



**State Bank of India**

**Australia Branch**

**Fit and Proper Policy**

State Bank of India  
Australia Branch  
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## CONTENTS

<b>CONTACT FOR ENQUIRIES AND CHANGES</b> .....	2
<b>RECORD OF ISSUE</b> .....	2
1. OBJECTIVES .....	6
1.1 PURPOSE OF POLICY .....	6
1.2 AUSTRALIAN PRUDENTIAL REGULATION AUTHORITY .....	6
1.3 SCOPE.....	6
1.4 APPROVAL .....	7
1.5 POLICY COMMENCEMENT AND ANNUAL REVIEW .....	8
1.6 DEFINITIONS .....	8
2. APRA.....	8
2.1 APRA’S POWERS.....	8
3. NOTIFICATION AND REPORTING .....	9
3.1 PUBLIC DISCLOSURE.....	9
3.2 RISK MANAGEMENT SYSTEM DESCRIPTIONS.....	9
3.3 REGISTER OF RESPONSIBLE PERSONS AND MONTHLY MONITORING CONTROL .....	9
3.4 NOTIFICATION TO APRA OF RESPONSIBLE PERSONS .....	9
4. DUTIES OF RESPONSIBLE PERSONS.....	10
5. FIT AND PROPER ASSESSMENT .....	11
5.1 DEFINITION OF “FIT AND PROPER”.....	11
5.2 ASSESSMENT CRITERIA .....	11
5.3 ASSESSMENT CRITERIA – “COMPETENCE” .....	12
5.4 ASSESSMENT CRITERIA – “CHARACTER” .....	12
5.5 RESPONSIBLE AUDITOR.....	13
5.6 SENIOR OFFICER OUTSIDE AUSTRALIA (SOOA) .....	14
5.7 FIT AND PROPER DECISION.....	14
6. ASSESSMENT PROCESS.....	15
6.1 OVERVIEW OF PROCESS AND TIMING.....	15
6.2 ASSESSMENT PROCESS FOR NEW APPOINTMENTS TO RESPONSIBLE PERSON POSITIONS.....	15
6.3 ANNUAL REVIEW OF RESPONSIBLE PERSONS .....	16
6.4 CESSATION/CHANGE OF RESPONSIBLE PERSON.....	16
7. FIT & PROPER BREACHES .....	17

7.1	DEFINITION OF A BREACH.....	17
7.2	PROCESS FOR DEALING WITH BREACHES.....	17
7.3	NOTIFICATION AND INTERNAL REPORTING OF BREACHES.....	18
8.	WHISTLEBLOWING RESPONSIBILITIES .....	18
9.	PRIVACY ACT .....	18
	APPENDIX 1 FIT & PROPER ASSESSMENT OF SOOA:.....	19
	APPENDIX 2 FIT & PROPER ASSESSMENT OF CEO:.....	25
	APPENDIX 3 FIT & PROPER ASSESSMENT OF non-SOOA & non-CEO (including Auditors): .....	31
	APPENDIX 4: FIT & PROPER CHECKLIST (TO BE COMPLETED FOR ALL RESPONSIBLE PERSON ASSESSMENTS).....	41

## 1. OBJECTIVES

### 1.1 PURPOSE OF POLICY

This document provides the policy to assess the fitness and propriety of the SBI Australia branch's (SBIA, the branch) Responsible Persons both prior to their appointment and on an ongoing basis. The document also sets out the procedures for dealing with Responsible Persons who fail to meet the SBIA branch's fit and proper criteria.

The Branch must provide a copy of this Policy to:

- a) Any person applying for a Responsible Person position, ahead of their final interview for the role; and
- b) Any other person before an assessment of their fitness and propriety is conducted.

As per this policy a fit and proper assessment is to be completed before a person becomes holder of a responsible person position unless they hold the position:

- a) Because of resolution of member of the regulated institution; or
- b) Because APRA has determined that the person is responsible person as the person plays a significant role in the management or control of the regulated institution or that the person's activities may materially impact on prudential matters.

In such cases, SBIA must complete the assessment of the person within 28 days of person becoming the holder of the responsible person position.

This Policy should be read in conjunction with any other relevant SBIA policies issued from time to time and compliance with such policies will be considered as part of the assessment criteria relating to the fitness and propriety of Responsible Persons. Responsible persons will be required to attest that they have read and understood this Policy when they join SBIA.

### 1.2 AUSTRALIAN PRUDENTIAL REGULATION AUTHORITY

SBIA is regulated by the Australian Prudential Regulatory Authority ("APRA") and compliance with any Prudential Standards issued by APRA is a mandatory requirement to remain authorised by APRA to operate in Australia.

The "Fit and Proper Policy for Responsible Persons – SBIA" ("the Policy") is based on APRA's Fit and Proper Prudential Standard (CPS520) and associated non-binding Prudential Practice Guides. The Standards set out requirements for determining the fitness and propriety of individuals in Responsible Person positions and are required by APRA to be applied by authorised deposit-taking institutions.

This Policy covers APRA requirements only and does not deal with the requirements set by the Australian Securities and Investments Commission ("ASIC") regarding Responsible Officers, nor on the ASX Corporate Governance Council – Principles of Good Corporate Governance and Best Practice Recommendations, although there are number of areas of commonality. Indeed, if a Responsible Person is also a Responsible Officer of the holder of an Australian Financial Services License then assessments made under this Policy may take into consideration similar assessments made in relation to the Responsible Officer position, provided that information is current.

### 1.3 SCOPE

This is policy for SBIA, applicable to Responsible Persons directly connected with the Organization.

This Policy is to be applied in a consistent manner to all Responsible Persons, irrespective of whether they are direct employees or contractors of the SBIA, or employees of a third party (such as Auditors).

The responsible person is any of the following:

- (a) Senior Manager of SBIA
- (b) Senior Officer Outside Australia (SOOA)
- (c) an appointed auditor

The Senior Manager means the following person:

- (a) makes, or participates in making, decisions that affect the whole, or a substantial part, of the business of the SBIA;
- (b) has the capacity to affect significantly SBIA's financial standing;
- (c) is ordinarily resident in Australia, except for the SOOA;
- (d) may materially affect the whole, or a substantial part, of the business of SBIA or its financial standing through their responsibility for:
  - (i) enforcing policies and implementing strategies approved by the SOOA;
  - (ii) the development and implementation of systems used to identify, assess, manage or monitor risks in relation to the business of SBIA; or
  - (iii) monitoring the appropriateness, adequacy and effectiveness of risk management systems

The Internal Audit Team of SBIA cannot be appointed senior manager of SBIA within 2 years of completing an Audit and is unable to play a significant role in SBIA's Audit, where engaged for at least five of the seven previous years.

The responsible persons listed above need not be employees of SBIA. In some circumstances, a consultant, contractor or employee of a connected entity or otherwise related company may be a responsible person of SBIA.

Further, APRA may determine that a person is a responsible person if APRA is satisfied that the person plays a significant role in the management or control of the ADI, or if that person's activities may materially impact on the interests or reasonable expectations of beneficiaries, or the financial position of SBIA or any of its connected entities, or any other relevant prudential matter.

APRA may also determine that a person is not a responsible person in relation to a particular position, responsibility or activity if it is satisfied that the person does not play a significant role in the management or control of SBIA or that the person's activities may not materially impact on SBIA or any of its connected entities, or any other relevant prudential matter.

The current Senior Manager /Manager of SBIA considered as Responsible Persons are:

- Chief Executive Officer
- Chief Risk & Compliance Officer
- Vice President (Operations)
- Vice President (Trade Finance)
- Vice President (Credit)
- Dealer
- Chief Information Security Officer

A review is to be undertaken at least annually of positions within SBIA to determine whether the nature of the duties and functions of a person have changed such that the person's position would be classified as a responsible person position. VP Operations will undertake the assessment (as part of the review of this policy) annually or where there has been a significant increase in a person's responsibilities and decision-making authority.

#### 1.4 APPROVAL

This Policy is required to be approved by the SOOA.

## 1.5 POLICY COMMENCEMENT AND ANNUAL REVIEW

The Policy is to be reviewed at least annually. The Branch Compliance Committee (BCOM) is responsible for coordinating the annual review of the Policy.

## 1.6 DEFINITIONS

In this document:

“**APRA**” means Australian Prudential Regulation Authority.

“**Accountable persons**” means the Senior Officer Outside Australia and Chief Executive Officer, Australia branch.

“**Corporate Centre Approvers**” means the line manager of Senior Officer Outside Australia/ Chief Executive Officer, as applicable .

“**IBG/ Corporate Centre**” means the International Banking Group of State Bank of India, Corporate Centre, Mumbai as represented by Chief General Manager (Foreign Offices)

“**SOOA**” Senior Officer Outside Australia (Chief General Manager (International Banking))

“**BCOM**” means the Branch Compliance Committee at SBIA responsible for ensuring compliance with the Policy.

“**General Counsel**” means the General Counsel for the SBIA.

“**Chief Risk & Compliance Officer**” means the Chief Risk & Compliance Officer of SBIA.

“**SBIA**” means State Bank of India, Australia Branch ABN 92 082 610 008 (including Sydney and Melbourne)

“**VP Operations**” means Vice President of Operations of SBIA.

“**CEO**” means the Chief Executive Officer of SBIA.

“**Policy**” means the “Fit and Proper Policy for Responsible Persons - SBIA”.

“**the Act**” means the Banking Act 1959.

**Responsible Auditor** – an auditor who provides any report that is required under the Act, or Reporting Standards under the Financial Sector (Collection of Data) Act 2001.

**APRA-deemed** – any person determined in writing by APRA to have a significant role in relation to the management or control of the APRA-regulated institution, or is responsible for activities which may materially impact on prudential matters.

**Whistleblower** – The Employees of the branch making the disclosure under this policy. The Whistle Blower’s role is that of a reporting party. Whistle blowers are not investigators or finders of facts; neither can they determine the appropriate corrective or remedial action that may be warranted.

## 2. APRA

### 2.1 APRA’S POWERS

APRA has powers under the Act to:

- a) Direct the regulated institution to remove a Responsible Person;
- b) Disqualify a person from being, or acting as a Senior Manager; and

- c) Direct a regulated institution to remove any officer, employee or Auditor or ensure that any subsidiary of the regulated institution does so if APRA Prudential Standards have not been complied with;
- d) Remove a Responsible Auditor.

Disqualified persons must not act for SBIA. The appointment of a disqualified person to a Responsible Person position would be an offence both for SBIA and for that person.

APRA's powers apply independently of SBIA's powers and duties under this Policy. APRA is not required to wait until SBIA has considered a person's fitness and propriety, before making its decision. In some circumstances, APRA may consider the fitness and propriety of persons who are not current or prospective Responsible Persons, in order to identify persons who are not fit and proper to ensure they are not able to hold Responsible Person positions in the future.

Persons affected by a decision made by APRA, as outlined above, may request that APRA review that decision. If APRA confirms or varies the decision, or fails to revoke the decision within 21 days, the person may then make an application to the Administrative Appeals Tribunal.

### **3. NOTIFICATION AND REPORTING**

#### **3.1 PUBLIC DISCLOSURE**

An overview of the SBIA's Fit and Proper Policy will be disclosed on the SBIA internet and intranet websites and the full Policy should be readily available to any person on request. The web site of SBIA should reference the Policy and provide clear links to the relevant details on the SBIA's website. The VP Operations is responsible for this disclosure.

#### **3.2 RISK MANAGEMENT SYSTEM DESCRIPTIONS**

This Policy forms part of the SBIA's risk management system.

The Chief Risk & Compliance Officer is responsible for ensuring that reference to the Policy is contained in any Risk Management document required by APRA.

#### **3.3 REGISTER OF RESPONSIBLE PERSONS AND MONTHLY MONITORING CONTROL**

VP Operations is to maintain a Register of Responsible Persons for SBIA.

After any change in Responsible Persons, VP Operations will update the Register and retain a copy for Branch records. Updates to reflect the date a Fit & Proper assessment has been conducted will only be made once the form has been signed by the Fit & Proper decision maker, checked by the Chief Risk & Compliance Officer with all necessary evidence attached.

The Chief Risk & Compliance Officer will table the Register of Responsible Persons at the CCOM every month. This serves as a control to identify any Fit & Proper annual assessments (see section 6.3 of this policy) which will fall due, so that these can be performed accordingly.

#### **3.4 NOTIFICATION TO APRA OF RESPONSIBLE PERSONS**

##### **3.4.1 Responsible Persons Details**

For each Responsible Person, SBIA will:

1. Provide to APRA the information prescribed by para 57 of CPS 520;
2. Ensure that the information remains correct;
3. Provide revised information within 28 days of any change or new appointment;

4. Notify APRA within 10 business days if a responsible person is assessed as not being Fit and Proper – If that person remains in the Responsible Persons position, the notification to APRA will state the reason for this and the action that is being taken; and
5. Ensure that sufficient documentation for each fit and proper assessment is retained to demonstrate the fitness and propriety of the institution's current, and recent past, responsible persons.

#### **APRA Requests**

SBIA will comply with any request by or requirement of APRA to obtain information relevant to the Responsible Person including:

1. Criminal History;
2. Any relevant civil proceedings;
3. Enquiries with the police, regulators, professional bodies or any other source; and
4. Any other information related to fitness & propriety

The Chief Risk & Compliance Officer is responsible for submitting these notifications to APRA on behalf of SBIA. The notification of the new/ ceasing of responsible manager must also be provided to CCOM for monitoring. The CRCO will ensure that the information or notifications required by APRA will be given in such form and by such procedures as APRA publishes on its website from time to time.

#### **4. DUTIES OF RESPONSIBLE PERSONS**

All Responsible Persons must be issued with a copy of this Policy by VP Operations and are required to sign a declaration that they have read and understood the Policy and agree to comply with its requirements. For new appointments/engagements within SBIA, the Policy and declaration will be included in the offer letter of employment/engagement. Receipt of the signed declaration is a condition of employment. A failure to comply with this Policy would constitute a breach of the Responsible Person's terms of appointment or employment.

To enable the SBIA or Corporate Centre on SBIA's behalf to assess if a person meets the fit and proper requirements of this Policy, anyone applying for, or holding, a Responsible Person position is required to:

- a) Agree to satisfy the requirements of the SBIA's fit and proper policy as a condition of Employment/engagement;
- b) Consent to the collection and use of any information:
  - i. required by the SBIA to comply with APRA's Prudential Standards
  - ii. by APRA for its powers and functions under the Act;
- c) Complete a "Fit and Proper Assessment Form" and provide any required supporting documentation and attestations, prior to the person's appointment/engagement;
- d) Disclose to SBIA, and if necessary to APRA, any information required to be provided under this Policy or APRA's Prudential Standards (CPS520);
- e) Authorise SBIA to make periodic enquiries with external parties as to any circumstances that may impact their position as a Responsible Person; and;
- f) Notify the Corporate Centre Approvers, CEO/BCOM and the branch Chief Risk & Compliance Officer immediately, should the Responsible Person consider they may have breached this Policy.



Please note that information provided for the purposes of this Policy may include sensitive information as defined in the *Privacy Act 1988 (Cth)*.

Where a responsible person has been assessed as fit and proper, but the SBIA subsequently becomes aware of information that may result in the person being assessed as not fit and proper, SBIA will take all reasonable steps, including collecting sensitive information as defined in the Privacy Act if relevant, to ensure that SBIA can prudently conclude that no material fitness and propriety concern exists. Where a concern exists, a full fit and proper assessment will be conducted.

SBIA requires all Responsible Persons to disclose to APRA, upon APRA's request, any information or documents relating to their reasons for resignation, retirement or removal from their Responsible Person position.

## 5. FIT AND PROPER ASSESSMENT

### 5.1 DEFINITION OF "FIT AND PROPER"

A person in a Responsible Person position must have the appropriate skills, experience and knowledge to perform that role ("competencies") and must act with the requisite character, diligence, honesty, integrity and judgment ("character"). A person will be considered "fit and proper" if they are assessed to meet substantially the assessment criteria set out in this Policy and, if appropriate, in the position description for their role.

If a person fails to meet certain of the criteria listed in this Policy, that person will not necessarily be considered not fit and proper and/or barred from holding a Responsible Person position. A decision will be made depending on the particular criterion that the Person fails to meet, the circumstances relating to that matter, the relevance of the matter to the assessment, the materiality of the matter, elapsed time since the event and repetition or duration of the behavior.

However, a person is likely to be found not fit and proper if:

- (i) insufficient information is available to enable SBIA to conclude that the assessment criteria are met, or
- (ii) the person is found to have demonstrated a lack of character, diligence, honesty, integrity or judgment.

The decision as to whether a person is considered fit and proper will be made at the discretion of the relevant fit and proper decision-maker (refer to Section 5.7).

### 5.2 ASSESSMENT CRITERIA

A person's fitness and propriety will be assessed against the assessment criteria listed below, and any specific requirements set out in the Position Description for the Responsible Person role.

All of the personnel information required, for Indian Based Officers (IBO), will be available/obtained from the Bank's comprehensive personnel database which is managed and operated by the Head Office HR Department. If the data held on the personnel file is not sufficient to assess fitness and propriety, SBIA will then need to use the following additional sources of information:

- Police Certificate-Name check for criminal record;
- Personal Credit Report from credit bureau; Bankruptcy searches; and/or banned and disqualified persons check from Australian Securities and Investments Commission ("ASIC") and APRA.

Furthermore, additional assessment criteria specifically relating to assessing whether a person is fit and proper to hold a position as a Responsible Auditor are covered under the heading below.

### 5.3 ASSESSMENT CRITERIA – “COMPETENCE”

In assessing whether a person is “fit and proper” to hold a Responsible Person position, consideration will be given to whether the person:

- i. possesses the necessary competencies, skills, knowledge, technical expertise, diligence and soundness of judgement to undertake and fulfil the duties and responsibilities specified in the position description for the particular role;
- ii. has demonstrated the appropriate competence and integrity in fulfilling occupational, managerial or professional responsibilities previously and/or in the conduct of their current duties;

Without limiting the range of matters that may be considered in a fit and proper assessment, the SBIA will have regard to the skills and abilities that are inherent to the position or office which the person occupies, and the matters specifically canvassed in a relevant role description.

The SOOA (delegated to the CEO) is responsible for ensuring senior management of SBIA have the full range of skills needed for effective oversight and prudent management.

The skills and abilities SBIA expects of its Responsible Persons are listed below:

#### **All Responsible Person Positions (excluding Auditors)**

- Demonstrable cultural fit for SBIA and its values, being customer-focused and people and community orientated;
- A reputation for honesty and integrity throughout their working life and a strong commitment to high standards of corporate governance and independence. Exhibits sound judgment, excellent communication skills and a collegiate approach;
- Demonstrated capability to attain knowledge of the operating environment of the financial services sector and relevant legislative rules;
- Demonstrated capability for the development of a long-term vision for the organization or division, along with the strategic framework for the implementation of that vision;
- Proven skill in driving business initiatives, implementing change and providing determined leadership in developing and executing business strategies;
- Ability to identify market opportunities and areas for business development;
- Capacity to provide leadership in the wider financial services, general business and community sectors to enhance the reputation of the organization; and
- Ability to strongly and convincingly represent the organization and its objectives to the market, government and in the wider community as required.

### 5.4 ASSESSMENT CRITERIA – “CHARACTER”

In assessing whether a person is “fit and proper” to hold a Responsible Person position, consideration will be given to whether:

- a) it would be prudent for the SBIA to conclude that the person possesses the competence, character, diligence, honesty, integrity and judgment to perform properly the duties of the position;
- b) the person is not disqualified under the Act from holding the position;
- c) the person either:

- i. has no conflict of interest in performing the duties of the Responsible Person position; or
- ii. if the person has a conflict of interest, it would be prudent for the SBIA to conclude that the conflict will not create a material risk that the person will fail to perform properly the duties of the position;

To determine whether a person possesses the necessary character to properly perform their position, consideration must be given to whether the person:

- a) has demonstrated a lack of willingness to comply with legal obligations, regulatory requirements or professional standards, or been obstructive, misleading or untruthful in dealing with regulatory bodies or a court;
- b) has breached a fiduciary obligation;
- c) has perpetrated or participated in negligent, deceitful, or otherwise discreditable business or professional practices;
- d) has been reprimanded, or disqualified, or removed, by a professional or regulatory body in relation to matters relating to the person's honesty, integrity or business conduct;
- e) has seriously or persistently failed to manage personal debts or financial affairs satisfactorily in circumstances where such failures caused loss to others;
- f) has been substantially involved in the management of a business or company which has failed, where that failure has been occasioned in part by deficiencies in that management;
- g) is of bad repute in any business or financial community or any market; or
- h) was the subject of civil or criminal proceedings, or enforcement action, in relation to:
  - i. the management of an entity; or
  - ii. commercial or professional activities;

which were determined adversely to the person (including by the person consenting to an order or direction, or giving an undertaking, not to engage in unlawful or improper conduct), and which reflected adversely on their competence, character, diligence, honesty, integrity or judgment.

## 5.5 RESPONSIBLE AUDITOR

Additional assessment criteria for the Responsible Auditor:

In addition to the fit and proper assessment criteria for Responsible Persons stated elsewhere in this Policy, the additional criteria which must be met for a person to be considered fit and proper to act as an External Auditor for the branch, are whether the person:

- a) is registered as an auditor under the *Corporations Act 2001*;
- b) is ordinarily resident in Australia;
- c) is a member of a recognized professional body; and
- d) has a minimum of 5 years relevant experience in the audit of authorised deposit-taking institutions ("ADIs" - as defined by APRA), and it would be prudent to conclude that the person is familiar with current issues in the audit of ADIs.
- e) is neither the Chief Executive Officer (CEO) nor a director of SBIA nor of a related body corporate.

However, the criteria above do not apply while:

- (i) the branch reasonably considers that there are exceptional circumstances;
- (ii) the branch has promptly notified APRA of which eligibility criteria are not satisfied and of the exceptional circumstances; and
- (iii) APRA has notified the branch in writing that APRA has no objections to the person being appointed by the branch as the External Audit partner.

## 5.6 SENIOR OFFICER OUTSIDE AUSTRALIA (SOOA)

Additional assessment criteria for the Responsible Person of SOOA:

In addition to the fit and proper assessment criteria for Responsible Persons stated elsewhere in this Policy (Section 5.3 & 5.4), the additional criteria which must be met for a person to be assessed as fit and proper to act as an SOOA for SBIA, are whether the person has been approved by:

- a. the Deputy Managing Director/ Managing Director or Board of SBI for the responsible person's posting in Australia. IBG, Head Office to conduct the Responsible Person's Fit and Proper assessment and must forward the approved assessment to VP Operations for information/ further assessment and to the CRCO (2<sup>nd</sup> line) for tabling at the branch CCOM for monitoring.

## 5.7 FIT AND PROPER DECISION

The fit and proper assessment decision will be made with consideration to the assessment criteria and will be based on the information collected in the "Responsible Person Assessment Form" ("the Form"), and any other information or material produced by the person, as well as the person's demonstrated capabilities, their conduct and performance. Consideration will also be given to findings of any necessary and relevant investigations conducted by Risk & Compliance team.

The final decision as to whether a person is considered fit and proper will be made at the discretion of the relevant fit and proper decision-maker (depending on the Responsible Person role being assessed), CRCO and in consultation with the CEO. In some circumstances this may rest outside SBIA and with IBG.

In general, for the initial assessment, IBG will assess the fitness and propriety of all India Based Officers of SBIA (including the SOOA) for deputation to Australia branch. SBIA through Operations team will conduct its own due diligence & assessment as per this policy and must forward their recommendation to the appropriate decision maker.

In those cases where a Responsible Person reports directly to someone other than the fit and proper decision-maker, then the manager directly accountable for the Responsible Person role must conduct that person's fit and proper assessment and must forward a recommendation to the appropriate decision-maker for final decision.

In all cases, the fit and proper decision-maker must record their decision on the person's completed Form and return the Form to the Operations team, who will then update the Register of Responsible Persons and make the required notifications internally, and advise the CRCO for APRA notification.

If a decision is made that an individual is not able to be found to be "fit and proper", the appointment is not to proceed. In the event that an existing officer is found to lack either fitness or propriety (or both), steps would need to be taken to ensure that SBIA remains in compliance with CPS 520, which will likely necessitate the appointment of a replacement for a temporary or permanent installment, depending upon the specific questionability and circumstances at hand.

## 6. ASSESSMENT PROCESS

### 6.1 OVERVIEW OF PROCESS AND TIMING

SBIA will undertake an assessment to determine whether a person is “fit and proper” to be appointed/engaged as, or to maintain, a Responsible Person position. The fit and proper assessment must be undertaken:

- (i) For the positions of the SOOA and the branch CEO prior to the appointment as per timelines detailed in BEAR Notification and Breach Management procedure.
- (ii) For all other Responsible Persons Positions of the branch, prior to appointment to a Responsible Person Position.
- (iii) If APRA has deemed that a specific person is performing a Responsible Person role, within 28 days of APRA’s decision; and
- (iv) thereafter, on an annual basis, within 12 months or as close to annual as practicable;
- (v) at any other time, in the event that material information adverse to a person’s fit and proper assessment, becomes known to SBIA.

A person who is the subject of a fit and proper assessment will, in addition to providing the information sought by SBIA in the Form, have an opportunity to provide any other information or material the person wishes SBIA to have regard to.

An interim appointment to a Responsible Person position except for the SOOA and CEO as accountable persons may be made for a period of up to 90 days (or longer with APRA’s agreement) without the need for a full fit and proper assessment. However, prior to any such appointment, reasonable steps must be taken to assess the fitness and propriety of the person. Once the person is appointed on a permanent basis, a full fit and proper assessment must be made within 28 days of that appointment.

Once the Form is received, the Operations team will arrange for the conduct of any necessary and relevant investigations to verify the accuracy of information provided in the Form. The type of checks conducted may include, but may not be limited to, referee checks, police checks and searches of appropriate registers. VP Operations will retain all documentation relating to each fit and proper assessment of current Responsible Persons, and for minimum 7 years after the person has ceased to be a Responsible Person.

### 6.2 ASSESSMENT PROCESS FOR NEW APPOINTMENTS TO RESPONSIBLE PERSON POSITIONS

For appointments to all Responsible Person positions, once the candidate has been selected for final interview, they will be asked to complete a Responsible Person Assessment Form. A decision regarding the candidate’s fitness and propriety must be made prior to any offer of employment/engagement being made.

VP Operations will ensure all necessary and relevant checks or investigations are performed to verify the accuracy of information provided, and will report the findings of these investigations to the appropriate fit and proper decision-maker, for their consideration.

The fit and proper assessment will be conducted for:

- All positions (including External Auditors and Actuaries) through interview and assessment of a formal attestation.

The “fit and proper decision-maker” must record the decision regarding the person’s fitness and propriety on the person’s completed “Responsible Person Assessment Form” and return the Form to Risk & Compliance.

Decision makers as follows:

- a. For SOOA, the decision maker will be the Managing Director IBG (MD)/ Deputy Managing Director IBG (DMD)
- b. For CEO, the decision maker will be SOOA; and
- c. For all other RPs and Auditors, the decision maker will be the CEO.

The assessment to include:

- An attestation from the Responsible Person or from the Responsible Auditor;
- Fit and Proper Assessment template signed-off by the VP Operations;
- Responsible Person – Fit and Proper Declaration from Corporate Centre;
- Copy of the Individuals Curriculum Vitae/Biodata to assess the knowledge and experience of the candidate;
- Copies of individual's material qualifications;
- Copies of letters of appointment of SOOA and staffs being posted abroad;
- Details contained in any public records, which includes:
  - Documents required detailed under para no. 5.2; and
  - Any other checks, including any relevant checks from other jurisdiction or attestation from Corporate Centre.

### 6.3 ANNUAL REVIEW OF RESPONSIBLE PERSONS

An assessment as to whether a person continues to be fit and proper for the Responsible Person role they hold, must be made at least every 12 months (or as close to annual as practicable).

For all Responsible Person positions, the VP Operations will circulate a Responsible Person Assessment Form each year to each person requiring they update the Form or complete a new Form, as appropriate, providing current information regarding their fitness and propriety. VP Operations will ensure any necessary and relevant checks or investigations are performed to verify the accuracy of any new information provided.

Attestations and representations covering the “character” criteria as well as any related party disclosures required pursuant to the requirements of the AASB 1046 will generally be sufficient for the annual review of any Responsible Person's fitness and propriety. Operations Team will retain the completed attestations and provide a copy to the CCOM.

The fit and proper assessment will be conducted for:

- All positions (including External Auditors) - through assessment of their conduct and performance, and where relevant updated formal attestation from the firm of which the auditor is a member.

The “Fit and Proper Decision-maker” must record the decision regarding the person's fitness and propriety on the person's completed “Responsible Person Assessment Form” and return it to Risk & Compliance.

For annual reassessment, the following information will be collected:

- An updated attestation;
- Fit and Proper Assessment template signed-off by appropriate decision maker (refer para 6.2);
- Updated checks, as detailed under para no. 5.2.
- Details of any disciplinary action/complaint regarding conduct received at Corporate Centre, if any.

### 6.4 CESSATION/CHANGE OF RESPONSIBLE PERSON

The removal/change of the key responsible person may happen in the following scenarios:

- (i) The tenure of expatriate officers who are Responsible Officers on completion of their tenure, could be relocated outside of Australia.

- (ii) In case the Management of SBIA decides that the services of the responsible persons in SBIA needs to be relocated/ replaced earlier, for any reason, the same would be conducted after informing APRA of any such decision. In such cases, the next senior most people within SBIA would have delegated authorities and responsibility till such time an alternative arrangement of posting/hiring another person is being made.
- (iii) On receiving any direction from APRA to change or replace the responsible person, SBIA would relocate/replace the responsible person and shall make an arrangement for ensuring continuity of business operations by assigning the role to the next senior person or posting/hiring of an alternative person from the Corporate Centre in India.
- (iv) In instances where the Responsible Officer is no longer deemed Fit and Proper, the Bank may take other measures including:
- Rotating the individual to another non-responsible person's position; or
  - Terminate the engagement; or
  - Re-define the person's responsibilities; or
  - Provide the person further training or certification, where applicable.

APRA would be informed, in all of these circumstances.

For Auditors:

- (i) The removal of an auditor can be at the instance of APRA or the Federal Court making any of the following observations:
- That the responsible person has failed to perform adequately and properly the functions and duties of the position of auditor as required under the Act or prudential standards;
  - They do not meet one or more criteria for fitness and propriety; or
  - Disqualified from being or acting as an auditor of the ADI or is otherwise a disqualified person.

## 7. FIT & PROPER BREACHES

### 7.1 DEFINITION OF A BREACH

Non-compliance with the provisions of this Policy will be considered a "breach". For example, a person holding a Responsible Person position who has been assessed as not fit and proper is considered as being in breach.

Any serious breach of this Policy may have the potential to damage the reputation of SBIA. In certain cases, APRA's powers under the fit and Proper Prudential Standards may be applicable (refer to Section 2), or the Responsible Person or the SBIA may be deemed to have committed an offence under the Act.

### 7.2 PROCESS FOR DEALING WITH BREACHES

Upon identifying a breach, the CEO, in consultation if necessary, with IBG, CRCO and (if relevant) the direct line Manager of the Responsible Person will recommend appropriate action to resolve the breach. If the breach is relates to CEO/CRCO, SOOA/IBG will recommend appropriate action.

The resolution strategy will be to take actions that either:

- remedy the breach and result in the person meeting the assessment criteria (for example, identify additional technical training for the person), or
- ensure the person does not hold a Responsible Person position (for example, do not appoint the person, terminate their engagement or redefine the person's responsibilities).



In the case of a breach due to a person holding a Responsible Person position and being assessed as not fit and proper, then the person is to be notified by the CEO of the nature of the breach and is to be provided an opportunity to put any additional information forward in support of the fit and proper assessment, before a final decision and recommendation of action is made. The decision-maker will consider all additional and relevant information put forth before a final decision is made.

In case of breach by the Responsible Person who is also an Accountable Person, the same will be dealt as per process detailed in BEAR Notification & Breach Management procedure document maintained by the Risk & compliance team of the branch.

Refer also to Section 4” Duties of a Responsible Person”.

### 7.3 NOTIFICATION AND INTERNAL REPORTING OF BREACHES

All breaches must be notified to the CEO, who will inform IBG/SOOA.

With all notifications, the CEO will also provide recommendations for resolution of the breach.

All breaches are to be recorded in CCOM and notified to APRA and internal parties as required.

In case of breach by the Responsible Person who is also an Accountable Person, the same will be dealt as per process detailed in BEAR Notification & Breach Management procedure document maintained by the Risk & compliance team of the branch.

## 8. WHISTLEBLOWING RESPONSIBILITIES

Any employee or director of the SBIA, or any other person who considers that:

- (i) Any relevant SBIA entities do not comply with this Policy, or
- (ii) A Responsible Person does not meet the fit and proper criteria

are strongly encouraged to report the matter immediately and provide details supporting that view. The reporting person should, in the normal course, first report the matter to the Chief Risk & Compliance Officer. However, if they have a significant concern (for example, if they reasonably believe that the person is deliberately not complying with the Policy) then the report should be made to the CEO or APRA, or both, as the reporting person sees fit and can be made anonymously. In all cases, the reporting person should specify which Responsible Person they believe does not meet the fit and proper criteria in this Policy and the reasons for that belief.

Any person reporting a matter in good faith concerning this Policy must disclose any information or documents necessary in support of their claim.

Any person who held the position of Responsible Person may, if desirous and in good faith, or upon the request of APRA, disclose any information or documentation to APRA relating to the reasons for their resignation, retirement or removal from that position as a Responsible Person.

SBIA will take all reasonable steps to protect the identity of any whistleblower making a claim in good faith. Maintaining confidentiality is crucial to ensuring that reprisals are not made against the whistleblower.

Further information on the protections and how SBIA will investigate protected disclosures is in SBIA’s Whistleblower Policy.

## 9. PRIVACY ACT

SBIA shall comply with the provision under the Privacy Act 1988 for collection of information of the responsible persons and shall inform them as to way the information collected may be used and disclosed.



APPENDIX 1 FIT & PROPER ASSESSMENT OF SOOA:

<b>FULL NAME</b>	<Given Names and Last name>
<b>DATE OF BIRTH</b>	< DD.MM.YYYY>
<b>POSITION</b>	Senior Officer Outside Australia - Chief General Manager International Banking
<b>DATE APPOINTED</b>	< DD.MM.YYYY>
<b>DATE OF THIS ASSESSMENT</b>	< DD.MM.YYYY>

**CORPORATE CENTRE “APPROVER”:**

_____ (signed)
_____
<b>(DD/MM/YYYY)</b> <b>Deputy Managing Director, International Banking Group</b>

## FIT & PROPER ASSESSMENT

### Fit and Proper Assessment Checklist

**Name:**

**Date of Birth:**

**Responsible Person Role Assessed: Senior Officer Outside Australia**

**Details of Professional Experience:**

Department/Function	Duration	Years

**Professional Qualifications:**

Name of Qualification (e.g. CPA, CFA, FRM)

**Skills: (Please tick)**

Legal	Accounting	Banking	Audit	Risk

## **PART A: CHARACTER ASSESSMENT BY CORPORATE CENTRE APPROVER:**

In making this assessment, the Corporate Centre Approvers hereby confirms that the person:

- a) possesses the competence, character, diligence, honesty, integrity and judgment to perform properly the duties of the position;
- b) is not disqualified under the Banking Act 1959 (Cth) from holding the position;
- c) and either:
  - i. has no conflict of interest in performing the duties of the Responsible Person position; or
  - ii. if the person has a conflict of interest, it would be prudent for the SBI Australia to conclude that the conflict will not create a material risk that the person will fail to perform properly the duties of the position;

and has not:

- a) demonstrated a lack of willingness to comply with legal obligations, regulatory requirements or professional standards, or been obstructive, misleading or untruthful in dealing with regulatory bodies or a court;
- b) breached a fiduciary obligation;
- c) perpetrated or participated in negligent, deceitful, or otherwise discreditable business or professional practices;
- d) been reprimanded, or disqualified, or removed, by a professional or regulatory body in relation to matters relating to the person's honesty, integrity or business conduct;
- e) seriously or persistently failed to manage personal debts or financial affairs satisfactorily in circumstances where such failures caused loss to others;
- f) been substantially involved in the management of a business or company which has failed, where that failure has been occasioned in part by deficiencies in that management;
- g) been of bad repute in any business or financial community or any market; or
- h) been the subject of civil or criminal proceedings, or enforcement action, in relation to:
  - i. the management of an entity; or
  - ii. commercial or professional activities;

## **PART B: COMPETENCE ASSESSMENT BY THE CORPORATE CENTRE APPROVER**

In making this assessment, the Corporate Centre Approvers hereby confirms that the person:

- i. possesses the necessary competencies, skills, knowledge, technical expertise, diligence and soundness of judgement to undertake and fulfil the duties and responsibilities specified in the position description for the particular role;
- ii. has demonstrated the appropriate competence and integrity in fulfilling occupational, managerial or professional responsibilities previously and/or in the conduct of their current duties;

and demonstrates:

- a cultural fit for SBI Australia and its values, being customer-focused and people and community orientated;
- a reputation for honesty and integrity throughout their working life and a strong commitment to high standards of corporate governance and independence, and exhibits sound judgment, excellent communication skills and a collegiate approach;
- the capability to attain knowledge of the operating environment of the financial services sector and relevant legislative rules;
- the capability for the development of a long-term vision for the organization or division, along with the strategic framework for the implementation of that vision;
- proven skills in driving business initiatives, implementing change and providing determined leadership in developing and executing business strategies;
- the ability to identify market opportunities and areas for business development;
- the capacity to provide leadership in the wider financial services, general business and community sectors to enhance the reputation of the organization; and
- the ability to strongly and convincingly represent the organization and its objectives to the market, government and in the wider community as required.

## Self Declaration for a Responsible Position

Responsible Position: Senior Officer Outside Australia (SOOA)

I <GIVEN NAME> in my position as SOOA of State Bank of India, Australia declare that:

### **Fitness:**

1. I possess the necessary skills, knowledge, expertise, diligence and soundness of judgement to undertake, and fulfil the particular duties and responsibilities of my position.
2. I have demonstrated the appropriate competence and integrity in fulfilling occupational, managerial, or professional responsibilities previously and in the conduct of my current duties.

### **Propriety:**

3. I have not demonstrated a lack of willingness to comply with legal obligations, regulatory requirements, or professional standards, or been obstructive, misleading or untruthful in dealing with regulatory bodies or courts.
4. I have not breached a fiduciary obligation.
5. I have not perpetrated or participated in negligent, deceitful, or otherwise discreditable business or professional practices.
6. I have not been reprimanded, or disqualified, or removed, by a professional or regulatory body in relation to matters relating to honesty, integrity or business conduct.
7. I have not seriously or persistently failed to manage personal debts or financial affairs satisfactorily in circumstances where such failure caused loss to others.
8. I have not been substantially involved in the management of business or company which has failed, where that failure has been occasioned in part by deficiencies in that management.
9. To the best of my knowledge I am not of bad repute in any business or financial community or any market.
10. I am not and have not been the subject of civil or criminal proceedings or enforcement action, in relation to the management of an entity, or commercial or professional activities which were determined adversely against me (including consenting to an order or direction, or giving an undertaking, not to engage in unlawful or improper conduct) and which reflected negatively on my competence, diligence, judgment, honesty or integrity.
11. I have not been convicted of any offence against or arising out of a law in force in Australia or a foreign jurisdiction, being an offence, which concerns fraud, misrepresentation or dishonesty.
12. There are no legal (including tax related) actions current or pending against me.
13. There are no other events, matters or conduct that took place, either in Australia or overseas, that may materially affect this assessment of my fitness and propriety.

### **Understanding the Fit and Proper Policy**

14. I have been provided a copy of the Fit and Proper Policy (the Policy) and I have read and understood the Policy and agree to comply with the requirements of the policy.
15. I agree to provide State Bank of India Australia or APRA with any information required for the purposes of compliance with the Policy or APRA Prudential Standard APS 520 Fit and Proper.
16. I will not deliberately or knowingly mislead State Bank of India Australia and will endeavour to the best of my ability to provide complete and accurate information for the purposes of the assessment of my fitness and propriety.
17. I agree to undertake any training reasonably required in order to meet, initially, and on on-going basis, the fitness and propriety requirements of the policy.

18. I will immediately notify the Chief Risk and Compliance Officer or the Chief Executive Officer, State Bank of India Australia should any of the information in this declaration change while I am holding a Responsible Person position.

**Consent to Collection and Use of Information**

19. I hereby give consent to:

- a. State Bank of India, Australia – to collect and use any information (including personal and sensitive information) for the purposes of complying with this policy and/or APS 520; and
- b. APRA – to collect or use any information (including personal and sensitive information) for the exercise of its powers and functions under the Banking Act 1959.

20. I will not seek damages or any other remedy from SBIA, in the course of SBIA implementing its Fit and Proper Policy

**Declaration of any Qualifications (if any)**

Applicant signature: \_\_\_\_\_

Name: \_\_\_\_\_

Date: <DD.MM.YYYY>

***Internal Australia Branch Use ONLY***

APPENDIX 2 FIT & PROPER ASSESSMENT OF CEO:

<b>FULL NAME</b>	<Given Names and Last name>
<b>DATE OF BIRTH</b>	< DD.MM.YYYY>
<b>POSITION</b>	Chief Executive Officer, Australia
<b>DATE APPOINTED</b>	< DD.MM.YYYY>
<b>DATE OF THIS ASSESSMENT</b>	< DD.MM.YYYY>

**CORPORATE CENTRE “APPROVER”:**

_____ <b>(signed)</b>
_____
<b>(DD/MM/YYYY)</b>
<b>Senior Officer Outside Australia</b>

## FIT & PROPER ASSESSMENT

### Fit and Proper Assessment Checklist

**Name:**

**Date of Birth:**

**Responsible Person Role Assessed: Chief Executive Officer, Australia**

**Details of Professional Experience:**

Department/Function	Duration	Years

**Professional Qualifications:**

Name of Qualification (e.g. CPA, CFA, FRM)

**Skills: (Please tick)**

Legal	Accounting	Banking	Audit	Risk



## **PART A: CHARACTER ASSESSMENT BY CORPORATE CENTRE APPROVER:**

In making this assessment, the Corporate Centre Approvers hereby confirms that the person:

- a) possesses the competence, character, diligence, honesty, integrity and judgment to perform properly the duties of the position;
- b) is not disqualified under the Banking Act 1959 (Cth) from holding the position;
- c) and either:
  - i. has no conflict of interest in performing the duties of the Responsible Person position; or
  - ii. if the person has a conflict of interest, it would be prudent for the SBI Australia to conclude that the conflict will not create a material risk that the person will fail to perform properly the duties of the position;

and has not:

- a) demonstrated a lack of willingness to comply with legal obligations, regulatory requirements or professional standards, or been obstructive, misleading or untruthful in dealing with regulatory bodies or a court;
- b) breached a fiduciary obligation;
- c) perpetrated or participated in negligent, deceitful, or otherwise discreditable business or professional practices;
- d) been reprimanded, or disqualified, or removed, by a professional or regulatory body in relation to matters relating to the person's honesty, integrity or business conduct;
- e) seriously or persistently failed to manage personal debts or financial affairs satisfactorily in circumstances where such failures caused loss to others;
- f) been substantially involved in the management of a business or company which has failed, where that failure has been occasioned in part by deficiencies in that management;
- g) been of bad repute in any business or financial community or any market; or
- h) been the subject of civil or criminal proceedings, or enforcement action, in relation to:
  - i. the management of an entity; or
  - ii. commercial or professional activities;

## **PART B: COMPETENCE ASSESSMENT BY THE CORPORATE CENTRE APPROVER**

In making this assessment, the Corporate Centre Approvers hereby confirms that the person:

- i. possesses the necessary competencies, skills, knowledge, technical expertise, diligence and soundness of judgement to undertake and fulfil the duties and responsibilities specified in the position description for the particular role;
- ii. has demonstrated the appropriate competence and integrity in fulfilling occupational, managerial or professional responsibilities previously and/or in the conduct of their current duties;

and demonstrates:

- a cultural fit for SBI Australia and its values, being customer-focused and people and community orientated;

- a reputation for honesty and integrity throughout their working life and a strong commitment to high standards of corporate governance and independence, and exhibits sound judgment, excellent communication skills and a collegiate approach;
- the capability to attain knowledge of the operating environment of the financial services sector and relevant legislative rules;
- the capability for the development of a long-term vision for the organization or division, along with the strategic framework for the implementation of that vision;
- proven skills in driving business initiatives, implementing change and providing determined leadership in developing and executing business strategies;
- the ability to identify market opportunities and areas for business development;
- the capacity to provide leadership in the wider financial services, general business and community sectors to enhance the reputation of the organization; and
- the ability to strongly and convincingly represent the organization and its objectives to the market, government and in the wider community as required.

## Self Declaration for a Responsible Position

Responsible Position: Chief Executive Officer (CEO)

I <GIVEN NAME> in my position as CEO of State Bank of India, Australia declare that:

### **Fitness:**

1. I possess the necessary skills, knowledge, expertise, diligence and soundness of judgement to undertake, and fulfil the particular duties and responsibilities of my position.
2. I have demonstrated the appropriate competence and integrity in fulfilling occupational, managerial or professional responsibilities previously and in the conduct of my current duties.

### **Propriety:**

3. I have not demonstrated a lack of willingness to comply with legal obligations, regulatory requirements, or professional standards, or been obstructive, misleading or untruthful in dealing with regulatory bodies or courts.
4. I have not breached a fiduciary obligation.
5. I have not perpetrated or participated in negligent, deceitful, or otherwise discreditable business or professional practices.
6. I have not been reprimanded, or disqualified, or removed, by a professional or regulatory body in relation to matters relating to honesty, integrity or business conduct.
7. I have not seriously or persistently failed to manage personal debts or financial affairs satisfactorily in circumstances where such failure caused loss to others.
8. I have not been substantially involved in the management of business or company which has failed, where that failure has been occasioned in part by deficiencies in that management.
9. To the best of my knowledge I am not of bad repute in any business or financial community or any market.
10. I am not and have not been the subject of civil or criminal proceedings or enforcement action, in relation to the management of an entity, or commercial or professional activities which were determined adversely against me (including consenting to an order or direction, or giving an undertaking, not to engage in unlawful or improper conduct) and which reflected negatively on my competence, diligence, judgment, honesty or integrity.
11. I have not been convicted of any offence against or arising out of a law in force in Australia or a foreign jurisdiction, being an offence which concerns fraud, misrepresentation or dishonesty.
12. There are no legal (including tax related) actions current or pending against me.
13. There are no other events, matters or conduct that took place, either in Australia or overseas, that may materially affect this assessment of my fitness and propriety.

### **Understanding the Fit and Proper Policy**

14. I have been provided a copy of the Fit and Proper Policy (the Policy) and I have read and understood the Policy and agree to comply with the requirements of the policy.
15. I agree to provide State Bank of India Australia or APRA with any information required for the purposes of compliance with the Policy or APRA Prudential Standard APS 520 Fit and Proper.
16. I will not deliberately or knowingly mislead State Bank of India Australia and will endeavour to the best of my ability to provide complete and accurate information for the purposes of the assessment of my fitness and propriety.
17. I agree to undertake any training reasonably required in order to meet, initially, and on on-going basis, the fitness and propriety requirements of the policy.
18. I will immediately notify the Chief Risk and Compliance Officer should any of the information in this declaration change while I am holding a Responsible Person position.

**Consent to Collection and Use of Information**

19. I hereby give consent to:

- a. State Bank of India, Australia – to collect and use any information (including personal and sensitive information) for the purposes of complying with this policy and/or APS 520; and
- b. APRA – to collect or use any information (including personal and sensitive information) for the exercise of its powers and functions under the Banking Act 1959.

20. I will not seek damages or any other remedy from SBIA, in the course of SBIA implementing its Fit and Proper Policy

**Declaration of any Qualifications (if any)**

Applicant signature: \_\_\_\_\_

Name: \_\_\_\_\_

Date: <DD.MM.YYYY>

APPENDIX 3 FIT & PROPER ASSESSMENT OF non-SOOA & non-CEO (including Auditors):

**FIT & PROPER ASSESSMENT OF:**

<b>FULL NAME</b>	<Given Names and Last name>
<b>DATE OF BIRTH</b>	< DD.MM.YYYY>
<b>POSITION</b>	
<b>DATE APPOINTED</b>	< DD.MM.YYYY>
<b>DATE OF THIS ASSESSMENT</b>	< DD.MM.YYYY>

<b>REVIEWED BY (CEO/CRCO)</b>	
<b>BCOM DATE</b>	

## FIT & PROPER ASSESSMENT

### Fit and Proper Assessment Checklist

**Name:**

**Date of Birth:**

**Responsible Person Role Assessed:**

**Details of Professional Experience:**

Department/Function	Duration	Years

**Professional Qualifications:**

Name of Qualification (e.g. CPA, CFA, FRM)

**Skills:**

Legal	Accounting	Banking	Audit	Risk

## **PART A: CHARACTER ASSESSMENT BY BRANCH COMPLIANCE COMMITTEE**

In making this assessment, the Branch Compliance Committee hereby confirms that the person:

- a) possesses the competence, character, diligence, honesty, integrity and judgment to perform properly the duties of the position;
- b) is not disqualified under the Banking Act 1959 (Cth) from holding the position;
- c) and either:
  - i. has no conflict of interest in performing the duties of the Responsible Person position; or
  - ii. if the person has a conflict of interest, it would be prudent for the SBIA to conclude that the conflict will not create a material risk that the person will fail to perform properly the duties of the position;

and has not:

- a) demonstrated a lack of willingness to comply with legal obligations, regulatory requirements or professional standards, or been obstructive, misleading or untruthful in dealing with regulatory bodies or a court;
- b) breached a fiduciary obligation;
- c) perpetrated or participated in negligent, deceitful, or otherwise discreditable business or professional practices;
- d) been reprimanded, or disqualified, or removed, by a professional or regulatory body in relation to matters relating to the person's honesty, integrity or business conduct;
- e) seriously or persistently failed to manage personal debts or financial affairs satisfactorily in circumstances where such failures caused loss to others;
- f) been substantially involved in the management of a business or company which has failed, where that failure has been occasioned in part by deficiencies in that management;
- g) been of bad repute in any business or financial community or any market; or
- h) been the subject of civil or criminal proceedings, or enforcement action, in relation to:
  - i. the management of an entity; or
  - ii. commercial or professional activities;

## **PART B: COMPETENCE ASSESSMENT BY BRANCH COMPLIANCE COMMITTEE**

In making this assessment, the Branch Compliance Committee hereby confirms that the person:

- i. possesses the necessary competencies, skills, knowledge, technical expertise, diligence and soundness of judgement to undertake and fulfil the duties and responsibilities specified in the position description for the particular role;
- ii. has demonstrated the appropriate competence and integrity in fulfilling occupational, managerial or professional responsibilities previously and/or in the conduct of their current duties;

and demonstrates:

- a cultural fit for SBIA and its values, being customer-focused and people and community orientated;

- a reputation for honesty and integrity throughout their working life and a strong commitment to high standards of corporate governance and independence, and exhibits sound judgment, excellent communication skills and a collegiate approach;
- the capability to attain knowledge of the operating environment of the financial services sector and relevant legislative rules;
- the capability for the development of a long-term vision for the organization or division, along with the strategic framework for the implementation of that vision;
- proven skills in driving business initiatives, implementing change and providing determined leadership in developing and executing business strategies;
- the ability to identify market opportunities and areas for business development;
- the capacity to provide leadership in the wider financial services, general business and community sectors to enhance the reputation of the organization; and
- the ability to strongly and convincingly represent the organization and its objectives to the market, government and in the wider community as required.



## Self Declaration for a Responsible Position

Responsible Position: < Responsible Position >

**I <GIVEN NAME> in my position <Responsible Position> of State Bank of India, Australia declare that:**

### **Fitness:**

1. I possess the necessary skills, knowledge, expertise, diligence and soundness of judgement to undertake, and fulfil the particular duties and responsibilities of my position.
2. I have demonstrated the appropriate competence and integrity in fulfilling occupational, managerial, or professional responsibilities previously and in the conduct of my current duties.

### **Propriety:**

3. I have not demonstrated a lack of willingness to comply with legal obligations, regulatory requirements, or professional standards, or been obstructive, misleading or untruthful in dealing with regulatory bodies or courts.
4. I have not breached a fiduciary obligation.
5. I have not perpetrated or participated in negligent, deceitful, or otherwise discreditable business or professional practices.
6. I have not been reprimanded, or disqualified, or removed, by a professional or regulatory body in relation to matters relating to honesty, integrity or business conduct.
7. I have not seriously or persistently failed to manage personal debts or financial affairs satisfactorily in circumstances where such failure caused loss to others.
8. I have not been substantially involved in the management of business or company which has failed, where that failure has been occasioned in part by deficiencies in that management.
9. To the best of my knowledge I am not of bad repute in any business or financial community or any market.
10. I am not and have not been the subject of civil or criminal proceedings or enforcement action, in relation to the management of an entity, or commercial or professional activities which were determined adversely against me (including consenting to an order or direction, or giving an undertaking, not to engage in unlawful or improper conduct) and which reflected negatively on my competence, diligence, judgment, honesty or integrity.
11. I have not been convicted of any offence against or arising out of a law in force in Australia or a foreign jurisdiction, being an offence, which concerns fraud, misrepresentation or dishonesty.
12. There are no legal (including tax related) actions current or pending against me.
13. There are no other events, matters or conduct that took place, either in Australia or overseas, that may materially affect this assessment of my fitness and propriety.

### **Understanding the Fit and Proper Policy**

14. I have been provided a copy of the Fit and Proper Policy (the Policy) and I have read and understood the Policy and agree to comply with the requirements of the policy.
15. I agree to provide State Bank of India Australia or APRA with any information required for the purposes of compliance with the Policy or APRA Prudential Standard APS 520 Fit and Proper.
16. I will not deliberately or knowingly mislead State Bank of India Australia and will endeavour to the best of my ability to provide complete and accurate information for the purposes of the assessment of my fitness and propriety.
17. I agree to undertake any training reasonably required in order to meet, initially, and on on-going basis, the fitness and propriety requirements of the policy.

18. I will immediately notify the Chief Risk and Compliance Officer or the Chief Executive Officer, State Bank of India Australia should any of the information in this declaration change while I am holding a Responsible Person position.

**Consent to Collection and Use of Information**

19. I hereby give consent to:

- a. State Bank of India, Australia – to collect and use any information (including personal and sensitive information) for the purposes of complying with this policy and/or APS 520; and
- b. APRA – to collect or use any information (including personal and sensitive information) for the exercise of its powers and functions under the Banking Act 1959.

20. I will not seek damages or any other remedy from SBIA, in the course of SBIA implementing its Fit and Proper Policy

**Declaration of any Qualifications (if any)**

Applicant signature: \_\_\_\_\_

Name: \_\_\_\_\_

Date: <DD.MM.YYYY>

## CODE OF CONDUCT

### 1 CONFIDENTIALITY

- 1.1 Confidentiality is essential for preservation of reputable and efficient market place. Dealers have a basic responsibility to preserve anonymity of the market and to maintain confidentiality. Dealers shall ensure that the confidentiality of the identity or names of its customers and counter parties are preserved at all times.
- 1.2 A dealer shall not in any way attempt to preserve a broker by inducing, threat or promise for information, which would be improper for him to pass. Pressure shall include any statement to the effect or which could be taken as implying that failure to cooperative would be lead to a reduction in the business given by the dealer or by other dealers to the broker.
- 1.3 Dealers shall not visit Brokers' Dealing Rooms except with the permission of the Chief Dealer and the management of the broking firms. No deal should be concluded by the Bank Dealers in Brokers' Dealing Rooms. Dealers also shall not visit other dealers' dealing rooms unless with the prior permission of their respective managements.

### 2 BETS AND GAMBLING

- 2.1 Making and arrangement of bets amongst brokers and dealers is explicitly forbidden.
- 2.2 There should be no gambling within the dealing room or with brokers staff

### 3 ENTERTAINMENT, GIFTS AND FAVOURS

- 3.1 While the practice of market participants meeting infrequently over meals or drinks is useful from the viewpoint of fostering healthy business relationship, it may be open to abuse. It is, therefore, essential for the local managements to formulate guidelines to guard against such abuse and excesses. In any case, dealers should accept invitation for entertainment only with the knowledge of the Chief Dealer.
- 3.2 No dealer should solicit or accept gifts or favours from principal or staff of broking firms for personal benefit.

### 4 DEALING FOR PERSONAL ACCOUNT

- 4.1 Dealing staffs are not allowed to trade for their own accounts in any of the instruments and products they at “e dealing in unless there are clear management guidelines in this regard. In case this is allowed management must ensure that adequate safeguards are established to prevent abuse. These controls should reflect the need to prevent insider trading in any form and ensure that the interest of the bank and its customers are adequately protected at all times.

5 **AFTERHOURS DEALINGS**

- 5.1 With the internationalization of financial markets problems can arise from dealings being conducted outside normal business hours and from premises other than bank's dealing rooms. There is a possibility that dealers may subsequently deny or simply forget having done a deal. It is, therefore, essential that dealers be prohibited from dealing after office hours and from premises other than bank's dealing rooms save under exceptional circumstances. Where this is permitted, it is subject to clear guidelines to the dealers to ensure that after hours dealing is properly authorised and the records of deals properly maintained.

**Signature of the Dealer**

Name :

Date :

## Self Declaration for a Responsible Position

### TO BE ISSUED ON AUDIT FIRM'S LETTER HEAD

Responsible Position: < Responsible Position >

I,....., of .....(insert name of audit firm).... as the current/ incoming Responsible Auditors of State Bank of India Australia declare that:

#### **Fitness:**

1. I possess the necessary skills, knowledge, expertise, diligence and soundness of judgement to undertake, and fulfil the particular duties and responsibilities of my position.
2. I have demonstrated the appropriate competence and integrity in fulfilling occupational, managerial or professional responsibilities previously and in the conduct of my current duties.

#### **Propriety:**

3. I have not demonstrated a lack of willingness to comply with legal obligations, regulatory requirements or professional standards, or been obstructive, misleading or untruthful in dealing with regulatory bodies or courts.
4. I have not breached a fiduciary obligation.
5. I have not perpetrated or participated in negligent, deceitful, or otherwise discreditable business or professional practices.
6. I have not been reprimanded, or disqualified, or removed, by a professional or regulatory body in relation to matters relating to honesty, integrity or business conduct.
7. I have not seriously or persistently failed to manage personal debts or financial affairs satisfactorily in circumstances where such failure caused loss to others.
8. I have not been substantially involved in the management of business or company which has failed, where that failure has been occasioned in part by deficiencies in that management.
9. To the best of my knowledge I am not of bad repute in any business or financial community or any market.
10. I am not and have not been the subject of civil or criminal proceedings or enforcement action, in relation to the management of an entity, or commercial or professional activities which were determined adversely against me (including consenting to an order or direction, or giving an undertaking, not to engage in unlawful or improper conduct) and which reflected negatively on my competence, diligence, judgment, honesty or integrity.
11. I have not been convicted of any offence against or arising out of a law in force in Australia or a foreign jurisdiction, being an offence, which concerns fraud, misrepresentation or dishonesty.
12. There are no legal (including tax related) actions current or pending against me.
13. There are no other events, matters or conduct that took place, either in Australia or overseas, that may materially affect this assessment of my fitness and propriety.

#### **Auditor Requirements:**

14. I am registered as an auditor under the Corporation Act 2001.
15. Is neither the Chief Executive Officer (CEO) nor a director of an APRA-regulated institution nor of a related body corporate;
16. I am ordinarily resident in Australia.
17. I am a member of a recognized professional body.
18. I have a minimum of 5-years relevant experience in the audit of ADIs and I am familiar with current issues in the audit of ADIs.
19. I will 'comply with the Auditing Standards and Guidance issued by the AUASB unless inconsistencies exist

20. I will forward/submit directly to APRA
- a. all reports required to produced under the Prudential Standard APS 310b. all assessments and other material associated with the reports, if requested by APRA.

### **Understanding the Fit and Proper Policy**

21. I have been provided a copy of the Fit and Proper Policy (the Policy) and I have read and understood the Policy and agree to comply with the requirements of the policy.
22. I agree to provide State Bank of India Australia or APRA with any information required for the purposes of compliance with the Policy or APRA Prudential Standard APS 520 Fit and Proper.
23. I will not deliberately or knowingly mislead State Bank of India Australia and will endeavour to the best of my ability to provide complete and accurate information for the purposes of the assessment of my fitness and propriety.
24. I agree to undertake any training reasonably required in order to meet, initially, and on on-going basis, the fitness and propriety requirements of the policy.
25. I will immediately notify the Chief Risk and Compliance Officer or the Chief Executive Officer, State Bank of India Australia should any of the information in this declaration change while I am holding a Responsible Person position.

### **Consent to Collection and Use of Information**

26. I hereby give consent to:
- a. State Bank of India Australia – to collect and use any information (including personal and sensitive information) for the purposes of complying with this policy and/or APS 520; and
  - b. APRA – to collect or use any information (including personal and sensitive information) for the exercise of its powers and functions under the Banking Act 1959.
27. I will not seek damages or any other remedy from SBIA, in the course of SBIA implementing its Fit and Proper Policy

### **Declaration of any Qualifications (if any)**

Applicant signature: \_\_\_\_\_

Name: \_\_\_\_\_

Date: <DD.MM.YYYY>

**APPENDIX 4: FIT & PROPER CHECKLIST (TO BE COMPLETED FOR ALL RESPONSIBLE PERSON ASSESSMENTS)**

Responsible Person:

Position:

Date:

No	Assessment Requirement	Yes	No	N/A	Frequency
1.	Corporate Centre/ BCOM Assessment (Appendix 1/2/3)*  <i>* All Fit &amp; Proper assessments tabled &amp; minuted in BCOM</i>				
2.	A declaration from the candidate/Internal Auditor or from the SOOA confirming the Fit and Proper requirements are met; as per Appendix 1/2/3				Initially & Annual
2.	There are no legal/ regulatory (e.g. ATO, etc.) actions current or pending against the candidates.				Initially & Annual
3.	An assessment of the candidate's competence in the form of request of information regarding the person's qualifications and experience.				Initially & Annual
4.	Conflict of Interest Declaration				Initially
4.	<b>Checks required:</b>				
	CV				Initially
	Criminal history checks (either State or federal)				Initially & Annual
	APRA and ASIC disqualified register (available online)				Initially & Annual
	AML Checks (If Equifax veda report not available, OFAC screening to be conducted)				Initially & Annual
	Bankruptcy Checks/Credit Enquiry				Initially & Annual
	Overseas Checks (if applicable)				Initially & Annual

	Verified memberships of relevant professional body  <i>(Only for Responsible Auditor)</i>				Initially & Annual
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I have conducted the Fit & Proper Assessment as per this policy and found them to be acceptable to hold the Responsible Person position.

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**VP Operations**

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**Chief Risk and Compliance Officer**

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**Chief Executive Officer**