

## REMINDER

Date : 18 January 2016

To : All KFHMB Employees  
All KFH Asset Management Employees  
All KFH Labuan Employees

From : Human Capital

Re : **CONFLICT OF INTEREST – OUTSIDE FINANCIAL INTEREST**

Human Capital has discovered that there are employees who **did not receive approval from and did not declare to the Bank** that they are a partner, a director and/or a shareholder of a company or companies.

This is a **direct breach of Section 9.4 – CONFLICT OF INTEREST** of the Bank's Code of Ethics and Conduct which may lead to disciplinary action taken by the Bank. The relevant clauses of this section are as follows:

9.4.3	<p><u>Investments</u></p> <p>You must not make any personal investment in a company if the investment might affect or appear to affect your ability to make unbiased business decisions for the Bank. If you made such an investment before joining the Bank, or your position at the Bank changes in such a way as to create a conflict of interest or the appearances of such a conflict, you must report the facts to your superior or with a higher level of management and Compliance Officer.</p>
9.4.4	<p><u>Other Business Interest</u></p> <p>a. It is considered a conflict of interest if employees conduct business other than the given Bank's responsibilities during office hours.</p> <p>b. Where the acquisition of any business interest or participation in any business activity outside the Bank and office hours demands excessive time and attention from the employee, thereby depriving the Bank of the employee best effort on the job, a conflict of interest also arises.</p>
9.4.6	<p><u>Other Employment</u></p> <p>Before making any commitment, employees are to discuss possible part-time employment or other business activities outside the Bank's working hours with their superior or with a higher level of management. The written approval should be obtained before the employees embark on part-time employment or other business activities. Approval should be granted only where the interests of the Bank will not be prejudiced.</p>

**RESTRICTED – FOR INTERNAL CIRCULATION ONLY**

Human Capital Circular Memorandum – Outside Financial Interest

9.4.8	<p><u>Outside Business Activities</u></p> <p>a. Because of potential conflicts with the Bank or even the potential perception of a conflict of interest, the Bank requires that employees obtain approval before they accept a position as a director of an unaffiliated for-profit company or organisation. Any employee accepting an appointment as director of an unaffiliated for-profit company or organisation must ensure the proper treatment of confidential information received from such entity in connection with being a director.</p> <p>b. Before accepting such an appointment, employees are required to obtain the approvals and execute certain documents specified by the Bank and their business unit's written policy on approving such directorships. In addition, employees should not accept or hold a position as a director, officer, employee or agent of, or consultant or advisor to, any competitor or vendor of the Bank unless they obtain the approvals required by their business unit's written policy regarding such positions.</p> <p>c. However, employees may act as directors of non-profit public service corporations, such as religious, educational, cultural, social, welfare, philanthropic or charitable institutions, subject to policy guidelines in each institution.</p>
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In view of the above, for those who currently have any business interest as a partner, a director and/or a shareholder of a company/companies, whether dormant or otherwise, but have not sought approval for the said appointments, **please submit the attached Outside Financial Interest Form to Human Capital no later than 5 February 2016. Late submissions will not be entertained.**

Further to the above, you are also reminded that you have to obtain approval prior to you having any business interest and/or your dormant company commencing or resuming business activities.

**From 6 February 2016, employees found to have breached Section 9 of the Bank's Code of Ethics will be dealt with seriously which may include disciplinary action taken against them.**

Should you require further clarification, please do not hesitate to get in touch with Human Capital.

Thank you.



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**Nora Shah Abdul Wahab Shah**  
Chief Corporate Affairs



**OUTSIDE FINANCIAL INTEREST FORM**

(Fill in this form and to obtain approval from the CEO if you are holding a position and serving as a director/shareholder/partner of another corporation.)

Company Name : \_\_\_\_\_ Business Registration No.: \_\_\_\_\_

Business Nature : \_\_\_\_\_

Date of Incorporation : \_\_\_\_\_ Type Of Entity : \_\_\_\_\_

Position Held : \_\_\_\_\_ Status : Active / Inactive

Time Spent (Hrs/Mth) : \_\_\_\_\_

Fees Received :  Yes  No If yes, please indicate amount : RM \_\_\_\_\_

Allowance Received :  Yes  No If yes, please indicate amount : RM \_\_\_\_\_

Employee's Signature:	Staff ID:	Date:
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**HEAD OF DIVISION SUPPORT:**

I hereby **Support / Not Support** (Please circle whichever is applicable) the employee's involvement in the said Business based on the following comments:

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Signature: \_\_\_\_\_

Signature : \_\_\_\_\_

Name : \_\_\_\_\_

Name: \_\_\_\_\_

**Immediate Superior**

**Head of Division**

Date : \_\_\_\_\_

Date : \_\_\_\_\_

**HUMAN CAPITAL RECOMMENDATION:**

Comments : \_\_\_\_\_

\_\_\_\_\_

Signature : \_\_\_\_\_

Name : \_\_\_\_\_

Date : \_\_\_\_\_



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**CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR ("CEO & MD") APPROVAL**

Approved

Not Approved

Comments :

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Signature : \_\_\_\_\_ Date : \_\_\_\_\_

Name : \_\_\_\_\_