

GROUP GIFT POLICY

Introduction

This policy is intended to guide all employees of Bank Islam Group in accepting and giving gifts in which gifts may be accepted, given and managed in appropriate circumstances by maintaining best practices and standards of ethics and integrity at all times when dealing with employees of Bank Islam Group which includes the members of Board of Directors including all Board Committees in the respective entities, Shariah Supervisory Council members, employees, business associates and all parties involved directly or indirectly in the affairs of the Group.

General Rule of Gifts

Bank Islam Group has implemented "Gift Policy" as a guidance to employees on what should or should not be accepted as a present, award or token of appreciation from business associates with a threshold of RM300. However, it must be stressed that accepting gifts from vendors or certain business associates is deemed inappropriate and falls under the non-permissible category. Bank Islam Group has established a specific condition on the types of permissible gifts and non-permissible gifts.

Type of Permissible Gifts

- a) Exchange of gifts at company-to-company level (e.g. gifts exchanged between the Group and company as part of an official company visit or courtesy call and thereafter the gift is treated as the Group's property);
- b) Gift token of nominal value bearing the organisation's logo i.e. t-shirts, pens, diaries, calendars, note books, plaques, thumb drives, umbrellas and other small promotional items that are given out or received equally to or from members of the public, delegates, media, customers, partners and key stakeholders attending events i.e. conferences, seminars, exhibitions, training, trade shows, etc. and deemed as part of the organisation's branding or promotional activities;
- c) Gifts such as flowers, fruits or food hampers especially during festive seasons to enhance relationships and do not jeopardise the rapport between the employee and the stakeholder;
- d) Gifts from business associates to employees or vice versa in the capacity of the Group which relates to an event of a ceremonial nature (e.g. commemoration of a business transaction or event i.e. annual dinner of the customer or launching of customer's Initial Public Offering (IPO));
- e) Reciprocal meal or entertainment exchanges that serve as legitimate business interests or are infrequent, normal, and expected social courtesies;
- f) Complimentary invitation by regulators or business associates to employees of the Group to participate in conferences, seminars and trainings as part of the Group's system improvisation or to support daily business activities (e.g. financial market updates, IT system enhancement, credit cards updates or regulatory /compliance updates). This invitation shall be guided by Group HR policy;
- g) Gifts received from employees' supervisors, fellow colleagues and business associates on personal capacity which may include cash for occasional celebration e.g. birthday celebration, wedding celebration, new-born baby occasion and etc.;
- h) Gifts from the Group to VVIP (King/Sultans/Prime Minister/Ministers), external institutions (governments /regulators/investors) or individuals in relation to the Group's official functions, events and celebrations (e.g. commemorative gifts or door gifts offered to all guests attending the event);
- i) Corporate gifts from the Group to asnaf, students or individuals in relation to Corporate Social Responsibility (CSR) programme or motivational/ educational/ religious talk;
- j) Gifts from Business Unit/Support Unit (BU/SU) to Management Committee and Board of Directors during festive season under its own BU/SU budget allocation; and
- k) Sample items given by on-boarding Business Associates e.g. t-shirt, mug, umbrella and etc.



Type of Non-Permissible Gifts

- a) Cash or cash equivalents (cheques, money orders, stocks, shares, saving bonds and cash vouchers);
- b) Financing, fees, rewards, valuable security, use of property or interests in property being property of any description whether movable or immovable, use of vehicle, financial benefits or any other benefits similar in advantage;
- c) Any payment, release, discharge or liquidation of any financing, obligation or other liability, whether in whole or in part;
- d) Any travel-related expenses or accommodation paid by customer or its agents associated with business or customer visitation, meetings or events. Exception is applicable for cases that are justified under legit business travel and it must subscribe to the existing Group HR policy;
- e) Any paid holidays which include transportation, accommodation or holiday package;
- f) Any individual apparel which includes jewellery, watch, bags, shoes, clothing, sunglasses, etc.;
- g) Any type of electronic items or IT gadgets which includes laptop, computer, smartphone, etc.;
- h) Any type of paid club membership (e.g. golf club membership, etc.);
- i) Any complimentary tickets related to hospitality outing including shariah non-compliant entertainment (e.g. concert tickets, musical tickets, opera tickets, free casino slots, Formula-1 tickets, meals at non-halal restaurant etc.);
- j) Any non-business-related gift for the purpose of birthday celebration, wedding celebration, retirement or farewell using the Group's fund;
- k) Any type of entertainment expenses or sport activities which are paid by customers or business partners (e.g. karaoke, spa treatment, golf, fishing, etc.); and
- l) Any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding points mentioned above especially from the Group's business associates such as IT and non-IT vendors, solicitors, valuers, agents etc., be it past, existing or not in our list of panel.

Procedure

1. Receiving gift and providing gift from/to third party(ies) must fulfil the following conditions:
 - 1.1 Receiving Gift from Third Party(ies)
 - i) All acceptance of permissible gifts shall be declared, and it shall not be used until approval is obtained.
 - ii) Only permissible gifts are allowed in which they are to enhance goodwill as well as to strengthen business relationship when accepting or giving such gifts.
 - iii) Permissible gifts are limited in value and frequency, customary and lawful under the circumstances.
 - iv) Employees of the Group may accept permissible gifts subject to the conditions as follows:
 - For the value of up to RM300.00 with the approval of Branch Manager/Head Region/Head of Department /Division/Group Chief Executive Officer (GCEO)/Executive Director (ED) for the Group's employees;
 - For the value of above RM300.00, an approval from DCIO or GCIGO/ GCCO is required;
 - The Gift Acceptance Declaration Form is provided in the Appendix 2 of Bank Islam's Group Gift Policy and is required to be completed within 7 working days from the date of accepting the gift from the giver, either by declaring the gift electronically via Humane or manually if the related employee does not have access to Humane; and
 - The permissible gift presented by the giver shall be appended with a cover letter signed personally or by the authorised person of the company stating the details of the gift, if possible.
 - v) No gifts may be accepted to influence any decision and/or action in order to retain business, expectation of specific favour or improper advantages.
 - vi) Employees shall immediately **refuse or return** any **non-permissible gift** provided by external parties i.e. vendors, contractors or regulators.
 - vii) Employees are not required to declare gifts or items classified as:



- **Small Corporate Gifts** i.e. gifts or tokens bearing the organisation's logo limited to diaries, calendars, pens and other small promotional items that are deemed as part of the organisation's branding or promotional activities valued below RM300, in total value; and
- **Festival Money Packets** i.e. empty festival money packets received during the festive season, e.g. Ramadhan, Hari Raya, Chinese New Year, Deepavali and Christmas.

1.2 Providing Gift to Third Party(ies)

- i) There must not be any corrupt/criminal intent involved in the giving out of the gift and must be done in an open and transparent manner;
 - ii) Expenses for gifts to third party(ies) must be disclosed to the respective HOD or immediate superior of the Group and it must be appropriately documented by the respective BU/SU; and
 - iii) Any gifts given to third party(ies) or on behalf of the Group must comply with the relevant laws.
2. In order to avoid liability, the Group must ascertain that the supervision and control exercised is adequate to avoid any offer or promise of gift which may result to a breach of duty by a representative from another organisation or an individual.
3. Any employees who is in his/her professional or personal capacity involved in giving religious talks/trainings /lectures/tutorials for external entities must seek approval from Group Chief Human Resources or the Chief Executive Officer at the entity level. In the event that the activities rendered involve gifts such as cash, cheques, token, etc., the gift must be declared to Group Chief Human Resources or the Chief Executive Officer at the entity level to decide on the treatment of the gifts whether it is Group's or entity's property or personal entitlement.

Reporting

Employees may disclose any improper conduct to the Designated Person (DP) in accordance with the Group Whistleblowing Policy through any of the following channels, depending on the identity of the person being complained against:

i) Email:

a) Bank Islam Group

Person being reported	Designated Person(s) and email address
Tier 1 Any member of the BOD and Shariah Supervisory Council (SSC)	Chairman Bank Islam chairman@bankislam.com.my
Tier 2 i) Chairman Board of Directors ii) Group Chief Executive Officer (GCEO) iii) Group Chief Integrity & Governance Officer (GCIGO) iv) Any member of Integrity & Governance Department (IGD)	Senior Independent Director (SID) SID@bankislam.com.my
Tier 3 Employees of the Group excluding BIMBSEC and BIMBINVEST	i) SID ii)GCIGO whistle@bankislam.com.my or online submission through Bank's corporate website: https://cif.bankislam.com.my/WB/



b) BIMB Securities Sdn Bhd

Person being reported	Designated Person(s) and email address
Tier 1 Any member of BIMBSEC's Board of Directors and Shariah Advisory Committee (SAC)	Chairman BIMBSEC chairman.bimbsecurities@bankislam.com.my
Tier 2 i) Chairman BIMBSEC ii) Chief Executive Officer BIMBSEC	Chairman Board Audit & Risk Committee (BARC) BIMBSEC Barcchairman.bimbsecurities@bankislam.com.my
Tier 3 Employees of BIMBSEC	i) Chairman BARC BIMBSEC ii) GCIGO whistle.bimbsecurities@bankislam.com.my

c) BIMB Investment Management Berhad

Person being reported	Designated Person(s) and email address
Tier 1 Any member of BIMBINVEST's Board of Directors, Investment Committee and Shariah Advisors	Chairman BIMBINVEST chairman.bimbinvestment@bankislam.com.my
Tier 2 i) Chairman BIMBINVEST ii) Chief Executive Officer BIMBINVEST	Chairman BARC BIMBINVEST Barcchairman.bimbinvestment@bankislam.com.my
Tier 3 Employees of BIMBINVEST	i) Chairman BARC BIMBINVEST ii) GCIGO whistle.bimbinvestment@bankislam.com.my

- ii) **Bank Islam Group Integrity Hotline:** 1-800-18-0201 for disclosure against Group employees including employees of BIMBSEC and BIMBINVEST which will be attended personally by GCIGO.
- iii) Alternatively, any party may also lodge a report to Bank Negara Malaysia, Polis Diraja Malaysia, Malaysian Anti-Corruption Commission or any other enforcement agency, if he/she wishes.

Important

All employees of Bank Islam Group are required to strictly adhere to the procedures outlined in this policy when discharging their duties and responsibilities.

