

BUSINESS CODE OF CONDUCT POLICY



Revision History

Date	Version	Version Description	Author
February 17, 2006	1.0	First Version	--
October 1, 2016	1.1	Second Version	Amin Gulamani
January 1, 2020	1.2	Third Version	Amin Gulamani
November 1, 2021	1.3	Fourth Version	Najwa Siddiqui
May 18, 2022	1.4	Fifth Version	Najwa Siddiqui

Objective:

Business should be conducted with honesty, fairness, integrity and the highest degree of professionalism. These standards are maintained through truthfulness, the absence of deception or fraud and full intent to follow and respect of all applicable laws and regulations. All employees irrespective of location or position are expected to uphold these ethical standards in their work performance and personal conduct.

UBL Fund Managers believes that it is essential for proper functioning and maintenance of public and investor confidence in the Company, that employees perform their duties with honesty and integrity.

Audience:

The Business Code of Conduct is applicable to all UBL Fund Managers Ltd. employees whether permanent or contractual. In addition to the Business Code of Conduct which is general in nature, other specific purpose codes shall also be followed/adopted such as:

- i) The Asset Manager Code of Professional Conduct developed by the CFA (Chartered Financial Analyst) Institute which identifies specific responsibilities of Asset Managers towards Clients.
- ii) Sales Code of Conduct
- iii) Code of Conduct adopted by Mutual Fund Association of Pakistan for its members.

Policy Details:

1. Compliance with Laws, Rules and Regulations

Obeying the law, both in letter and in spirit, is the foundation on which this Company's ethical standards are built. All employees must respect and obey the laws, rules, and regulations of the Company. Employees are expected to know sufficient details of laws, rules and regulations relating to their job functions.

2. Conflict of Interest

A "conflict of interest" exists when a person's private interest interferes in any way, or even appears to interfere, with the interests of the Company. A conflicting situation can arise when an employee or officer takes actions or has interests that may make it difficult to perform his or her Company work objectively and effectively. Employees should never become personally involved in any transaction, negotiation, or contract on behalf of the Company with an entity, a family member, or a friend in which they have an interest in, without full written disclosure.

An employee shall not represent UBL Fund Managers in any transaction if personal interests are involved. Employees are in position of trust and must avoid any personal activity, investment or association that could appear to interfere with good judgment concerning the Company's best interests. Employees shall not exploit their position or relationship with the Company for personal gain. Employees shall avoid even the appearance of such a conflict. Should a situation of conflict arise, Employees shall immediately disclose in writing the connection or interest in the activity or transaction to the Head of Compliance who, in turn, will take appropriate action to eliminate the conflict of interest. The Manager Compliance/ Head of Compliance shall be responsible for the following:

- i) Decide whether there is, or could be, a conflict of interest.
- ii) Having determined that there is, or could be, a conflict of interests, make recommendations to senior management (CEO or Committee formed for the purpose or designated to deal with such issues i.e. Whistle Blow Committee) to address the situation which, dependent upon particular circumstances may include that;
 - a. The employee be directed to divest him or herself from that interest;
 - b. The employee's duties be rearranged;

- iii) The employee be reassigned to an equivalent position with duties involving no such actual or potential conflict of interests;
- iv) Any other recommendation that may be appropriate in particular circumstances.
- v) There is likely a conflict of interest if an employee:
 - a. May cause the Company to engage in business transactions with relatives or friends;
 - b. May use non-public information about the Company, customer or supplier information for personal gain for him/herself, relatives or friends (including securities transactions based on such information);
 - c. Has more than a modest financial interest in the Company's suppliers, customers or competitors;
 - d. Receives a loan, or guarantee of obligations, from the Company (other than as specifically allowed) or a third party as a result of his/her position at the Company;
 - e. Competes, or is prepared to compete, with the Company while still employed by the Company; or
 - f. Performs work (with or without compensation) for a competitor, governmental or regulatory entity, customer or supplier of the Company, or do any work for a third party that may adversely affect his/her performance or judgment on the job or diminish his/her ability to devote the necessary time and attention to his/her duties.

3. Confidentiality of Documents

Employees are expected to maintain the confidentiality and integrity of all sensitive information both during and after their employment. Upon cessation of employment, employees will have a moral obligation to be bound by the following restrictions:

Employee shall consider all information provided to them by the Employer as confidential, except where it is expressly provided on the basis that it is to be made public. Employees are required to respect and maintain the confidentiality of information made available by the Employer and its clients during the course of their employment and even after employment as noted below. In discussion with any employee of the Company or any other person, care should be taken to give relevant information only on a need-to-know basis.

Any information relating to the following areas is generally termed as confidential; please note that this is not an exhaustive list but only a sample for reference and understanding purpose:

- i) Operations and client related information
- ii) Award of contracts/assignments involving third parties/vendors
- iii) Participation in consortiums, agreements and arrangements
- iv) Sharing of Non-public information of any Company (such as customer's personal information, bank statements, account details, etc.).
- v) Financial and investment related matters
- vi) Any other information relating to the Company

All information gathered through the process of providing services to clients of the Company shall be deemed as confidential. Such information shall not be released to any party inside or outside the Company except as specified by law or where required under normal business operations.

Client information shall not be discussed in public, except in professional settings required for the delivery of services or performance of other functions of the Company.

All client data, whether in case records or a computerized file, shall be maintained in a secure location. Client files shall not be maintained in a location generally open to the public, such as a reception area. All case records shall be maintained in locked files when not in use. When files are unlocked, as during regular working hours, they shall be in sight of an employee at all times.

Access to any record or data file shall be limited to employees or agents who have legitimate interest in the data.

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No Employee shall give to anyone the names of any parties appearing in the records or any copy of the records except upon order of the court or as specifically required by law by any governmental agency regulator.

An employee shall not, during or within three years of their retirement, resignation, termination etc. with the Employer divulge to any person or use any trade secret or any confidential information concerning:

- i) The Employer's business or financial arrangements or any related body corporate of the Employer including all client related information; or
- ii) Any of the Employer's dealings, transactions or affairs or any related body corporate of the Employer;
- iii) Except in the proper course of your duties, as permitted by the Employer or as required by law.
- iv) Employees shall use their best endeavor to prevent the publication, use or disclosure of any such trade secret or confidential information.
- v) Upon the termination of employment with the Employer, employee will not represent himself/herself as being in any way connected with or interested in the UBL Fund Managers business.
- vi) For a period of three months after cessation of service, an Employee shall not, without UBL Fund Managers prior written consent, on their own account or on behalf of any other entity, canvass or solicit business from any client of the Company in respect of the services provided by UBL Fund Managers.
- vii) Upon separation from service, Employees shall not use or disclose any confidential information concerning UBL Fund Managers business, which may have been acquired by them during the course of their service.

Employee must keep the contents of their Employment Offer confidential unless specifically asked to disclose the same under contractual obligations.

4. Ownership of Documents

Any document, computer programs, computer files, works, or other material prepared or created by the employee, alone or with others, in the course of employee's employment will be the Employer's property. The copyright and all other intellectual property rights of whatever nature that accrues in the course of their service shall become and remain the Employer's property. Upon termination of the Employment, the Employee shall forthwith surrender to the Employer all original and copied documents, computer programs, computer files, works, samples or other items relating to any matter aforesaid.

- i) An employee should acknowledge the Employer's ownership of what they develop or create in the course of their employment with the Employer, including all inventions, drawings, reports, specifications, bills of quantities, calculations and other documents; that he/she shall not, without prior written consent, copy or disclose to a third party, or cause to be copied or disclosed to a third party, any intellectual property owned by the Employer.
- ii) Upon termination of employment and without any further demand, an employee shall deliver to the Employer or its authorized representative:
 - a. All documents in the Employee's possession or control relating in any way to any confidential information, trade secrets of, or to the business or affairs of the Employer or any related body corporate; and
 - b. Any property of the Employer or any related body corporate or anything to which the Employer or any related body corporate has an entitlement to possession.
- iii) Employees are not entitled to retain a copy of any document referred to above.

5. Contributions / Payments

No funds or assets of the Company shall be contributed directly or indirectly, to any political party or organization or to any individual who either holds public office or is a candidate for public office.

Staff members shall not give or receive payments that are intended to influence a business decision or to compromise independent judgment; nor shall any staff member receive money or any form of consideration for having given Company business to any person other than the Company which is strictly prohibited, even otherwise.

Payment of any nature to government officials to induce them to perform their duties is strictly prohibited.

6. Record Keeping, Financial Controls and Disclosures

The Company requires honest, accurate and timely recording and reporting of information in order to make responsible business decisions.

All funds, assets, receipts and disbursements shall be accurately recorded in the books of the Company. In particular, no funds or accounts should be established or maintained for purposes that are not fully and accurately reflected in the books and records of the Company.

All of the Company's books, records, accounts and financial statements must be maintained in reasonable detail; must appropriately reflect the Company's transactions; must be promptly disclosed in accordance with any applicable laws or regulations; and must conform both to applicable legal requirements and to the Company's system of internal controls.

Funds and assets received or disbursed shall be fully, timely and accurately reflected in the books and the records of the Company.

No false or fictitious entries should be made or misleading reports pertaining to the Company or its operations should be issued.

The employees should avoid exaggeration, derogatory remarks, guesswork or inappropriate characterizations of people and companies that may be misunderstood. This applies equally to e-mails, internal memos and formal reports. Records should always be retained or destroyed as per the following procedure:

- a. Record Material should be kept under relevant official files.
- b. Non-record material should be destroyed/ wasted by using the paper shredder or by tearing off the material by the user him/herself so that confidentiality cannot be hampered by unauthorized disclosure.

7. Communication of Information

No Company information may be released to the press or any unauthorized party / person. All non-public information about the Company should be considered as confidential information. Employees and officers who have access to confidential information about the Company or any other entity are not permitted to use or share that information for trading purposes in Company A, the other entity's securities, or for any other purpose except for the conduct of the Company's business.

To use non-public information for personal financial benefit or to "tip" others who might make an investment decision on the basis of this information is not only unethical, but also illegal. Nor shall such information be published or used for personal gain. If an employee wishes to write any article or give an interview that may be construed as representing UBL Fund Managers, then prior written approval must be obtained from the CEO. All other contacts with the media should be reported to UBL Fund Managers immediately, including any type of acting, making a commercial, or simply appearing in a magazine or on television.

8. Private Trade/ Employment

No employee without prior written approval of the Company should enter into any employment or occupation, paid or unpaid or any personal business venture at any time.

9. Politics and Sectarian Creeds

No employee can hold an Office Bearer position or become an active and regular worker of any political party. Additionally, any affiliation with any sectarian groups is strictly prohibited at UBL Fund Managers. Evidence of such association may lead to disciplinary action by UBL Fund Managers.

10. Workplace Harassment

A work environment free of harassment whether it is intimidation, hostility, sexual advances, ethnicity, etc. will be strictly maintained. Consult with the Company's Sexual Harassment policy in respect to sexual advances.

11. Receiving Gifts

It is the Company policy that no gifts should be accepted from clients, vendors or other business contacts. Since moderate hospitality is an accepted courtesy of a business relationship, recipients should not allow themselves to get into a situation where they might be influenced in making a business decision as a consequence of accepting such hospitality. However, where a refusal of a gift would be regarded as an insult or where the return of a gift would be impractical, a gift may be accepted under the following criteria:

- a. The gift cannot be in the form of liquid cash, cheque or any other payment instrument, security or any other form of asset.
- b. The gift cannot be given with the above intention as such.
- c. The gift cannot be more than the nominal value i.e. PKR 3,000/- for which a Gift Report Form needs to be submitted.

12. Giving Gifts

It is also the Company policy that no gifts should be given to promote UBL Fund Managers politically or through any economic advantage. However, promotional giveaways such as diaries, pens, folders etc. are excluded from this. Personal gifts may be exchanged between employees within the Company on different occasions, however, they should not be claimed by / from the Company. One must try not to influence anyone and take undue favors from others. The gift cannot be in the form of liquid cash. Value of gift should not exceed Rs. 2,500/-.

The Management with prior approval of CEO, can provide incentives and compensate a distributor or employees of a distributor under a mutual agreement between the two parties.

The CEO can also approve similar campaign based incentive plans for UBL Funds own sales team within the budget of sales promotion. Incentives may include foreign (subject to approval by the BHRCC) or local trips and cash and kind prizes. The sales teams would include Distribution, Direct Sales and Al Ameen channels and will always be a function of performance.

13. Restrictions on Borrowing

Both lending and borrowing are not permissible within the Company or between Company employees.

14. Use of Company Resources

All Company resources including computers, telephone, mail, etc. may be used strictly for business

use only.

15. Resignation / Termination

In case of employee separation (resignation/termination) that has to take place with immediate effect, the employee will return all Company property, tidy up the work station, and adhere to all other policy instructions.

16. Post-Employment Obligations

On separation, an employee is not supposed to exchange sensitive Company information with anyone, or engage with clients for six months and maintain full Company confidentiality.

17. Employment of Relative

Relatives of the employees may be hired, but in all such cases special approval from the CEO must be sought. A relative is defined as a spouse, parent, child, sibling, in-law, aunt, uncle, niece, nephew, grandparent, grandchild, cousins, members of household, etc. This policy also applies to romantic relationships.

18. Reporting Legal Violations

If an Employee becomes aware of any improper, unethical or illegal conduct on the part of a colleague, he has a moral obligation to report it immediately to his HOD or Line Manager. Situations that may cause concern include but are not limited to the following: any action that is detrimental to the reputation or profitability of UBL Fund Managers; any action that undermines employee or customer rights; any illegal action. The Company will guard against any retaliatory action on an employee for reporting in good faith.

19. Health Safety and Office Environment

The Company strives to provide each employee and officer with a safe and healthy work environment. Each Employee at UBL Fund Managers must take care to ensure the health and safety of both self and others who may be affected by his/her acts or omissions at work. Employees should not tamper with or misuse any item belonging to the Company to secure the safety, health and welfare of its Staff and protection of the environment.

Employees are required to maintain an environment free of harassment whether it is intimidation, hostility, sexual advances, ethnicity, invasion of privacy, etc. Employees should note that violence and threatening behavior are not permitted.

At UBL Fund Managers employees are required not to participate in practices such as gambling, racing or betting. The use of alcohol and illegal drugs is strictly prohibited in Company premises and will constitute gross misconduct.

Employees are expected to follow all applicable environmental laws and regulations.

20. Smoking at the Workplace

To protect the wellbeing of all our valued customers and employees, smoking is strictly prohibited within the premises of UBL Fund Managers (for designated areas, please consult the Administration Dept.). Employees may utilize these areas within reasonable frequency without causing undue disruption to their assigned work. All employees using these designated areas must also ensure and assist in maintaining the cleanliness standards at these locations. Should the Management feel at any point in time that this privilege is being misused/abused; it reserves the right to discontinue this facility. Employees are requested to refrain from smoking in all public/customer areas e.g. hallways, open office areas, kitchen, wash rooms, conference room, etc. Visitors will not be allowed to smoke within the

premises of our Company. However, those visitors who wish to smoke will be requested to smoke in the designated areas.

This policy applies to all premises of our Company during and after official working hours. Employees stationed at designated branches of UBL are strongly advised to adhere to their smoking policy.

In view of the fact that each and every employee would benefit from a smoke-free workplace environment, the enforcement of this policy is most equitably placed as a responsibility on all employees. It is through the cooperation and assistance of our employees that we will succeed in maintaining a healthy work environment at UBL Fund Managers.

All employees are expected to observe the highest standards of ethical, personal and professional conduct.

21. Compliance

The Company's policies and procedures must be adhered to. Failure to do so will result in appropriate disciplinary actions. It is the personal responsibility of each employee to understand and comply with UBL Fund Managers Code of Conduct. Managers should ensure that their subordinates understand and sign off on these requirements. However, employee should note that if a law conflicts with a policy in this code, you must comply with the law.

22. Breach of Code of Conduct

Immediate remedial action will be taken by the Company and the Line Managers in case of a breach of Code of Conduct. Those who violate the standards in this code will be subject to disciplinary action, as per the disciplinary policy of the Company.

23. Fiduciary Responsibility

All employees will be required to abide by the fiduciary responsibilities. This would include but not limited to the following:

- Ensure employees exercise reasonable care and prudent judgment while managing unit / certificate holder's assets.
- Ensure fair and objective dealing with all unit/ certificate holders, when providing investment information, making investment recommendations, or taking investment action.
- Restrict him/her from entering into any transaction which may conflict with a duty of care owed to a unit/certificate holder. Where it is practically not possible to avoid conflict, ensure its complete and timely disclosure to unit/certificate holders.
- Restrict excessive trading that cannot be directly linked to a profitable trade for the Collective Investment Scheme (CIS), and ensuring that only minimal number of trades take place taking into account the scheme's' stated objectives.
- Ensure that the best price and terms are negotiated when trading in securities, is in the interest of the Collective Investment Scheme (CIS) investors.
- Determine and present investment performance in a fair, accurate and timely manner and not misrepresent the performance of Collective Investment Scheme (CIS).
- Ensure ongoing and timely unit/ certificate holder communications such as Collective Investment Scheme's portfolio information which does not contain any inaccurate or misleading information.
- Ensure confidentiality of unit/certificate holder's' information.
- Ensure proper and timely handling of any unit/certificate holders' complaints.

Review: This policy is subject to review every 03 years by the Human Resources Department.