



## Code of Ethics and Business Conduct

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### Our Core Values





# **Code of Ethics and Business Conduct**

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## **1. Our Code of Ethics in Context**

### **A message from the Managing Director**

Petra Microfinance Bank Plc. (the Bank) is committed to creating sustainable stakeholder value built on growth-inducing, quality customer service and to strive for a leadership position in its market segment. The deployment of efficient service-delivery infrastructure and efficient marketing strategies is expected to delight and retain a growing customer base that leads to sustainable bank operations leveraging the combination of technology and excellent customer service in the provision of financial services.

To succeed in meeting up with our goal, we have agreed on a number of common guidelines, such as our values. These imply a common decision-making framework which is clearly defined in our Code of Conduct, designed to facilitate greater empowerment and faster decision-making at all levels of our business and to ensure that we adhere to the highest standards of responsible business practice in our interactions with all our stakeholders.

Kindly go through our Code of Conduct as it relates to you and your relationship with the Bank. If you are personally faced with, or observe, situations that could run contrary to our conduct – our core values and ethical principles – you have an obligation to resolve or report these incidents, using the approaches described in the Code of Conduct.

We are personally committed to our Code of Conduct and appeal to you to make the same commitment.

**Signed Management**



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### **2. Purpose and use of our Code of Ethics**

#### **Why a Code of Ethics?**

The Bank's Code of Ethics;

- ✓ Provides clear parameters about acceptable principles within which the Bank's employees are empowered to make decisions and act
- ✓ Acts as an important reference point for current and future policies and
- ✓ Is in line with best practice in terms of governance and compliance.

#### **What is in the Code of Ethics?**

The Code of Ethics defines our values in greater detail and provides structure and guidance for value-based decision making. It is consistent with the laws of Nigeria in which the Bank operates.

#### **Use of the Code of Ethics**

The Code of Ethics will be;

- ✓ used as an important reference point for employees when they are personally resolving any ethical issue that they may encounter.
- ✓ used to provide context and input for performance agreements and supporting mechanisms
- ✓ used to seek guidance if unsure about what to do in any situation

### **3. Our values and ethical principles**

#### **Our values**

Our values serve as beacons to guide our actions and decisions.

- ✓ Customer Satisfaction
- ✓ Integrity
- ✓ Team Spirit
- ✓ Passion
- ✓ Empathy

#### **Our ethical principles**

Our ethical principles provide us with more detail about how our values apply in the workplace, including guidance on their application in specific situations.

### **4. Applying the Bank's Values**

Taken together, our five values guide us towards an overall message in our dealings with our key stakeholders, being our customers, employees and shareholders.

The whole aim of the bank and the overall message is to place customers at the centre of all that we do, to become and remain a sustainable and relevant business and to deliver appropriate returns to our **shareholders**. We believe that shareholder wealth and the well-being of our employees are the result of effective customer service.



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In order to achieve the above, we believe we need to;

- ✓ focus our energy and attention on providing our customers with the products, services and solutions that suit their needs.
- ✓ encourage and assist our people to develop to their full potential.

To achieve the above, we will strive to see that everything we do for our customers and our people are based on sound business principles divided into four guidelines in the way in which we work with one another as below:

- ✓ We **proactively** anticipate, in a carefully considered way, rather than react to situations for which we are unprepared.
- ✓ We believe that as a **team**, we shall achieve much greater success than as individuals.
- ✓ We demonstrate **respect** for all people and for the values and principles of the Bank.
- ✓ It should be apparent to all our stakeholders that **integrity** permeates everything we do.

### 5. Living our values

**5.1 Customer Satisfaction** -We do everything possible to ensure that we satisfy our customers by keeping them informed and providing them with excellent products, services and solutions to suit their needs. Everything we do for our customers are based on sound business principles.

**Principles:**

- **Keeping customers informed**
  - a) give customers clear and appropriate information at all times
  - b) keep customers informed of any change as it relates to their account and the business
- **Providing excellent products, services and solutions**
  - a) provide products, services and solutions that are designed to meet the needs of identified customer groups
  - b) ensure that products, services and solutions are targeted accordingly
  - c) protect the confidentiality of all customer information
- **Determine customer needs responsibly**
  - a) give advice to customers based on their circumstances
  - b) not grant credit facilities without being aware of the customer's level of debt, cash flow and their ability to repay it.
- **Meet customer expectation**
  - a) offer customers products, services and solutions that are of an acceptable standard and in line with policies
- **Be fair to customers**
  - a) ensure that customers are central to our strategy and the way we do business
  - b) treat all customers fairly
  - c) apply policies appropriately to all customers, regardless of gender, race, religion, sexual orientation and the like
  - d) conduct ourselves with the highest levels of integrity when dealing with customers



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- **Keep our processes easy and simple ;**
  - a) customers should not face barriers when they want to change products, submit a claim or complain
  - b) we should either resolve or report incidents of bad or inappropriate service as quickly as possible

**5.2 Integrity** – We uphold the highest levels of integrity, our entire business model is based on trust and integrity as perceived by our stakeholders, especially our customers.

### **Principles:**

- **Being honest** - We should act truthfully and honestly with all stakeholder groups, such as employees, customers, shareholders, suppliers and competitors. Being honest also implies observing the laws, rules and regulations of Nigeria and all governing bodies. We should not misrepresent ourselves or the Bank, not submit false information, not manipulate systems for improper personal gain, not engage in activities such as “insider trading” and not engage with competitors in ways that go beyond accepted competitive practice.
- **Avoiding both actual and perceived conflicts of interest** - We should avoid placing ourselves in positions in which personal interests conflict with our duties to the Bank. This includes disclosure of personal or family interests that could influence business dealings with the Bank. When representing the Bank, we should actively manage, conflicts of interest between different areas or between the Bank and its customers
- **Accepting gifts and entertainment responsibly** - We should never accept or give cash as a gift, and non-cash gifts or entertainment if the impression is created that an improper business advantage could be secured. Follow bank policy on prohibition or limits within which we should declare acceptance of non-cash gifts and entertainment.
- **Avoiding illegitimate commission payments** - We should pay and disclose commission for business brought to the Bank only to legitimate agents. We should not pay commissions or fees to agents for the purpose of engaging in illegal or unethical activities, or commissions or fees that cannot reasonably be justified (in nature and amount) for the type of work required.

**5.3 Team Spirit** - We appreciate that, as a team, we can achieve much greater things than as individuals. We value teams within and across departments and units.

### **Principles:**

- **Being individually accountable for our actions** - Individuals, working in teams should be clear on what their roles are and be personally accountable for their responsibilities within the team.
- **Preventing favouritism** - We should guard against favouritism by not allowing friendships or personal preferences to influence decision making
- **Extracting value from different perspectives** - We should value and encourage diversity, since it allows different perspectives and viewpoints to emerge. This includes diversity in the demographics of team make-up, and in thinking and working styles
- **Working in unity** - We should promote interdepartmental, inter-unit and interpersonal cooperation for the good of the Bank and its stakeholders. This includes sharing successful means of product, service, solution or process improvement.



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- **Acknowledging both individual and team contributions** - We should give credit to individuals when it is due and credit to teams when it is due. In doing so, we should recognise that the ultimate team is the Bank and this is where individual's first loyalty should lie.
- **Combating and reporting unethical and criminal activities** - We have an obligation to seek advice or report unethical conduct or criminal activity, or suspicion thereof, including theft, fraud, corruption or intimidation. Whistle-blowers should be protected from victimisation.

**5.4 Passion** – We understand that passion encourages our professional success as well as enjoyment of our job and our lives in general.

### **Principles:**

- **Understand Our Impact** – We clearly understand the positive impact our work is having on businesses, individuals and their families financially which automatically impacts the society at large. We should constantly connect with the purpose of what we do and see the difference that we're making. These impacts should always be at the forefront of our minds and should keep us passionate about what we do.
- **Learning** – Despite how experienced we are on the job and products we sell, we should understand that we can still learn new things about our line of work. So we should constantly make efforts to stay current and to engage with the latest information pertaining to our field. By remaining inquisitive and open to learning, we gain new ideas throughout every stage of our career so we can service our customers better.
- **Always have integrity** – We should understand that “Integrity is everything. So regardless of how we're feeling about our work, we should never lose an ounce of integrity. We should never back down but keep doing our best. Whenever we commit to something, we should follow through on that promise. Protecting our accountability is a keystone to prolonged success
- **Dress to Impress** – We should always dress well to work. Even if we're not feeling passionate about our work, we can at least feel good about how we look. Dressing well to work will help us feel more confident. It'll also reflect well on the Bank and on us. Feeling good about one's dressing can help kindle some passion about going to work every day.

**5.5 Empathy** - We understand how important it is to understand our customers' thoughts and feelings, listening to them and taking their concerns into consideration in all our dealings with them and as regards our products.

### **Principles:**

- **We Listen** - When our customers come to us with questions and concerns, we should listen actively. We should listen to our customers with full attention because our time spent listening to them is just as valuable as theirs is and better listening means solving their problems in a timely manner.
- **Bonding - Being** empathetic with our customers will enable us understand them, their business, their fears and challenges better. This will make us bond well with our customers and will enable us build long-term, mutually beneficial relationships with our customers.
- **Master the Art of Asking Questions** – We should not only be good listeners to our customers but we should also ask the right questions so we can get to the root of our customers' challenges. When we ask thoughtful questions of our customers, we're basically telling them that we can hear and feel them while at the same time asking them what we can do to help. We should also ask



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specific question so we can better understand our customers. This feed backs also assist us in creating new products for our customers.

- **Walk in Your Customers' Shoes** – We understand that unless you've shadowed our customers or have worked in their position, you may have little to no grasp on what their challenges or concerns. So we should always approach our customers' concerns with open minds.

**6. Ethics enabling mechanisms** – All staff members are to make sure that all decisions and actions to be carried are in line with the Code of Ethics. If the staff member suspects or believes that he/she has observed conduct inconsistent with the Code of Ethics. The staff member should;

- ✓ Clarify whether such conduct is indeed problematic;

or

- ✓ Report the conduct and individual involved.

In such situations, the Bank provides safe and reliable enabling mechanisms for staff members to work through and resolve issues, namely, the;

- ✓ Ethics advice process; and
- ✓ Ethics reporting process.

Please note the following;

- Where possible, you should attempt to resolve a particular issue where it happened, or through the advice process (or other applicable business unit informal processes), before reporting it; unless reporting is appropriate in line with unit procedures (for example, whistle-blowing procedures) or when you suspect theft, fraud, or corruption.

**6.1 Ethics advice process** - You have an obligation to confidentially seek advice by following the process below until your issue has been addressed.

1. Resolve the issue by yourself, or with one of your team members, by referring to a principle in the Code of Ethics
2. By means of a confidential discussion with your unit head - If you believe that you cannot do this for any reason (or if those involved have any doubt about their judgment):
3. Resolve the issue by means of a confidential discussion with the internal auditor - If you believe that you cannot do this for any reason (or if those involved have any doubt about their judgment):
4. Resolve the issue by means of a confidential discussion with the MD.

Please note the following;

- The Bank requires all employees to request ethics advice in the event of uncertainty.
- All management staff/unit heads are required to deal with requests for ethics advice with the strictest confidentiality.
- Where possible, employees should follow the appropriate bank procedures, and when such procedures do not contain an informal process, employees should report issues under the applicable reporting mechanisms.



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**Confidentiality** - Confidentiality means that the management staff or unit head to whom you speak will know your identity, but will not make it known to anyone else, unless there is a legal obligation to do so or the ethics officer deems there to be a serious reputational risk to the bank.

**6.2 Ethics reporting process** - You have an obligation to confidentially or anonymously report observed conduct that is inconsistent with the Code of Ethics and is causing harm to the Bank by following the processes below until your issue has been addressed. Please note, however, that when applicable, management can set out alternative reporting mechanisms.

There are different processes to follow, depending on whether the issue involves theft, fraud or corruption, or other conduct contrary to the Bank's values and ethics.

If the issue involves theft, fraud, or corruption:

1. Report the issue confidentially to your unit head. If you believe that you cannot do this for any reason (or if those involved have any doubt about their judgment):
2. Report the issue confidentially to the internal auditor or whistle-blowing mechanism. If the issue involves other conduct contrary to our values and ethics:
3. Report the issues confidentially to the MD. If you believe that you cannot do this for any reason (or if those involved have any doubt about their judgment):
4. Report the issue via the Ethics and Fraud Hotline (see notes below) or whistle-blowing mechanism.

Issues that are reported will be subject to an informal preliminary investigation, after which they will be resolved through one of the following mechanisms (depending on the nature of the issue):

- ✓ Referral to one of the bank's informal appropriate procedure; or
- ✓ Referral to the appropriate bank compliance or other processes; or
- ✓ Referral to the internal auditor for further investigation and action;

Please note the following;

- Confidential rather than anonymous reporting is encouraged. While anonymous reports will be accepted, they may not be acted upon. The reason for this is that it is very difficult to act on allegations without knowing the affected parties or when the evidence is incomplete.
- Anonymity means that you do not reveal your name when reporting an issue. Nobody will know your identity unless you choose to tell someone.
- All reports will be logged with the internal control officer.
- Malicious reporting will be viewed in a very serious light.

### **6.3 Custodianship**

Every employee has a stake in the Code of Ethics.

The MD, the internal control officer and the management staff are the formal custodians of the Code of Ethics and are responsible for its management and improvement.

If you have any queries or suggestions regarding the content of the Code of Ethics, please feel free to contact the internal auditor via the whistle-blowing mechanism.



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### 7. Contact details for Ethics and Fraud Hotlines

At Petra MFB Plc we have many different contacts where you can direct questions and get help. You are encouraged to contact management using any of the resources below whenever you have any concern;

Telephone: +2348115396696

Email: info@petramfbank.com;

whistleblowing@petramfbank.com

#### Review & Approval

This Code of Ethics and Business Conduct Policy and Procedure has been reviewed and approved by the undersigned

Position	Name	Signature	Date
Chairman, Board of Directors			
Chairman, Board Audit and Risk Management Committee			
Chairman, Establishment and Governance Committee			