

Policy Statement

In line with our desire “to be highly respected for all that we do”, we want to be known as a Bank with high standards of ethical conduct, up keeping the long tradition established under our name. Conducting our business with high standard of ethics and integrity is essential to building our reputation and reinforcing our values. This goes beyond compliance with applicable laws and regulations and requires a regard for principles of morality, humility, humanity, good behavior and justice. Our policies on Workplace Behavior (Violence, Sexual Harassment etc.) are clearly set out and must be adhered to.

Our Code of Conduct/Ethics set out the guiding principles by which we conduct our daily business with each other, our customers, vendors, shareholders and with other stakeholders.

1. Local Laws and Regulations

It is the responsibility of the staff to comply with local laws and regulations of the various authorities of the Country. It is our responsibility to know the legal and regulatory framework of the country in order to ensure that we abide by these in terms of our daily work and that our products and services comply with the local regulations and laws.

Laws and regulations should also be understood in order to recognize any potential breach or shortcoming in our work or policies. Staff must report any such potential risks and must alert management where they are aware of convictions for offenses involving theft, fraud, dishonesty or breach of trust involving themselves, colleagues or customers of the Group.

2. Confidentiality

Our clients and other parties with whom we do business entrust the Bank with important information relating to their businesses. Confidential information concerning a customer or a supplier must never be disclosed to a third party except where required to do so by a statute or regulation, or a court order or other legal process or after the informed consent of the customer or supplier in writing.

Likewise, proprietary information (confidential information about the Bank’s business or business plans, products and services, marketing

methods, technology or systems) must never be disclosed to a third party except pursuant to a statute or regulation or a valid final court order.

For these purposes, "confidential information" is non-public information about the Group or a customer or supplier that would be useful to a competitor or important to an investor in deciding whether to purchase, hold or sell any shares of a customer or supplier.

If there is a question of whether certain information is considered confidential, the staff should first check with their immediate supervisor(s). All inquiries from the media must be dealt with in context of the Group’s media policy.

Moreover, staff is strictly prohibited from disclosing the fact to the customer or any other quarter that a suspicious transaction or related information is being or has been reported to any authority, except if required by law.

Staff pay and benefits details must not be shared with or communicated by staff who have access to this information by virtue of their role. Moreover, Medical, personal and private information held on file or compiled by any service provider must not be shared or discussed with any other staff member.

Access to staff salary accounts must be strictly restricted and any access to staff accounts by someone other than those who operate them must seek permission from the account holder.

Breach of confidentiality by staff will be treated as misconduct.

3. Conflict of Interest

A conflict of interest occurs when your interest in a competitor, customer or supplier is of such extent or nature that it affects or it appears to affect your responsibility to the Bank. Examples of conflicts or potential conflicts include, but are not limited to the following:

- i. Substantial borrowing or lending of private funds between staff and customers, suppliers and other staff
- ii. Speculative business ventures with any customer or suppliers
- iii. Borrowing from other financial institution at terms better than those provided to the general public

- iv. Staff whose duties bring them in contact with an organization employing a family member
- v. Direct or indirect dealing with a customer or supplier with whom the staff have an actual or prospective ownership, financial or other significant interest
- vi. An executive or officer:
 - Who is a party to material contract with the Bank;
 - Is a director or officer of any entity that is a party to a material contract or proposed material contract with the Bank; or
 - Has a material interest in any person who is a party to a material contract with the Bank.

Moreover, a Bank staff shall not accept directorship of another corporation without the approval of the management. This includes charitable and non-profit organizations.

If circumstances exist in which staff feels that his or her responsibility to the Bank is compromised or may appear to be compromised, those circumstances should be reported promptly to the management.

4. Mis-declaration & Forgery

A mis-declaration constitutes, amongst other reasons, the following examples:

- Any staff issuing an incorrect account statement, salary certificate or any other information for any customer, staff member or self
- Any staff issuing a fake claim for reimbursement of any expenses whereby either the expenses are inflated and/or the expense is not incurred at all or submitting fake medical certificate
- Any staff forging signature or any information on the certificate issued by the Bank

5. Money Laundering and Due Diligence

Money laundering is how banks/customers are used to disguise or “launder” the proceeds of criminal activity.

The importance and sensitivity of customer identification cannot be understated. All efforts should be made to determine the true identity of all customers requesting the Bank’s services. It is imperative to know enough about them to identify transactions which are inconsistent with their business or personal status, or which do not match the normal pattern of activity.

It is the duty of the staff to stay alert to the risk of money laundering and to assist the Bank’s efforts in combating it. Any abnormality must be reported immediately to Compliance.

We have Bank’s anti-money laundering standards that should be followed beside the local anti-money laundering rules and regulations.

6. Fair Practice with Customers

Financial products and services are sophisticated tools and selling this product, calls for knowledge, skill and judgment. The following points should be carefully followed when selling a product/service to any client.

The staff must not sell an unsuitable product (i.e. a product that does not meet the needs) of a client. Doing so is mis-selling and may expose the Bank to regulatory penalties, reputational damage and legal action by customers.

The staff should know enough about the products they are selling and about the customer (e.g. risk, appetite, objectives, finances and personal circumstances) to judge the effect, which those products will have and whether they will meet the customers’ needs.

For all products, especially complex products, the staff must make every possible effort to assist the client understand the product and its risks.

7. Bribery

Any staff will be guilty of an offense, who, without lawful authority:

- solicits or accepts any advantage as an inducement or reward for doing or intending to commit any act in relation to the Bank’s affairs or business, or
- shows or intends to show favors or disfavor to any person in relation to the Bank’s affairs or business or

- offers any advantage to anyone as an inducement or reward for or otherwise, or
- intends to deceive the Bank by using any receipt, account or other document which is false or erroneous or defective in any way and which to his knowledge is intended to mislead the Bank

8. Gifts

Staff will not solicit or accept for personal benefit directly or indirectly any gift, loan or any item of substantial monetary value from:

Any person or company that is seeking to conduct or currently is conducting business with the Bank

A subordinate staff of the Bank
Candidates for employment at the Bank

However, accepting reasonable business entertainment (meals and accommodations) of normal value provided to staff by clients on Company business may be accepted.

Accepting high value gifts, where refusing would cause offense, and where an apology and a return in not possible can be an exception. If accepted, gifts must be declared to HR along with a filled 'Gift Declaration Form'. Local tax/laws apply

9. Computer, Email and Internet Usage

E- Mail and Internet usage is provided to those staff only, where their job assignment entails internet research/ usage.

The Bank Internet and e-mail access may not be used for transmitting, retrieving or storing of any communication of a defamatory, discriminatory or harassing nature or materials that are rated or obscene. No messages with derogatory or inflammatory remarks about an individual's race, age, disability, religion, national origin, physical attributes or sexual preference must be transmitted. Harassment of any kind is prohibited.

Use of computer resources is strictly limited to business requirements. Staff should be aware that e-mails are not confidential and may be accessed for monitoring purposes. Any breach of IT security protocol that involves private business use or unsuitable material will be considered as a disciplinary matter. Staff will be accountable for all activities created under their password in this

case and treated as gross misconduct; therefore, the passwords must not be shared with anyone.

E-mail is not guaranteed to be private or confidential. All electronic communications are Bank property. Therefore, the Bank reserves the right to examine, monitor and regulate e-mail messages, directories and files, as well as Internet usage.

Any staff who abuses the privilege of Bank facilitated access to e-mail or the Internet, may be denied access to the Internet and, if appropriate, be subject to disciplinary action. Messages sent to all users should be restricted and approved by divisional / zonal heads.

10. Drug and Alcohol

In order to keep the Bank's reputation intact, the use, sale or possession of narcotics, drugs, alcohol or controlled substances while on the job or on the Bank's property is prohibited and is a dischargeable offense.

Off-the-job drug use adversely affects staff's job performance, can jeopardize the safety of others, the public, or the Bank's equipment, and also damages the Bank's reputation as staff is representative of their organization. In such situations disciplinary action up to and including termination of employment is inevitable.

Staff arrested for off-the-job drug activity may be considered to be in violation of this policy. In deciding what action to take, management will take into consideration the nature of the charges, the staff's present job assignment, the staff record with the Bank and other factors relating to the impact and circumstances of the staff arrest.

11. Borrowings

Staff should not indulge or engage in any financial matters including borrowings beyond their financial capacity and above the debt service ratio (50% of gross) specified in our policy.

Any directly or indirectly reported cases of non-compliance will lead to an in depth management review of the facts and may result in termination of services

12. Outside Employment

Employment with the Bank is and should be seen as a full-time occupation and for this reason other

employment or business association shall not be taken up without the written consent of the Management.

also acknowledge receipt of a copy of the aforesaid documents.

For purpose of this section of the Code, "Outside employment of any kind" includes, but is not limited to, acting as an officer, staff, proprietor, partner, agent, independent contractor or advisor or any similar capacity.

13. Bank Property

No items of the Bank may be removed from the premises without the authorization. Any deliberate damage or carelessness that results in Bank's property being damaged, stolen or lost will be charged to the applicable Staff.

14. Other Items Requiring Acknowledgment

Register of Relatives

As a general policy the Bank does not discourage appointment of close relatives of staff of the Bank.

Close relatives are defined as: husband, wife, child, parent, brother, sister, niece/nephew, parents-in-law, brother/ sister-in-law, son/ daughter-in-law. However, to avoid conflict of interest, the placements of related staff will be made in separate branch (es) / division(s) or to positions where one relative may not have the opportunity to check, process, review, and/or audit or otherwise influence or affect the work of another relative. Moreover, in order to maintain a record of all related staff it will be mandatory for such staff to disclose the detail of all such relative(s) to HRD.

This will also be reinforced by our code of conduct and disclosure requirements. It is **your responsibility** to inform the bank of such relationships.

Staff Loans with the Bank

Any staff loans that are not settled on departure from the bank for whatever reason(s) will be subject to an agreed repayment schedule on departure and will be subject to **commercial rates of interest**.

I have read and understood the "Code of Conduct" alongwith "HR Rules & Policy Guidelines" and "Service Regulations", and I undertake and confirm adherence to the same. I