

Introduction to the Code of Conduct

The employees of the Bank are its Brand ambassadors. It is our responsibility to ensure compliance with the Bank's standards as well as the laws and regulations of the land.

As a Financial Institution, the Bank expects the highest ethical standards from its employees in carrying out its business activities. A few general guidelines are given below: -

1. All employees must act with integrity and honesty in all circumstances and at all times.
2. We must comply not just with the letter but also with the spirit of all relevant legal and regulatory requirements.
3. Breaches are not acceptable and will be treated seriously.
4. Revenue opportunities must not take priority over protecting our reputation and taking short cuts to achieve revenue targets is unacceptable. The penalty for any such action will be severe and range from censure to dismissal depending on the gravity and impact of the breach of compliance.
5. Employees must act in a manner in which there is no conflict of interest between the Bank and its Vendors.
6. Bank employees will sparingly introduce prospective customers i.e. issuing a formal letter of introduction for commencement of banking relationship with DCB Bank, unless they genuinely know such person/s over a period of time and have a satisfactory opinion about them & their credit worthiness, as applicable.

Therefore every action / inaction must be weighed keeping in mind the following:-

- Can this action / inaction be justified to our stakeholders e.g. regulators, customers, employees etc?
- Is the action legally compliant?
- Is the action transparent and the rationale explained?

Based on the above standards, the Employees Conduct Rules have been reviewed and attached are the revised rules for the information of all concerned.

Administration of the Code of Conduct

The Code of Conduct (the "Code") sets forth certain minimum expectations that the Bank has from you. You are expected to conduct the firm's business in full compliance with both the letter and the spirit of the law, the Code, and any other policies and procedures that may be applicable to you. The Code is intended to provide general guidance regarding your conduct as an employee of the Bank.

The Head – Legal & Compliance may provide interpretations of the Code, in consultation with the Head - Human Resources where appropriate. The Code of Conduct does not create any rights to continued employment and is not an employment contract.

Persons subject to the Code of Conduct

The Code applies to all employees of the Bank and its direct and indirect subsidiaries.

If any provision contravenes or is less restrictive than the applicable law of any jurisdiction, the local law will apply. Similarly, certain business units have policies that are more restrictive than the Code, and those more restrictive policies will apply to those units. You are responsible for understanding and complying with these laws and policies.

General rules of Conduct

The Bank expects the highest ethical standards from its employees in carrying out its business activities:

- Every Employee shall at all times take all possible steps to ensure and protect the interests of the Bank and discharge his / her duties with the utmost integrity, honesty, devotion and diligence and abstain from any conduct that is unbecoming of a Bank Employee.
- Every Employee shall maintain good conduct and discipline and show courtesy and attention to all persons in all transactions and negotiations.
- No Employee shall, in the performance of his official duties or in the exercise of powers conferred on him, act otherwise than in all honesty and rectitude and exercise his best judgment except when he is acting under the written directions of his official superior. Where exigencies warrant that an Employee has to act under the oral directions / instructions of his Superior, then he should record (post facto) the instructions given to him by his Superior and obtain the ratification thereof from the Superior.
- Every Employee shall take all possible steps to ensure the integrity and devotion to duty of all persons for the time being under his control and authority.

Q. Why does an employee need to observe these standards when our competitors seem to ignore them?

A. Our Bank's standards should reflect in our values and should not be abandoned simply because other companies / employees do not comply with the same. These are standards that we should follow irrespective of whether others do so or not.

Observance of Secrecy / Confidentiality

The Bank is a custodian of public funds. Any information pertaining to its customers must be kept in confidence and cannot be divulged to any other individual outside the agency.

Every employee is duty bound to observe the strictest secrecy / confidentiality with regards to all affairs of the bank and all dealings or transactions of the Bank with other banks or with its customers or others and shall not divulge directly or indirectly any information of a confidential nature either to a member of the public or to an outside agency or to any other employee of the Bank not entitled to such information unless;

- Divulging of such information is in accordance with the law or in accordance with the practices and usages customary amongst Banks;
- He is compelled to divulge such information by Judicial or other statutory authority;

Wherever an employee, by virtue of the nature of his / her duties, is required to access staff accounts maintained with the Bank, all such employees will be bound to ensure confidentiality of all account related information accessed by them for staff accounts and not reveal the details of transactions in any staff accounts unless advised to do so on the orders of a competent authority within the Bank for furnishing such information to statutory, regulatory authorities and law enforcement agencies or for any other purpose with the specific approval of the competent authority. In light of the sensitive nature of information and transactions in staff accounts, any act by an employee towards disclosing details therein without the approval of the competent authority will be treated as a violation of the Code of Conduct rendering the employee liable for disciplinary action.

Any breach of confidentiality will attract stringent actions as per the terms of employment. The Bank also reserves the right to initiate appropriate legal action against such erring employees.

Employment of family members of the Bank's employees in firms enjoying the Bank's clientage and grant of facilities to such concerns

No Employee shall, in the discharge of his official duties, knowingly grant or authorize the grant of any advance or banking facilities to or enter into or authorize entering into by or on behalf of the Bank any contract, agreement, arrangement of proposal in any matter or give or sanction any contract or loan to any undertaking or person if any member of his family is employed in that undertaking or that person or any member of his family has interests in such matters or contracts in any other manner and the Employee shall refer every such matter or contract or loan to his superiors and the matter or contract or loan shall thereafter be disposed off according to the instructions of the authority to whom such reference is made.

Taking up outside employment

- No Employee shall, except with the previous sanction in writing of the Bank, engage directly or indirectly in any trade or business, profession or calling or undertake any other employment (whether full time or part time).
- Provided that an Employee may without such sanction, undertake honorary work of a social or charitable nature or occasional work of a literary, artistic, scientific, professional, cultural, educational, religious or social character, subject to the conditions that his official duties do not thereby suffer; but he shall not undertake or shall discontinue such work if so directed by the Bank.
- Explanation: Canvassing by an Employee in support of the business of insurance agency or commission agency owned or managed by a member of his family shall be deemed to be a breach of this sub-rule.
- If a member of an Employee's family is engaged in a trade or business or owns or manages an insurance agency or commission agency, the Employee shall disclose that fact in writing to the Bank with sufficient details within a month of the coming into force of these rules. Family for this purpose would include the spouse, son, daughter, father, mother, brother and sister wholly dependent on the Employee.
- No Employee shall, without the previous sanction in writing from the Bank, except in the discharge of his official duties, take part in the registration, promotion or management of any bank or other company which is required to be registered under the Companies Act, 1956 (1 of 1956) or any other law for the time being in force or any co-operative society for commercial purposes;
- Provided that an Employee may take part in registration, promotion or management of a co-operative society including Housing Society or Bank's Employees' Co-operative Credit Society registered under the Co-operative Societies Act, 1912 (2 of 1912) or any other law for the time being in force, or of a literary, scientific or charitable society registered under the Societies Registration Act, 1860 (21 of 1860) or any corresponding law in force.
- No Employee may accept any fee for any work done by him for any public body or any private person without the prior written sanction of the Bank.
- No Employee shall act as an agent of, or canvass business in favour of, Insurance Company or Corporations in his individual capacity.

Giving evidence

- Save as provided in sub-rule (2), below no Employee shall, except with a prior written approval from the Bank, give evidence in connection with any enquiry conducted by any person, committee or authority.
- Nothing in this rule shall apply to any evidence given -
 - At any enquiry before an authority appointed by the Government, State Government, Parliament or a State Legislature; or
 - In any judicial enquiry; or
 - At any departmental enquiry ordered by the Bank.

Receiving compensation

- Employees and their immediate families are not permitted to accept fees, other payments or anything of value in connection with any business of the Bank including arranging or procuring a loan or any other service for any person.
- An Employee must never demand or accept anything of value from any person or entity, for directing the Bank's business to such person or for accepting business on behalf of DCB Bank. All placements of the Bank's business and acceptance of business by the Bank must be awarded purely upon business considerations.
- An Employee who is compensated for making a presentation, writing a magazine article, teaching, lecturing, or the rendering of charitable or professional services, or any other activity prepared or conducted using the time or facilities of the Bank, must report such compensation in writing to the Human Resources team. Such compensation, other than nominal honorariums or awards appropriate to the circumstances, will either be returned or donated to an employees' fund.
- Any Employee having knowledge of any possible violation of this section should immediately report such matter to the Employee's Department Head and to his own immediate superior.

Bribery and Corruption

- Bribery and Corruption or receiving illegal gratification damages our business and values. All Employees should oppose all forms of bribery and corruption. In case any incident of bribery is observed or suspected it should be reported and the same will be investigated and action taken as deemed fit.
- All employees should note to report in advance to the Bank cash deposits in their accounts which are disproportionate to the employee's annual income. Wherever, prior intimation is not possible, the Bank should be informed immediately of such cash deposits in the employee accounts.

Accepting gifts and entertainment

- Any Employee who solicits or receives anything of value in connection with the Bank's business, with intent to be influenced or rewarded, may be guilty of an offence and subject to disciplinary action, including criminal action. Employees and their immediate family members are not permitted to accept gifts, entertainment or other favours from existing or prospective customers, suppliers or others whom they may contact in the course of the Bank's business, unless the same is of minimal value. An Employee, however, may accept a reasonable hospitality and entertainment with the prior consent of his / her immediate superior.
- If an employee is in doubt as to whether an offer of a gift or entertainment is "reasonable", immediate reference should be made to the Human Resources Team. Where the non-acceptance of gifts would cause offence, the receipt of the gift must be acknowledged in writing to the donor on behalf of the Bank and not by the employee as an individual. The receipt of gifts, the return of which would cause offence and which are of more than nominal value must be immediately reported in writing to the immediate Supervisor and donated to a staff fund

Q. A client sends an employee two tickets to a Cricket match with a note attached saying "Thanks for your business over the year. Enjoy!" Can an employee accept it?

A. Yes if the tickets are to an ordinary Cricket match without expensive transport arrangements since they would constitute reasonable business entertainment. However if the same tickets are accompanied by air/train tickets would go well beyond "reasonable business entertainment" and should not be accepted.

Money Laundering and Fraud

Disguising or 'laundering' of proceeds from a criminal activity through a bank can seriously damage the integrity and reputation of the Bank. It also deters honest customers from doing business with the Bank and exposes the Bank to severe sanctions.

Obtaining a benefit, often financial, by deception constitutes a Fraud. Fraud is a cost to our business and in serious cases can also affect our reputation and undermine the confidence of our stakeholders.

The Bank supports the drive against crime and is committed to prevent money laundering. The Bank has set procedures to anticipate and reduce the risk of our systems being used for terrorist activities. All Employees are expected to comply with the Bank's policy on "Know your Customer and Anti Money Laundering".

Absence from duty

- No Employee shall absent himself from his duty or be late in attending office or leave the station without having first obtained permission from his immediate superior.
- Provided that in the case of urgent or unavoidable circumstances where availing of prior permission is not possible or is difficult, such permission may be obtained later subject to the satisfaction of his immediate superior.

Lending and Borrowing

- No Employee shall, in his individual capacity –
 - Borrow or permit any member of his family to borrow or otherwise place himself or a member of his family under a pecuniary obligation to a broker or a money lender or a subordinate employee of the Bank or any person, association or persons, firms, company or institution, whether incorporated or not. No Employee shall borrow from any Financial Institution without previously consulting the Bank.
 - Incur debts at the race or indulge in any gambling activities or games of chance.
 - Lend money in private capacity to a constituent of the Bank or have personal dealings with such constituent in the purchase of sale of bills of exchange, Government paper or any other securities; and
 - Guarantee in his private capacity the pecuniary obligations of another person or agree to indemnify in such capacity another person from loss except with the previous permission of the competent authority.
 - Transfer of funds from the accounts of one employee to another employee is not permitted. Similarly, transfer of funds from the accounts of employees to any constituents of the Bank, including customers, and vice – versa is strictly not permitted. Also, transfer of funds from family members to employee accounts and vice versa and using the employee account for routing of transactions for & on behalf of family members is strictly not permitted.

Subscription

- No Employee shall, except with the previous sanction of the Bank, ask for or accept contributions to or otherwise associate himself with the raising of any funds or other collections in cash or in kind in pursuance of any objective whatsoever.

Speculation in stocks, shares and investments

- No Employee shall speculate in any stock, shares or securities or commodities or valuables of any descriptions or indulge in insider trading or shall make investments which are likely to embarrass or influence him in the discharge of his duties.
 - Provided that nothing in this rule shall be deemed to prohibit an Employee from making a bonafide investment of his own funds in such securities as he may wish to buy.

Note: Frequent purchase or sale or both of shares or securities or other investments shall be deemed to be speculation for the purpose of this rule.

Insider information

Insider information is dealing in relevant securities such as shares, bonds and options whilst in possession of non-public price sensitive information whether of the Bank or any other company (“insider information”). Insider trading includes giving tips, advice, and recommendations to another person or dealing on behalf of relatives, friends or any other third parties based on insider information. Insider information pertaining to stocks of DCB Bank or its clients is prohibited and deemed illegal. Employees should not deal or cause someone else to deal in possession of insider information or make a disposal within 30 days from acquisition. All compliance under the insider trading norms / laws / regulations applicable in India will be part of this clause and all employees of the Bank are bound by these.

Indebtedness

An Employee shall so manage his private affairs as to avoid habitual indebtedness or insolvency. An Employee against whom any legal proceedings are instituted for the recovery of any debt due from him or for adjudging him as an insolvent shall forthwith report the full facts of the legal proceedings to the Bank.

Fair treatment to employees

All employees must be treated fairly and with respect. They should be given a patient hearing on issues. Unresolved issues should be escalated through the grievance settlement mechanism.

Consumption of Drugs & Alcohol

DCB Bank is committed to providing a workplace that is free from the effects of drug and alcohol abuse. The following activities are strictly prohibited while an employee is on any Bank owned or operated property, engaged in Banking business, during working hours or breaks, attending Banking activities, or while in Bank-supplied vehicles either during or after working hours:

- The unauthorized use, possession, purchase, sale, or distribution of alcohol, or any amounts of illegal drugs or controlled substances, or drug paraphernalia;
- Reporting to work, or being at work, while under the influence of alcohol or any illegal drug or controlled substance
- which, in the opinion of the Bank, impairs judgment, performance, behavior, or possess a risk to the safety of the employee, guests, visitors, other employees or property;
- Storing in a locker, desk, vehicle, toolbox, or any other place on Bank owned or operated property any alcohol, illegal drugs, controlled substances, or drug paraphernalia; and

- Refusing to submit to an inspection when requested by the Bank. An employee may be tested when the Bank has reasonable suspicion that the employee is under the influence of alcohol or drugs.

An employee who engages in such activities is subject to immediate disciplinary action, including but not restricted to suspension and/or termination or, as a condition of continued employment, may be required to participate in and successfully complete drug or alcohol abuse counseling or a rehabilitation program if necessary.

Sexual Harassment

This policy is made under the overall ambit of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013 and amendments therein from time to time. The elaborated policy is covered comprehensively under the "Prevention of Sexual Harassment (POSH) Policy".

General Note:

If an employee resigns and any acts of misconduct are reported against such employee, the notice period of such employee(s) shall be extended till such time the appropriate authority concludes on the reported misconduct and outcome is communicated to such employee(s).

Acts of misconduct

A breach of any of the provision of these rules shall constitute misconduct and will attract action under the terms of employment. Examples of misconduct:

1. In-attentive work resulting in errors
2. Negligence in performing assigned / expected duties
3. Not adhering to process guidelines (verbal or written)
4. Not following control norms (verbal or written)
5. Neglecting to provide courteous and prompt service
6. Causing undue delays in completing assigned work
7. Not following Bank's rules and regulations
8. Not arriving to work on time without sufficient or legitimate cause
9. Absent without approved leave
10. Committing nuisance in Bank's premises
11. Improper behaviour towards fellow employees, customers or any external entity
12. Unauthorized disclosure of Bank's information via any medium print or digital or verbal
13. Colluding with customers or fellow employees
14. Deliberately or knowingly providing wrong information
15. Not complying with KYC/AML norms
16. Engaging in trade or business without the Bank's prior permission
17. Incurring excessive or unreasonable debts
18. Unauthorized sharing or disclosing customer information
19. Inexplicable credits in the bank account or self or a close relative
20. Speculation in shares of DCB or other companies
21. Trading in DCB shares during closed period
22. Colluding or unduly influencing any external entity that renders service to the Bank e.g. Legal firms, valuer, etc.
23. Deliberately facilitating opening of fictitious Bank accounts

24. Deliberately facilitating opening of accounts for money laundering
25. Tampering or altering bank's records
26. Deliberately destroying Bank's records
27. Delay in reporting operational loss, near miss or suspected fraud
28. Providing unauthorized credit sanction or approval or disbursements
29. Exceeding credit delegation without prior approval
30. Not depositing customer's money in customers account in a timely manner
31. Accepting personal favours or high value gifts from customers
32. Offering any kind of bribe / personal favours (monetary or otherwise)
33. Selling products other than what is authorized by the Bank
34. Using Bank or personal information for personal gain
35. Sharing of passwords
36. Making false expense claims, investment declarations and providing false investment proofs and fabricated quotes for any type of loans (including staff loans)
37. Having personal dealings with Bank's customers
38. Issuing Bank Guarantee (BG), Letters of Credit (LC), Letters of Undertaking (LOU), Letters of Comfort (LOC), etc. without appropriate recording in the Bank's books
39. Release of title documents, securities, etc. without appropriate prior approval
40. Deliberately giving false certificates, balance confirmations, etc.
41. Not being present in trainings after confirming attendance
42. Completing OSV without having met the customer and sighting the originals
43. Consumption of drugs or alcohol during office hours or otherwise getting intoxicated while at work (either in the Office or in the bank's premises)
44. Incorrect or inappropriate posting on facebook, social media, twitter, whatsapp, etc. prior to raising grievance, if any, with Human Resources
45. Levying adhoc penalties or fines on employees without authorization by Human Resources
46. Use of Racial Comments - color, caste, religion, language, physical attributes, family
47. Any form of sexual harassment, which includes any unwelcome acts or behaviours as highlighted in the Prevention of Sexual Harassment Policy (POSH) of our Bank
48. If the "Contact Point Verification" (CPV) for new CASA or any other new account is found to be negative then a penalty of Rs.5,000/- shall be levied on the employee who has sourced the account and the employee who has verified such new CASA or any new account.
49. Any other misconduct

Any misconduct will lead to disciplinary action and will result in one or more of the following:-

- a) Warning letter / Reprimand
- b) Minimum penalty of Rs.25,000/-
- c) Any Password sharing may lead to loss of employment
- d) Recovery of loss suffered by the Bank
- e) Withholding of increment
- f) Withholding of promotion
- g) Withholding of bonus
- h) Withholding of gratuity and PF (as permitted by law)
- i) Termination
- j) Legal action
- k) Informing regulators and future employers
- l) Any other action as deemed fit by Disciplinary Action Committee

“Speak Up” Policy (Whistleblower)

In case any employee is aware of any issue, which can cause financial loss, or loss of reputation to the institution, the employee needs to inform the concerned Departmental Head or Chief Compliance Officer (ccompliance@dccb.com) or the Head–Human Resources of the same. Any such issue, which is raised, will be recorded, reviewed and where required investigations will be held. Suppression of such information on the part of the Employees will be viewed seriously and will entail exemplary punishment under the relevant rules. The Bank will ensure confidentiality of the process and details of the complainant. The Bank will also ensure that employees are not subject to harassment arising out of this process. Employees shall not use this mechanism for raising general complaints.

Interpretation

The above are only illustrative and not exhaustive. If an employee has any issue as to the application or interpretation of any of these rules he/she shall refer it to the Compliance Officer of the Bank for advice.

EMPLOYEE CODE OF CONDUCT ACCEPTANCE

**To,
Human Resources,
DCB Bank Limited**

I confirm having read, understood and accepted all the terms and conditions within DCB Bank Limited's ("Bank") Code of Conduct & its implications.

I am aware that in case of my failure to comply with the Code of Conduct, the "Bank" can initiate disciplinary action against me as per the process.

Further, I hereby declare that I am a Staff member of DCB Bank Limited and that, all monies deposited in accounts under my Customer ID are my own and belong to me. I further declare that I shall not deposit funds in all such accounts attracting staff rate under my Customer ID which do not belong to me.

Yours Truly,

X

Signature of the Employee:

Name:	
HRMS No:	
Designation:	
Branch/Office:	
Date:	