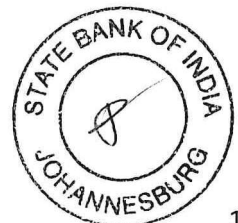


**STATE BANK OF INDIA
(SBI)
South Africa**

CODE OF CONDUCT/ETHICS

2022-23

Version 2.0

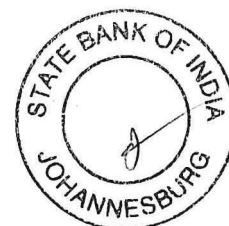


State Bank of India
South Africa Operations
CODE OF CONDUCT/ETHICS- 2022-23

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1. STATEMENT OF INTEGRITY

SBI SA's reputation as a leader in the application of best practices in good corporate governance depends on the nature of every business transaction conducted by every employee on a daily basis. It is built on an implicit set of values which inspires its employees to maintain the highest ethical standards in all their dealings with our clients and stakeholders, as well as their relationships within SBISA.

To enhance SBISA's reputation, to act responsibly both socially and morally, whilst consistently honoring both its legal and moral obligations and to preserve and strengthen SBISA for those who will follow, all SBISA's employees have to be committed to maintaining the highest level of ethical conduct in their actions and relationships.

The SBISA Code of Conduct has the full support of the SBISA Executive Management and staff. It reflects SBISA's personal integrity, honesty, respect for human dignity, equal opportunity and the rights of others. It reflects SBISA's commitment to what is right, fair, reasonable and legal.

SBISA believes that it is the only way to conduct our business.

2. ETHICS POLICY

SBISA is committed to a policy of fairness, transparency, honesty, impartiality, objectivity, credibility, integrity and, above all, accountability, in the conducting of all its business affairs, both inside and outside the organisation. This commitment is based on a fundamental belief in honest, fair and legal conduct in all business activities. SBISA expects all its employees to share this commitment to high moral, ethical and legal standards. The purpose of this document is therefore to lay down a strict ethical code with which each SBISA employee, contract employee and consultant is required to comply.

Failure to comply with this policy will amount to misconduct and will be dealt with in terms of the SBISA Disciplinary Procedure in the approved SBISA Human Resources policy for Local Based Officer and staff and SBI Officers Service Rules (SBIOSR) for India based Officers.

3. ETHICS AND VALUES

Ethics involve the ability to distinguish right from wrong and a commitment to do what is right. Values are core beliefs which create individual attitudes. Although individual values may differ, this does not imply a choice about behaving ethically in the business environment of SBISA. The SBISA Code of Conduct, as well as the Constitution of South Africa and the national laws and regulations, prescribe legal conduct that embodies values based on ethical principles, while respecting cultural diversity.

4. ETHICAL CONDUCT

Ethical conduct refers to standards of conduct or the ways in which we should behave, based on our moral values that arise from principles about what is right and wrong in SBISA's business environment.

Individual ethical behaviour refers to actions by an SBISA employee which are intended to further the common good of the organisation, as determined by the SBISA policies, procedures, directives and business objectives. Collective ethical behaviour is that which is perceived by SBISA's external clients and about SBISA's commitment to the common good based on the actions of SBISA's employees.



Ethical conduct is maintained when individual SBISA employees act with integrity, honesty and in good faith in all their business dealings. It is reflected in behaviour that adheres to this conduct, adopts its principles and follows its guidelines.

SBISA believes that a reputation for honesty and integrity attracts and retains customers and will ultimately have a direct bearing on the resources available to ensure that SBISA can consistently comply with its organizational mandate, thereby rendering it possible to make an increasingly bigger impact and contribution to the improvement of the quality of life of the people of South Africa. Furthermore, SBISA believes that having strong ethical values and consistently displaying them in all of the SBISA activities, will give rise to the following added benefits:

- improved business management;
- increased productivity;
- avoidance of litigation;
- an enhanced organisation image that attracts talent; and
- earning the public's goodwill.

4.1 ETHICS ON THE JOB

This section describes responsibilities for protecting confidential information and assets and the need for fair and honest reporting of information internally, and external to, the organisation.

4.1.1 Confidential Information:

During the course of work, SBI employees may have access to confidential information, including business plans, financial information, personnel and salary information. Disclosure of confidential information outside SBISA, especially to competitors, could be harmful to the organisation. Consequently, confidential information should be used only for the purpose for which it was intended and respecting the confidentiality of corporate or personal information is an absolute requirement that each SBISA employee should comply with, without any exception. Confidential information should preferably – where only available in hard copy format – be kept in locked files and storage areas and should eventually properly and responsibly be disposed of. The Protection of Personal Information (POPI) policy refers to the disclosure of personal information, we may disclose client's Personal Information to a third-party service provider with whom we have agreements in place to ensure that they comply with confidentiality and privacy conditions. We may also disclose client's information where we have a duty or a right to disclose in terms of applicable legislation, the law or where it may be necessary to protect our rights.

4.1.2 Intellectual Property Rights:

A confidential information category includes SBISA's research and development activities and product development. The disclosure of information outside SBISA will only be permitted if it is done by authorised personnel with top management approval.

4.1.3 Compliance with Legislation:

SBISA is required by legislation to provide truthful information on employment conduct, financial reports and any other information required by law. Thus, no false or misleading entries should be made in any books or records of SBISA for any reason.



4.1.4 Asset Protection (This clause includes physical assets and the organisational funds):

SBISA employees must at all times ensure that the SBISA assets are used only for legitimate organisational business purposes. Where an employee's position requires organisational funds to be spent, it is the individual's responsibility to use good judgement on behalf of the organisation and to ensure that appropriate value is received by the organisation for such expenditures.

Each employee, within the area of his/her responsibility, is responsible for the managing of the organisation's liabilities and for the safeguarding of its assets. Every employee will thus be held accountable for the care and safe custody of the organisation's assets (including Intellectual Property rights) placed under such employee's control.

4.2 ETHICS IN CONDUCTING BUSINESS

This section describes SBISA's commitment to quality, safety, employee development and society.

4.2.1 Commitment to Employees:

One of core values is being people- oriented. This is reflected in SBISA Human Resources policy for Local Based Officer and staff and SBI Officers Service Rules (SBIOSR) for India based Officers, employees are treated in the most human way and a professional work ethic is promoted.

As employer, SBISA is committed to honouring the values of respect, dignity and equal opportunity; fully subscribes to employee development; participating and empowerment; and provides a safe and healthy working environment.

4.2.2 Commitment to Quality:

SBISA is committed to the quality and value of its products and services. This is entrenched through the continual improvement of our quality management processes.

4.2.3 Commitment to Safety:

SBISA is committed to promoting and ensuring the safety of its employees and customers in the work environment. Safety is defined as to include physical safety and gender-sensitive, professional security.

4.2.4 Competitive Information:

Although it is appropriate to seek information about the competitive environment from consultants and other experts, SBISA does not contact persons in order to obtain sensitive information or data from competitors.

Communication with competitors regarding sensitive competitive information, such as prices, costs, terms and conditions of sale, or regarding decisions on whether to quote or not to quote, may be treated as evidence of an improper understanding or agreement between competitors. This is particularly so if the communication is followed by similar bids, price increases or other competitive actions



4.2.5 Commitment to Society:

SBISA is bound by the country's legalisation and constitution. The organisation regards itself as a responsible corporate citizen.

SBISA is committed to the upliftment of the country through contract partnerships with local and international partners.

4.3 ETHICS OF THE JOB

This section describes ethical standards that SBISA's employees should adhere to.

4.3.1 Conflicts of Interest:

The organisation expects employees not to use their position or knowledge gained through their position within SBISA for private and/or personal gain or to conduct business in such a manner that a conflict or even a perceived conflict arises between the organisation's interest and any employee's personal interest.

A conflict of interest exists when an employee has a personal interest that could interfere with his/her objectivity in performing his/her duties as an employee.

For instance, a potential conflict could occur where an employee, a member of an employee's family or a business with which the employee or family is associated, obtains a gain, advantage or profit by virtue of the employee's position with the organisation or information gained through using that position.

Employees should therefore avoid any real or perceived conflict of interest with SBISA as its employer.

4.3.2 Outside Employment and Directorship:

Whilst SBSAI promotes diverse participation of their employees in professional bodies and community organisation's, employees should not, without prior authorization in terms of the SBISA Human Resources policy for Local Based Officer and staff and SBI Officers Service Rules (SBIOSR) for India based Officers, General Conduct, acquire any business interest or participate in any activity outside the organisation which could lead to any of the following:

- An excessive demand of the employee's time and attention which would deprive SBISA of the employee's best efforts on the job employed for.
- A conflict of interest, i.e. an obligation, interest or distraction which would – or could - interfere or appear to interfere with the independent judgment in SBISA's best interest.

It is regarded as a contravention of this Code of Conduct, for employees to take up additional outside employment without authorization prior authorization by senior management. Employees who are offered Directorship positions outside SBISA are required to seek Executive approval prior to accepting any such offer.



Conflicts of interest also include:

- External work for clients, suppliers, vendors or competitors;
- Accepting an assignment for personal gain, the nature of which is similar to the work being done by SBISA;
- Holding a financial interest, such as a shareholding or a commission for placing business, in a business concern that is a supplier or client of SBISA;
- Financial or personal involvement with an employee or representative of a supplier, vendor, client or competitor of SBISA, with whom the employee regularly comes into contact while performing SBISA business;
- Accepting exclusive or preferential discounts from an employee or representative of a supplier or client;
- Dealing directly with or through a spouse or family member who is a supplier, vendor, client or competitor, or is employed by one;
- Soliciting loans from clients or suppliers who are not generally in the business of granting loans to the public; and
- Purchasing shares from a supplier on a preferential basis.

SBISA Human Resources policy for Local Based Officer and staff and SBI Officers Service Rules (SBIOSR) for India based Officers refers that all employees must conduct their business affairs in such a manner and with shall automatically fall within the purview of and abide by the 'The Conflict of Interest Policy' formulated and implemented by the Bank from time to time. Employees are obliged to notify SBISA should they become aware of any conflict or potential conflict of interest

4.3.3 Political Involvement:

SBISA believes in the country's Constitution and thus will not willingly and consciously violate it. Individual employees have a right to participate in political processes and activities, as long as these do not deprive the organisation of their work. SBISA will not attempt to influence any such activity provided there is no disruption to workplace activities, and it does not contribute to industrial unrest.

SBISA funds, goods and services must never be used to contribute to political activities in any way.

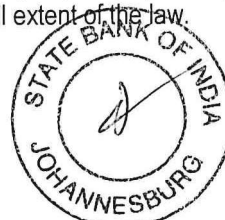
4.3.4 Relationship with Customers, Clients and Suppliers:

When dealing with SBISA's clients, customers and suppliers, employees should ensure that they are independent and are seen to be independent, from any business organisation having a contractual relationship with the organisation, providing goods or services to the organisation.

5. EMPLOYEE ACCOUNTABILITY

5.1 Bribes and kickbacks

No bribes or kickbacks of any type may be paid to or accepted by any employee. Paying or receiving a bribe constitutes criminal behaviour, and will be prosecuted to the full extent of the law.



In South African law, bribery is defined as "the giving, agreeing to give or offering to give, any reward or consideration in return for future or past action, in the course of an employee's official duties." The employee who receives or agrees to receive the reward or consideration, also commits bribery and contravenes the laws regulating and governing acts of bribery and Corruption.

5.2 Solicitation of payments, gifts or loans

Employees may not use their position at SBISA to solicit any form of favor, payment, overseas travel, gifts or loans from suppliers or other stakeholders.

Solicitation places the supplier or stakeholder in a position where he or she feels obliged to provide the favor or gift to avoid losing SBISA business or receiving poor service. These practices are strictly forbidden.

6. GETTING TO GRIPS WITH ETHICS

The SBISA Code of Conduct applies equally to all employees and other representatives of the organisation. Compliance with the Code by all employees and representatives is mandatory. Should you be in doubt about the application of the Code, discuss the matter with your immediate superior or a human resource practitioner in your immediate environment.

These guidelines will help you to perform your tasks at SBISA with confidence in an ethical and irreproachable manner. It will guide and support you in identifying, considering, understanding and appropriately responding to business ethics issues in the workplace.

The guidelines address a range of common business issues and practices that could present employees with ethical problems and set out the ethical requirements in dealing with them.

They are not intended to add to or to alter the General Conduct of the SBISA Human Resources policy for Local Based Officer and staff and SBI Officers Service Rules (SBIOSR) for India based Officers. Their benefits to employees lie in the provision of clarity and certainty about responsibilities in terms of business ethics.

7. EVERY EMPLOYEE'S ETHICAL RESPONSIBILITIES AND RIGHTS

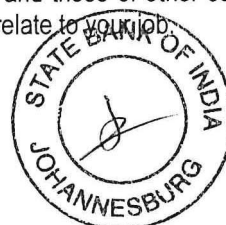
7.1 Familiarise yourself with this policy and its guidelines.

7.2 Request that you are familiarised with the full Code of Conduct and your responsibilities in terms thereof.

7.3 Request to be made aware of and be sensitive to situations that could lead to unethical or illegal behaviour and avoid such situations.

7.4 Do not tolerate and report unethical behaviour in others.

7.5 Understand and keep up to date with South African laws and those of other countries, funding agency regulations and client and stakeholder requirements as these relate to your job.



7.6 Treat people with fairness, courtesy and sensitivity to their rights.

7.7 Perform your duties with honesty and integrity, to the best of your ability and the good of SBISA.

7.8 Communicate openly and honestly and act with commitment to achieve a fair, transparent and a responsible end result.

7.9 Take responsibility and accept accountability for your actions and decisions.

7.10 Obtain authority for any public statement that may be interpreted as an official comment from SBISA.

8. RESPONSIBILITIES OF MANAGERS

In addition to their ethical responsibilities and rights as employees, managers and supervisors have additional responsibilities resulting from their managerial/supervisory duties:

8.1 A personal commitment to act according to the Code of Conduct, communicate this commitment to your employees and lead by example;

8.2 maintain a work environment that encourages open communication about business ethics issues and concerns, and one that promotes compliance with such ethics;

8.3 regularly review standards of conduct during team briefings;

8.4 ensure that the Code of Conduct is communicated clearly and available to all your employees;

8.5 ensure that appropriate ethics sensitisation and training is provided;

8.6 familiarize yourself with the resources and processes available to assist in the resolution of questions and concerns about business ethics;

8.7 identify areas of risk in your business activities and establish ways to address potential contraventions of the Code of Conduct;

8.8 take responsibility for the conduct of your staff and ensure that serious or recurrent misconduct is dealt with appropriately; and

8.9 do not delegate discretionary authority to those employees who are unaware of or insensitive to the requirements of the ethics policy or guidelines.

9. SUMMARY OF GUIDELINES FOR ETHICAL CONDUCT

These guidelines serve as a barometer for ethical behaviour in your relationships with peers and colleagues in SBISA and in conducting business with the clients of SBISA:



- 9.1 Perform your duties with honesty, integrity and to the best of your ability.
- 9.2 Communicate openly and honestly, and demonstrate a sense of purpose and a commitment to achieving the optimum outcome, even under adverse conditions.
- 9.3 Accept accountability for your actions and decisions.
- 9.4 Behave in a way that is beyond reproach.
- 9.5 At all times, comply with the policies, procedures and guidelines of SBISA and the manner in which it conducts its business.
- 9.6 Use information obtained from SBISA work environment, or resulting from your position as an employee of SBISA only for the purpose for which it is intended to the good of the organisation.
- 9.7 Treat the assets and property of SBISA its employees, its clients and stakeholders and its suppliers with the same respect as you would your own.
- 9.8 Do not waste the SBISA's resources, including time.
- 9.9 Declare in writing, any information you may have about a personal or corporate conflict of interest.
- 9.10 Refuse any gifts that could be regarded as an attempt to exert undue influence over you to the detriment of the organisation.
- 9.11 Challenge others that you notice acting in an unethical way, report behaviour in conflict with the Code of Conduct and do not tolerate any form of retribution against those who speak up.

10. CONTRAVENTION OF THE CODE OF CONDUCT / ETHICS

The organisation has several policies that serve to guide and regulate employee business conduct such as the Fraud Risk Management Policy. These policies serve to protect the organisation and the employee. All employees within SBISA are expected not to transgress these policies.

Non-adherence to the policy and guidelines of the Code of Conduct or transgression of the ethics will result in disciplinary action being taken.

However, should an employee require clarification on any policy, he/she is encouraged to seek information from Senior Management.

