CODE OF BUSINESS ETHICS (CoBE) OF THE PNB GROUP

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior written permission of Permodalan Nasional Berhad (Company No. 197801001190 (38218-X)) ("PNB").
# TABLE OF CONTENTS

**MESSAGE FROM OUR PRESIDENT & GROUP CHIEF EXECUTIVE**  

**OUR FOUNDATIONS AND HOW WE PUT OUR CORE VALUES INTO PRACTICE**  

<table>
<thead>
<tr>
<th>Definitions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0 Our CoBE, Its Principles and Coverage</td>
</tr>
<tr>
<td>1.1 Background</td>
</tr>
<tr>
<td>1.2 Who Does It Apply To?</td>
</tr>
<tr>
<td>1.3 Responsibility and Compliance to the CoBE</td>
</tr>
<tr>
<td>1.4 What Happens If You Fail to Comply with CoBE?</td>
</tr>
<tr>
<td>2.0 Our Foundations on How We Do Our Business as a Team</td>
</tr>
<tr>
<td>2.1 Integrity, Diligence, Care &amp; Professionalism</td>
</tr>
<tr>
<td>2.2 Organisation, Management and Key Responsibilities</td>
</tr>
<tr>
<td>2.3 Equal Opportunities</td>
</tr>
<tr>
<td>2.4 Discrimination and Harassment</td>
</tr>
<tr>
<td>2.5 Safe and Sound Working Environment</td>
</tr>
<tr>
<td>2.6 Communication and Social Media Policy</td>
</tr>
<tr>
<td>2.7 Proper Use of IT Systems</td>
</tr>
<tr>
<td>2.8 Usage of Company Facilities/Properties</td>
</tr>
<tr>
<td>2.9 Intellectual Property</td>
</tr>
<tr>
<td>2.10 Dealing with Confidential Information</td>
</tr>
<tr>
<td>2.11 Personal Data Protection</td>
</tr>
<tr>
<td>2.12 Fund Manager’s Disclosure and Conduct</td>
</tr>
<tr>
<td>2.13 Strict Prohibition of Substance Abuse</td>
</tr>
<tr>
<td>3.0 Our Customers Count on Us To do the Right Thing</td>
</tr>
<tr>
<td>3.1 Our Stand Against Corruption</td>
</tr>
<tr>
<td>3.1.1 Anti-Bribery Guide &amp; Law</td>
</tr>
<tr>
<td>3.1.2 Making Facilitation Payment</td>
</tr>
<tr>
<td>3.1.3 Corruption Risk Assessment Process</td>
</tr>
<tr>
<td>3.1.4 Prohibition on Commissions, Discounts and Secret Profits</td>
</tr>
<tr>
<td>3.1.5 Accounting for Secret Profit or Gains</td>
</tr>
<tr>
<td>3.2 No Gift Policy of PNB Group</td>
</tr>
<tr>
<td>3.3 Hospitality and Entertainment</td>
</tr>
<tr>
<td>3.4 Political Contributions</td>
</tr>
<tr>
<td>3.5 Managing Clients’ Assets and Information</td>
</tr>
<tr>
<td>4.0 Our Conduct in Dealing with Stakeholders</td>
</tr>
<tr>
<td>4.1 Due Diligence on Third Parties</td>
</tr>
<tr>
<td>4.2 Assets and Fund Management, Sales and Marketing of Unit Trust Funds and Property Investment</td>
</tr>
<tr>
<td>4.3 Protection of PNB Group’s Assets</td>
</tr>
<tr>
<td>- Fraud, Financial and Documentary Integrity</td>
</tr>
<tr>
<td>- Intellectual Property and Proprietary Information</td>
</tr>
<tr>
<td>4.4 Internal Controls and Reporting</td>
</tr>
<tr>
<td>- Financial and Non-Financial Controls</td>
</tr>
<tr>
<td>4.5 Avoidance of Conflict of Interest</td>
</tr>
<tr>
<td>- Business relationship</td>
</tr>
<tr>
<td>- PNB Group Chinese Wall Policy</td>
</tr>
<tr>
<td>- Personal/Insider Trading</td>
</tr>
<tr>
<td>- Illegal Front Running</td>
</tr>
<tr>
<td>4.6 Anti-Money Laundering and Anti-Terrorism Financing</td>
</tr>
<tr>
<td>4.7 Corporate Social Responsibility, Donation and Sponsorships</td>
</tr>
<tr>
<td>5.0 Our Conduct in Dealings with Public Officials and Regulators</td>
</tr>
<tr>
<td>5.1 Compliance Culture</td>
</tr>
<tr>
<td>5.2 Dealings with Public Officials</td>
</tr>
<tr>
<td>5.3 Dealings with Regulators</td>
</tr>
<tr>
<td>6.0 Where Can You Go for More Information?</td>
</tr>
</tbody>
</table>

**CODE OF BUSINESS ETHICS (CoBE) OF THE PNB GROUP**  

PNB
At PNB Group, one of the key components to our success is our commitment to maintain the highest standards of business behaviour in our dealings with our business counterparties, unit holders, regulators, authorities, investee companies, clients, vendors, other stakeholders and the communities in which we work.

At the heart of our organisation is PNB’s shared values, which are important to us as these values define who we are, how we work, what we believe in and what we stand for. All employees of PNB Group are expected to operate with high ethical values, legal and business standards at all times. We also expect those who do business with us, our partners and business representatives in particular, to embrace similarly high values and standards.

The world is a constantly challenging place and we might find ourselves in situations that test our ability to do the right thing. Our CoBE is designed to be a clear and practical guide on the behaviour that PNB Group expects from everyone. It provides a clear guide to ensure that we will endeavour “to do the right thing” and if required, that we walk away from any situation that would put PNB Group and ourselves in conflict and at risk.

The issue of ethics and integrity can be complex at times, hence every one of us in PNB Group needs to read and understand this CoBE. Should you have any concern or question, or if you know of any breach or potential breach of this CoBE, please consult any one of your supervisors, the Human Capital Division, or the Integrity Department of PNB.

Your commitment to this CoBE and all other applicable policies of PNB Group is crucial to ensure that the mandate and shared values of PNB Group are adhered to at all times whilst maintaining PNB Group’s continued growth and success in the future.

Ahmad Zulqarnain Onn
OUR VALUES

PRUDENCE
We exercise prudence and do not compromise on integrity in safeguarding the wealth of our unit holders

ADAPTABILITY
We strive to develop adaptability and nimble ways of working to suit the constantly changing environment

COLLABORATIVE
We cultivate a culture of collaboration, mutual respect, and empowerment in achieving our shared aspirations

EXCELLENCE
We continually strive to achieve excellence through competent execution of our mandate
## DEFINITIONS AND INTERPRETATIONS

<table>
<thead>
<tr>
<th>TERM</th>
<th>DEFINITION</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMLA</td>
<td>Anti-Money Laundering and Anti-Terrorism Financing</td>
</tr>
<tr>
<td>ASNB</td>
<td>Amanah Saham Nasional Berhad (Company No. 47457-V), a wholly-owned subsidiary company of PNB and a CMSL holder dealing in securities (restricted to unit trust products)</td>
</tr>
<tr>
<td>BNM</td>
<td>Bank Negara Malaysia</td>
</tr>
<tr>
<td>BOD</td>
<td>Boards of Directors of PNB Group</td>
</tr>
<tr>
<td>CoBE</td>
<td>Code of Business Ethics of PNB Group</td>
</tr>
<tr>
<td>Committee Members</td>
<td>members of all committees established by PNB Group</td>
</tr>
<tr>
<td>Confidential Information</td>
<td>Confidential information can be any information in any form whatsoever not generally known, and proprietary to the PNB Group including but not limited to privileged information concerning PNB Group’s clients, fellow employees and suppliers, information in relation to the identity of security holdings and financial circumstances of clients, information relating to employees and directors personal holdings, information obtained from business, PNB Group’s financial information, PNB Group’s examination reports/ information produced by regulators where certain reports made by those regulatory agencies are the property of those agencies and are strictly confidential, PNB Group’s proprietary information, where certain non-financial information developed by PNB Group (such as business plans, client lists and records, methods of doing business, employee records, models, computer software, source codes, databases and related documentation) is valuable information that is proprietary and confidential, electronic and voice communication systems and Information of PNB Group’s security systems.</td>
</tr>
<tr>
<td>CCM</td>
<td>Companies Commission of Malaysia</td>
</tr>
<tr>
<td>CMSA</td>
<td>Capital Markets and Services Act 2007</td>
</tr>
<tr>
<td>CMSL</td>
<td>Capital Markets Services Licence of the SC</td>
</tr>
<tr>
<td>CMSRL</td>
<td>Capital Markets Services Representative’s Licence of the SC</td>
</tr>
<tr>
<td>CSR</td>
<td>Corporate Social Responsibility</td>
</tr>
<tr>
<td>Disciplinary Action</td>
<td>‘Disciplinary Action’ as stated in the PNB Employee Handbook.</td>
</tr>
<tr>
<td>EPF</td>
<td>Employees Provident Fund</td>
</tr>
<tr>
<td>FIMM</td>
<td>Federation of Investment Managers Malaysia</td>
</tr>
<tr>
<td>MACC</td>
<td>Malaysian Anti-Corruption Commission.</td>
</tr>
<tr>
<td>MACC Act</td>
<td>Malaysian Anti-Corruption Commission Act 2009</td>
</tr>
<tr>
<td>PDPA</td>
<td>Personal Data Protection Act 2020</td>
</tr>
<tr>
<td>PGCE</td>
<td>President and Group Chief Executive of PNB Group</td>
</tr>
<tr>
<td>PHNB</td>
<td>Pelaburan Hartanah Nasional Berhad (Company No. 175967-W), a wholly-owned subsidiary company of PNB and a CMSL holder licensed for fund management (restricted to Real Estate Investment Trust)</td>
</tr>
<tr>
<td>PNB</td>
<td>Permodalan Nasional Berhad, a CMSL holder licensed for fund management in relation to portfolio management</td>
</tr>
<tr>
<td>PNB Group</td>
<td>PNB and/or the following entities, whichever is applicable: (i) ASNB; (ii) PHNB; (iii) PNB Merdeka Ventures Sdn Berhad (Company No. 517991-A); (iv) Attana Hotels &amp; Resorts Sdn Bhd (formerly known as PNB Management Services Sdn Berhad (Company No. 199601019685 (392037-A)) ; and (v) Any other company and/or entity sanctioned by the BOD.</td>
</tr>
<tr>
<td>SC</td>
<td>The Securities Commission Malaysia</td>
</tr>
</tbody>
</table>
1.0 OUR CoBE, ITS PRINCIPLES AND COVERAGE

1.1 BACKGROUND

In PNB Group, our shared core values bind us together as a strong and unified cohesive team, allowing us to work harmoniously, stronger and competitively. Our vision is to be a Distinctive World-Class Investment House with the mission to enhance the economic wealth of the Bumiputera community and all Malaysians, for the prosperity of the nation. Being one of the largest fund management companies in Malaysia, PNB is entrusted by millions of Malaysians for their investment in the unit trust funds managed by ASNB.

The business activities of PNB Group, which are highly regulated, comprise a well-diversified portfolio with investments across asset classes and geographies which represent the wealth of corporate Malaysia and range from asset management, property management, unit trust operations, real estate investment trust management and ancillary services.

HISTORY OF PNB

PNB was established as one of the initiatives to correct the socio-economic imbalance in the Malaysian society through wealth and opportunities creations. The main activities of PNB is fund management and the landmark year for PNB was 1981 when it launched its first unit trust fund, Amanah Saham Nasional. Being entrusted by the Government and given considerable confidence by unit holders, it is important to safeguard the reputation of PNB. We take our responsibility highly and are serious and fully committed to conduct our business with high level of ethical standards.

Being a fund management company licensed by the SC, PNB is highly regulated and any non-compliance to the SC’s regulations may result in issuance of warning or show cause letter as well as fine or penalties.

OUR CoBE

This CoBE is overarching to the various guidelines of the SC, FIMM's Code of Ethics, PNB Group’s policies and procedures, and other rules and regulations applicable to PNB Group. It promotes a culture of compliance, professionalism, ethical standards and responsible conduct among its BOD, Committee Members, management, employees and stakeholders, as well as its business counterparties in relation to any conducts that may have an adverse impact to the industry. It provides references to the underlying PNB Group’s policies, which offers specific, up-to-date ethical and legal guidance to assist PNB Group in making business decisions professionally, prudently and legitimately.

It covers, among others, the following topics:

- Our foundations on how we do our business as a team;
- How our customers count on us to do the right thing;
- Conflict of interest and no gift policy
- Our dealings with business counterparties, customers, unit holders and communities;
- Protection of PNB Group’s assets;
- Financial and documentary integrity, internal controls and reporting;
- Protection of Confidential Information;
- CSR; and
- Our dealings with public officials and regulators.

The purpose of this CoBE is to:

- ensure compliance to the rules and regulations of PNB Group as well as all the internal policies and procedures;
- uphold the reputation of PNB Group and maintain public confident; and
- uphold the highest standard of personal integrity and professionalism of PNB Group.

This CoBE may not be exhaustive or include all policies of PNB Group. It is meant to provide a general guidance for resolving a specific legal, business and ethical issues within PNB Group and its counterparties.
1.0 OUR CoBE, ITS PRINCIPLES AND COVERAGE

1.2 WHO DOES IT APPLY TO?

This CoBE is applicable to the BOD, Committee Members, senior management and employees of PNB Group, stakeholders of PNB Group, as well as its business counterparties.

BUSINESS COUNTERPARTIES, AGENTS, ADVISERS & BUSINESS REPRESENTATIVES OF PNB GROUP

All persons and entities acting for and on behalf of PNB Group are required to comply with this CoBE. These include but are not limited to, business counterparties, vendors, suppliers, consultants, agents, advisers, contractors and subcontractors with respect to the work performed for, or services provided to PNB Group.

We will only deal with business counterparties, agents and business representatives who comply with applicable laws and regulations and have been approved in accordance with the PNB Group’s due diligence processes.

1.3 RESPONSIBILITY AND COMPLIANCE TO THIS CoBE

Employees of PNB Group together with business counterparties, agents and business representatives are expected to perform and work with honesty and integrity at all times and must comply with this CoBE.

We will not tolerate any improper conduct or a violation of this CoBE or any applicable laws. All incidents, whether these relate to yourself, direct reports or others must be reported to the appropriate officer/department in PNB Group.

All parties are expected to comply with other applicable policies and procedures issued by PNB Group from time to time.

1.4 WHAT HAPPENS IF YOU FAIL TO COMPLY WITH THIS CoBE?

The BOD, Committee Members, senior management and employees are required to comply with the provision of this CoBE and the applicable laws. You may be subjected to Disciplinary Action or legal liability for non-compliance.

PNB Group and its employees together with all persons and entities acting for and/or on behalf of PNB Group are individually responsible and accountable for adhering to company’s policies, standards and procedures. Additionally, all employees of PNB Group are accountable for providing the resources necessary to maintain a defined and expected performance levels in discharging their duties for PNB Group.

As counterparties, you are also required to understand and comply with the relevant aspects of this CoBE. Violation of the CoBE may result in the removal from the panel list or blacklisting by PNB. Business counterparties are encouraged to adopt similar principles and standard behavior.

How do you report a violation of CoBE?

Should you have any concern, you may raise your concern with any of the following:

• Your Supervisor; or
• Human Capital Division of PNB; or
• Integrity Department of PNB at email: integrity@pnb.com.my.

We will not tolerate any form of intimidation and victimisation against any individual who reports in good faith of a suspected violation of the CoBE.

We strictly prohibit acts of retaliation that targets a person because he or she has provided information in good faith or assisted an investigation into a possible violation of law.

Protection from retaliation is provided under the Whistleblowing Policy of PNB Group.

In the case of any dispute over the applicability of this CoBE, the decision of the Group Head, Compliance & Integrity, shall be final.

1.0 OUR CoBE, ITS PRINCIPLES AND COVERAGE

1.2 WHO DOES IT APPLY TO?

This CoBE is applicable to the BOD, Committee Members, senior management and employees of PNB Group, stakeholders of PNB Group, as well as its business counterparties.

BUSINESS COUNTERPARTIES, AGENTS, ADVISERS & BUSINESS REPRESENTATIVES OF PNB GROUP

All persons and entities acting for and on behalf of PNB Group are required to comply with this CoBE. These include but are not limited to, business counterparties, vendors, suppliers, consultants, agents, advisers, contractors and subcontractors with respect to the work performed for, or services provided to PNB Group.

We will only deal with business counterparties, agents and business representatives who comply with applicable laws and regulations and have been approved in accordance with the PNB Group’s due diligence processes.

1.3 RESPONSIBILITY AND COMPLIANCE TO THIS CoBE

Employees of PNB Group together with business counterparties, agents and business representatives are expected to perform and work with honesty and integrity at all times and must comply with this CoBE.

We will not tolerate any improper conduct or a violation of this CoBE or any applicable laws. All incidents, whether these relate to yourself, direct reports or others must be reported to the appropriate officer/department in PNB Group.

All parties are expected to comply with other applicable policies and procedures issued by PNB Group from time to time.

1.4 WHAT HAPPENS IF YOU FAIL TO COMPLY WITH THIS CoBE?

The BOD, Committee Members, senior management and employees are required to comply with the provision of this CoBE and the applicable laws. You may be subjected to Disciplinary Action or legal liability for non-compliance.

PNB Group and its employees together with all persons and entities acting for and/or on behalf of PNB Group are individually responsible and accountable for adhering to company’s policies, standards and procedures. Additionally, all employees of PNB Group are accountable for providing the resources necessary to maintain a defined and expected performance levels in discharging their duties for PNB Group.

As counterparties, you are also required to understand and comply with the relevant aspects of this CoBE. Violation of the CoBE may result in the removal from the panel list or blacklisting by PNB. Business counterparties are encouraged to adopt similar principles and standard behavior.
2.0 OUR FOUNDATIONS ON HOW WE DO OUR BUSINESS AS A TEAM

2.1 INTEGRITY, DILIGENCE, CARE AND PROFESSIONALISM

It is the responsibility of the respective Boards of Directors to ensure that PNB Group comply with all the relevant laws and regulations applicable to them. They must also ensure that only a competent and licensed person, where applicable, carries the function, transactions and dealings, and must ensure him/her conduct the business with integrity, due care, skill and diligence. Being the appointed fund manager to all ASNB funds and PHNB fund, PNB always acts in the best interest of its clients and not in any way jeopardise or prejudice the clients’ interest. PNB Group is expected to organise and control its affairs responsibly and effectively, with adequate risk management and supervisory system and maintain adequate resources, in conducting its business in a manner that promotes a fair and orderly market.

Employees of PNB Group shall demonstrate high standards of professionalism, exercise due care, skill, competent and diligence when dealing with customers, and provide prompt, efficient and continuous service to customers, including treating them with respect. You shall keep up to date with knowledge and comply with the applicable laws, rules and regulations in your respective functions.

2.2 ORGANISATION, MANAGEMENT AND KEY RESPONSIBILITIES

Safeguarding of clients’ assets should be our number one responsibility. To commensurate with its fund management business as well as other ancillary business, we have put in place an adequate and effective internal controls framework, to prevent and detect abusive or inappropriate investment practices, or any conflict of interest between proprietary transactions and clients’ transaction. Among the written policies and framework, being established at PNB Group level include, not limiting to the following:

• PNB Strategic Assets Allocation Framework
• Fixed Income Framework
• Private Investment Framework
• Compliance Charter & Framework
• Integrity Charter & Framework
• Internal Assurance Framework
• Enterprise Risk Framework
• Conflict of Interest Policy
• Chinese Wall Policy
• No Gift Policy
• AMLA Policy
• Cyber Security Policy

2.3 EQUAL OPPORTUNITIES

We respect and treat each employee fairly and equally, and will not tolerate any form of abuse or harassment towards our employees or anyone at any of our premise. We are committed to a working environment that promotes equal employment opportunities and prohibits discriminatory practices, including any form of discrimination under the applicable laws.

If, at any time you feel that you have been treated less favourably without reasonable justification, you may raise the matter with your supervisor or to the Human Capital Division of PNB.

2.4 DISCRIMINATION AND HARASSMENT

We value the individual differences, experiences and capabilities of each employee. Our collective strength – enhanced by the diverse backgrounds and perspective of our teams – makes PNB Group a better place to work and a better business partner. PNB Group does not tolerate any forms of harassment, threats and violence whether verbal, physical or visual. We are encouraged to speak up if the conduct of other employee makes us feel uncomfortable, and to report any form of harassment, threat and violence when it occurs. Our employees also have the right to be treated with dignity and respect at all times. They should be able to do their jobs without being verbally, physically or visually abused.

If you are subjected to discrimination by any employee of PNB Group, customer or visitor of PNB Group in terms of physical or verbal abuse or harassment, inside and outside of the premise of PNB Group, or during work, you should inform your supervisor or the Human Capital Division of PNB immediately. An employee of PNB Group who has been found to have acted discriminatorily or committed acts of harassment will be subject to Disciplinary Action.

What would you do?

What if your manager is the one discriminating against you? Who do you turn to?

All employees have the right to a positive work environment, free of harassment and discrimination. If you feel your manager is discriminating against you, seek help from the Human Capital Division or contact the Integrity Department.
2.5 SAFE AND SOUND WORKING ENVIRONMENT

We are committed to provide a high-quality working environment, in accordance with best practice on health, safety and environment standards, which protects employees’ health and welfare in all office locations. We maintain an in-house policy on safety and health, whereby every staff is responsible to commit and comply. This policy will also apply in external environment, for example, during roadshows, exhibitions and company events. Any unsafe environment must be reported to the Occupational Safety & Health Unit of the Human Capital Division of PNB.

A strong security culture shall be embedded within the processes and the behaviour of individuals. We promote mutual respect and non-discrimination when it comes to dealing with customers. This applies regardless of gender or marital status, nationality, ethnic or national origins, political views, disability or medical condition, religion, sexual orientation or age. We do not tolerate any form of discrimination or harassment towards our employees. Courtesy and respect are the important aspects of a sound working environment and business relationships. Employees must always act in a respectful and professional manner and treat colleagues and business relations (including customers) with fairness, respect and dignity. Employees are encouraged to promote an atmosphere of openness and good communication.

2.6 COMMUNICATION AND SOCIAL MEDIA POLICY

PUBLIC STATEMENT

No employee is permitted to make any public statement to any organisation or individual, including the media or press on PNB Group’s policy, decision, staffing, system, legal matters, event, or business unless with written permission by PNB Group or any person authorised by PNB Group.

The communication with media and press shall ordinarily be handled by the Communications Department or such other departments as may be determined by PNB Group. The employee is required to liaise with the Head of Communications Department or any other relevant departments prior to any release of news, statements, information, publication, data, advertisements and interviews that may reasonably be associated with PNB Group. Disciplinary Action may be taken against the employee who makes any public statement without prior permission of PNB Group.

SOCIAL MEDIA

An employee who identifies himself/herself to be associated with PNB Group on the online/social media is responsible with regards to the contents, commentaries or postings shared, uploaded, published or transmitted via any internet-based applications or virtual platforms that are capable of delivering messages and allowing interactions among people in mass forum or closed groups.

An employee who is authorised as the Admin/Editor/Moderator for the official online/social media to interact with other users on behalf of PNB Group in such capacity shall ensure that all contents, information and response are accurate and consistent with relevant policies or standards. Where appropriate, the Admin/Editor/Moderator must consult the respective Head of Division/Department in respect of the subject matter before releasing any corporate information into the public domain and shall not at all times express his/her personal opinion on the official online/social media.

The grant of access and use on personal account or as guest/visitor on other online/social media does not give the employees right to share, upload, publish or transmit Confidential Information, personal data, sensitive or negative issues, infringement of copyright, business trademarks or intellectual properties, defamatory, pornographic or offending materials as the case may be.

All employees shall exercise due care and limit the activities of online/social media during office hours which must not interfere with his/her duties and responsibilities, and must comply with PNB Group’s social media policies.

2.7 USE OF IT SYSTEMS

Access to the network and IT systems of PNB Group are for legitimate business purposes only and must be used responsibly. The use of network and IT systems of PNB Group may be monitored for the purposes of information security, operational management, maintenance, business needs and to ensure that all usage comply with all relevant laws and regulations.

Consistent with this CoBE is other IT policies and procedures of PNB Group that are in effect from time to time. This includes Information Security Policy of PNB Group, which sets out more detailed and comprehensive guidelines for the preservation of information security and the use of the systems, and other relevant social media policies.
2.0 OUR FOUNDATIONS ON HOW WE DO OUR BUSINESS AS A TEAM

2.8 USAGE OF COMPANY FACILITIES/PROPERTIES

All employees shall use the facilities/properties provided by PNB Group for official purposes only and shall not abuse the usage and its privileges.

If an employee is found to have abused or misused the facilities/properties for purposes not related to PNB Group’s business, he/she may be subjected to Disciplinary Action.

An employee is responsible for the safekeeping, upkeep and proper use of all assets, facilities, resources and records belonging to PNB Group that are provided to him/her for the performance of his/her duties.

An employee must further take all necessary steps to prevent theft, loss, damage to, or misuse of assets, facilities, resources and records belonging to PNB Group, the occurrence of which should be reported immediately to the relevant division/department. Assets, facilities, resources and records belonging to PNB Group may not be misused, taken, sold, lent, given away or otherwise disposed of, or used for personal purposes, except with the appropriate specific authorisation of PNB Group.

Subject to applicable laws, an employee may be liable for any loss of or damage to assets, facilities, resources and records arising from wilful misconduct or negligence or careless action or as a result of action taken without the approval of PNB Group.

All employees must also comply with all policies and procedures established from time-to-time concerning the preparation, maintenance and disposal of PNB Group’s books and records. Additionally, all other assets of PNB Group must be revealed and recorded at the time of transactions and at the time of disposals.

2.9 INTELLECTUAL PROPERTY

All employees must comply with all laws, regulations and contractual obligations regarding the valid intellectual property rights of any party, including patents, copyrights, trade secrets and other proprietary information.

2.10 DEALING WITH CONFIDENTIAL INFORMATION

Every employee must take precaution to protect the Confidential Information. It is the responsibility of every employee as well as the BOD/Committee Members to safeguard all Confidential Information and to protect the interest of PNB Group. You are not to disclose it to anyone outside PNB Group or to anyone inside PNB Group who does not have a need to know such information. This obligation survives your employment with PNB Group. Where such information if released, could have a significant effect of their operations, their business reputations or the market price of their securities and disclosing such information could expose both you and PNB Group to liability for damages. You must be aware of the consequences or implications for divulging or exposing Confidential Information to external parties.

You are advised to take the following steps:

(i) Keep all Confidential Information secure and safe;
(ii) Avoid leaving Confidential Information in the open environment;
(iii) Avoid discussing Confidential Information publicly; and
(iv) Inform the respective supervisor of any leakage of Confidential Information.

No employee shall use Confidential Information for personal advantage/benefit or monetary gain.
2.11 PERSONAL DATA PROTECTION

We respect the privacy and confidentiality of personal data of the directors, management, employees, business counterparties and customers. Personal data should be kept private and protected, unless access is granted for specific purposes. If you have access to such data, you are required to comply with the applicable laws, such as PDPA, and also PNB Group's policies. Appropriate measures must be taken if you are dealing with personal data in terms of collection, processing, disclosure, integrity, access, security, storage and retention.

We value the confidentiality of our employees’ information. Only those with appropriate authorisation may access employment records, and they may do so only for legitimate legal or business purposes. You have certain rights to access your own records.

Employees of PNB Group as the data users shall adhere to the principles outlined by the PDPA, the regulations and orders made when processing personal data of data subject.

In dealing with clients’ information, we have established and implemented written policies and procedures to maintain the confidentiality of clients’ records and information which include policy relating to access by a service provider or a sub-contractor (as the case may be) and measures relating to access by employees managing proprietary accounts.

Any client’s information must not be disclosed to a third party or an unauthorised person, unless prior consent has been obtained from the client or where there is a legal or regulatory requirement to disclose such information.

An employee also has a duty to continue protecting the confidentiality of clients’ information even after cessation of his/her employment. Confidential Information concerning a client may be given or made available to third parties only with prior written consent of the client or when disclosure is authorised under any laws and regulations of respective countries to be made to the authority investigating into an offence specified in such law, regulations and other permitted disclosures.

Data Integrity Principle
Subject to the conditions set by PNB Group, employees shall be held liable for the abuse or misuse of the personal information/data accessible from PNB Group’s facilities such as email, internet, web or system.

2.12 FUND MANAGER’S DISCLOSURE AND CONDUCT

We must always act in the best interest of our clients and not jeopardise or prejudice a client's interest. As a fund management company, we have established, implemented and maintained the relevant policies and procedures for our directors, investment committee members and employees to disclose all interest or holdings in securities, other assets including alternative products, and any interest in a special purpose vehicle (SPV) arrangement. The requirement for such disclosure, is to be made upon on boarding and at least on an annual basis, and as and when there are changes to the interests or holdings. We also ensure that clients’ interest is not superseded by the interests of our associated persons, directors, investment committees’ members and employees; and that all related disclosures records are maintained.

MARKET ABUSE

The prohibitions against market abuse aim to enhance market integrity, investor protection and investor confidence. The concept of market abuse typically consists of illegal business practices such as insider dealing, unlawful disclosure of inside information, and market manipulation.

Employees shall not engage in market manipulation, such as price fixings, front running, giving false and misleading signals in the market place, deceive or mislead market participants or other illegal market activities.

2.13 STRICT PROHIBITION ON SUBSTANCE ABUSE

Our employees together with business counterparties, agents and business representatives are prohibited from being at work or on the premises of PNB Group while being impaired by drugs or alcohol or with illegal drugs present in their bodily systems. We provide a safe and productive working environment by ensuring that the workplace is free from any form of substance abuse.

The use, possession, sale or distribution of illegal drugs and the misuse of legal drugs or other substances are strictly prohibited and will not be tolerated. Legal action or termination is imminent for any non-compliance.
3.0 OUR CUSTOMERS COUNT ON US TO DO THE RIGHT THING

3.1 OUR STAND AGAINST CORRUPTION

3.1.1 ANTI-BRIBERY GUIDE AND LAW

We are fully committed to the prevention of bribery and corruption and expressly prohibit our employees together with all persons and entities acting for and/or our behalf to be involved in bribery or corruption or any other improper conduct in business dealings irrespective of their nature and where they are performed.

As part of our continuous effort in preventing corruption, we have strengthened our internal control measures with more emphasis and focus be given to our high-risk business activities which are susceptible to corruption and fraud. These initiatives are expected to institute a healthy business culture, which will contribute to the overall economic growth.

Any improper payment or receipt, including any offer or agreement to make or accept any form of facilitation payment, or “greasing”, or “enabling payment”, is strictly unacceptable.

Both PNB Group and our employees are subjected to anti-bribery legislation of Malaysia namely MACC Act, and any bribery law in the jurisdiction where PNB Group has business dealings.

Under the MACC Act, it is an offence to give, promise and/or offer a bribe, inducement or improper payment to anyone with the intention of obtaining a business advantage.

The penalties set out in the MACC Act, apply to both companies and individuals. Companies convicted under the MACC Act face penalties as stated under its Section 17A namely, a fine of not less than 10 times the value of bribe or RM1 million, whichever is higher, or imprisonment for up to 20 years, or both.

Individuals if convicted will face penalties as stated under Section 24 of the MACC Act namely, imprisonment for a term not exceeding 20 years; and a fine of not less than five times the sum or value of the gratification which is the subject matter of the offence, or RM10,000, whichever is the higher. Any future enhancement/revision made to this MACC Act shall be adopted accordingly.

3.1.2 MAKING FACILITATION PAYMENT

Facilitation payment is defined as payments made to secure or expedite the performance by a person performing a routine or administrative duty or function. Any offering or request to offer, has the same consequences as paying or receiving facilitation payments. Facilitation payment need not involve cash or other financial assets, it can be any sort of advantage with the intention to influence them in their duty. If an employee received or reportedly received a request or offered facilitation payments, he/she must immediately channel these reports accordingly to the Integrity Department of PNB in writing using the secured channels, such as email or post, containing a brief summary of the allegation.

PNB Group Whistleblowing Policy

As part of the efforts in safeguarding ourselves against any practice of corruption, bribery and misuse of power, the Whistleblowing Policy of PNB Group has been established in the year 2019. This policy is intended to facilitate disclosures relating to corruption/bribery, wrongdoings, malpractices, misdemeanour, illicit dealings, offensive behaviours, indiscipline, any violation of established policies and procedures, or any action that is harmful to the reputation and interest of PNB Group.

It covers all complaints of improper conduct concerning the BOD, management and employees of PNB Group and any other persons providing services to PNB Group, including consultants, vendors, trainers, independent contractors, suppliers, agents, external agencies and/or any other parties with a business relationship with PNB Group.

3.1.3 CORRUPTION RISK ASSESSMENT PROCESS

Corruption risk management is a management process that helps to identify structural weaknesses that may facilitate corruption or bribery. It provides a framework for all employees to take part in identifying risk factors and treatments, and embeds corruption prevention within a well-established governance framework.
3.0 OUR CUSTOMERS COUNT ON US TO DO THE RIGHT THING

3.1.4 PROHIBITION ON COMMISSIONS, DISCOUNTS AND SECRET PROFITS

All employees must not, directly or indirectly, receive or obtain, in respect of any goods or services sold or purchased or other business transacted (whether or not by themselves) by or on behalf of PNB Group, any discount, rebate, commission, service, interest, consideration of value or other benefits or payments of any kind (whether in cash or in kind) which is not authorised by PNB Group’s policies or procedures.

3.1.5 ACCOUNTING FOR SECRET PROFITS OR GAINS

An employee who directly or indirectly, obtains any discount, rebate, commission, service, interest, consideration of value or other benefits or payments of any kind (whether in cash or in kind and whether as a bribe or otherwise), by virtue of his/her position or authority with or on behalf of PNB Group, is required to immediately disclose such receipt and he/she will be liable to render an account of the same and surrender any benefits and/or payments received to PNB Group.

3.2 NO GIFT POLICY OF PNB GROUP

At all times, acceptance of gifts in the form of cash is strictly prohibited. All employees are expected to be courteous when declining gifts and whenever appropriate, to explain the application of the “No Gift Policy” of PNB Group and to thank the givers’ goodwill. All employees of PNB Group are not permitted to, either directly or indirectly, present, solicit and/or accept any form of gift to/from contractors, customers, consultants, bankers, dealers, brokers, suppliers, vendors, or organisations.

As a guide, the following tokens ARE NOT considered as gifts under the No Gift Policy of PNB Group:

- Annual calendars or diaries;
- Souvenirs of reasonable values and quantity, such as caps, umbrellas, mugs, key chains, stationeries;
- Group business luncheons or dinners;
- Corporate event gifts of reasonable value and quantity;
- Seasonal festive gives with nominal value;
- Promotional products or services or samples of negligible value to promote its business;
- Mementos from business seminars, trade fairs, conventions or courses; and
- Items with no material value/perishable items.

As a guide, the following are occasions where an employee of PNB Group is permitted to accept the above-mentioned tokens:

- Festival seasons;
- Public functions;
- Official functions or gatherings;
- Seminars, trade fairs, conventions and courses/speaking engagements;
- Stage performance or fund-raising/charity activities;
- Awareness campaign, anniversary celebration, product launching/promotion drive;
- Reception during official visits or tours; and
- CSR initiatives.

The lists above are non-exhaustive and are subject to review, addition and deletion from time to time.

In addition, regardless of the exception above, all gifts received must be declared by the employees via the Gifts Register which shall be verified by the Head of Division/Department.

Rebates and Softs Commission

We have established, implemented and maintained written policies and procedures governing rebates and soft commission arrangements, and do not accept or receive any rebates arising from transactions or orders on behalf of clients. Any rebates received must be directed to the account of the relevant clients.

Any soft commission accepted or received will be disclosed as soon as practicable upon accepting or receiving the soft commission and recorded.
3.0 OUR CUSTOMERS COUNT ON US TO DO THE RIGHT THING

3.3 HOSPITALITY AND ENTERTAINMENT

Entertainment, training, travel and promotional expenses must never be provided or accepted in order to gain competitive advantage as this could be perceived as a bribe.

The offer or receipt of hospitality, entertainment and the provisions of training, travel and promotional expenses must always be:

- Of a reasonable value, quantity and frequency;
- Of a nature that is relevant to the business and circumstances relating to PNB Group;
- Directly related to PNB Group’s business interest;
- Permissible under the law; and
- Respectful to this CoBE.

If in doubt as to what is acceptable, you must consult your supervisor or the Group Head, Compliance & Integrity prior to accepting or offering any form of hospitality and entertainment. All hospitality and entertainment received by employees of PNB Group must be properly recorded in the Gifts Register maintained at their respective divisions/departments and also verified by the Head of Divisions/Departments.

3.4 POLITICAL CONTRIBUTIONS

We do not make or offer monetary or in-kind political contributions to political parties, political party officials or candidates for political office. All employees of PNB Group must not make any donation intended to procure political influence.

3.5 MANAGING CLIENTS’ ASSETS AND INFORMATION

Clients’ personal and financial information is safeguarded at all times and not misused, except where disclosure has been authorised in writing by the clients or where such disclosure is required to be made to any relevant authority pursuant to any relevant laws or legal process. In relation to this, we have put in place the relevant systems, policies and procedures. All employees of PNB Group must not make improper use of clients’ personal and financial information to gain an advantage for themselves or any other persons or to cause detriment to clients.

We ensure only the servicing consultant or an authorised officer has the access to clients’ personal or financial information. They shall not disclose clients’ personal and financial information to a third party unless prior written consent is given by the clients or when required by the authorities, pursuant to any court order or any written law, acquire or use any information in relation to clients or potential clients without proper authorisation and disseminate or exchange any client’s personal or financial information with another distributor, consultant or a third party or request or procure any client’s personal or financial information from a third party, including another distributor or consultant.
4.0 OUR CONDUCT IN DEALING WITH STAKEHOLDERS

To build a long-lasting relationship and remain relevant in the industry, we maintain and uphold our values, and stay true by treating our customers the way we want to be treated. Honesty, trust and integrity are key elements that play an important role in our daily dealings with customers, business counterparts (brokers/agents), investee companies and communities. We empower our customers to make informed decisions about the products and services we offer and in selecting the ones that best meet their needs and circumstances.

We strive to provide excellence and are committed to delivering quality service in all our business relationships and dealings. Among the shared responsibilities to our customers, investee companies and counterparties include, doing ethical business practices, ensuring that our personal investment activities do not conflict with the interest of our companies/clients and having policies that prevent us from insider trading and having strict information barriers.

Insider information is defined as information obtained by an employee in the course of his/her duty, which is not generally known to the public which would have a material effect on the price of a traded security. We exercise the Chinese Wall Policy, where information barriers (Chinese wall) are designed between different departments which hold private and Confidential Information and departments which hold price sensitive information that is not generally available to the public.

In doing business professionally, with transparency, and utmost integrity, all appointed brokers/ suppliers and vendors must upon appointment sign the integrity agreement with PNB Group.

4.1 DUE DILIGENCE ON THIRD PARTIES

All parties providing services to or on behalf of PNB Group must ensure that their personnel assigned to PNB Group are aware that they have to comply with this CoBE in addition to PNB Group specific policies. Prior to appointment, the background due diligence screening will be conducted in order to ensure that we only do business with counterparties that have in place a proper code of conduct/ethics that binds them.

To promote healthy business practices, suppliers/ brokers, vendors and all PNB Group counterparties must provide assurance and satisfactory confirmation on their background checks of their employees (including their affiliates’ employees and their sub-contractors), prior to their assignment to PNB Group to ensure protection of our credibility and image while performing services, or when grant access to any PNB Group’s information, technology systems, data, assets and branding. Background check will be done in accordance with, and to the extent permitted by, all applicable laws. We perform additional checks, as it deems appropriate. Any unauthorised use of information through grant access or gain from engagement could result in a violation of this CoBE.

4.2 ASSETS AND FUND MANAGEMENT, SALES AND MARKETING OF UNIT TRUST FUNDS AND PROPERTY INVESTMENT

Employees of PNB Group who are fund managers must, at all-time be a CMSRL holder and comply with the requirement of the Guidelines on Compliance Function for Fund Management Companies and other relevant guidelines issued by the SC. They are expected to comply with the investment mandate given by the clients. Prior to making any investment decision, we establish and understand each client’s risk profile, objectives, limitations, and come up with the best characteristic that matches accurately the investment mandate.

Employees of PNB Group who carry the function of marketing and distribution of unit trust products, must be a holder of the FIMM's licence, and abide by the FIMM's Code of Ethics. The FIMM's Code of Ethics lays out the five core principles in upholding ethical standards and professional conduct in the marketing and distribution aspect of unit trust schemes. As a unit trust distributor and consultant, we shall provide sufficient information and explanation to facilitate clients’ understanding on the investment in the schemes. The sales and marketing team, as well as the private client services team, must provide clear investment objectives, strategies to achieve the objectives, calculation method on unit price, the risks associated to the products, including the risks of investment through loans, unique features of the products, fees, charges and expenses involved, restrictions (if any), tax implication (if any) as well as cooling-off period.

Rightful Information and Fair Treatment to All Business Associates and the General Public

Employees of PNB Group who act as the front liners’ such as Private Client Managers, Zone managers and Branch managers/staff have the responsibility to communicate rightful information to customers at all times in order to instill public confidence and to protect the reputation of PNB Group. Investment advice must be accurate, timely and adequate information concerning the products must be given to assist customers in making an informed investment decision, including information contained in the prospectus, disclosure document and product highlights sheet. Additionally, they must be competent and show fair treatment of customers, suppliers/ vendors and the public.
4.0 OUR CONDUCT IN DEALING WITH STAKEHOLDERS

Feedbacks and Complaints Handling

We are open to customers’ feedbacks and complaints and value their opinion as an input to our professional conduct. Listening to customers’ voice helps us to create stronger bond and understanding. Customers’ feedbacks also help us to improve our products and services and to do better.

All employees are responsible to attend to all feedbacks and complaints by providing an acknowledgement to the customer and clearly setting out next steps, and, where possible, to resolve at the first point of contact. All feedbacks and complaints are channelled and centralised at the respective division/department responsible for customer service operations.

4.3 PROTECTION OF PNB GROUP’S ASSETS

Fraud, Financial and Documentary Integrity

We do not tolerate fraud and have established internal control measures to prevent, detect, report and investigate suspected frauds. Fraud usually involves some form of deceit, theft, trickery, or making false statements, with the objective of obtaining money or other form of benefits. This can have major consequences to us and the individuals involved.

The following actions can be indications that a fraud has taken place:

- Forgery or alteration of documents;
- Misappropriation of assets of PNB Group, customers, suppliers or contractors;
- Unauthorised handling or reporting of business transactions of PNB Group;
- Falsification of company record or financial statements of PNB Group; and
- Failure to disclose information when there is a legal duty to do so.

The list above is non-exhaustive and subject to review, addition, and deletion from time to time.

We maintain proper records to meet our financial, legal and regulatory operational objectives and requirements in order to accurately record all transactions and dispositions of assets. All financial books, records and accounts are sufficiently detailed to:

- Permit the proper classification of transactions for financial reporting;
- Provide reasonable assurances that the transactions are recorded as necessary to permit the preparation of financial statements in conformance with generally accepted accounting principles;
- Maintain accountability for the use of all assets; and
- Record all transactions in the accounting period in which they occurred.

Intellectual Property And Proprietary Information

The observance for confidentiality demands high ethical standards in corporate dealings and reinforces public confidence.

You together with your business counterparties, agents and business representatives must keep confidential and never use proprietary information of PNB Group or proprietary information of other parties for personal gain or for the benefit of persons outside of PNB Group. The release (either deliberate or not) of any proprietary information to authorised third parties without appropriate controls and/or protection could cause significant harm to the business of PNB Group.

Proprietary information includes but not limited to financial information, employee information, strategic and operation plans, corporate organisation plans, audit material or reports, information regarding litigations or potential litigations, proposed transactions, copyrights, database rights, drawings and layouts, trademarks in documents, logos and/or designs of PNB Group.

If your work requires you to discuss proprietary information of PNB Group with external parties, such discussion must to certain extent only occur with the protection of a written confidentiality or non-disclosure agreement.

No one acting for and on behalf of PNB Group will solicit the proprietary information of another entity or will make use of proprietary information of another entity in conducting business for PNB Group.
4.4 INTERNAL CONTROLS AND REPORTING

Financial And Non-Financial Controls

We adopt a clear separation of duties for all job functions either it is financially or non-financially. All jobs in most circumstances will have a three (3) or minimum two (2) layers of checking and verification. For reporting purposes, financial and investments related functions shall have the maker, checker, verifier, and approver. Additionally, we have the Compliance Department and Internal Assurance Department that verify and check the compliance to regulations, ISO quality standards and the level of integrity in their reporting.

We adopted a three (3)-line of defence model for the management of all risk classes. The model distinguishes among functions that own and manage risk (first line of defence), functions that oversee risk and controls (second line of defence) and functions that provide independent assurance of the effectiveness of the control measures put in place to the senior management and BOD (third line of defence).

Any further corruption risk is mitigated by having multiple verification that expand from the head of divisions and the committee members comprising independent and executive directors.

4.5 AVOIDING CONFLICT OF INTEREST

Business relationship

You and your business counterparties, agents and business representatives must avoid conflict of interest situations arising between your private activities and personal interests, and your responsibilities owed to PNB Group.

They must not accept directly or indirectly any personal gain, services or loans from a competitor, customer, supplier or contractor of PNB Group. A conflict may arise if they or any of their close associates receive benefits, other than the contractual benefits, as a result of their position with PNB Group. Any suspected conflict of interest must be declared in accordance to the relevant policies and procedures of PNB Group.

The potential situations that may be associated with conflict of interest in terms of personal benefit, personal interest and personal relationships are as follows:

- Outside appointment/business activities;
- Advisory board, board of directors or equivalent fiduciary roles;
- Unpaid professional activities for organisations that have relationship with PNB Group;
- Close relatives who work for organisations that have relationship or compete with PNB Group;
- Previous employment;
- Significant financial interest or holding a position that has significant financial advantages connected to PNB Group or organisation related to PNB Group;
- Relationships with clubs, society and non-governmental organisations and communities’ activities;
- Corporate directorship/trusteeship; and
- Relationship with government officials.

In addition, employees and directors/investment committee members whom due to their appointment and position, have in possession of any private Confidential Information, or price sensitive information, must be constantly mindful of the need and the importance of respecting confidentiality and must adhere to the principles of confidentiality and non-disclosure inherent in the PNB Group Chinese Wall Policy.

PNB Group Chinese Wall Policy

Both CMSA and the Companies Act 2016, prohibit a person who is in possession of price sensitive information in relation to any securities, from making improper use of it to gain directly or indirectly, an advantage for himself or for any other person. In ensuring that directors, management and all employees of PNB Group comply with these requirements, a Chinese Wall Policy was established which acts as a mechanism to avoid conflict of interest and insider trading. Those who breach the provisions stated in the Chinese Wall Policy may be subject to investigation and Disciplinary Action by PNB Group, and may ultimately expose violators to legal sanctions of law, particularly the relevant securities industry statues or regulations.
4.0 OUR CONDUCT IN DEALING WITH STAKEHOLDERS

Personal/Insider Trading

We adopt a policy whereby no employee is allowed to acquire shares and equity in the stock market or in any public companies (listed or non-listed) and private companies, including unit trusts funds not managed by PNB Group. However, we understand that prior to joining or prior to the establishment of this policy, you/immediate family members may have had acquired shares on your behalf. You must immediately declare your holdings via the online Declaration of Interest Form. Any changes made to the Form (disposals) need to be informed and requires the written approval of the PGCE.

The above list is not exhaustive and subject to revision, addition or loosen from time to time.

Illegal Front Running

Illegal front-running which is known as tailgating, is also another form of unethical practice, as it takes advantage of private information that is not available to the public. To avoid situations of front running, and to uphold the credibility and integrity of PNB Group, we have put in place adequate control measures as stated in PNB Group’s Chinese Wall Policy.

4.6 ANTI-MONEY LAUNDERING AND ANTI-TERRORISM FINANCING

The AMLA Policy of the PNB Group provides the guidelines in conducting business with all other relevant parties. Under this policy, we will only conduct business with parties that are engaged in legitimate business activities, with funds derived from legitimate sources. We perform due diligence on all new clients to ensure the integrity and ethical aspects of their business and also undertake the following actions:

• Perform the Business-based Risk Assessment on the clients and determine their risk appetite level;
• Perform the Relationship-based Risk Assessment to determine the risk parameter for customers profiling; and
• Formulate, implement and apply the business and customer risk management and mitigation control.

4.7 CORPORATE SOCIAL RESPONSIBILITY, DONATIONS AND SPONSORSHIPS

Any CSR, donations and sponsorship conducted must not be used as a conduit to circumvent, avoid or evade the laws. This shall not be used as a medium to facilitate fraud, illegal and money laundering activities. All CSR and donations must be carefully evaluated for legitimacy and not be made to improperly influence business outcome. The recipient of the donation must be of legitimate organisation and due diligence must be applied to ensure the benefits reach the intended recipient whilst the programmes meet the intended objectives. No CSR, donations and sponsorships shall be made in accordance with the approval limits, to a beneficiary who is controlled or influenced by any political officials or are politically linked. Any donations to be contributed must be approved by the PGCE and consented by the BOD.

As a guide, for a charitable payment to be considered acceptable, it should always be:

• of a reasonable value, quantity and frequency;
• of a nature that is relevant to the business and circumstances relating to PNB Group;
• directly related to PNB Group’s business interest;
• permissible under the law; and
• respectful to this CoBE.
5.0 OUR CONDUCT IN DEALINGS WITH PUBLIC OFFICIALS AND REGULATORS

5.1 COMPLIANCE CULTURE

Being a regulated licensed institution, we are obligated to comply with the laws and regulations under which we operate. It is fundamental to whom we are and any violations, or engagement in unfair, deceptive and abusive act/practices may weaken customers’ confidence and put our reputation at risk. In addition, we are subject to the requirements of the regulatory bodies such as the SC, BNM, CCM, EPF, FIMM and MACC.

5.2 DEALING WITH PUBLIC OFFICIALS

We have always maintained transparent and fair relationships with government agencies and public officials. Public officials mean individuals having public official functions or acting in a public official capacity. Any business relationship with PNB Group involving interest of a public official who otherwise has a direct relationship with PNB Group, and which interest is not prohibited by PNB Group’s Code of Conduct, requires disclosure. In addition, the management’s specific approval for establishing business relationships with such customers must be obtained at the appropriate committee level.

All employees of PNB Group are prohibited from paying for non-business travel, entertainment and hospitality for any public official or his/her family members at any amount without the permission from the PGCE. If approval is obtained, employees must ensure the gifts are allowed as per the gift, hospitality and entertainment policy of PNB Group and not excessive and lavish, and must commensurate with the official designation of the public official and not his personal capacity.

5.3 DEALING WITH REGULATORS

We strive to build transparent relationship with the regulators and deal in an open, co-operative and timely manner. Certain departments within PNB Group may be subjected to formal or informal queries, and examination by regulators, authorities and government agencies. In this event, employees need to understand proper procedures in engaging with regulators, and to comply with certain necessary approvals.
6.0 WHERE CAN YOU GO FOR MORE INFORMATION?

All employees must confirm receipt of the copy of this CoBE, and are required to read and understand this CoBE. Where applicable, the CoBE is to be read appropriately in accordance with the relevant legislations. All employees of PNB Group are required to observe all legislations which may have a more comprehensive coverage on the subject matters contained in this CoBE. External parties, business associates and other stakeholders are encouraged to also read and understand this CoBE.

This CoBE most certainly cannot address each and every situation and therefore, there will be circumstances where there are no clear answers in the choices that needs to be made. We are however, obligated at all times to exercise good judgement and utmost integrity and honesty in all our decisions. Should you require clarification, please contact the Human Capital Division or Integrity Department of PNB. For employees of PNB Group, you may refer to your Employees Handbook, which is available at our intranet HR Avenue for further reference. This CoBE shall be updated from time to time.

Interested parties may direct their queries to the Integrity Department of PNB at the following channels:

- **Tel No.** : 03-2050 5642
- **Email** : integrity@pnb.com.my
- **Address** : Integrity Department
  Permodalan Nasional Berhad
  26th Floor, Menara PNB
  201-A, Jalan Tun Razak
  50400 Kuala Lumpur

Any complaints pertaining to whistleblowing can be lodged through: [http://www.pnb.com.my/07_2Whistleblowing_EN.php](http://www.pnb.com.my/07_2Whistleblowing_EN.php)
CODE OF BUSINESS ETHICS
RECEIPT AND ACKNOWLEDGEMENT

I, ___________________________________________________, Staff No. ____________________________________, hereby confirm receipt of a copy of the PNB Group Code of Business Ethics (“CoBE”), which I acknowledge I am required to read and comply.

Signature: Date: