



CODE OF ETHICS

Responsible Officer : **Bank Secretary**
Responsible Department : **Bank Secretariat and Legal**

Table of Contents

<i>Ref.</i>	<i>Policy Issue</i>	<i>Page</i>
1	Introduction	3
2	Scope	3
3	Objectives	3
4	Definitions	3-4
5	Values	4
6	Compliance with Laws	4
7	Conflicts of Interest	5
	- Outside Employment	5
	- Outside Business Ventures	5
	- Personal Loans	5
	- Relatives	5
	- Misuse of Position with the Bank	5
8	Disclosure and Approval Conflicts of Interest	6
	- Duty to Disclose	6
	- Declaration of Business Interests	6
9	Gifts	6-7
	- Prohibited Gifts	6
	- Permitted Gifts	7
	- Permitted on Case by Case Basis	7
	- Reporting Gifts that Violate the Policy	
10	Bank Information	7
	- Confidentiality	7
	- Information about the Bank to Outsiders	8
	- Information and Resources Not to be Used for Personal purposes	8
11	Duty to Report	8
12	Acknowledgement of Agreement to Comply with the Code of Ethics	8
13	Maintenance and Amendments	8
14	Records	9
15	Violation	9
16	Effective Date	9

1. INTRODUCTION

This Code of Ethics is an embodiment of the Bank's commitment to conducting its business in line with the best practices in governance and compliance. It is drafted pursuant to the Bank of Zambia Corporate Governance Guidelines. Whilst it is not possible to spell out appropriate behavior for every situation that an Officer may encounter, the Code sets out standards to guide our behavior and decision making. It describes some of the most important legal and ethical obligations that Officers must uphold and the practices and procedures that must be followed in meeting those obligations. It is therefore an integral part of the Bank's everyday operations.

As Officers we have a personal obligation to uphold the standards set out in this Code and to act ethically in dealings amongst ourselves, with customers and with the public at large. Meeting this obligation will enable the Bank in maintaining high levels of integrity and credibility expected of it as a public institution.

Every Officer is expected to read and understand the provisions of this Code and encouraged to consult their Head of Department whenever in doubt about its context interpretation and application.

2. SCOPE

This Code of Ethics shall apply to all Officers whilst acting for or on behalf of the Bank.

3. OBJECTIVES

The Code is designed to be a reference point in decision making so as to promote maintain and uphold the highest ethical and corporate standards among Officers of the Bank at all times and to ensure that the Bank adheres to and maintains the highest standards of responsible business practice

4. DEFINITIONS

The following words and expressions shall have the meaning assigned to them below:

- a. "Bank" shall mean Development Bank of Zambia as established under Chapter 363 of the Laws of Zambia
- b. "Bank Information" shall mean any and all information related to or in connection with the Bank, its business, employees or its clients
- c. "Conflict of Interest" shall mean a situation or circumstances that result in or could result in a conflict between the personal interests of an Officer and those of the Bank and/or its Clients.

- d. “Gift” shall mean anything of value or benefit and shall include but shall not be limited to money, opportunity, discount, property, service, favour, or advantage, or promise of any of the foregoing, of any description whatsoever
- e. “Officers” shall mean “employees and directors of the Bank
- f. “Third Party” shall mean any person, natural or otherwise, other than the Bank or its Officers
- g. Reference to person shall include legal and natural persons.
- h. Reference to the plural shall include the singular and vice versa.
- i. Reference to one gender includes the other.

5. VALUES

As a starting point every Officer must know and understand the values of the Bank and must be committed to working in a manner that reflects and respects them. These values are

- a. Integrity
- b. Customer
- c. Focus
- d. Recognition
- e. Effectiveness
- f. Diligence
- g. Innovation
- h. Teamwork

6. COMPLIANCE WITH LAWS

This Code is intended to supplement and not replace any applicable laws and regulations. It is therefore the responsibility of every Officer to comply with and respect all laws and regulations that are applicable to the Bank’s operations and to bear in mind that failure to so do may result in damage to the Bank’s image, loss of customer, regulatory and public confidence, withdrawal of licenses and imposition of fines.

7. CONFLICTS OF INTEREST

Officers shall avoid placing themselves in positions in which their personal interests conflict with those of the Bank or its Clients. When representing the Bank, Officers should be aware of the potential for, and should actively manage conflicts of interest. Instances where Conflicts of Interest may arise shall include but are not limited to those described below

Outside Employment

Officers are expected to devote their full time, attention and abilities to the Bank during regular hours of work and such additional time as may be required by the Bank. No other employment or activities should be undertaken during working hours which would impair an Officer's ability to properly perform his responsibilities to the Bank. Management must approve outside employment of an Officer which such officer reasonably believes might result in, or would give the appearance of, a Conflict of interest or damage the reputation of the Bank.

Outside Business Ventures

Officers who have interests in persons that engage in transactions with the Bank must declare such interests in accordance with this Code.

Personal Loans

An Officer shall not lend money to a client of the Bank where such relationship would give the appearance that the Officer was using his position with the Bank to advance the loan. An Officer shall not borrow money from any person that directly or indirectly engages in transactions with the Bank unless that person lends out money in the ordinary course of its business and unless such loans are made on terms that are generally available to the public.

Relatives

Whilst relatives of Officers may become Clients of the Bank, an Officer shall not make decisions or represent the Bank in matters involving loans to relatives, or investment of the Bank's funds with relatives, or the purchase goods or services from relatives.

Misuse of position with the Bank

An Officer shall not use his position in the Bank as the basis to seek or accept any business opportunity or other favor or benefit that is not available to persons who are not employed by the Bank.

8. DISCLOSURE AND APPROVAL CONFLICTS OF INTEREST

Duty to Disclose

In the event of a Conflict of Interest or a potential Conflict of Interest, an Officer shall disclose the nature and extent of such Conflict of interest so that approval may be sought from the Managing Director for the activity subject of the Conflict of Interest upon consideration of all relevant matters. Where the Conflict of interest relates to a matter which is a subject of a decision making process, the Officer shall disclose the Conflict of Interest before, and shall not participate in, such decision making process.

Fresh approval must be sought in the event of a material change in the Conflict of Interest previously disclosed. All disclosures, approvals and rejection shall be made in writing and a record thereof shall be kept by the Bank Secretariat and Legal Department. In the case of the Board of Directors the disclosure should be made in accordance with section 11(b) of the Development Bank of Zambia Act. In the case of employees the Conflict of interest shall be made to the Managing Director.

Declaration of Business Interests

To ensure that all potential Conflicts of Interests are recognised, every officer shall be expected to declare any and all business interests and mandates that they may have in any company or business venture of whatsoever nature upon first engagement and at the beginning of each year, by filling in the Declaration of Interest form. Business interest shall include but are not limited to, ownership in or controlling interest in any company or business venture by an employee, their spouse and children.

9. GIFTS

Prohibited Gifts

Except as otherwise provided for in this Policy, an Officer shall not:

- a. Solicit for themselves nor for a Third party a Gift from anyone in return for any business, service of the Bank or Bank Information nor
- b. Accept a Gift from anyone in connection with the business of the Bank either before or after the related transaction is discussed or consummated.

It is an offence for any Officer to seek or accept a Gift for themselves or a Third Party , in connection with the business of the Bank where there is a corrupt intent that such Officer shall be influenced or rewarded in relation to the Bank's business. It is also an offence for any Third party to offer or give a Gift to an Officer with such a corrupt intent.

If a Gift prohibited under this Code is offered to an Officer, it should be returned to the donor with an explanation that the same is contrary to the Bank's Code of Ethics. If return is not possible, the recipient Officer should handover the Gift to his Head of Department.

Permitted Gifts

The Bank recognises that there are instances where an Officer may, without risk of corruption or breach of this Policy, accept a Gift from someone doing or seeking to do business with the Bank. In general, an Officer may accept a gift if:-

- a. The acceptance is based on a family or personal relationship existing independent of any business of the Bank
- b. The Gift is available to the general public under the same conditions on which it is available to the Officer.
- c. The Gift would be paid for by the Bank as a business expense if not paid for by another party.
- d. The Gift is related to commonly recognized events or occasions, such as a promotion, new job, wedding, retirement, holiday or birthday;
- e. Advertising or promotional material, such as pens, pencils, note pads, key chains, calendars and similar items;
- f. Discounts or rebates on merchandise or services that do not exceed those available to other customers

Gifts Permitted on a Case by Case basis

Gifts may be accepted in circumstances not described above if they are consistent with any applicable Legislation on bribery or corruption and approved in writing by the Managing Director. Requests for approval may be made on a case by case basis. Persons requesting such approvals shall submit their requests in writing and shall describe in writing all of the facts relevant to the request. Written records of all request and approvals or disapprovals will be kept by the Bank Secretariat and Legal Department.

Reporting Gifts That Violate the Policy

Whenever Gifts are offered or received in violation of this Policy, they must be reported to the Managing Director, together with all relevant facts. Management will review all such disclosures. Written records of all such disclosures will be kept by the Bank Secretariat and Legal Department.

10. BANK INFORMATION

Confidentiality

Bank Information is confidential and every Officer shall execute an Oath of Secrecy upon first engagement. An Officer shall maintain the confidentiality of all Bank Information and shall not disclose such information to any Third parties except to the extent that such disclosure is necessary to carry out assigned responsibilities or is by Law required. Questions relating to disclosure of Bank Information should be addressed to the Managing Director.

Information about the Bank to outsiders

From time to time Officers may receive requests for information about the Bank, its business and or its Clients from the news media, investment analysis, financial institutions or any others outside Parties. All such requests must be referred to the Manager Corporate Planning

Any lecture, speaking engagement, or publication by an Officer to an external audience on any subject that relates to the Bank shall be subject to prior approval by Management

Information and Resources not be used for Personal Purposes

An Officer shall not use Bank Information and/or resources for personal or business advantage or benefit or to provide any such advantage or benefit to Third Parties. In particular and without prejudice to the generality of the foregoing, information received in the course of employment with the Bank that is not available to the general public may not be used as the basis for making any decision to buy or sell stocks or other securities. Likewise, such information may not be used in giving investment advice to others.

11. DUTY TO REPORT

Every Officer has an individual responsibility to report in confidence any actual or suspected violation of this Code. Any such reporting shall be made to the Officer's Head of Department. The report must be truthful accurate and complete to the best of the Officer's knowledge and made in good faith. The identity of the reporting Officer and that of the Officer accused of violating the Code shall be protected whilst investigation are carried out.

12. ACKNOWLEDGMENT OF AGREEMENT TO COMPLY WITH THE CODE OF ETHICS

Each Officer shall sign a Certificate acknowledging that they have received a copy of the Code of Ethics, have read and understood its contents and agree to comply with it as may be amended by from time to time.

13. MAINTENANCE AND AMENDMENTS

The Board of Directors has approved this Code. A copy will be made available to every Officer. Every two years Management shall review this Code to determine whether amendments are required or desired and the result of such review shall be approved by the Board of Directors

14. RECORDS

A record of the following shall be kept for a period of seven (7) years from the date of a particular document:

- a. A register of Declarations of Interest
- b. A Conflict of Interest Register which shall state the nature of the disclosed conflict, the name of the Officer who disclosed it, the date of such disclosure and any approvals or rejections given in relation thereto.
- c. A Gift register which shall contain a list of gifts received stating the nature of the gift, the market value, the name of the Officer who received it, from whom it was received and the date of receipt.

15. VIOLATION

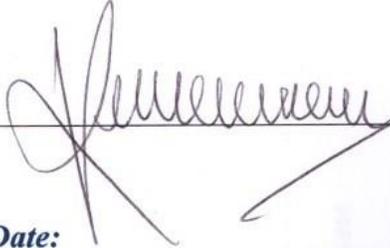
Should an Officer violate or not comply with any requirements under this Code, he shall be liable to disciplinary action in accordance with Disciplinary Code and Grievance Procedure of the Bank.

16. EFFECTIVE DATE

This Code of Ethics was approved and adopted by the ^{159th} Board of Directors' Meeting held on the ^{7th} of September.....2015.

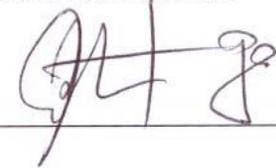
SIGNED BY:

BOARD CHAIRMAN
ROBERT CHOMBA



Date: 07-09-2015

MANAGING DIRECTOR
JACOB LUSHINGA



Date: 07-09-2015