



**RHB BANKING
GROUP**

**CODE OF ETHICS AND
BUSINESS CONDUCT
FOR DIRECTORS**

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DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Code:

Board	Board of Directors of the Group and/or subsidiary, whichever applicable.
Director	Member of the Board of Directors of the Group/the respective subsidiaries of the Group, excluding Executive Directors
Code	this Group Code of Ethics and Business Conduct for Directors
Conflict of Interest or Conflict	Situations where financial or other personal considerations may lead to compromise, or have the appearance of compromising the Directors' professional judgment in the performance of their duties
RHB Banking Group or the Group	RHB Capital and its subsidiaries
RHB Capital	RHB Capital Berhad
Governing laws, regulations and guidelines	Banking and Financial Institutions Act 1989 (<i>as amended from time to time</i>) and all relevant Guidelines issued by Bank Negara Malaysia from time to time
	Islamic Banking Act 1983 (<i>as amended from time to time</i>) and all relevant Guidelines issued by Bank Negara Malaysia from time to time
	Companies Act, 1965 (<i>as amended from time to time</i>)
	Listing Requirements of Bursa Malaysia Securities Berhad (<i>as amended from time to time</i>) and all relevant Practice Notes issued by Bursa Malaysia Securities Berhad from time to time
	Capital Markets and Services Act 2007 (<i>as amended from time to time</i>)
	Computer Crimes .Act 1997 (<i>as amended from time to time</i>)
	Anti Money Laundering Act 2001 (<i>as amended from time to time</i>)
	Best practices:
	Malaysian Code Of Corporate Governance (<i>as amended from time to time</i>)
	Code of Ethics For Company Directors by the Companies Commission Of Malaysia
Internal guidelines, policies and procedures of the RHB Banking Group (<i>as established and amended from time to time</i>)	
	<i>The above list is non-exhaustive.</i>

In this Code, words referring to the male gender shall also refer to the female gender and vice versa. Similarly, words in the singular shall include the plural and vice versa.

1. INTRODUCTION

The RHB Banking Group is committed to conducting its business with integrity, sincerity and honesty, in compliance with the relevant Governing laws, regulations and guidelines.

It is nevertheless important to emphasise that no code or policy can anticipate every situation that may arise, or replace the thoughtful ethical conduct of Directors. Accordingly, this Code is intended to serve as a source of guiding principles for Directors to address issues relating to ethical risk and foster a culture of honesty and accountability.

Directors' adherence to ethical values will demonstrate their commitment to responsible leadership and the creation of an ethical culture within the organisation. Such will strengthen the confidence level of the employees and the public at large.

Each Director will exert to comply with the letter and spirit of this Code. This Code shall be interpreted within the existing framework of all Governing laws, regulations and guidelines (including customs and conventions) as well as the directives and policies of the Group. Finally, the exercise of the Director's good judgement is integral to the intent of this Code.

2. OBJECTIVES

Directors are expected to promote ethical behaviour and help foster a culture of ethics and compliance.

This Code is formulated to enhance the standard of corporate governance and to promote ethical conduct of Directors with a view to achieving the following objectives:-

- (i) To establish the appropriate ethical standards for Directors based on acceptable beliefs and values;
- (ii) To uphold the spirit of corporate responsibility and accountability in line with the Governing laws, regulations and guidelines; and
- (iii) To document and emphasise the integral obligation of each Director in performing his duty, to act in a manner that is lawful, honest, ethical and free from any Conflict of Interest or perceived Conflict of Interest.

3. THE CODE

3.1 General Standards Of Conduct

3.1.1 A Director should exercise leadership, integrity and high standard of professionalism in discharging his duties and responsibilities. In this respect, a Director should do his utmost to preserve and enhance the RHB Banking Group's good reputation and to act in the best interest of the Group at all times.

3.1.2 A Director shall at all times act with utmost good faith towards the RHB Banking Group and act honestly and responsibly in discharging his duties. In the performance of his duties, he is expected to be always conscious of the moral, ethical and legal responsibilities that he bears as a Director. He should

adopt an objective and positive attitude and give the utmost co-operation for the common good when dealing with governing authorities or regulatory bodies.

- 3.1.3 A Director should be conscious of the interest of the Group as well as its stakeholders in discharging his duties by having clear understanding of the ethical impact of his decision.
- 3.1.4 A Director should be conscious of the applicable statutory and regulatory requirements imposed on the various entities within the RHB Banking Group, where he is a Director. In this respect, a Director should also endeavor to ensure that the relevant entities are properly managed and comply with the Governing laws, regulations and guidelines applicable to its business and operations.
- 3.1.5 A Director should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any unfair dealings or practice when deciding on any matter, in the performance and discharge of his duties.

3.2 Conflict Of Interest

- 3.2.1 A Director should not knowingly place himself in a position that would have the appearance of being, or could be construed to be in conflict with the interest of the RHB Banking Group and should not participate or deliberate in any matter that brings benefit to his personal or business financial interests.
- 3.2.2 A Director should exercise good faith by immediately disclosing all contractual interests, whether directly or indirectly, with any person or entity with which the Group has or proposes to enter into business or contractual relationship. In this respect, a Director should comply with all the Governing

laws, regulations and guidelines that negate such dealing or require disclosures to be made.

3.2.3 A Director should not offer, give or receive any gifts (in cash or in kind) from persons or entities who deal with the Group unless the expense is mutually paid or the Director is able to reciprocate (i.e. by providing in return something of a similar cost), either through his personal expense or by obtaining reimbursement from the Group through actual receipts. Nonetheless, a Director may accept gifts in good faith where acceptance of such would not place a Director in a compromising position or where refusing the gifts would jeopardize the business of the Group.

3.3 Insider Trading

A Director should ensure compliance with the Governing laws, regulations and guidelines on insider trading that prohibit anyone who possesses material non-public and price sensitive information from:-

- (i) buying or selling of securities based on such information for his own or other person's benefit;
- (ii) influencing any third party in dealing with any transaction; or
- (iii) communicating such information to any third party for his direct or indirect or for other person's benefit.

3.4 Maintaining Confidentiality

3.4.1 A Director having access and/or in possession of material non-public and price sensitive information in the course of discharging his duties, shall treat such information in strictest of confidence and shall not allow any improper and unauthorised use of such information. A Director shall be

responsible to take all necessary precautions to maintain such confidentiality and not use it for any purpose other than for what it has been intended.

3.4.2 A Director having access and/or in possession of material non-public and price sensitive information in the course of discharging his duties should not use such information to gain financial advantage for himself or any third party and should not, during or after the cessation of his term as a Director, disclose such information to any other person within or outside the Group unless the information has, subsequently, entered the public domain.

3.5 Use Of Corporate Assets

A Director should not improperly use or waste any assets belonging to the Group. A Director shall endeavour to protect corporate assets under his care and should not use such assets for his personal gain.

3.6 Compensation From Other Sources

A Director should not accept compensation (in cash or in kind) for services performed for the Group from any source other than the Group.

4. CIRCUMSTANCES THAT MAY IMPLICATE THE CODE

Directors are encouraged to raise questions or issues of particular circumstances that may implicate the provisions of this Code to the attention of either the Chairmen of the respective Boards, the Group Nominating Committee, the Group Audit Committee or the Audit Committee of RHB Capital for resolution.

5. VIOLATION OF THE CODE

In the event of any violation of this Code, the Board shall determine appropriate actions to be taken after considering all relevant information, including but not limited to the nature of the violation and its severity, whether the violation appears to have been committed intentionally or inadvertently, whether the individual in question had been advised prior to the violation as to the proper course of action as well and whether appropriate consultation has been made on the implication thereof. Such action to be taken shall reasonably be designed to deter wrongdoings and to promote accountability for adherence to the Code.

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