



Finance Bank Code of Ethics

The Finance Bank Code of Ethics

ABOUT THE FINANCE BANK CODE OF ETHICS

2.1 What is 'The Finance Bank Code of Ethics'?

The Finance Bank Code of Ethics is a document in which the Bank publicly declares what it regards as morally or ethically acceptable behavior for every employee in the Bank. The code of ethics sets out the ethical values, standards, principles, or guidelines that members of the organization should respect in their dealings with internal and external stakeholders.

This document ensures our compliance with the principles of good governance. But, more than that, it provides a template for ethical reasoning and decision making that will ensure that all of us are meeting the highest standards of ethical conduct in all of our business dealings, not just because it is mandated, but also because it is **the right thing to do**.

2.2 Why a Documented Code of Ethics?

- The Bank of Zambia Corporate Governance Guidelines prescribes the adoption of such a code which sets out explicit expectations for ethical decision making and personal behavior.
- An organization's code of ethics is a key element of good governance;
- The development of *The Finance Bank Code of Ethics* is intended to raise the ethical *Consciousness* amongst all Finance Bank employees as *internal* stakeholders;
- It defines accepted/acceptable behaviors;
- It promotes high standards of ethical business practices;
- It provides a benchmark for employees to use for self evaluation of professional behavior and responsibilities;
- It underpins the commitment to sustainable development in Finance Bank;
- It communicates to both *internal* and *external* stakeholders that Finance Bank takes its ethical commitments *seriously*;
- It implies that Finance Bank can be held responsible and accountable; and
- It enhances Finance Bank's *reputation*.

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2.3 What is the Relationship between 'The Finance Bank Code of Ethics' and common ethical Values?

We are all committed to creating and fostering a united Finance Bank by embracing this single set of values to create a common organizational culture.

If we are to act with unity, drawn from a common organizational culture, then we need a common understanding of the values shaping that culture. At Finance Bank we define our Core Values as follows:

Accountability

Requires each of us to be prepared to make commitments and be judged against our commitments, to deliver on those commitments and to be responsible for our actions.

Integrity

Requires each of us to be honest, trustworthy, truthful, consistent and open in all of our conduct and decisions.

Expect even more from us

Requires each of us to recognize our obligation to the entire organization – to push beyond the limits of what is best for us individually, or as a group or unit, and strive to break new ground – fuelled by our passion and commitment.

Respect

Requires each of us to recognize the inherent worth of every human being and to treat all people accordingly.

People-centered

We invest in our people and create empowering environments through development, support, mentoring, coaching, and valuing diversity, recognition and reward.

Living the Finance Bank values

It is not enough to agree on common definitions. For our values to contribute to creating unity and forming the foundation of our common organizational culture we must agree on the behaviors these values require.

2.3.1 Accountability requires each of us to be prepared to make commitments and be judged against our commitments, to deliver on those commitments and to be responsible for our actions by:

- Acting in a focused way, with urgency;
- Rewarding people for delivering;
- Being clear on commitments – who, what, when;
- Holding ourselves responsible and others to account;
- Taking action on poor performance; and
- Accepting responsibility for both the intended or unanticipated consequences of our actions and decision – including our failures to act

Among our obligations under the value of accountability are:

2.3.1.1 Accuracy of reporting

Accuracy of Reporting requires each employee to accept personal responsibility for the accuracy, truthfulness and validity of any official communications for which they are responsible.

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To meet the standard of accuracy of reporting all employees must:

- Maintain accurate records in line with the Finance Bank record keeping procedures
- Ensure the accuracy and timeliness of statements they prepare or submit, such as financial statements;
- Effectively communicate both the letter and intent (spirit) of business policies, procedures and directives; and
- Providing accurate information to those who depend on us and the information we provide.

2.3.1.2 Effective use of resources

Effective use of resources requires each employee to ensure the appropriate use of all Finance Bank tangible and/or intangible resources for which they are responsible.

To meet the standard of effective use of resources, all employees must:

- Protect the tangible and intangible assets and property of Finance Bank and avoid wastage;
- Avoid using Finance Bank property, assets or equipment in an improper manner, or for purposes other than the conduct of company business.

2.3.1.3 Proprietary and confidential information

The commitment to **proprietary and confidential information** requires each Finance Bank employee to recognize that proprietary and confidential information are valuable assets and to safeguard them as they would other, more tangible, assets.

To meet the standards regarding proprietary and confidential information, all employees must:

- Avoid discussing proprietary or confidential information in any contact with competitors; and
- Maintain the confidentiality of information received from suppliers.

2.3.1.4 Compliance with all applicable laws and regulations

This requires each employee to ensure that all actions and decisions made in the execution of their job/responsibilities conform to the stated and implied standards addressed in applicable law and regulation. Thus, all employees must:

- Uphold the laws and regulations governing Finance Bank policies and activities;
- Proactively meet all applicable tax obligations;
- Comply with competition laws throughout the world and desist from taking part in unlawful cartels; and
- Seek the advice of in-house counsel when in doubt.

2.3.2 Integrity requires each of us to be honest, trustworthy, truthful, consistent, fair and open in all of our actions and decisions by:

- Being honest – not cheating or stealing;
- Being truthful – not lying, deceiving or misleading;
- Keeping our promises – both explicit and implied;
- Being fair in our dealings with others – applying consistent standards and treating others as we would wish to be treated; and
- Being open – not concealing our motives or intentions; not withholding information or opinions.

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Among our obligations under the value of Integrity are:

2.3.2.1 Avoiding conflicts of interest

A **Conflict of Interest** occurs when an employee has a personal interest that could be seen as having the potential to interfere with the objectivity required to perform official duties or Exercise judgment on behalf of Finance Bank. Finance Bank employees may not operate under the influence of such conflicts themselves or create them for others.

To avoid conflicts of interest all employees must:

- Refrain from any attempt to influence persons in public office in order to obtain an improper gain or advantage;
- **Not offer** any staff member of Finance Bank any item of value, including money, in return for certain action or inaction by the staff member;
- **Not solicit and/or accept** any item of value, including money, in return for certain action or inaction – or any such item that could reasonably be perceived to create such an obligation.
- Disclose any personal interest that they or a member of their immediate family has in relation to the bank's business (such conflict of interest could include directorships, significant shareholdings and employment of family members)
- Act in the best interests of the Finance Bank without any improper motives when entering contracts or accepting business for the organization;
- Refuse and report any offers of bribes or other potential corruption emanating from any source; and
- Refrain from engaging in other income-producing activities, outside business interests or additional employment without the prior written approval of the relevant Line Manager

2.3.2.2 Honesty/truthfulness

The commitment to **Honesty and Truthfulness** requires each Finance Bank employee to avoid any action that could be reasonably viewed as dishonest, deceptive, or misleading as well as any action that could reasonably be perceived as cheating or stealing.

To meet the standards of honesty and truthfulness all employees must:

- Avoid any false or misleading statements to colleagues, customers, suppliers, shareholders, competitors or any others who may rely on the accuracy and truthfulness of the information being provided;
- Avoid untruths, concealment and overstatement in their communications;
- Avoid any form of intentional misrepresentation, fraud, dishonesty or illegal practices or actions; and
- Insure the accuracy of all records, reports, invoices, and other documents submitted to or on the behalf of Finance Bank

2.3.2.3 Fairness

The commitment to **fairness** requires each Finance Bank employee to treat others according to a consistent set of standards (equality) as well as to treat others in the manner they deserve/have earned (equitably).

To meet the standards of fairness all employees must:

- Refrain from engaging in restrictive trade practices or abuse of any position of market dominance;

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- Respect the human rights, dignity and interests of colleagues, suppliers and competitors;
- Refrain from false or misleading advertising;
- Prevent misrepresentation of our products and services;
- Not attempt to acquire information regarding a competitor's business by disreputable means;
- Provide accurate and objective evaluations of job effectiveness and performance of those one may supervise – for performance evaluation, transfer and promotional considerations; and
- Ensure the appropriate distribution of job responsibilities and workload of those one may supervise.

2.3.3 Expect even more from us requires each of us to recognize our obligation to the entire organization – to push beyond the limits of what is best for us individually or as a group or unit and strive to break new ground – fuelled by our passion, innovation and commitment by:

- Taking personal responsibility to do “the right thing”, every time;
- Seeking solutions not just problems;
- Being willing to challenge and to be challenged;
- Setting stretch goals for ourselves; and
- Finding better ways of doing things.

Among our obligations under the value of Expect even more from us are:

2.3.3.1 Innovation and creativity

The commitment to **innovation and creativity** requires each Finance employee to consider if there are new and better ways of addressing individual and organizational challenges.

To meet the standards of innovation and creativity, all employees must:

- Consider alternatives, other than “the way we have always done it” when facing individual or organizational challenges;
- Be open to suggestions and constructive negative feedback for ways to improve processes or procedures, irrespective of their source; and
- Encourage others in the workplace to suggest creative and innovative alternatives by such means as soliciting new ideas and listening openly to the ideas that are put forth.

2.3.3.2 Moving beyond the minimums

To **move beyond the minimums** requires us to understand the intent and spirit of many of the policies, procedures, rules and regulations governing our business conduct and then to seek efficient and effective ways to rise to the highest levels rather than settle for mere compliance with the lowest acceptable level of behavior.

To meet the standard of moving beyond the minimum all employees must:

- Be attentive and responsive to the needs of the communities in which we operate, including, but not limited to:
 - working to ensure organizational success so that Finance Bank may continue providing employment opportunities in the community;
 - Inform the company of opportunities to make charitable donations and educational and cultural contributions and
 - Encourage those we work with and/or supervise to participate in, community development activities and functions.

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- Ensure that our actions are consistent with Finance Bank's commitment to financial performance, employee and public health, safety, environmental and community sustainability:
 - Use non-renewable resources responsibly, e.g., limit the use of finite resources in all ventures and, in particular, recognize our management responsibility for buildings and land we occupy, waste management and usage of energy.
- Extend every courtesy and offer help to colleagues in need, when they are:
 - Learning new tasks; and
 - Dealing with personal challenges or difficulties affecting their work performance.

2.3.4 Respect requires each of us to recognize the inherent worth of every human being and to treat all people accordingly by:

- Treating others as we would have them treat us;
- Using diversity as a strength;
- Respecting our customers, colleagues, and others with whom we interact;
- Listening to others;
- Treating people with dignity;
- Providing each other with fertile ground on which to grow;
- Recognizing that everyone in the organization is important; and
- Fostering individual strengths to build the whole.

Among our obligations under the value of Respect are:

2.3.4.1 Valuing diversity

Diversity can be understood as the differences that define us. They include characteristics such as race, religion, gender, sexual orientation, age and nationality as well as other, equally significant, attributes, such as education, fields of study/interest, political outlook, world-view and many others. **Valuing diversity** is the recognition that diversity brings a variety of perceptions and experiences to the workplace and that variety actually facilitates better decisions when those differences are recognized and respected.

To demonstrate that diversity is valued all employees must:

- Promote a culture that respects and leverages the diversity of our employees;
- Respect the inherent dignity of all people;
- Deal justly, fairly and impartially with each individual, irrespective of social, political, racial, gender, sexual preference, ethnic or religious considerations, economic status, or physical characteristics;
- Provide fair access to employment opportunities as governed by applicable regulatory requirements both in the letter and spirit deserved;
- Implement measures for the employment and development of disadvantaged persons on a planned basis;
- Aim to contribute to the economic well-being and social development of communities where we conduct business;
- Act responsibly in international trade and investment, in particular, by having objectively justifiable pricing policy;
- Prevent unfair discrimination and take action against discriminatory behavior;

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2.3.4.2 Ensuring a respectful working environment

A **respectful working environment** is one that does not offend, embarrass, intimidate or otherwise diminish the inherent worth of any employee. Even direction, coaching and discipline can be presented in ways that are respectful.

To create and sustain a respectful working environment all employees must:

- Refrain from using offensive language, including profanity, blasphemy and other insensitive communications;
- Refrain from actions that could be understood as sexual intimidation or harassment or the tacit approval thereof;
- Respect the traditions and cultures of each employee and the countries and traditions they represent;
- Respect the traditions and cultures the countries in which we operate;
- Refrain from any form of unfair discrimination based on race, religion, gender, political conviction, sexual orientation or disabilities; and
- Avoid creating/sending/forwarding email messages that contain statements or material that are discriminatory, offensive, defamatory, sexual, pornographic, illegal or harassing in nature.

2.3.4.3 Fostering personal/professional growth and development

Personal and professional growth and development occur in circumstances where there are opportunities for and encouragement towards learning from one's experiences. These conditions view each employee as having potential for continuing learning and worthy of the investment needed to bring that potential to its highest level.

To create and sustain an environment fostering personal and professional growth, all employees must:

- Seek to understand ways continuously to improve the quality and efficiency of the work they do; and
- Proper Orientation /on boarding into new job areas in order to ensure smooth transitioning into new portfolio.
- Actively participate in the performance review process so as to better understand what they can do to be a more effective and valuable employee.
- Seek to gain transparency on succession management process for professional growth and development.

2.3.5 People-centered requires each of us to recognize the achievements of others and celebrates their successes. It requires the organization to recognize that people are our greatest strength and main asset, and we are committed to investing in their professional growth and personal development. This will be achieved through ongoing training, career development, relationship building, reward and recognition and management of job expectations by ensuring:

- Right people in the right jobs;
- Recognize potential
- Leadership commitment to personal development;
- Empowering and conducive environments created through trust and respect;
- Outstanding effort recognized and rewarded; and
- Effective performance management leading to personal development, growth and recognition

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2.4 Limitations

The Finance Bank Code of Ethics cannot account for every conceivable unethical action, but strives to strike a sensible balance between the values and rules, between Finance Bank's ideals and practical application. The Code of Ethics provides general guidelines on ethical aspects but cannot and does not cover every situation a staff member may encounter. Should a staff member be uncertain about what to do in any situation, guidance must be sought from a line manager

2.5 Review

The code will be reviewed annually because of continuous change, evolving community standards and developing organizational policies.

2.6 Document Custodian

The custodian of the Code of Ethics is the Finance Bank Risk and Compliance division. Any comments or proposed changes to be communicated to the Risk and Compliance Manager

2.7 Compliance and Verification

Every Finance Bank employee is required to know, understand and comply with the standards outlined in this Code of Ethics.

- Executive and Management are responsible for management and staff members' observance of the Code in day-to-day business routines and procedures.
- Executive and Management are also responsible for the implementation of appropriate disciplinary action when recommended or indicated.
- Anyone who violates the Code will be subject to disciplinary action up to and including dismissal.
- The Compliance division is responsible for initiating and supervising the investigation of all reports of breaches of this Code and recommending appropriate disciplinary action when required. Finance Bank's disciplinary procedures will be applicable.
- The Bank's auditors may be asked to report on any practice uncovered, in the course of their work, which appears to breach this Code.

2.8 Implementation, Communication and Training

While every Finance Bank employee is required to know, understand and comply with the standards outlined in this Code of Ethics, the organization, in turn, is obliged to communicate those standards and to educate and train employees on ethical expectations.

- Initially, the document custodian will make all Finance Bank employees aware of the contents of this Code.
- Once implemented, Executive and Management, have a responsibility to acquire a working knowledge of the Code (together with all other policies) consistent with the General Conditions of Employment in the HR Manual.
- *The Finance Bank Code of Ethics* will be made available to all employees via an appropriate Intranet.
- The Code of Ethics will be incorporated in the training material of the Compliance representatives to ensure ongoing awareness and training.
- *The Finance Bank Code of Ethics* is part of the fabric of corporate governance and constitutes part of Finance Bank's efforts to be the best-governed bank.
- *The Finance Bank Code of Ethics* will be discussed during new employee orientations and all incoming employees will be required to sign an appropriate document certifying that they have received a copy of the Code and accept the obligation to read and apply it.
- *The Finance Bank Code of Ethics* must be implemented and read in conjunction with the Bank Terms and Conditions of Employment.

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3. GLOSSARY

Ethics	Ethics is the principles of moral conduct that should guide behavior or human conduct regarding whether an action is right or wrong, a motive good or bad, and the outcome is desirable. Ethics is the practice of aligning human life, individually or collectively, or institutional structures and practices, according to basic standards of conduct.
Ethics Programme	The formal policies, practices, and processes that an organization develops to deal with its own ethical issues.
Bribery	Bribery occurs when a person unlawfully and intentionally offers any staff member of the Bank any item of value, including money, in return for certain action or inaction by the staff member.
Conflict of Interests	A conflict of interests exists when an employee has a personal interest that could be seen as having the potential to interfere with his/her objectivity in performing his/her Finance Bank duties or exercising his/her judgment on behalf of Finance Bank
Values	Values are norms or standards for right, good and fair conduct. Underlying beliefs held by people about the way life should be lived and business conducted, including what constitutes appropriate behavior for both individuals and organizations.

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Finance bank's pledge

To our Shareholders

We aim

- To protect and enhance the company's assets in the interests of all shareholders.
- To ensure compliance with all legislation governing the organization.
- To produce accurate and timely accounting statements
- To report any developments that may have a material impact on the value of the shareholders assets.
- To generate an attractive return to investors on a long term basis
- To communicate business policies, achievements and prospects with honesty and integrity.

To the Community

We aim

- To serve the community by providing our services efficiently and profitably and by providing employment opportunities
- To support the communities in which we operate. Charitable donations and educational and cultural contributions will be made within a policy set and reviewed by the Board.
- To protect the environment in the broadest sense. We recognize that certain resources are finite and must be used responsibly.

To the Zambian Authorities

We will

- recognize and discharge our responsibility to uphold all laws and regulations governing our policies and activities
- provide accurate information
- Not evade tax obligations
- Not provide political contributions to individual political parties
- will declare for tax purposes all taxable benefits to which employees are entitled
- Not influence persons in public office in order to obtain an improper gain.

To International Authorities

We will

- Act responsibly in international trade and investment.
- comply with competition laws throughout the world and will not take part in unlawful cartels.

To our Clients

We strive

- to respect the inherent dignity of all mankind; to deal justly, fairly and impartially with each individual, irrespective of social, political, racial, sexual orientation, ethnic or religious considerations, economic status, or physical characteristics.
- To render, with integrity, a responsible and effective service of high quality to keep our products, services and advice competitive and of a high quality
- To give adequate, accurate information
- To report accurately about our performance and prospects
- To deal with complaints and enquiries in a prompt and efficient manner
- Not to delay or reject complaints without investigating them properly and giving reasons for our decision
- To uphold the letter and spirit of contracts
- To protect the confidentiality of information unless the needs of justice

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require otherwise.

- remain current with the trends affecting our Company, the industry and the external environment, including regulatory agencies

To our Suppliers

We strive

- for integrity in dealings with our suppliers as a prerequisite for successful long term business relationships
- To avoid untruths, concealment and overstatement in our communications

Finance Bank employees are expected

- To act in the best interests of Finance Bank without any improper motives when entering into contracts or accepting business for the organization
- To refrain from accepting or giving money or gifts of significant value in dealing with the Finance Bank Suppliers
- To maintain the confidentiality of information received from suppliers.

To our Employees

We will strive

- To respect the dignity of the individual
- To provide a healthy and safe work environment
- To recruit and promote only on the basis of suitability for the job without discrimination in terms of race, religion, national origin, color, gender, age, marital status, sexual orientation or disability unrelated to the task at hand. In Zambia this principle needs to be balanced against the requirement to address the issues of employment equity, Zambianisation, and our practices will be cognizant of this.
- To develop relevant skills and competencies through both work-related training and self-development, in order to progress your careers within the Bank
- To create the climate and opportunity to voice genuine concerns about behaviors or decisions perceived to be unethical.
- To maintain fair labour practices
- To promote open communication in a truthful and accurate manner
- To develop effective processes for communication and consultation with employees in the natural groupings of work and, where appropriate, for individuals to be suitably represented in negotiations.
- To respect your right to freedom of association.

Regarding our Employees

We undertake

- To only accept as employees of Finance Bank , those persons who are believed to be suitably qualified or who have the potential to be developed and grow ; who subscribe to the moral and ethical standards of Finance Bank as per the Code of Ethics, and who will strive in every way to be a credit to the Bank

We insist that they

- conduct business in an ethical and professional manner
- obey the country's laws and statutes
- challenge others if they are acting in an unethical way, report behavior that is in conflict with this code and not tolerate any form of retribution against those who speak up
- keep all decisions and transactions scrupulously free from any personal, financial, political, fraternal, social or other influences
- At all times respect and maintain the reputation of the Bank
- accept responsibility for their actions and decisions
- refrain from divulging any information received in the course of business.
- conduct and manage their personal and financial affairs in a responsible manner

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- comply with all the rules, codes of conduct, procedures and regulations that apply to Finance Bank, its systems and the way it conducts its business
- provide products, services and advice that meet the needs of clients
- Not abuse the authority that he or she has in dealings with any client or organization
- resist and report any offers of bribes or other corruption emanating from any source;
- disclose any personal interest, which an employee or a member of his or her immediate family has in relation to the Bank's business. This conflict of interest could include directorships, significant shareholdings and employment of family members
- protect the assets and property of Finance Bank and not waste the same
- refrain from engaging in other income producing activities, outside business interests or additional employment without the prior written approval of the relevant Line Manager. The consent may be withheld if in the opinion of management, such activities and/or services may in any way whatsoever, adversely affect the services which the employee is expected to perform for the Bank
- refrain from using offensive language, including profanity, blasphemy and other religiously insensitive communications
- maintain records accurately in line with record keeping procedures.

We prohibit, through formal Company Policies,

- false statements or participation in, or association with a deed of malicious misrepresentation, fraud, dishonesty or illegal practices or actions
- The use of Finance Bank property, assets or equipment in an improper manner
- Sexual intimidation or harassment or the tacit approval thereof
- Any form of victimization
- Insider trading
- Any form of discrimination based on race, religion, gender, political conviction, sexual orientation or disabilities.
- e-mail messages that contain statements or material that are discriminatory, offensive, defamatory, sexual, pornographic, illegal or harassing in nature.

Regarding Combating Crime

We will

- investigate alleged or attempted fraud and other crimes regardless of those involved
- follow up the investigation with appropriate and fair action.

Regarding Fair Business Practice

We strive

- To prevent unethical conduct
- To compete fairly and not engage in restrictive trade practices or abuse any position of market dominance
- Not to unfairly damage the reputation of competitors either directly or by implication or innuendo and to respect the rights and interests of our competitors
- To refrain from false or misleading advertising
- To avoid discussing proprietary or confidential information in any contact with competitors
- To prevent misrepresentation of our products and services
- To not attempt to acquire information regarding a competitor's business by disreputable means.

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CONCLUSION

The Bank is committed to the highest ethical standards in conducting its business.

Our Bank Values exemplify these ethical standards:

Accountability – Integrity – Expect even more from us – Respect – People-centered

These ethical standards reflect our belief that business should be conducted honestly, fairly and legally.

The Finance Bank Code of Ethics is our solemn promise that these ethical standards will underpin every feature of our endeavors, both corporate and individual.

This booklet, together with any business-specific policies in your business unit, provides a guide to help us all understand and live the Finance Bank Values in order to make decisions that are good, right and fair.

Thank you for your personal commitment to living the Finance Bank values.