

ETHICS & CONDUCT COMMITTEE CHARTER

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INTERNAL

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1.0. BACKGROUND

Bank OCBC NISP (“Bank”) has the tradition of delivering value to customer. As competition become very tough and companies are giving incentives for additional sales, there is a risk of employees just selling for their own benefit, charging fees not commensurate with the service delivery. The Bank must value and respect customers and help them achieve their goals.

The Bank has to take customer’s interest to heart. With good conduct to customers and all stakeholders, work will become more align with our corporate values and its people will cultivate a favorable public image. The Bank believes honesty, integrity and treating each other with respect always add a value.

The Ethics and Conduct Committee (“the Committee”) is a voluntarily established committee under Board of Commissioners (“BOC”) with purpose to advise and oversee management’s efforts to develop and nurture the culture of ethical business conduct within the organization and in working with external stakeholders.

The establishment of the Committee is guided by the principles of good corporate governance and international best practices. The Committee is empowered to assist BOC in reviewing ethics initiatives and policies, overseeing the implementation and providing recommendations to BOC.

2.0. PURPOSE

This Charter serves to set the functions of the Committee, including the work guideline and procedure binding each member of the Committee.

3.0. MEMBERSHIP

- 3.1. The Committee shall comprise of at least three members including one independent commissioner concurrently as Chairperson.
- 3.2. Nomination for appointment and/or re-appointment of the Committee members shall be recommended by the Remuneration and Nomination Committee (RNC) to the BOC for approval.
- 3.3. The members of the Committee including the chairperson of the committee shall be appointed and dismissed by the BOD based on the decision of the BOC meeting.
- 3.4. The term of office of the Committee shall be no longer than the tenure of Commissioner and may be reappointed subject to the recommendation of RNC.
- 3.5. The Committee Chairperson can only serve concurrently as Chairperson of another committee.
- 3.6. In carrying out its duties and responsibilities, each member of the Committee shall act independently.

4.0. FUNCTIONS

- 4.1. Oversee efforts to build and maintain a strong and responsible organization culture firmly founded on core values and the spirit of long-term thinking.

- 4.2. Review and assess the state and implementation of the Bank's ethics, culture and conduct programs and initiatives, including matters relating to fair dealing with customers and avoidance of mis-selling.
- 4.3. Oversee the periodic review of policies and guidelines pertaining to ethics, culture and conduct, including the employees' code of conduct, to ensure they remain adequate, relevant and up to date.
- 4.4. Oversee the establishment of programs and initiatives to ensure the desired behaviors are encouraged within the organization in respect of ethics, culture and conduct.
- 4.5. Review communications to stakeholders on core values, desired behaviors, ethics, culture and conduct to ensure communications are aligned with the Bank's intention and direction.
- 4.6. Periodically assess the effectiveness of the Bank's culture and conduct pulse checks to be done as and when the committee deems appropriate.
- 4.7. Discuss best practices, local developments and international standards relating to ethics, culture and conduct and assess if practices, where relevant, should be adopted by the Bank.

5.0. MEETINGS AND WORK PROCEDURE

- 5.1. Committee members must provide sufficient time to carry out their duties and responsibilities optimally.
- 5.2. Committee shall meet at any time but at least 4 (four) times in a year, and meetings can only be held if attended by at least 51% of total number of members including Chairman.
- 5.3. Committee may invite other parties with relevant experience and expertise to the topics on the agenda.
- 5.4. In the event that the Committee meeting invites another party, the Committee's decision-making shall remain independent.
- 5.5. Decision of the meeting shall be made based on consensus. In the event that consensus does not happen, decision-making is done by a majority vote, with principle of one (1) person 1 (one) vote.
- 5.6. The materials and minutes of meeting shall be prepared for each meeting. The results of meetings shall be stated in the minutes of meetings and signed by all members attending the meeting and submitted to the Board of Commissioners.
- 5.7. Dissenting opinions and the reasons which occur in the meetings shall be clearly stated in the minutes of the meeting.
- 5.8. Copy of the minutes of the meetings of the Committee which has been signed by the members attending the meeting should be distributed to all members of the Committee and the BOC.
- 5.9. The minutes of meetings shall be well documented.

6.0 REPORTING

The ECC shall report its duties and responsibilities implementation as well as recommendations to the Board of Commissioners.

7.0. EFFECTIVE DATE AND NEXT REVIEW DATE

- 7.1. This ECC Charter shall take effect upon concurrence by the BOC
- 7.2. This ECC Charter will be reviewed periodically at the latest every 3 (three) years or conduct updates if deemed necessary