

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, fruit/ food hampers (e.g., Mandarin oranges, raya cookies, chocolates, etc) especially during festive seasons to enhance relationships and do not jeopardise the rapport between the employee and the stakeholder;
- d) Gifts from Third Party 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/ meal exchanges that serve as legitimate business interests or are infrequent, normal, and expected social courtesies;
- f) 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);
- g) Corporate gifts from the Group to asnaf, students or individuals in relation to Corporate Social Responsibility (CSR) programme or motivational/ educational/ religious talk; and
- h) Samples given by the Third Party for procurement purposes e.g., t-shirt, mug, umbrella 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 Human Resources (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 entertainment¹ which is unrelated to business² (e.g., karaoke, spa treatment, golf, fishing, etc); and
- l) Any offer, undertaking or promise, whether conditional or unconditional, of any gratification³ within the meaning of any of the preceding points mentioned above especially from the Group's Third Party such as IT and non-IT vendors, solicitors, valuers, agents etc. notwithstanding their status as an existing panel or otherwise.

Procedure of Receiving or Providing Gifts

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 receiving such gifts.
- iii) Permissible gifts are limited in value and frequency, customary and lawful under the circumstances.
- iv) When accepting or receiving such permissible gifts, the following conditions shall apply:
 - a. Any permissible gift with a value of up to RM300, a declaration has to be submitted to the immediate supervisor or HR Officer at the entity level for verification and thereafter, reported to the Branch Manager/ Head of Region/Department/ Division (superior) or the Chief Executive Officer (CEO) at the entity level for approval.
 - b. Any permissible gift with a value of more than RM300, upon obtaining verification from the immediate supervisor or HR Officer at the entity level, the declaration is required to be reported to the Group Chief Integrity & Governance Officer (GCIGO) or in his/ her absence to the Deputy Chief Integrity Officer (DCIO), for approval.
 - c. For the CEO at the entity level, any permissible gift with any value, a declaration has to be made to the GCIGO and to be declared manually.
 - d. In the case where the gift is not approved, the gift must be returned to the giver and the evidence of such return shall be made known to the recipient's immediate supervisor or HR Officer at the entity level and Integrity & Governance Department (IGD).
 - e. The Gift Acceptance Declaration Form is provided in the Appendix 1 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.

1) Any doubt on the Shariah compliance aspect of the entertainment may be referred to Group Shariah Division.

2) Unrelated to business is where social invitation received from Third-Party that falls outside business relations or purpose i.e., casual outings, individual capacity. Any such invites **shall be borne** by the respective employees and not paid by the Third Party. E.g., An all-paid golf tournament invitation on personal capacity by a failed Third-Party bidder of a project/ contract. This is unrelated business invitation which raises concern of possible undue influence of future bidding

3) Gratification as defined in accordance with Section 3 of the MACC Act 2009 (Act 694).

- f. 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; and
- g. For record management, any gifts received and provided to a third party shall be registered in the Gift Register from/ to Third Party provided as per Appendix 2A and 2B of Bank Islam's Group Gift Policy.
- 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 third parties i.e. vendors, contractors or regulators.
- vii) Employees are **not required** to declare gifts or items classified as:
 - a. **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;
 - b. **Festival Money Packets** i.e., empty festival money packets received during festive seasons, e.g., Ramadhan, Hari Raya, Chinese New Year, Deepavali and Christmas; and
 - c. **Gifts from Business Unit/ Support Unit (BU/SU)** to the Management Committee and the Board of Directors under its own BU/ SU budget allocation, e.g.: internal events involving Bank Islam Group, festive seasons, etc.

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 Head of Division (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.

Talks/ trainings/ lectures/ tutorials under professional or personal capacity

- i. Any employee who is in his/ her professional or personal capacity involved in giving religious talks/ trainings/ lectures/ tutorials for external entities must seek approval from the Group Chief Human Resources Officer (GCHRO).
- ii. Any employee who receives complimentary invitation from a Third Party to participate in talks/ trainings/ seminars/ conferences under professional capacity shall seek GCHRO or GCEO's approval as the case may be, in accordance with Group HR Code of Ethics & Code of Conduct.
- iii. Employees are prohibited from receiving any cash or cash equivalent including honorarium from such events under **professional capacity**.



Amanah Terjamin. Nilai Terhasil.

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 Board of Directors and Shariah Supervisory Council	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 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	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

BANK ISLAM

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

d) Bank Islam Trust Company (Labuan) Ltd (BTL) and Bank Islam Malaysia Berhad Labuan Offshore Branch (BILOB)

Person being reported	Designated Person(s) and email address
Tier 1 i) Chairman BTL/ BILOB Oversight Committees (BOC) ii) Member of BTL Board/ BOC	Senior Independent Director (SID) SID@bankislam.com.my
Tier 2 i) CEO BTL ii) Senior Vice President, BILOB iii) Employees of BTL & BILOB	i) SID ii) GCIGO whistle@bankislam.com.my

- ii) **Bank Islam Group Integrity Hotline:** 1-800-18-0201 for disclosure against Group employees including employees of BIMBSEC, BIMBINVEST, BTL and BILOB 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.

