



HongLeong Bank

ANTI-BRIBERY & CORRUPTION POLICY (“ABC POLICY”)

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1. INTRODUCTION

1.

Hong Leong Bank Vietnam Limited (“HLBVN” or the “Bank”) has established an ABC Policy which sets out the policy and framework of the Bank in relation to observing and upholding the HLBG’s zero-tolerance position on corruption and bribery with reference to the following main offences stipulated in the key Vietnamese regulations below (collectively, “Vietnamese Anti-Corruption Laws”):

- The Penal Code 2015 and its amendment;
- Law on Anti-corruption 2018;
- Decree 59/2019/ND-CP elaborating on a number of articles and measures for implementation of the Law on Anti-corruption;
- Decree 134/2021/ND-CP amendments to some articles of government’s decree No. 59/2019/ND-CP dated July 1st, 2019 elaborating on a number of articles and measures for implementation of the law on anti-corruption of Vietnam

The ABC Policy provides guidance on how to prevent, deal with and combat bribery and corrupt activities and issues that may arise in the course of business activities and to ensure that adequate procedures are implemented to prevent the occurrence of corrupt practices in the Bank in line with Vietnamese Anti-Corruption Laws.

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2. SCOPE

The ABC Policy applies to all directors, employees (whether temporary, fixed-term, or permanent), trainees, seconded staff, casual workers, agency staff, volunteers, interns, agents, of the Bank including partners, contractors, subcontractors, vendors, suppliers, service providers, consultants, representatives and others performing work or services for or on behalf of the Bank, or any other person or persons associated with the Bank (collectively, “Associated Persons”), to comply with the ABC Policy when performing such work or services.



2.

The more stringent requirements between the ABC Policy and the Board Policy on Anti-Bribery and Corruption issued by Hong Leong Bank Group (“HLBG ABC Policy”) are to be adopted. In the event the HLBG ABC Policy is more stringent and cannot be observed, the reasons for non-observation must be subject to acceptance by the HLBG’s ABC Policy Owner, and the variation to the ABC Policy must be subject to approval by the HLBG’s ABC Policy Owner.

Joint venture companies in which the Bank is a non-controlling shareholder and associated companies are encouraged to adopt similar principles and standards.

3. DEFINITIONS

“Associated Person”	<p>means all directors, employees (whether temporary, fixed term, or permanent), trainees, seconded staff, casual workers, agency staff, volunteers, interns, agents, of the Bank including partners, contractors, subcontractors, vendors, suppliers, service providers, consultants, representatives and others performing work or services for or on behalf of the Bank, or any other person or persons associated with the Bank.</p>
“Bribery”	<p>refers to the act performed by a person who abuses his/her power to directly or through an intermediary receive or promise to receive any of the following benefits for himself/herself or for another person or organization as a condition to act or not to act in the interests of or at the request of the bribe giver.</p>
“Corruption”	<p>means an office holder’s abuse of his/her official capacity for personal gain.</p>
“Gratification”	<ul style="list-style-type: none"> a) tangible or intangible benefits; b) money, donation, gift, loan, fee, reward, valuable security, property or interest in property being property of any description whether movable or immovable, financial benefit, or any other similar advantage; c) any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity; d) any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part; e) any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage; f) any forbearance to demand any money or money's worth or valuable thing g) any other service or favor of any description, including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted, and including the exercise or the forbearance from the exercise of any right or any official power or duty; and. h) any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding paragraphs (a) to (g)
“HLBG”	<p>means Hong Leong Bank Berhad and all its subsidiaries and branches.</p>

4. POLICY STATEMENT

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

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



In particular, the Council of Members and Senior Management of HLBVN do not condone or consent to any Associated Persons:

- a) corruptly soliciting, receiving or agreeing to receive any gratification whether for him/herself or for any other person; or
- b) corruptly giving, agreeing to give, promising or offering to any person any gratification whether for the benefit of him/herself or of another person, including with intent to obtain or retain business or any advantage in the conduct of business for the Bank or doing or forbearing to do anything in respect of any matter or transaction in the conduct of business for or affairs of the Bank.

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

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

The Bank shall provide to the Head of Compliance the reports and information in relation to its implementation of the requirements of this Policy, including its ABC Programme and information on bribery and corruption incidences.

5. PRINCIPLE I: TOP LEVEL COMMITMENT

(i) Bank's Council of Members (COM) and its respective Committees

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

(ii) Bank's Senior Management

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

(iii) Bank's Compliance Department

The Head of Compliance shall:

- attend to all anti-bribery and corruption matters including the provision of advice and guidance to personnel and business associates in relation to the anti-bribery and corruption compliance program;
- coordinate and monitor the implementation of the ABC Policy, taking into consideration the Bank's risk assessment in relation to corruption/bribery;
- act as a centralize function to communicate the Bank's general stance on anti-bribery and corruption to external parties on behalf of the Bank and keep records of all communications for record keeping purposes.
- report on the implementation of the ABC Programme binannually to the Bank's Risk and Compliance Governance Committee (RCGC) and Bank's Council Risk Management Committee (CRMC)

6.

HLBVN's Head of Compliance whom can be reached at hlbvn-compliance@hlbvn.hongleong.com

(iv) Associated Person

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

6. PRINCIPLE II: RISK ASSESSMENT



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

Senior Management shall review the Bank's risk assessment report and consider improvements on the Bank's policies and procedures in combating corruption/bribery. The Bank's risk assessment report shall be presented to the Bank's Risk and Compliance Governance Committee (RCGC), Council Risk Management Committee (CRMC) and COM for review.

7. PRINCIPLES III: UNDERTAKE CONTROL MEASURES

7.1 GIFTS & ENTERTAINMENT

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



8.

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

All employees are strictly prohibited from accepting or offering the following types of gifts and entertainment:

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

Without prejudice to the above, all employees must promptly declare any gift or entertainment more than VND2,000,000 which they receive.

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



7.2 DONATION & SPONSORSHIP

All donations and sponsorships undertaken by the Bank which are charitable in nature (“Donations”) shall be governed by the Bank’s Board Policy on Donations and Board Policy on Expenditures Pre- Approval (CER, EAR and Tender) which provides, inter alia:

- a) No political donations are permitted.
- b) Due diligence must be conducted on recipients of donations to ascertain that they are of reputable standing.
- c) All donation requests must be reviewed by the Marketing and Communication Division and approved by the approving authorities as set out in the HLBVN Board Policy on Donations.
- d) Donations must not be split into smaller denominations to bypass the approving route

7.3 FACILITATION PAYMENTS

Facilitation payments of any kind are prohibited.

7.4 DUE DILIGENCE

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

7.5 CONFLICT OF INTEREST

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

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



7.6 REPORTING CHANNEL AND WHISTLEBLOWING POLICY

Internal and external parties are encouraged to raise concerns in relation to real or suspected corruption/bribery incidents or inadequacies of the HLBVN's anti-bribery and corruption compliance program at the earliest opportunity.

Please refer to the [Bank's Whistleblowing Policy](#) for details on how such concerns may be raised to any of the relevant Designated Persons and/or raised anonymously.

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

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

7.7 OTHER CONTROL MEASURES

a. Financial Controls

All capital and operating expenditure shall be governed by the Bank's pre-approval limits in accordance with capital and operating expenditure approval request (CER/EAR) policies and procedures whilst all payments and staff claims shall be governed by payment authority limits in accordance with payments and staff claims policy.

b. Procurement

Procurement activities shall be governed by the HLBVN Bank Board Policy on Procurement and Board Policy on Tender, SOP on Fixed Asset Management and HLBVN SOP on Payment and Staff Claim where applicable; and

c. Record Keeping

The Bank shall record and maintain in a timely manner accurate and complete financial transactions together with adequate supporting documentation authorized upon review by the Senior Management. This includes reports and written records of, among others the following:

- approvals for all ABC-related matters;
- donations and sponsorships;
- Report and information received pursuant to whistleblowing channel report;
- the exact/estimated value and justification for gifts and entertainment received and given

The Bank has establish policies and procedures with regard to record keeping for managing documentation related to the anti-bribery and corruption. These shall be strictly followed.

d. Representations and Undertaking Provisions

Anti-Bribery and Corruption and Whistleblowing representations and undertakings provisions (“ABC Clauses”) must be incorporated into standard template agreements entered between HLBNV and its service providers, vendors and business associates (referred to individually as “Counterparty” and collectively as “Counterparties”).

All Business and Operational Units are required to include in their respective agreements with Counterparties including Standard template, customized/Counterparties’ template and Supplementary Agreement or Letter of variation.

In cases where there is no formal written agreement with business partners (e.g. lawyers, valuers, real estate agents etc.), Business and Operational Units are to provide the business partner the link to the ABC Policy at the HLBNV website and procure the execution of the business partner’s confirmation of its compliance and commitment to the ABC Policy by executing HLBNV’s Declaration of Commitment and Compliance with the Vietnamese Anti-Corruption Laws (with acknowledgement). The duly executed document should be retained as part of HLBNV’s records.

Where it is impractical to obtain execution by certain business partners as above, the Bank may notify the counterparty and/or client of HLBNV’s Declaration of Commitment and Compliance with Vietnamese Anti-Corruption Laws (without acknowledgement).

8. PRINCIPLES IV: SYSTEMATIC REVIEW, MONITORING & ENFORCEMENT



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

(i) Review

HLBVN Internal audit shall review the Bank's anti-bribery and corruption compliance program and measures to assess its compliance, performance, efficiency and effectiveness. The audit report shall be presented by HLBVN Internal Audit to the Bank's Board of Controllers for review and report to the COM.

HLBG's Compliance shall undertake periodic reviews on the Bank's implementation of and adherence to the ABC Policy. The reports shall be reported by HLBVN Compliance Division to the Bank's RCGC for review and report to HLBVN Board of Controllers and the COM.

(ii) Monitor

All HLBVN's Heads of Divisions shall monitor the performance of their personnel in relation to the ABC Policy and report non-compliance to the Bank's Senior Management and to any other Bank's designated person or committee.

(iii) Enforcement

The Bank shall take appropriate disciplinary action as appropriate against the Associated Person found to be non-compliant with the ABC Policy.

9. PRINCIPLE V: TRAINING & COMMUNICATION

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

Date: 18 October 2022