

OUR SUSTAINABILITY PROGRESS



GOOD GOVERNANCE

Lead a responsible business underpinned by a robust compliance culture and high levels of ethical standards.



UN SDGs



MATERIAL TOPICS:

- Good Business Conduct
- Regulatory Compliance

Goal 1

All material matters to be supported by adequate policies and procedures in line with best practices and regulatory requirements.

Goal 2

Lead industry fraud awareness through an interactive flagship programme.



SUSTAINABILITY AT KENANGA



GOOD BUSINESS CONDUCT

GRI 205

Operating transparently, with integrity and accountability in compliance with applicable laws and regulations, and adopting the highest standards of professionalism, honesty, and ethics.

WHY IT MATTERS

The implementation of a strong governance foundation is critical for the Group's long-term value creation. It is imperative for us to instil a strong ethical and compliance culture that reflects the Group's zero-tolerance approach towards financial crimes.

OUR APPROACH

The Group strives to adopt principles and best practices of good governance and ensures Kenanga and its subsidiaries comply with regulatory guidelines issued by Bank Negara Malaysia, Bursa Malaysia Securities Berhad, and the Securities Commission Malaysia.

KEY PROGRESS IN 2023

- Board Charters were updated to further enhance the existing climate risk governance and oversight
- Enhanced overall sustainability governance structure with more defined roles and responsibilities in climate risk management



REGULATORY COMPLIANCE

Identifying, managing and responding to compliance risk across the Group, as well as cultivating a transparent ethical culture and educating employees to reflect the compliance behaviours of the organisation.

WHY IT MATTERS

One of our key priorities in adopting good governance practices includes fostering a compliance culture that empowers our employees to uphold high standards of integrity and vigilance in carrying out their responsibilities at work.

OUR APPROACH

A key component of our strategy to build an ethical culture involves designing training programmes and awareness initiatives that incorporate our principles of ethics and integrity. This ensures that these principles are reinforced, understood, and practiced by our employees at every level of our workforce. The Group maintains a zero (0)-tolerance policy towards all forms of financial crime, including bribery, fraud, corruption, terrorism financing, money laundering, proliferation financing, and other illicit activities related to unethical business practices. To protect our operations and the broader financial system, we have developed and implemented internal policies, frameworks, and standards. We also continuously monitor and implement all corporate policies and frameworks at the Group to instill good governance values throughout the organisation.

KEY PROGRESS IN 2023

- Enhanced the Group Whistleblowing Policy by replacing it with the Group Speak Up Policy, allowing employees to report concerns in good faith regarding behaviour, conduct, practices, actions or omissions that may be unlawful or not in line with the Group's policies
- Other policy updates include Group Anti-Fraud, Bribery and Corruption Policy, Group Chinese Wall Policy, Group Code of Conduct for Vendors, Business Continuity Management Framework Policy, KIB Anti-Money Laundering, Countering Financing of Terrorism and Targeted Financial Sanctions ("AML/CFT/TFS") Procedure
- Organised flagship annual event, the Fraud Awareness Week ("FAW"), for the seventh (7th) consecutive year in collaboration with the Association of Certified Fraud Examiners. The event attracted over 2,300 participants from various stakeholder groups, including regulatory bodies, enforcement agencies, professional organisations, financial institutions, educational institutions, public-listed companies, and Kenanga's third-party vendors and suppliers
- Over 9,000 training hours related to compliances covering three key topics on anti-bribery and corruption, AML/CFT/TFS and anti-fraud

Refer to pages 33 to 42 of our Sustainability Report 2023 for more information on our approach and progress on Good Governance.