



BANK OF AFRICA RWANDA

**GENERAL POLICY FOR COMBATING FRAUD AND
CORRUPTION**

CONTENTS

1. PREAMBLE.....	4
1.1. Purpose	Error! Bookmark not defined.
1.2. Scope	Error! Bookmark not defined.
1.3. Main areas of action	Error! Bookmark not defined.
1.4. Sources	Error! Bookmark not defined.
1.5. Fundamental values	Error! Bookmark not defined.
2. COMBATING FRAUD	5
2.1. Definition.....	5
2.2. Scope of enforcement.....	6
2.3. System for combating fraud	6
3. COMBATING CORRUPTION.....	7
3.1. Definitions.....	7
3.2. Scope of enforcement.....	8
3.3. System for combating corruption	8

DOCUMENT REVISION LOG SHEET

Originator	Description	Date	Version
Compliance BOA Group	Document creation	March 2018	1.0
Compliance BOA Rwanda Compliance BOA Group	Document update	December 2020	2.0
Board of Directors	Document Approval	February 2021	2.0
BOA Rwanda Compliance BOA Group Compliance	Document update	April 2025	V2.0
Board of Directors	Document Approval	May 2025	2.0

1. PREAMBLE

This General policy states the principles and guidelines applicable to Bank of Africa Rwanda staff members for combating fraud and corruption.

Monitoring compliance with the principles set out in this policy firstly lies with the operational entities as part of first level monitoring, and then with the various control functions of the bank.

This document is validated by the Board of Directors, after review by the Management Committee and presentation to Board Risk Committee. It shall be updated periodically to reflect the changes occurring in laws, regulations and the organisation of BOA Rwanda and shall be communicated to all the employees.

1.1. Purpose

The system for combating fraud and corruption aims to ensure better control of fraud and corruption risk, within BOA Rwanda:

- in all its various aspects, whether external or internal fraud,
- on all activities deployed within the bank (routine retail banking activities, market or asset management activities, Bank's proprietary activities),
- on all the techniques deployed for implementing the various activities (IS technology, technology used for payment methods, credit, market operations, Bank's proprietary trading, etc.).

It aims to control the impacts of fraud and corruption in a broad sense, whether it concerns financial losses incurred, regulatory risks or reputational risks.

1.2. Scope

This General policy is applicable to all employees of BOA Rwanda without restriction and extends to all its branches and subsidiaries, as well as to all legal persons over which BOA Rwanda exercises a joint control, in Rwanda and abroad.

1.3. Main areas of action

BOA Rwanda deals with various cases of fraud and corruption. This General policy specifies the requirements set out by BOA Rwanda, to prevent these situations which can have serious impacts on the Group and its reputation.

Based on their scope and scale, fraud and corruption risks for an effective prevention and an adapted processing require involvement of the management, primary responsible for effectiveness of internal control systems.

1.4. Sources

This General policy draws on:

- Legal and regulatory provisions applicable to banking and financial activities;
- Law n° 54/2018 of 13/08/2018 on fighting against corruption;
- The national anti-corruption policy of June 2012;
- BOA Rwanda Compliance Policy;
- Code of business conduct and ethics of BOA Rwanda.

1.5. Fundamental values

BOA Rwanda has selected four guidelines regarding its activities:

- **Individual responsibility:** Personal data protection is first and foremost the responsibility of business functions even before the involvement of control functions. Presence of a suitable system at the Compliance function level shall not exempt anyone from her/his personal responsibility for protecting personal data and using it in compliance with the code of ethics and business conduct defined by the bank.
- **Independence:** The members and representatives of the Compliance function, in charge of personal data protection, perform their duties in conditions that guarantee their independence of judgement and action.
- **Completeness:** Personal data protection extends to all the levels of BOA Rwanda, and shall apply to personal data processing tasks, whether automatic or manual, as well as to personal data filing systems. It involves all data related to an individual irrespective of the sensitivity of this data.
- **The ethically best bidder rule:** BOA Rwanda standards shall prevail over the local provisions when the latter have a lower level of requirement. On the contrary, if the local rules are more stringent than the bank standards, local rules shall apply.

2. COMBATING FRAUD

2.1. Definition

BOA Rwanda has adopted a broad definition of fraud, to measure the spotless character that must be assumed by its members.

- A fraud is an unlawful behaviour that was performed using unfair means intending to obtain consent, an undue or actual material or moral advantage with the intention of evading law enforcement.
- This General policy covers all types of fraud of rights and duties, whether public or private. It deals especially with frauds arising from the banking and financial laws, financial markets regulations, labour law and consumer law, civil or commercial law, as well as criminal law, and frauds arising from the instructions and procedures in force within the bank. Fraud, thus defined, is not limited to cases of fraud usually punishable under the criminal law (theft, swindling, breach of trust, etc.)
- **An attempt of fraud** or an aborted fraud is a fraud that did not effectively achieve the sought criminal purpose. For the purposes of this General policy, it is deemed a proven fraud.
- **A suspected fraud** is a set of unusual events, unreported and/or unauthorised, even if the classification of fraud cannot be established with certainty.

Two types of frauds exist:

- **Internal fraud:** Losses related to acts committed internally within the company, intended to perpetrate a fraud or an asset misappropriation, or violate a legal or regulatory provision, or company policies, excluding cases of discriminatory practices or those contrary in terms of professional equality, and involving at least one member of the company. Internal fraud involves active or passive involvement of a member of BOA Rwanda, either solely, or in collusion with external individuals (joint fraud). Internal fraud also includes unlawful behaviour of members, arising from intentional non-compliance related to exercised functions, delegations granted and policies defined in each domain by the entity.
- **External fraud:** Losses due to some third-party acts intended to commit a fraud or an asset misappropriation or violate a legal or regulatory provision. External fraud is carried out by single or a group of individuals, whether customers or otherwise, whether acting under their own identity, or a false identity or through a corporate body, to obtain funds, documents or information that can be used for their benefit to act to the detriment of BOA Rwanda or of its customers or third parties.

2.2. Scope of enforcement

- This General policy applies to internal and external frauds committed or which could be committed within BOA Rwanda.
- Two cases of fraud involve specific provisions: frauds related to i) market abuse (price manipulation, insider trading), ii) misuse of a conflict-of-interest situation. Some other Policies/Codes describe in detail these specific provisions, especially the Code of Business Conduct and Ethics, and the General Policy for prevention, detection and management of conflicts of interest.
- The enforcement of this General policy is without prejudice to the application of Policies specific for managing these situations.

2.3. System for combating fraud

- The risk of fraud is both a risk of non-compliance and an operational risk. It cannot be subject to tolerance in any form, irrespective of associated financial stakes.
- Combating of fraud is primarily the responsibility of the operational and functional entities and their management.
- The system for combating fraud implemented by BOA Rwanda relies on the following principles:
 - Foster development of a corporate culture and vigilance behaviours regarding fraud risk especially through creation and dissemination of prevention and awareness programs for staff and service providers.
 - Identify various types of fraud and periodically assess fraud risks within various entities and businesses in scope using operational risk mapping (in compliance with the Group standards), then set out a summary identifying both the satisfactory and weak points of continuous monitoring.

- In collaboration with the other monitoring functions (especially: Permanent Control, Risk and Internal Audit), contribute to ensure regular updating of internal monitoring systems (organisation, procedures, monitoring plan, tools, audit guide, etc.) to reduce identified risks (potential and proven frauds).
- Ensure implementation of staff management Policies (mainly in terms of management, mobility, remuneration and taking of leaves) by the relevant stakeholders (Management, Human Capital) that strengthen the combating of fraud and the compliance with the Business code of conduct.
- Ensure appropriate consideration of the risk of fraud in the designing of information systems and access controls in collaboration with relevant lines of business (IS security).
- Promote the deterrence of internal attempts by ensuring that risks incurred and penalties borne by the staff are effectively communicated.
- Any information concerning a fraud or attempt to fraud, or any serious and significant suspicion of fraud, to which the staff may have knowledge, must be escalated immediately to the respective line managers and the Compliance and Internal Audit functions; the speed and accuracy of this escalation is a key condition for effective prevention and detection of a fraud. The exercise of this duty applies to all, through the whistle blowing right.

3. COMBATING CORRUPTION

3.1. Definitions

"Corruption" refers to the fact of requesting, offering, giving or accepting, directly or indirectly, an unlawful commission, or an undue advantage or the promise of such an undue advantage which affects the normal exercise of a function or the behaviour required from the beneficiary of the unlawful commission, or the undue advantage or the promise of such an undue advantage.

It is necessary to distinguish between the cases of internal and external corruption depending on whether one or several staff members of BOA Rwanda are implicated in the act of corruption, as corrupter or corrupted.

- **Internal corruption:** Cases of corruption involving staff of BOA Rwanda are considered as internal corruption. This category also involves corruption involving third parties mandated to this effect by the staff. The grid below summarises the various conceivable situations of internal corruption:

	Private sector staff within/outside the BOA Rwanda	Public stakeholder
BOA Rwanda staff granting an undue advantage	Private active corruption	Public active corruption
BOA Rwanda staff member accepting an undue advantage	Private passive corruption	Public passive corruption

- **External corruption:** Conversely, the instances of corruption that involve only people or entities not belonging to BOA Rwanda are considered as external corruption.

3.2. Scope of enforcement

BOA Rwanda applies this General policy to an extensive range of situations, to measure the spotless character that must be assumed by its staff.

This includes not only acts of proven corruption, but also collusion of such actions, attempts of corruption as well as suspicion of corruption, acts of active or passive, external or internal, private or public corruption.

The involvement of a member in an act of corruption is business misconduct. It can result in administrative, civil and criminal sanctions and proceedings. The involvement of a business partner of BOA Rwanda in an act of corruption results in the immediate termination of the business relationship.

Funds from an act of corruption may in addition constitute a money laundering offence. In this case, the system for combating money laundering shall apply, both in terms of detection as well as reporting to competent authorities and in the implementation of measures of vigilance.

The measures of vigilance especially target the Politically Exposed Persons (PEP), who by their Political or administrative functions may specifically be more exposed to the risk of corruption.

3.3. System for combating corruption

For BOA Rwanda, corruption is unacceptable, whatever be the circumstances. Not only it should not be subject to any tolerance from the bank and its staff, but it must be actively combated.

The system to combat corruption within BOA Rwanda relies on the following general principles:

- In collaboration with the other control functions, contribute to ensure the regular updating of internal control systems (organisation, procedures, monitoring plan, tools, audit guide, etc.) to reduce the risks of corruption.
- BOA Rwanda must build awareness among the staff on the risk of corruption and on the system implemented to reduce it. To this end, it must implement an awareness-building and training program adapted to its risks.
- Each staff member has a whistle blowing right which enables her/him to immediately raise alerts related to detection of an act of internal or external corruption with the highest level within the entity.
- The practices for gifts and benefits offered and received by BOA Rwanda staff must be specified to know the benefits threshold allowed (See: Procedure on gifts and benefits)

The system for combating external corruption is incorporated in the regulatory system for combating money laundering (See: General Policy for combating money laundering and financing of terrorism) which defines in a very detailed manner the measures to be taken.

Done at Kigali May 9, 2025

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