



Terms of Reference

**CONDUCT AND ETHICS  
POLICY**

## **CONDUCT AND ETHICS POLICY**

**AfrAsia Bank Limited is committed to employing great people, treating each other with respect, and strictly adhering to the highest ethical and legal principles of its business activities. Employees are expected to treat each other with consideration and respect and are not permitted to engage in conduct which is hostile or offensive to another employee.**

**AfrAsia Bank Limited should be a workplace that is open, respectful and safe. In all employees' activities on behalf of AfrAsia Bank Limited, employees must display honesty, integrity, good judgement and common sense.**

**It is the Employees' responsibility to behave in a business ethical manner and also to ensure that others do the same. If any one of the employees violates these standards, disciplinary response is expected, which may rise to the level of termination of any employment or other relationship with the company or legal action. If any breach of the code is known to any employee, the employee is obliged to report violations in accordance with the procedures set out in this code or the Corporate Integrity (Whistle Blowing) Policy. By doing so, Management ensures that the good faith efforts of all of us to comply with the code are not undermined.**

**Employees are personally responsible for reading, understanding and complying with this Code of Conduct and Ethics. As individuals of personal integrity, employees can do no less than to behave in a way that will continue to bring credit to the Bank and themselves.**

**The policy is applicable to AfrAsia Bank Limited and its subsidiaries. All Staff of AfrAsia Bank Limited and its subsidiaries must comply with the requirements of the CONDUCT AND ETHICS POLICY.**

## **WHAT IS A CODE OF CONDUCT AND ETHICS?**

A code of Conduct and Ethics serves as a central guide to support day-to-day decision making at work. It clarifies the cornerstones of the Bank – its mission, values and principles; helping employees to understand how these cornerstones translate into everyday decision, behaviours and actions.

## **BENEFITS OF THIS CODE?**

The Benefits will help to:

- Build trust
- Increase awareness of key ethical issues
- Reduce the risk of ethics violations
- Set clear guidelines for appropriate behaviour
- Provide a standardised message for all Bank Employees

All employees are expected to adhere to the principal code of ethics:

## **A. CONFLICTS OF INTEREST**

Conflict of Interest refers to a situation that undermines or has the potential to undermine the impartiality and judgment of a person because of the possibility of a clash between the person's self-interest and professional interest or public interest.

In the context of your employment, you should act in the best interests of AfrAsia Bank Limited. You must not engage directly or indirectly in any business activity that competes or conflicts with the interest of the Bank.

In identifying Conflicts of Interest, the Bank will consider all of the factual circumstances and the Bank will take into account, inter alia, whether the Bank, Vendor or a Relevant Person

- is likely to make a financial gain, or avoid a financial loss, at the expense of the Client;
- has an interest in the outcome of a service provided to the Client or of a transaction carried out on behalf of the Client, which is distinct from the Client's interest in that outcome;
- has a financial or other incentive to favour the interest of a Client or group of Clients over the interests of another Client;
- carries on the same business as the Client; and/or
- receives or will receive from a person other than the Client an inducement in relation to a service provided to the Client, in the form of monies, goods or services, other than the standard commission or fee for that service.

## **B. Personal Account Dealing**

Personal Account Dealing refers to:

- a) Dealing in Investments by you, or on your behalf, other than dealings that you are employed or contracted by the bank to conduct;
- b) Dealing in Investments by any individual or entity for your account, or for the account of any of your connections, or where you or your connections benefit.

Employees shall not permit a conflict of duties and interest or enter into personal account dealings based on insider or confidential information obtained as part of their duties with the bank. An employee must, immediately after becoming aware of any actual or potential conflict of interest, disclose to the bank the nature and extent of that conflict.

### A1. Outside Financial Interest

In the course of business, whenever employees have financial interest in a customer whether as family member, partner, shareholder, creditor or debtor, such interest must be disclosed immediately to their direct superior. Thereafter, the employees should not be directly involved in the Bank's dealings with the customer so long as the interest continues to exist.

### A2. Other Business Interest

A conflict of interest arises when an employee conducts business other than the Bank's business during office hours.

Where the acquisition of any business interest or participation in any business activity demands excessive time and attention from the employee, thereby depriving the Bank of the employee's best efforts on the job, a conflict of interest is brought about. Any outside Business Interest should be discussed in advance with the Chief Executive Officer (CEO) and prior approval obtained from the CEO.

### A3. Other Employment

Before making any commitment, employees should discuss possible part-time employment or other business activities **outside** the Bank's working hours with the CEO. The written approval of the CEO should be obtained before the employee embarks on part-time employment or other business activities. In the case of the CEO, the latter shall make such an application to the Board of Directors. Approval will be granted only where the interests of the Bank will not be prejudiced.

The above also applies to staff on leave, including leave prior to resignation/termination/retirement.

#### A4. Entertainment and Gifts

Employees must not accept costly entertainment from customers, potential customers or suppliers. However, employees may accept token gifts of commercial value not exceeding Rs 5,000/- (Rupees five thousand only) during festive seasons if the acceptance of such gifts would not place them in a compromising situation and if refusing the gifts would jeopardise customer relations. Under no circumstances should gifts in the form of cash, negotiable securities, personal loans, airline tickets or use of vacation property be accepted.

Employees should also note that acceptance of any gift (other than a gift not exceeding Rs 5,000/-), commission, emolument, service, gratuity, money, property or things of value for his own (or his relatives') personal benefit or advantage from any person, as consideration for the procurement of credit or other banking facilities for any person, is prohibited.

#### A5. Directors

No staff shall serve as Director on any board unless approval is sought by the CEO.

If ever employees find themselves in an actual or apparent conflict of interest, they must immediately disclose it to the Human Resources or the CEO.

Directors fees/income derived in line with "directorship" during banking hours & whilst in employment should be considered as an income for the Bank & declared to the HR department.

Processing of said income will be managed by the Finance Team.

## B. MISUSE OF POSITION AND INFORMATION

Employees must not use their office for their own or another's private gain. Employees are not to use their position, title or any authority associated with their office to coerce or induce a benefit for themselves or others.

Employees also are not to use or allow the improper use of information to further a private interest.

Employees must not use the Bank's property for other than authorised purposes. The Bank's property includes office supplies, telephones, computers, copiers and any other property purchased by the Bank.

Employees may not misuse official time. This includes the employee's own time as well as the time of a subordinate or colleague

## C. FAIR AND EQUITABLE TREATMENT

All Business dealings on behalf of the Bank with current and potential customers, with other members of the staff, and with all those who may have cause to rely upon the Bank, should be conducted fairly and equitably.

Staff should not be influenced by friendship or association, either meeting a customer's requirements, or recommending that they be met. Decisions made in these circumstances must be conducted strictly at arm's length .

## D. FAIR DEALING

Employees should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged or confidential information, misrepresentation of material facts, fraudulent behaviour or any other unfair dealing practice. Employees are directed to also read the Corporate Integrity (Whistle Blowing) Policy in this respect.

False or misleading statements about competitors, their products or their services are improper. Such conduct only invites disrespect from customers and complaints from competitors. Employees are responsible for ensuring that all comparisons to competitors and their products and services are substantiated and that they are complete, accurate and not misleading whenever they are made.

## E. PROTECTION AND PROPER USE OF THE BANK'S ASSETS

### E1. Proper Use of the Bank's facilities

The removal of any item (furnishings, equipment, customer files, lists, personnel information, reference materials and reports, computer software and hardware) belonging to the Bank is prohibited unless authorised by the Bank. Neither originals nor copies of these materials may be removed from the Bank's premises or used for purposes other than the Company's business without prior authorisation from Management.

The Bank's products and services are its property, contributions made by any employee to their development and implementation are the Bank's property and remain the Bank's property even after the termination of employment .

Staff of the Bank is not allowed to use personal emails (e.g Gmail, Yahoo etc.) to receive or send any information/documents/materials belonging to the Bank. All information technology and communications facilities must be used professionally, lawfully, and consistently with role/duties. All

information relating to clients/customers and business operations is confidential and as such it must be treated with the utmost care. Copying emails or information and sharing with non-related parties may be in breach of the duties of confidentiality, & the Data Protection Act and this policy

## E2. Confidential Information

The confidentiality of relations and dealings between the Bank and its customers is of paramount importance. Thus, you must take every precaution to protect the confidentiality of customer information and transaction.

You shall not except in the proper and normal course of your duties at the Bank, or with the Bank's written consent, during, your employment with the Bank, and at no time and under no circumstances whatsoever, after the termination of your employment, divulge or make use of any secret, copyright material, or any correspondence, account of dealing of the Bank or of its customers.

You shall not in any way and under no circumstances, use information so obtained for financial gain or non-financial advantage.

You should ensure at all times and under all circumstances, ensure that :

- All correspondences of confidential and classified nature are stored in appropriate places to ensure maximum security and secrecy of information.
- All movement of files, letters etc. bearing such information are closely monitored.
- All confidential files, letters etc. in transit are sealed.

## E3. Accurate Records and Reporting

Accounting records and reports must be complete and accurate. Staff must never make entries or allow entries to be made for any account, record or document of the Bank that are false or would obscure the true nature of the transaction, as well as to mislead the true authorisation or approval limits of the relevant authority of such transactions. Your attention is drawn to Section 33 of the Banking Act 2004.

## E4. Termination of Employment

On termination or dismissal from service, employees will surrender all assets, documents and any other property of the Bank which may be in their possession.

Employees must ensure all duties or areas of responsibility are handed over to the appropriate person (s) prior to their exit date. Failure to do so may result in the Bank taking further action, which may include a notification issued to the Bank of Mauritius and the new employer.

## F. CONDUCT AND DISCIPLINE

In normal banking environment, established rules of conduct that provide guidance to the whole staff, are integral to the welfare of the bank and its people. Along with these rules, the Bank has a fair, equitable and consistent disciplinary process to correct inappropriate conduct at all levels.

Thus conduct and discipline are the twin pillars of a healthy bank providing a strong foundation.

Encouraging and supporting the development of a strong work ethic and a sense of fair play in relationships among all employees is vital to the stability of the institution.

### F1. Loyalty

All employees of the Bank are expected to be loyal towards the Bank, whether they interact with clients by telephone or e-mail, or meet customers face-to-face every day.

Employees should not:

- a. have an irresponsible conduct towards colleagues and clients.
- b. behave in such a way that can lead to inefficiency.
- c. give priority to private interests which conflicts with the interests of the Bank.
- d. act or behave in such a manner that can be qualified as insubordination.

### F2. Punctuality

All employees are expected to attend duty on time and comply with the working hours of the Bank.

### F3. Unauthorised absences

If you absent yourself from work without proper authorisation or without good and sufficient cause, acceptable to the bank, disciplinary actions as may be defined by the HR department of the Bank, may be taken against you.

In case you absent yourself from work without notification or without express authorisation for three consecutive working days on more than two occasions, you will be deemed to have ended your contract of service with the Bank.

### F4. Attire and Appearance

All employees are required to review the Dress Code Policy.



## □ From Mondays to Thursdays: Business Formal

The most formal standard of dress there is, the corporate dress code means suits with shirts and ties for men and Jacket and pants/skirts for ladies.

- i. Male staff: Must be clean shaven, those with facial hair should keep it tidy. Gents should wear dark socks, white socks should be avoided. Make sure the suits is appropriate for your height and the pant touch your shoes
- ii. Female staff: Make – up; we recommend a use of common sense as to what is appropriate. Skirts or dresses should be of Knee-length, and pants should of appropriate length

## □ Dress-down Friday/Business Smart Casual

Staff are allowed to wear dark, boot cut or straight-legged jeans and other casual clothing on Friday. However, staff are not allowed to wear Jeans with:

- Intricate stitching
- Too tight or too baggy
- With rips, tears, and frayed cuffs or holes in them

Although the Bank is adopting a business casual dress code on Fridays, it is important to maintain the confidence and respect of customers and business contacts. Staff personal appearance and standards of dress should be compatible with this.

Managers will be accountable for ensuring that the business casual dress code is adhered to at all times by their team members. Appropriate discretion must be used when attending off-site and on-site meetings with external clients.

## F5. Financial Obligations

No employee should borrow money from another employee or live above their personal capacity to repay. Any employee maintaining accounts or credit facilities with AfrAsia Bank must ensure they are managed in accordance to the Banks policies and guidelines; unauthorised borrowing is not permitted, and may result in disciplinary action.

Upon termination of employment (for any reason) employees must, in a reasonable delay, as determined by the Bank, settle all outstanding liabilities, loans and other obligations held with the Bank. Failure to do so may result in the Bank taking further action, which may include a notification issued to the Bank of Mauritius and any new employer

## DISCIPLINARY PROCEDURES

In the normal course of business, advice and suggestions for ways of improving performance are conducted in both an informal manner and more formally through the Performance Management Process. Occasionally, however, such action will not be sufficient because of either the gravity or the

frequent recurrence of a particular problem. In such cases the formal procedure detailed below will apply, except in cases where the issue is so serious that it warrants the elimination of any or all of the stages of disciplinary action, for example where this is serious or gross misconduct.

- Stage 1      An oral/verbal caution will be given stating the consequences of a recurrence of the problem and the expected timescale for remedial action.
  
- Stage 2      If the problem continues, the employee will be interviewed formally and told of the seriousness with which the problem is viewed. The employee has the right to be accompanied by a colleague. If the Manager and HR Manager consider it appropriate, a written caution may be issued at, or subsequent to, this interview.
  
- Stage 3      If the problem still persists, then a final written warning will ensue which follows the same procedure as the stage 2 caution.
  
- Stage 4      If the problem is not resolved after the final written warning, a final review meeting will take place with the Manager, another Senior Manager and the HR Manager. Should it be decided that disciplinary Committee is appropriate, the employee would be advised (with notice) in writing.

An employee is entitled to be accompanied to any disciplinary meeting by a colleague, the colleague may advise the employee but may not answer questions on his or her behalf.

In certain circumstances an employee may also be suspended with pay whilst during an investigated. A suspension is not a disciplinary penalty in itself and does not infer that misconduct has occurred.

When a disciplinary situation has arisen, it should be noted that the following guidelines should be observed:

- deal with the matter promptly.
- ensure that the employee knows exactly what the disciplinary offence is
- state the disciplinary action to be taken
- provide a full investigation which allows the individual to state the case
- remember the employee’s right to be accompanied
- don’t dismiss for a first offence (unless it’s for gross misconduct) - explain why the disciplinary action is being taken - explain how the employee can appeal.

## GROSS MISCONDUCT

Gross misconduct is conduct so serious as to destroy the employment contract and make further working relationships and trust impossible. Examples of gross misconduct include, but are not limited to:

- dishonesty;
- theft;

- breach of health and safety rules;
- breach of confidentiality
- violence;
- criminal action;
- bringing the Bank's names into disrepute;
- harassment or bullying of colleagues;
- serious abuse of IT, email or internet systems;
- raising concerns about workplace malpractice/colleagues maliciously or in bad faith;
- solicitation of clients, customers or employees and
- acts or omissions leading to a serious or irresponsible breakdown in trust and confidence

If no further action is taken after investigation, an employee will be so advised, and reinstated where necessary, without prejudice to their employment record.

An employee has the right to appeal against formal disciplinary decisions during the procedure.

- The appeal should be in writing within 5 working days of receipt of the written warning or confirmation of the oral warning
- It must give full reasons for appealing the decision.
- It should be addressed to the Head of department & a copy sent to HR
- The appeal will be discussed at HR Committee, where the case shall be reviewed and a final decision shall be taken.
- The Bank will then inform the employee in writing of the results of the appeal and will outline the reasons for the decisions taken.

## GRIEVANCE PROCEDURES

The Bank believes that all employees should have the opportunity to voice out any grievances they may have. Accordingly, where the normally expected candid atmosphere between the Employee and the Manager breaks down, the following procedure may be followed.

The procedure may also be followed if the Employee is dissatisfied with a decision taken by management that impacts them.

- Initially, the employee should notify their Manager, or, in their absence, any Manager, of their grievance in writing. The Manager should then respond to the Employee's grievance within 7 days of receiving it.
- If the Employee is unsatisfied with the Manager's response, he may request a meeting with a Senior Manager and the HR Manager. They may be accompanied at this meeting by a colleague if they wish. The colleague may advise the employee but cannot answer questions on their behalf. Wherever possible, the meeting will be arranged within 14 days of receipt of the request.
- If appropriate, the grievance will be discussed at the HR Committee and the outcome communicated within 14 days of receipt.

NOTE: If the employee's grievance relates to a discrimination or harassment issue you should make it known in writing to a manager who has not previously been associated with the matter. The procedure detailed above will then apply with an appropriate change of the managers involved.

## Employee Identification Card

In an effort to provide a safe and secure workplace, the Bank has provided Employee ID Cards.

### Eligibility

- 1) All permanent and contractual employees will be issued photo identification card for the use while at work or when representing the Bank in any official capacity.
- 2) The card will include the  
Employee Name (Common name or full names as per the birth Certificate)
- 3) The job title (as per contract of employment)  
A colour photo of the employee

Identification badges must be worn in a manner that allows the identification of an employee by photo, first and last names and position.

- 4) The card provides access to the Bank premises and should not be shared with other employees, visitors or clients.
- 5) The card should be worn during working hours, as well as when meeting with customers externally.
- 6) Upon suspension or termination of employment (including resignation), an employee must hand their ID to their supervisor

In addition to the above, all employees must make themselves familiar with the Banks other HR policies