



# **KBZ BANK LIMITED**

**HR POLICY**

**ON**

**CODE OF CONDUCT**

**HUMAN RESOURCE DEPARTMENT  
SEPTEMBER 2020**

## **KBZ BANK – CODE OF CONDUCT**

### **A. Preamble**

1. In everything we do, we must ensure that we are acting in the best long-term interests of our customers, our communities and for KBZ Bank. The KBZ Bank Code of Conduct (the “Code”) sets out the principles and standards of behaviour that we expect of everyone who works for KBZ. These principles define us, and are the standards by which we deal with our customers, business associates, stakeholders and each other. The Code upholds our core values of:
  - Metta
  - The Ti
  - Virya
2. This Code covers all employees, whether they are part-time, full-time or term-contract, working with the Bank and its representative offices.
3. Each of us should use the Code in our daily work as it enables us to make good choices, behave responsibly and act with the highest integrity in everything we do. Integrity is and must always be the cornerstone of our business operations and the starting point of all our actions and decisions. Our reputation for excellence is a key competitive advantage and we must never do anything to put that reputation at risk.

### **B. Introduction**

4. The Bank expects all employees to be scrupulously impartial and honest in all matters relating to the Bank. All employees also bear a responsibility to act as ambassadors for the Bank in terms of their general conduct both within and outside the organization.
5. The expectations that the Bank has of an employee includes the following:
  - to be ready and willing to work;
  - to offer their services personally - must not subcontract the work for which they are employed;
  - to take reasonable care in the exercise of that service, including the duty to be competent at work and to take care of the Bank’s property;
  - to not wilfully disrupt the Bank’s business;
  - to obey reasonable orders as to the time, place, nature and method of service;
  - to work only for the Bank unless approval has been obtained from senior management for secondary employment;
  - to disclose information that they might know or discover to the Bank if such information is relevant to the Bank’s business;
  - to hold solely for the Bank, the benefit of any invention relevant to the business on which the Bank is engaged;
  - to respect the Bank’s information and trade secrets;
  - to be of good faith and do nothing to destroy the trust and confidence necessary for employment;

- to account for all benefits, monetary or in kind, received in the course of employment;
- to respect and observe good behaviour towards other employees
- to observe good behaviour and decorum at all events including events with clients or other parties
- to disclose to their supervisor or HR Head, any conflict of interest
- to abide by the Bank's rules, regulations and policies
- to indemnify the Bank for loss caused by the employee.

## **C. Standard of Conduct Required by the Bank**

### **6. Gifts and Hospitality**

6.1 In addition to the responsibilities in para 5, the Bank requires all employees to ensure that gifts and hospitality offered to them are declined as spelt out in the No Gift Policy. This applies, whether the gifts or hospitality are offered within, or outside normal working hours. If employees are unable to decline the gift, they are expected to declare these gifts to the HR Head using the appropriate form. Breach of such integrity will be subject to disciplinary action. All employees are required to sign the Act of Integrity Policy and Declaration Form (see Annex A) when they first join the Bank.

### **7. Transaction of Private Business**

7.1 Employees having official dealings with customers, contractors and other suppliers of goods or services must avoid transacting any kind of private business with them by any means other than the Bank's normal commercial channels. No favour or preferences as regards price, or otherwise, which is not generally available, should be sought or accepted.

### **8. Visits to Conferences, Exhibitions, etc.**

8.1 The Bank intends that when it is necessary for employees to attend conferences, exhibitions and similar occasions, it should bear the travelling and other associated expenses itself. Exceptions to this general rule will only be permitted with the approval of the senior management.

### **9. Attendance at Luncheons, Dinners, Receptions, Hospitality Events, etc.**

9.1 Where it is evident that the work of the Bank will be facilitated, invitations to attend receptions, luncheons, dinners, hospitality events, etc. may be accepted under the following rules:

- no employee may accept an invitation without first obtaining the approval of the Department Manager;
- in exceptional circumstances, where it is not possible to seek prior approval, the facts should be reported to Department Manager immediately afterwards;
- if addressed personally, such an invitation may not be transferred to another employee, except with the consent and approval of the Department Manager and with the concurrence of the party issuing the invitation;
- invitations involving attendance outside normal working hours may be accepted only on the authority of the Department Manager;
- as a general rule, any employee who has any doubts about the wisdom of accepting any

hospitality should decline the offer. The employee should thereafter inform his/her Department Manager to mitigate any unforeseen circumstances or potential conflict of interests.

NB The important difference between, for example, attendance in an official capacity at a function organized by the Bank or one of its associated companies and the acceptance of hospitality from a private individual or firm should be recognized.

## **10. Bribery and Corruption**

10.1 The Bank has a strict anti-bribery and corruption policy. A bribe is defined as giving someone a financial or other advantage to encourage that person to perform his or her functions or activities improperly or to reward that person for having already done so.

10.2 If an employee bribes (or attempt to bribe) another person, intending either to obtain or retain business for the Bank, or to obtain or retain an advantage in the conduct of the Bank's business this will be considered gross misconduct. Similarly accepting or allowing another person to accept a bribe will be considered gross misconduct. In these circumstances, the employee will be subject to formal investigation under the Bank's Disciplinary Procedure, and disciplinary action up to and including dismissal may be applied.

## **11. Conflict of Interest**

11.1 Prior to or in the course of work, an employee must fully disclose to the HR Head when a conflict of interest arises. These situations include:

- Directorships, ownership, part ownership or material shareholdings in companies, business, organizations or consultancies likely to seek to do business with the Bank or in the same line of business as the Bank.
- Contract with vendors
- Recruitment of staff with close relationships.

The same should be done for the case of a spouse / partner or close relative of the employee.

11.2 All employees must sign the Conflict of Interest Policy & Declaration Form upon joining the Bank (copy in Annex B).

## **12. Identification**

12.1 All employees will be issued with Identification Cards which should be prominently displayed while on official duty and in the Bank's premises.

## **13. Confidentiality**

13.1 In the course of work, an employee will receive, handle or be aware of confidential information pertaining to other employees, customer's information, or Bank's information. Employees are expected to ensure strict confidentiality and not to disclose such information beyond what is necessary for the performance of his/her duties. Breach of such confidentiality will be subject to disciplinary action.

13.2 The employee must not, either during or after his or her service, access, copy, extract or translate them for unofficial use or allow others to do so.

13.3 If an employee mistakenly receives information that is wrongly forwarded, in either paper or electronic form, the employee must promptly inform the issuing party of the error and return the documents or destroy the information promptly, whichever is appropriate.

13.4 No information can be released to unauthorized persons within or outside the Bank or to external bodies, agencies or organizations. The BOD or CEO will designate employees who are authorised to release any Bank's information.

13.5 If doubt exists as to the validity of an organisation or individuals to receive information, this must be checked with BOD or CEO.

#### **14. Personal Relationships**

14.1 If a personal relationship between two employees develops within the working environment, the onus is on the more senior employee of the two to bring this to the attention of his or her Department Manager to confirm that there is no conflict of interest, nor will a conflict of interest arise. The Department Manager should inform the HR Head who will make a record of this. The Bank reserves the right to move or transfer one of the employees concerned if it deems it necessary to do so.

#### **15. Punctuality**

15.1 All employees are required to report for work punctually according to their scheduled work hours. While the Bank encourages employees to work harmoniously with their colleagues to promote a co-operative and conducive work environment, employees should not abuse this by lingering at the coffee/water cooler or being away from their workstation unnecessarily.

#### **16. Secondary Employment**

16.1 All employees are required to seek written approval from the senior management through their Department Head and HR Head, if they intend to have any secondary employment whether it is paid or unpaid.

#### **17. Computer and Network Usage**

17.1 It is every employee's responsibility to maintain proper utilization of all computing and network resources.

17.2 Passwords to computers or any computer systems are issued to individual employees and each employee must ensure that these passwords remain confidential and are not shared with another employee or any 3<sup>rd</sup> party. An employee who hands his/her password to another employee or 3<sup>rd</sup> party is in breach of the Bank's rules and will be subject to disciplinary action.

#### **18. Bank's Property**

18.1 All items issued to employees in the course of work, e.g. IT equipment, passwords to systems, mobile phones, keys (including electronic keys), files, manuals, etc. will remain the property of the Bank and must be returned to authorized personnel upon termination of employment. These should not be handed off to any other person.

18.2 Employees must be responsible for such items in their possession. While replacements will be made for wear and tear or in accordance with the relevant replacement schedule, replacement (of equivalent value) for damage or loss through negligence is the responsibility of the employees and the Bank reserves the right to recover such costs from the employee.

18.3 Security of the office premises is the responsibility of all employees. Any employee entering the office premises outside the official office hours on weekdays or during the weekend must have a valid purpose. Any unauthorized access is a breach of the Bank's rules and may result in disciplinary action leading to dismissal.

## **19. Political and civic activities**

19.1 Employees are not prohibited from joining any political party or participating in political activities. It is also not the intention of the Bank, or this policy, to dissuade employees from participating actively in non-political public or social duties. It is important, however, that by doing so there is no suggestion to a third party that the employee is acting on behalf of, or with the support of, the Bank. To avoid any misunderstanding, no Bank employee should permit his or her Bank affiliation to be noted in any outside organization's materials or activities without the express written approval of the Department Manager who will consult with the HR Head prior to any decision.

## **D. General Conduct**

20. Employees should at all times conduct themselves in such a way as to enhance the reputation of the Bank. Respect for each other is the accepted norm and the Bank will not tolerate any bullying, belittling, malicious gossiping, use of inappropriate language, misrepresenting facts or discrimination by an employee against another employee.

21. The Bank will support employees who become aware of and are willing to report breaches of this policy or who genuinely believe that a breach is occurring, has occurred or is likely to occur within the business. Employees should raise the issue internally with their manager/supervisor or HR Head or in accordance with the Bank's Whistleblowing Policy.

22. These standards of conduct are intended to underpin and clarify standards required by the Bank of its employees and form a fundamental part of the employment contract. Employees who fail to comply with the guidance detailed in this Policy could be subject, following full investigation, to disciplinary action up to and including dismissal. If through their actions or omissions, employees are found to be in breach of either this Policy or their legal responsibilities, the Bank reserves the right to take legal action if it deems it necessary to do so.

Regular review of this policy is conducted by our Board to ensure they remain timely and relevant. Our most recent review was completed and approved by the Board on 02 September 2020.

## Annex A

### **ACT OF INTEGRITY POLICY & DECLARATION FORM**

1. The Act of Integrity Policy and Declaration Form will be given to new employees by HR. The new employee will read and acknowledge having understood the policy by signing the Declaration Form and that he/she will fully disclose to the HR Head when an act of integrity situation arises.
2. Act of integrity situations include but not limited to the following:
  - a) Acceptance of Gifts & Hospitality:  
The Bank requires its employees to ensure that gifts and hospitality offered to them are declined as spelt out in the No Gift Policy. This applies whether the gifts or hospitality are offered within, or outside normal working hours. If employees are unable to decline the gift, they are expected to declare these gifts to the HR Head using the appropriate form. The decision to manage the gift will be taken on a case-by-case basis by senior management.
  - b) Discount or Special Gifts offers by Suppliers who have regular dealings with the Bank:  
As a general principle, employees should not accept discounts for personal purchases or services from suppliers to the Bank.
  - c) Attendance at Functions:  
When an employee receives an invitation from any party to attend a function as a representative of the Bank, he/she must seek the approval of his/her department head. Functions include and are not limited to concerts, dinners, previews, cruise, golf sessions, and company functions.
  - d) Anti-bribery & corruption
  - e) Behaviours – at all times behave respectfully to all colleagues and other parties and adhere to the highest ethical standards

#### **Disclosure Policy and Procedure:**

1. Staff should adhere to the policy and procedure for the disclosure of acts of integrity. Failure to do so will be a breach of understanding which may lead to dismissal and conviction by any Court of Law for any criminal offence.
2. Receipt of gifts are declared to the HR Head in the Declaration of Gift Form.
3. All decisions made by the BOD on such matters shall be documented and filed.
4. This policy document must be read and understood by all employees upon the start of their employment at the Bank.

**Declaration:**

I hereby confirm that I have read and understood the Bank's Act of Integrity policy and that I will make full disclosure of interests, relationships and holdings that could potentially result in a breach of this Policy. I will make full disclosure to the BOD when an Act of Integrity situation arises. I agree

that if I become aware of any information that might indicate that this disclosure is inaccurate or that I have not complied with the Act of Integrity policy, I will notify the BOD immediately.

\_\_\_\_\_

Name & Designation

\_\_\_\_\_

Signature

\_\_\_\_\_

Date



## Annex B

### **CONFLICT OF INTEREST POLICY & DECLARATION FORM**

1. The Conflict of Interest Policy Document and Declaration Form will be given to all new employees by HR. The employee will read and acknowledge having understood the policy by signing the Declaration Form and that he/she will fully disclose to the HR Head when a conflict of interest situation arises. Such conflict of interests' situations include, but are not limited to the following:

#### **Conflict of Interest Situations:**

##### **a) Contract with vendors:**

Where employees have personal interest in business transactions or contracts that the Bank may enter into, such employees should make a declaration of such interest as soon as possible followed by abstention from discussion and decision-making on the matter, including voting on the transaction or contract. All such declaration and evaluation by the relevant approving authority in arriving at the final decision on the transaction /contract should always be well documented.

##### **b) Vested interest in other organizations i.e. Directorships, ownership, part ownership or material shareholdings in companies, business, organizations or consultancies likely to seek to do business with the Bank or in the same line of business as the Bank:**

Where employees who have vested interest in other organizations that have dealings/relationship with the Bank, and when matters involving the interests of both the Bank and other organization are discussed, such employees should make a declaration of such interest and if necessary, follow it by abstention from discussion and decision-making on such matters.

##### **c) Recruitment of staff with close relationship:**

Recruitment of staff with close relationships (i.e. those who are more than just mere acquaintances) with current employee should go through the established human resource procedures for recruitment. The employee should make a declaration of such relationships and should refrain from influencing any decision on the recruitment. After appointment, the employee should also refrain from making or influencing all decisions on the related staff.

#### **Disclosure Policy and Procedure:**

2. Transactions with parties with whom a conflicting interest exists may be undertaken only if all of the following are observed:

- a. The conflicting interest is fully disclosed;
- b. The person with the conflict of interest is excluded from the discussion and approval of such transaction;
- c. A competitive bid or comparable valuation exists; and
- d. Senior management has determined that the transaction is in the best interest of the

Bank.

3. Disclosure should be made to BOD via Department Head & HR Head.

4. This policy document must be read and understood by new employees upon employment.

5. Any disclosure of interest made by employee where they may be involved in a potentially conflicting situation(s), must be recorded, filed and updated appropriately by all specified parties.

**Declaration Form:**

I hereby confirm that I have read and understood the Bank's Conflict of Interest Policy and that I make full disclosure of interests, relationships and holdings that could potentially result in a conflict of interest. I will make full disclosure to the BOD when a conflict of interest situation arises. I agree that if I become aware of any information that might indicate that this disclosure is inaccurate or that I have not complied with the conflict of interest policy, I will notify the BOD immediately.

\_\_\_\_\_  
Name & Designation

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date