

## **Code of Business Ethics and Conduct – Board of Directors**

A director's office is one of trust and confidence. The director should act in the best interest of the corporation in a manner characterized by transparency, accountability and fairness. He should also exercise leadership, prudence and integrity in directing the corporation towards sustained progress.

A director shall also observe the following norms of conduct:

- (i) **Conduct fair business transactions with the corporation. And ensure that his personal interest does not conflict with the interest of the corporation.**

The basic principle to be observed is that a director shall not use his position to profit or gain some benefit or advantage for himself and/or his related interest. He should avoid situations that may compromise his impartiality. If an actual or potential conflict of interest may arise on the part of the director, he should fully and immediately disclose it and should not participate in the in the decision-making process. A director who has continuing material conflict of interest shall seriously consider resigning from his position.

A conflict of interest shall be considered material if the director's personal or business interest is antagonistic to that of the corporation or stands to acquire or gain financial advantage at the expense of the corporation.

- (ii) **Devote the time and attention necessary to properly and effectively perform his duties and responsibilities.**

A director shall devote sufficient time to familiarize himself with the corporation's business. He shall be constantly aware of and knowledgeable with the corporation's operations to enable him to meaningfully contribute to the Board's work. He should attend and actively participate in Board and Committee meetings, review meeting materials and, if called for, ask questions or seek explanation.

- (iii) **Act judiciously.**

Before deciding on any matter brought before the Board, a director should carefully evaluate the issues and, if necessary, make inquiries and request clarification.

A director shall also keep in mind the protection of its consumers during any decision-making process – that financial consumers are treated fairly, honestly, and professionally at all stages of its relationship with the Bank. The Bank shall not discriminate against clients on the basis of race, age, ethnicity, origin, gender, disability, health condition, sexual orientation, religious affiliation and practice, or political affiliation; provided that the Bank may provide distinction as necessary when making a risk assessment on a specific product or service.

- (iv) **Exercise independent judgment.**

A director should view each problem or situation objectively. If a disagreement with other directors arises, he should carefully evaluate and explain his position. He should not be afraid to

take an unpopular position. Corollarily, he should support plans and ideas that he thinks are beneficial to the corporation.

- (v) **Have a working knowledge of the statutory and regulatory requirements that affect the corporation, including its articles of incorporation and by-laws, the rules and regulations of the Commission and, where applicable, the requirements of relevant regulatory agencies**

A director should also keep abreast with industry developments and business trends in order to promote the corporation's competitiveness.

- (vi) **Observe confidentiality**

A director should keep secure and confidential all non-public information he may acquire or learn by reason of his position as director. He should not reveal confidential information to unauthorized persons without the authority of the Board.