

CODE OF CORPORATE GOVERNANCE FOR BOARD MEMBERS AND CODE OF CONDUCT FOR SENIOR MANAGEMENT PERSONNEL

The Catholic Syrian Bank Limited, is a Banking company established under the Companies Act, 1956. Incorporated in the year 1920, the bank has completed 96 years of its existence. The Bank is being run on sound business principles and ethics, ever since its incorporation. However in order to continue to maintain the high ethical standards in the course of self regulation and also in voluntary compliance of the applicable laws/rules/guidelines of the land, issued by regulatory authorities , it has been decided to have a written Code of Conduct.

The code prescribes certain standards, which should pave the way for the actions to be taken. The code is not exhaustive to cover each and every issue or situation that may arise or occur, but would guide where the decisions are to be taken on ethical lines. The code covers the Directors and the Senior Management of the Bank.

As hitherto, the Bank is committed itself to honesty and accountability. The commitment should be reflected in all business activities of the bank besides reflecting its relations with the customers, suppliers, competitors etc.,. The Directors and Senior Management are expected to conduct themselves as per the code of conduct in letter and spirit. It is distinctly understood that violations of the code would result in negative consequences to the organization as well as to the individuals concerned.

The Bank recognizes that all decisions and actions will be taken in accordance with the code and the applicable laws of the land. For the purpose of this code, the term 'Senior Management' shall mean personnel of the Bank who are members of the core management team excluding Board of Directors. It includes top management team up to the level of Deputy General Manager.

General Standards of conduct:

The Bank expects all Directors and members of the Senior Management to exercise good judgment, to ensure the interests, safety and welfare of customers, employees, and other stakeholders and to maintain a cooperative, efficient, positive, harmonious and productive work environment and business organization. The Directors and the members of the Senior Management while discharging their duties of their office must act honestly and with due diligence. They are expected to act with utmost care and prudence, which an ordinary person is expected to take in his/her own business. These standards need to be applied while working in the premises of the Bank, at offsite locations where the business is being conducted whether in India or abroad, at Bank sponsored business and social events, or at any other place where they act as representatives of the Bank.

Philosophy of the Code:

The Code envisages and expects the members covered under the code to have highest standards of honest and ethical conduct, including proper and ethical procedures in dealing with the following situations/aspects in relation to the business of the Bank and thus maintaining best Corporate Governance Code.

- Conflicts of interest
- Enhanced public disclosures
- Compliance with Laws of land
- Prohibition of trading on inside information
- Protection of Bank's assets and its proper use
- Protection of confidentiality of information
- Prohibition of business opportunities for personal gain
- Fairness in dealings

1. CONFLICTS OF INTEREST:

The Directors and the Senior Management occupy a fiduciary position and the power available to them in the context of the management of the Bank is to be exercised only in such fiduciary capacity. Hence they are expected to work in good faith in the interest of the bank and must not exercise their powers for any collateral purpose. A person who is covered under this code must not place himself in a position where his duty to the company and his personal interests clash. He must not profit from his position. In other words he is bound to disregard his own private interests when conflict with official interests by proper discharge of such official duty. He is expected to exercise care and such skill as might reasonably be expected of a person of his knowledge, experience and position.

In the event of an actual or apparent conflict of interest between the personal and professional relationship or activities of a director/senior management personnel, he is required to handle the situation in an ethical manner in accordance with the provisions of the Companies Act, 2013 and/or such other provisions of laws of the Land as applicable including the regulations of this code.

2. ENHANCED PUBLIC DISCLOSURES:

The Bank undertakes to make an effective communication with its shareholders by furnishing all the requisite information with accuracy about the financial aspects and results of its operations.

Bank would file the required documents, notices, particulars etc with all the Regulatory authorities such as RBI, MCA, Stock Exchanges, SEBI etc. in compliance of the norms and regulations.

3. COMPLIANCE WITH THE LAWS OF THE LAND:

The Bank is totally committed in conducting its business dealings by complying with various laws of the country including the rules and regulations of the various regulatory authorities.

No Director or member of the Senior management team shall commit an illegal and unethical act either directly or indirectly for any reason whatsoever.

The Bank disseminates information in compliance with the laws, rules and regulations that affect its business.

4. PROHIBITION OF TRADING ON INSIDER INFORMATION:

The Directors and the Senior Management personnel of the Bank are prohibited from using the price sensitive information to trade in its securities either directly or indirectly. They should follow the Code of Internal Procedures and conduct for Prevention of Insider Trading, if any adopted by the Board.

5. PROTECTION OF BANK'S ASSETS AND ITS PROPER USE:

Bank's assets should be protected and safe guarded against loss, theft or other misuse. It is the duty of each and every one who is covered under this code to safeguard each and every asset of the Bank and prevent its misuse by anyone.

6. PROTECTION OF CONFIDENTIAL INFORMATION:

Except where required by law and authorised by the Bank, all the confidential proprietary information collected while in the Bank, should be protected and maintained in strict confidence. All confidential information must be used for Bank's business purposes only. Proprietary information includes any information which is non-public, which may be of use to a competitor. It may also be harmful either to the bank or to its customers if disclosed. Further, the intellectual property rights such as trade secrets, patents, trademarks, copy rights etc as also the product plans, records, databases should be protected. The information which a director or the senior management personnel come across during their tenure should not be used after leaving the Bank.

7. PROHIBITION OF BUSINESS OPPORTUNITIES FOR PERSONAL GAIN:

The persons who are covered under this code are prohibited from taking for themselves business opportunities that arise through the use of business property, information and position. No Director or Senior Management personnel should compete with the bank.

8. FAIR DEALING WITH THE STAKEHOLDERS

The persons who are covered under this code should endeavor to deal with the customers, suppliers, competitors, the general public and one another at all times and in accordance with the sound business principles and on ethical lines.

No one is allowed to make unfair advantage of another person through manipulation, concealment, improper use of privileged information or any other unfair dealing practice.

COMPLIANCE

- The compliance of this code is expected from all the persons who are covered under the code as the code will be strictly implemented.
- Violations of this code would entail corrective and other actions to be dealt with by the Board.
- Enforcement of the code will come under the purview of the Nomination and Remuneration Committee of the Board of Directors.
- The persons covered under the purview of this code should report of any actions that may involve a conflict of interest to the concerned authority viz: Nomination and Remuneration Committee.
- Bank expects any violation of this code to be reported to the concerned authority including cases where there are conflict of interest.

AMENDMENTS AND WAIVERS:

Any amendment or waiver of the provisions of this code shall be done by the Board of Directors of the bank.
