out the minimum standards of conduct and guiding principles in respect of bribery and corruption risks which may arise in the business activities of the Group. This Policy is guided by the Guidelines on Adequate Procedures issued pursuant to Section 17A (5) of the Malaysian Anti-Corruption Commission Act 2009 and its subsequent amendments thereafter and is applicable to all directors and employees of the Group including those who are performing services for or on behalf of the Group.

This Policy is supported by the Alliance Bank’s Anti-Bribery & Corruption Procedures (“AB&C Procedures”) which further elaborates on the principles of this Policy and provides detailed steps and procedures on how to address and assess bribery and corruption risks and issues that may arise in the course of Alliance Bank’s business.

This Policy also makes reference to the Group’s Code of Conduct, Gifts & Entertainment Policy, Procurement Policy, Zakat Policy and Procedures, Sponsorship Procedure and Whistle-Blower Policy.

Definition of Bribery and Corruption

Bribery

When an individual (directly or indirectly) promises, offers, gives or seeks, accepts or receives a payment or favour (monetary or otherwise) to influence a business outcome or to confer an unfair or unethical business advantage.

Corruption

An abuse of entrusted power for the advantage of the Group or personal gain and may include bribery. Corruption may also take the form of nepotism, embezzlement or any acts related to abuse of power.

SECTION 2: BOARD OVERSIGHT

The Board is responsible for ensuring:

- a. A culture of ethics and integrity is promoted within the Group, in line with the Group’s core values;

- b. Appropriate policies and procedures to address bribery and corruption risks are established, maintained and periodically reviewed; and
- c. Adequate resources to ensure compliance with the requirements of AB&C Policy and Procedures.

SECTION 3: RISK MANAGEMENT

To address bribery and corruption risks and issues that may arise in the course of the Group's business, the Group adopts a bribery and corruption risk assessment approach to identify, analyse and assess internal and external bribery and corruption risks related to the Group.

Risk and Compliance Officers from the respective department/unit must identify and assess the bribery and corruption risks and controls and perform the control self-assessment in line with the Bank's existing Risk & Control Self-Assessment process, in consultation with the respective Group Head. This include assessment of any operations that are assessed to be "high risk".

Group Risk Management must review and validate the bribery and corruption risk assessment in line with the existing RCSA monitoring process.

The Bribery and Corruption Risk Assessment Factors are also included in the AB&C Procedures which outline detailed description of risks of bribery and corruption arising from key activities in the bank.

SECTION 4: KEY PRINCIPLES

Compliance to this Policy is mandatory and those representing the Group are to strictly comply with the following principles:

- a. Giving or receiving bribes or participate in any form of bribery and corruption in its business dealings is strictly prohibited;
- b. The engagements and dealings with third parties must not be for the purpose of inducing or gaining an unfair or unethical business advantage, or influencing a government or regulatory decision for the Group or for personal gain;
- c. The giving and receiving of gifts and entertainment, including donations and corporate sponsorships, whether directly or indirectly with the intention to bribe, to gain an unfair or unethical business advantage, or for personal gain is strictly prohibited; and
- d. Actual or potential Conflict of Interest which could result in actual or potential bribery and corruption risk to the Group is prohibited.

SECTION 5: FACILITATION PAYMENTS

In line with the Group's zero tolerance against bribery and corruption, those representing the Group is strictly prohibited from making facilitation payments.

SECTION 6: THIRD PARTIES

The Group being a financial institution will have business dealings with third party such as public officials, regulators, outsourced service providers and other parties. The engagement of a third party must not be for the purpose to induce or to gain an unfair or unethical business advantage, or to influence a government or regulatory decision for the Group or for personal gain.

Associated Person ("AP") is a person associated with the Bank if the person is a director, partner or an employee of the Bank or if the person performs services for or on behalf of the Bank. AP among others includes business partners, joint venture partners, distributors, brokers, professional advisors, service providers and other intermediaries.

AP must be assessed to determine the level of bribery and corruption risk they pose to the Bank prior to their engagement. The due diligence requirements and decision making matrix for the engagement of APs are set out in the AB&C Procedures.

Alliance Bank's Anti-Bribery & Corruption Policy is communicated to AP including intermediaries via the bank's AB&C contractual safeguard clause when engaging with an AP including intermediaries. The full guidelines and procedure applicable to this section are also set out in the AB&C Procedure.

SECTION 6.1: DUE DILIGENCE

Vendor accreditation must be performed on vendor during onboarding and annually to ascertain if the vendor may pose any bribery and/or corruption risk to the Bank. The accreditation process performed includes Connected Party Check, Related Party Check, and Sanction Check.

Vendor accreditation must be in line with the selection criteria as set out in the Procurement Policy by Centralised Procurement Services ("CPS").

SECTION 7: GIFTS AND ENTERTAINMENT

Those representing the Group must not, whether directly or indirectly, provide or receive gifts or entertainment with the intent of bribing another person (includes but not limited to third parties), or which may give rise to such a perception. When deciding whether to give or receive gifts or entertainment, those representing the Group must consider whether this could directly influence

a specific business decision, serve as an inducement to gain an unfair or unethical business advantage or for personal gain or to influence a government or regulatory decision.

SECTION 8: DONATIONS AND CORPORATE SPONSORSHIPS

Those representing the Group must not provide donations and corporate sponsorships with the intent of bribing another person, or which may give rise to such a perception. When deciding whether to provide donations or corporate sponsorships, those representing the Group must consider whether:

- a. the donation or corporate sponsorship could directly or indirectly influence a specific business decision, serve as an inducement to gain an unfair or unethical business advantage or for personal gain or to influence a government or regulatory decision; or
- b. the donation or corporate sponsorship may be used to hide or disguise acts of bribery committed for the benefit or advantage of the Group.

No political donations are permitted as set out in the Sponsorship Procedure. The Group does not make any political contributions whether in cash or in-kind as this can be perceived as an attempt to gain an improper business advantage. Employees are strictly prohibited to make any political contribution on behalf of the Bank.

SECTION 9: EMPLOYMENT AND HIRING

Those representing the Group must not provide directorships, employment opportunities, or similar offers to any person including to a third party or to any person related to a third party as an inducement to gain an unfair or unethical business advantage or for personal gain.

The offering of directorships, employment opportunities or similar offers, are only permissible where the following criteria have been satisfied:

- a. the offer is supported by a genuine and legitimate business need;
- b. candidate selection is merit-based; and
- c. candidates are subject to the same selection process and checks regardless of sourcing channel (e.g. referrals, external applications).

SECTION 10: TRAINING AND AWARENESS

The Group must establish and maintain a training and awareness programme to educate directors and employees on bribery and corruption risks in the Group and the AB&C Policy and Procedures. In addition, directors and employees must complete the AB&C trainings that are appropriate to their role, operating environment and jurisdictions in a timely manner.

SECTION 11: RECORD KEEPING

Complete and accurate records to demonstrate adherence to provisions of the AB&C Policy and Procedures must be developed and maintained.

SECTION 12: WHISTLEBLOWING

The Group is committed to ensuring that employees can report their concerns in complete confidence. Retaliation, in any form, against a 'whistleblower' is strictly prohibited, where the report was made in 'good faith'. Reports will be investigated thoroughly and in a timely manner.

All employees are strongly encouraged to report any potential or known bribery or corruption cases via the established whistleblowing channels in line with the Anti-Bribery and Corruption Policy.