



CODE OF CONDUCT

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CODE OF CONDUCT

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CODE OF CONDUCT

Table of Contents

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER.....	4
BSP Group Commitments	5
Introduction.....	7
Our Obligations.....	8
The Four Pillars of Our Code.....	9
Honesty & Integrity	10
Professional Behaviour.....	11
Respecting Each Other	12
Social Responsibility	13
Related Policies.....	14

CODE OF CONDUCT

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER



On behalf of the Board and the Executive Committee, I am pleased to present BSP's Code of Conduct and Ethics.

BSP's Board of Directors and Executive Management have fully endorsed this Code and are personally committed to ensuring that all staff always operate within its framework in the way we do business and in our relationships with our stakeholders.

This Code describes the values and minimum standards for ethical business conduct that we expect all of our employees to follow.

These values and standards govern employee interactions with our clients, competitors, business partners, government and regulatory authorities, and shareholders, as well as with each other.

They also form the cornerstone of our policies, which provide detailed guidance on compliance with applicable laws and regulations.

Our shared commitment to the maintenance of these standards and compliance with legislative requirements helps create a positive work environment for all employees and representatives, a great experience for our customers and a strong reputation in the community.

It is important that we demonstrate our values of Integrity, Leadership, People, Professionalism, Quality, Teamwork and Community in all that we do. Our standards are set out in the Code of Conduct, and detailed in this guide to working with us and I urge that you read through them, understand them, and live by them.

We expect our management and supervisors to set an ethical example for how to behave in the workplace and lead by example.

If you have any queries, seniors in your reporting line will be able to assist.

Robin Fleming
Chief Executive Officer

CODE OF CONDUCT

BSP Group Commitments

We act with honesty and integrity

We are constantly judged by how we act. Our reputation will earn the respect it deserves if we act with honesty and integrity in all our dealings and do what we think is right at all times, within the legitimate role of the business.

We value and maintain our professionalism

Professionalism is conduct, which fosters and preserves our reputation as individuals and the reputation of BSP. More than simply conducting ourselves ethically, it involves the pursuit of excellence, as we strive to achieve the highest quality in our work.

As Directors and employees we must always act in an ethical and professional manner. If we compromise this principle, we will lose the respect and confidence of our colleagues, customers and business associates.

We respect confidentiality and do not misuse information

In ensuring confidentiality is maintained and information is not misused, our behaviours include the following:

- When we join BSP we commit to keeping confidential, information which we learn about BSP and our customers. We maintain this confidentiality even after we have left BSP.
- We do not encourage or pressure others to disclose confidential, sensitive or privileged information, including individual remuneration details.
- We do not use confidential information for personal gain, or for the gain of others such as friends, relatives or business associates.
- We treat as confidential BSP's business affairs and those of our Customers and business associates. We comply with laws, which govern the use and disclosure of information.

We respect our legal & regulatory commitments, internal policies & procedures and act accordingly

It is essential that we comply with the laws and regulations in the countries we operate within and as they apply internationally. Violations of laws and regulations can have serious consequences for BSP and the individual concerned (including criminal and civil sanctions). We comply with laws and regulations, not simply because they are law but because it is right to do so. We will maintain sound relations with the Banking Supervisors and work with the supervisor to ensure the prudential soundness of BSP.

CODE OF CONDUCT

We avoid conflicts of interest and do not make or receive improper payments, benefits or gains

A conflict of interest occurs where a Director or employee has personal or professional interest sufficient to influence, or appear to influence, the objective performance of their duties and responsibilities to BSP.

We do not participate in activities that involve and conflict with our duties and responsibilities to BSP, or which are prejudicial to the business of BSP.

We strive to be a good corporate citizen and to achieve our social responsibilities

We uphold BSP's commitment to good corporate citizenship while pursuing its business objectives.

We treat others with respect and maintain a safe working environment

We treat our colleagues, clients and others with whom we interact in a business environment with respect, dignity, fairness and courtesy.

We immediately report any breaches of our Code

Directors who breach this Code of Conduct may face disciplinary action including suspension and or removal as a Director. Employees who breach this Code of Conduct may face disciplinary action and possible termination.

CODE OF CONDUCT

Introduction

This **CODE OF CONDUCT** is applicable to BSP and all its Subsidiaries; plus Joint Venture Partners where BSP holds a controlling interest.

The Code of Conduct document is a primary document of BSP outlining the shared responsibilities of both members of the BSP Board (**Board**), the executive management team and employees in ensuring professionalism, honesty and integrity in our dealings.

“Each of us is responsible for our own behaviour and we all need to take accountability for the behavioural choices we make. This Code is designed to help you make informed choices about your behaviour and to communicate our values of teamwork, honesty and performance.”

Consistent with BSP's **values** of integrity, professionalism, leadership, quality, people, community, teamwork and community, the Board of BSP has, over many years, developed and implemented a series of policies and practices which support our expected code of conduct.

This Code of Conduct aims to provide details on the standards of ethics, conduct and behaviour that each person must comply with as a condition of their appointment or employment with BSP.

It does not contain a complete list of specific behaviours or conduct but sets out the minimum standards of responsibility and conduct expected of directors and employees of BSP.

This Code **does not address every situation that may arise**, and we expect all directors and employees to be guided by **both the letter and the spirit** of this Code's provisions and to seek guidance when appropriate. We must act responsibly at all times.

Reflected in the Code of Conduct is the importance of trust and confidence in the relationship between BSP, its directors and employees.

If these essential elements of trust and confidence are breached by directors or employees, BSP has to review, and if necessary end, the employment relationship.

CODE OF CONDUCT

Our Obligations

Each and every director and employee are required to read BSP's Code of Conduct and acknowledge this in writing.

BSP expects that its directors and employees will at all times conduct themselves with the highest standard of personal integrity and honesty and carry out their duties in a professional manner.

Set out below are BSP's ethical standards of conduct, which are consistent with our core values.

By joining BSP, our employees also agree to be bound by, and uphold all policies, instructions and procedures of BSP, including any that may be introduced in the future.

As an overriding principle, directors and employees are expected to maintain their professional conduct and give due regard to the interests of BSP and its shareholders at all times in the course of their appointment or employment with BSP.

Our employees are therefore obliged to:

- Become familiar with how to recognise and monitor their business area for compliance breaches as soon as they occur.
- To report breach of any laws or internal standards by anyone as soon as they become aware of them.
- If an investigation of an actual or potential compliance or legal breach or failure occurs, it is expected that employees will co-operate fully with BSP's Operational Risk and Compliance Team and provide them with information in a complete, accurate, fair, comprehensible and timely manner.

BSP will not tolerate dishonest or unethical behaviour by directors or employees in collusion with customers.

Those who violate the Code or BSP policies and procedures will be subject to disciplinary action, up to and including dismissal.

Disciplinary measures will also apply to anyone who directs or approves infractions or has knowledge of them and does not promptly move to correct them.

The Four Pillars of Our Code

In congruent with BSP's Values, the foundation of our code consists of basic standards of business as well as personal conduct:

- **Honesty and Integrity**
- **Professional Behaviour**
- **Respecting each other**
- **Social Responsibility**

CODE OF CONDUCT

Honesty & Integrity

We **comply with the laws, rules, and regulations** of the countries in which we operate that apply to our day-to-day activities, as well as our own internal policies, standards, and procedures.

We **promote BSP's core values** of Integrity, Leadership, People, Quality, Teamwork, Community and Professionalism in everything we do.

We seek to **outperform our competition fairly and honestly** seeking competitive advantages through superior performance, never through unethical or illegal business practices.

It is unacceptable for us to solicit, accept offer, promise or pay **bribes** or receive **kickbacks** and we will not engage in misleading, fraudulent or deceptive conduct.

We will provide **honest, accurate and complete information** to staff, customers, suppliers, competitors or others associated with BSP. We refrain from giving evasive or untrue answers to statements, making **false statements**, providing misleading information or keeping silent when to do so could be misleading.

We **will not take advantage** of customers or others by applying pressure or otherwise acting unconscionably or unethically in dealings with them.

When speaking in a forum in which audiences would reasonably expect that we are **speaking as a representative of BSP**, we generally state only BSP's view and not our own.

We use all **assets** belonging to BSP and to our clients, including tangible, intellectual and electronic assets, in a manner both responsible and appropriate to the business and only for legal and authorised purposes and will ensure that such goods, services or facilities are properly protected from loss, theft or damage.

We do not provide or accept any **gift or entertainment** which, to a reasonable person, will seem inappropriate or abnormal. We will not solicit, encourage or accept gifts or benefits if it could be reasonably seen as an incentive to act in a particular way, or to place a staff member under an obligation that may either directly or indirectly compromise or influence them in their official capacity. Reference to the following policies is also appropriate: -

- Gifts and Entertainment Policy;
- Anti-Bribery and Anti-Corruption Policy.

We do not engage in any activities in relation to our **personal finances** which may adversely impact on BSP's reputation and/or discredit BSP.

CODE OF CONDUCT

Professional Behaviour

We will maintain the highest standards of **professionalism** in our dealings with customers, staff, competitors, suppliers or other parties in order to produce work of the highest quality and will not act outside our authority.

We will create and maintain a strong **reputation** and **corporate image** for BSP in the community; and ensure that our personal standards are consistent with BSP's reputation in the community.

We will at all times ensure that our **personal presentation** standards are in keeping with BSP's professional image. If for example we are wearing BSP's corporate uniform, we will not say anything or engage in any activities which will adversely impact on BSP's reputation and corporate image.

We will constantly strive to acquire a thorough **knowledge** of BSP's policies, standards, procedures and instructions which are relevant to our specific position or role and BSP's products and services generally.

We respect the **confidentiality and privacy** of our clients, our people and others with whom we do business. We will only provide advice or make disclosures to customers on matters which we are authorised and competent to discuss or advise on.

We aim to **avoid conflicts of interest**. Where potential conflicts are identified and we believe that the respective parties' interests can be properly safeguarded by the implementation of appropriate procedures, we will implement such procedures.

We will not participate in any business activities or enter into any business arrangement, or accept any employment with another **business outside our employment** with BSP that could have an adverse impact on our ability to carry out our responsibilities and duties to BSP. In PNG (or in other jurisdictions as necessary), any staff who wishes to be involved in any business outside BSP will require prior approval from General Manager Human Resources (Group CEO for General Managers/ Country Managers) with the appropriate recommendation from the Business Unit Head.

If we intend to stand/**nominate for** election to the National Parliament, Provincial Assembly or Local government body, Staff will have to resign from BSP with adequate advance notice.

We will invest in the ongoing **enhancement of our skills**, competencies and abilities and will attend all compliance training programs and assessment modules available and delivered as per BSP annual training program.

CODE OF CONDUCT

Examples of Confidential information:

- Any information or material (which is not generally available to the public) generated, collected or used by BSP which relates to its business affairs, products, research and development activities, customers, employees or third party relationships. This includes both information marked as “confidential” and any information which is otherwise known to be confidential. Confidential information may come in various forms including computer systems software files, customer names or customer information details, BSP manuals, BSP policies, procedures or instructions. Hence employees will not use BSP’s name, or any BSP confidential information obtained during their employment or appointment with BSP (regardless whether this information is available to the general public) for personal gain or for the benefit of others.
- We will not directly or indirectly, communicate price sensitive information about BSP’s products to a person who is likely to deal or trade in those products. We will read, understand and comply with BSP’s Securities Dealing Policy.

Respecting Each Other

We treat our colleagues, clients and others with whom we interact in a business environment with **respect, dignity, fairness and courtesy**.

We discourage bullying, intimidation or any other forms of unfair treatment.

We will act with integrity in our communications and **will not initiate or perpetuate rumours**.

We are committed to maintaining a work environment that is **free from discrimination, harassment (including sexual harassment) and retaliation**.

We **behave appropriately whilst entertaining** both on BSP’s premises or offsite and at BSP or social functions.

We will not carry out our duties or responsibilities to BSP while under the influence of **alcohol or any other drugs (including Betelnut and kava)**.

We take pride in the diversity of our workforce and view it as a competitive advantage to be nurtured and expanded.

We support BSP’s Equal Employment Opportunity and diversity principles.

We avoid patronage and favouritism in all matters pertaining to recruitment, promotion, transfers and personnel administration.

We try to balance work and private life, and help others to do the same.

CODE OF CONDUCT

Social Responsibility

We provide and maintain a **safe, healthy and efficient environment** on BSP's premises for all our customers, staff and visitors who come onto BSP's premises.

We act in a **socially responsible manner**, within the laws, customs and traditions of the countries in which we operate, and contribute in a responsible manner to the development of communities with the goal to enhance social sustainability.

We view **Corporate Social Responsibility (CSR)** as an integral part of BSP and as an investment in society and in our own future. We encourage the support of charitable, educational, health and community service activities.

We aspire to act in a manner that minimises the detrimental environmental impacts of our business operations.

We are an active participant in international and local efforts to combat financial crime, including fraud, corruption, money laundering, and the funding of terrorist and criminal activities.

Some of the ways in which we contribute to maintaining a safe, healthy and efficient environment on BSP's premises include:

- To comply with any legal requirements which regulate my working environment and public areas of BSP's premises.
- To comply with BSP's Occupational Health, Safety and Welfare Policy, and any other procedures and instructions relating to BSP's premises.
- To report any accidents, work injuries, work related illnesses or dangerous occurrences which take place on BSP's premises to appropriate reporting lines
- To report any risks on BSP's premises which affect the health and safety of BSP's customers, staff or other visitors to my line manager / supervisor or BSP's Occupational Health, Safety and Welfare officer.
- To maintain a safe and tidy work area at all times.

CODE OF CONDUCT

Related Policies

- Employee Behaviour Management Policy
- Conflict Of Interest Policy
- Fraud & Whistle-blower Policy
- Gifts & Entertainment Policy
- Information Security Policy
- Grievance Policy
- Occupational Health, Safety and Welfare Policy
- Pandemic Policy
- Physical Premises Security Standards
- Continuous Disclosure Policy
- Complaints Handling Policy
- Anti-Bribery and Corruption Policy
- Consolidated Industrial Agreement / Award (PNG, Fiji and Solomon Islands)
- Incident Reporting Policy