

BUSINESS ETHICS AND CODE OF CONDUCT

PURPOSE:

To clarify the standards of behaviour that are expected from an employee of the Company in the performance of his/her duties and to give guidance in areas where employees need to make personal and ethical decisions.

To ensure all employees are aware of the actions which could be considered as an offense under the prescribed Laws and the Company's policies and the likely disciplinary action that could be taken by the Company.

SCOPE:

The scope of this Policy covers all employees.

POLICY:

Employees are expected:

- To demonstrate a high level of integrity and honesty in executing their assigned responsibilities; and
- To be courteous, polite, helpful and pro-active in attending to external/staff.

Every employee is responsible for being well acquainted with the Company's policies, rules and regulations instituted from time to time and to abide by the same. Non-compliance or infringement of policies, rules and regulations is considered a breach of discipline and employees shall be dealt with as per Company's Disciplinary Action Policy.

This Policy deals with the following business situations:

- a. Dealing with clients
- b. Dealing with business partners
- c. Compliance with applicable Laws and Regulations
- d. Employing good judgment
- e. Conflict of interest
- f. Business conduct
- g. Insider Dealing
- h. Whistleblowing
- i. Fighting monetary crime
- j. Information security and communication
- k. Accuracy of Company's records
- l. Confidential and proprietary information
- m. Computer users
- n. Interaction with media
- o. Sexual harassment and discrimination
- p. Workplace monitoring
- q. Dress code
- r. Company's Identification Card
- s. Working hours and attendance
- t. Conduct during working hours

A) DEALING WITH CLIENTS: The Company's obligation to its clients is to go beyond the delivery of financial/professional services in accordance with the contractual commitments. These additional obligations are reflected in certain basic principles of the Company, which should guide the action of the employees, particularly those who interface with clients.

In his/her dealing with clients, the employee must not place PMRC in jeopardy, through undue operational, financial, and reputational risk or by concealing the factual position from Management.

B) DEALING WITH BUSINESS PARTNERS: PMRC bases its relationship with business partners on fundamental concepts of honesty, fairness, mutual respect and non-discrimination. PMRC encourages necessary support, which will enhance its business and prosperity and build sound, long-term relationships. At the same time, PMRC respects and values healthy competition for its business, believing it is essential in a sound business system.

All employees who deal with the Company's business partners, existing or potential, whether directly or indirectly and no matter how frequently, should ensure they are not exposed to a conflict of interest situation and should be guided by the following:

- Procurement of goods and services are based on the merits of the opportunities available from competing for offers.
- All discussions with an existing or potential business partner should be restricted solely to PMRC's needs and the goods/services being offered by that entity. There should be no reference/inference about present or potential relationships with other suppliers.
- PMRC does not tolerate any reciprocity with neither its business partners nor with their employees in any part of the business. PMRC's employees who make procurement decisions should not be involved in the solicitation, on behalf of charitable, civic, or other organizations, of gifts, money or time from current or potential business partners.

C) COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS: PMRC has the policy to observe all relevant laws, rules, regulations, circulars, standards and guidelines. This specifically includes requirements issued by the State Bank of Pakistan and the Securities Exchange Commission of Pakistan, as amended from time to time.

D) EMPLOYING GOOD JUDGEMENT: Employees should always make their decisions in line with PMRC's values, Code of Conduct and policies/procedures. Employees should use their judgement and they must not go beyond their authority. Decisions should be informed and, if required, must involve Department Head/relevant colleagues.

E) CONFLICT OF INTEREST: PMRC's policy regarding a possible conflict of interest situation is based on the principle that an employee's decisions in business must be made in the best interests of the Company. In reaching these decisions, an employee should not be influenced by any personal considerations which might consciously affect an employee's judgment as to what is in the best interest of the Company.

Employees must avoid situations in which they might have, or even appear to have, interests in conflict with the Company or its clients. No employee may hold any position with, perform any service for, receive any compensation from, or have any financial interest in, any business in competition with the Company or its clients. For example:

- Employees shall not work freelance in any other organization.
- Employees shall not compete with the Company.
- Employees shall not hold a financial interest in or receive compensation from vendors and other third parties.
- Employees shall not accept valuable items such as loans, gifts, and social amenities, with the exception of what has been regarded as normally acceptable. Employees shall not, on behalf of the Company, engage in private business dealings with clients' personnel.

If an employee is offered a gift of value beyond Rs. 3,000/-, the individual shall report the facts of the gift to the HR Department immediately for a final determination. This report shall necessarily include:

- The name of the person or organization offering the gift of value.
- The reason for the offer and the circumstances under which it was offered.
- A description of the gift and its value.
- The date of the offer.
- Whether or not the gift has been accepted.
- An employee may be required to surrender a gift of value above what is stipulated in the Policy upon specific instruction in writing from the MD/CEO.

Employees are not expected to take up Outside Business Interest (OBI). However, where a conflict of interest situation does not arise, on the recommendation of the Department Head/Group Head, the MD/CEO may approve on merit the OBI request of an employee.

An honorarium is a voluntary payment that is given to a person for services for which fees are not legally or traditionally required. It is a small fee paid for a service that is usually done for free. It's more of a thank you than a real, substantial paycheck.

PMRC staff, from time to time, are required to meet with banks and other outside parties to give briefings, lectures etc, on behalf of the Company to promote its business. Payment received as honorarium in such cases is strictly prohibited. As each one of you is a staff under the employment of PMRC, professional ethics should not allow you to draw an honorarium, whilst representing the Company.

However, if a staff member is invited to give a talk at a seminar or conference etc. in his personal capacity and which is not a normal part of his job and not representing PMRC, he is permitted to do so, provided he obtains prior approval from HR Department, through his/her Department Head. Honorarium, if any, received for such performance, should be declared to the Department Head concerned, who in turn will seek clearance from HR Department. MD/CEO will be the final authority to decide if such payment can be accepted.

Business dealings with clients shall be limited to responsibilities with the client in question. Business dealings between the Company and clients in their private capacities are prohibited.

If a possible conflict of interest situation arises, it should be immediately disclosed and discussed with the Department Head, who shall review it with the HR Head and the MD/CEO. This matter must be regarded as important and necessary for the protection of both the employee and the Company.

F) BUSINESS CONDUCT: Employees should not do anything, or any act that may cause reputational risk for the Company including, but not limited to, the appearance of any impropriety that might discredit or embarrass PMRC or themselves as employees of the Company. Generally, this means that the Company strives to be a good corporate citizen wherever it does business and to operate in full accord with applicable laws and standards. Examples of this are:

- Employees do not make payments to Government Officials on behalf of the Company.
- Employees do not make Political Contributions on behalf of the Company.
- Employees must cooperate to ensure that the Company adheres to appropriate Work Standards.
- Employees must not give and/or accept valuable gifts to/from existing or prospective clients.

It is also important for employees to recognize that business conduct, which is not unlawful, might nonetheless reflect badly on the Company and therefore should be avoided. Thus, for example, even if there was no technical violation of some local "commercial bribery" law, employees should not give anything of value in order to secure business from any client or potential client or to obtain preferential treatment from any vendor or another third party. This is not intended to prohibit occasional moderate entertainment or an occasional gift of minor value to clients, or others with whom the Company does business with unless, of course, the client has a policy, which prohibits or limits this practice. All such cases should first be discussed with the concerned Department Head/Legal Department before giving any gift to a third party.

G) INSIDER DEALING: It is paramount that all employees understand the implications of 'insider dealing' and avoid any kind of conflict between personal dealings and those of the Company or its clients.

Employees should not deal or cause someone else to deal on the basis of inside information. Any awareness or access to any inside information should not be shared with anyone for personal gains, other than in the best performance of their job responsibilities.

H) WHISTLEBLOWING:

Whistleblow against any employee(s) from employee(s), stakeholder, vendor or any member of the public, who has observed reportable misconduct can report his/ her concerns to designated parties within the Company. All staff should ensure that they take steps to disclose any wrongdoing or malpractice of which they become aware as non-action/ concealment will

be deemed as complicity. The identity of the whistle-blower will be kept confidential and it will be ensured that no harm occurs to the whistle-blower by virtue of his/her act of blowing the whistle. However, this channel must not be used for personal grudges or intentions. No anonymous complaint shall be entertained.

Whistleblowers can raise their concerns according to Whistleblow Program. Moreover, all the Whistleblow/Complaints will be handled in accordance with the Whistleblowing Program in place as Annexure VI.

If any of the accusations falling under the scope of Whistleblowing Policy have occurred due to involvement of PMRC officials / staff members, the employees who have knowledge are required to report the matter as per procedures defined in the Whistleblowing Program. The whistleblower must remain unbiased and objective while reporting matters under this Policy.

In making a complaint / allegation, the whistleblower should exercise due care to ensure accuracy of the information i.e. event, time period, staff name and financial, non-financial etc. matters. The complaint should be based on material facts rather than speculation or personal opinions, and contain specific information including valid reasoning and evidence as to why the noted event requires reporting. If any allegation is found to be malafide, malicious or false, in such case, PMRC management will take appropriate action against the whistleblower. The Company treats false and malicious allegations very seriously.

BAC is responsible for review of effectiveness of whistle blowing procedures. The BAC shall ensure that such concerns are treated confidentially and that the reporting employee(s) are protected and not penalized in any manner whatsoever. All the results from the whistleblowing inquiries will be shared to BAC through Head of Internal Audit.

I) FIGHTING MONETARY CRIMES: It is crucial for the Company's continued success that its integrity is not undermined by inadvertently handling the proceeds of any kind of criminal activity. Employees are responsible for reporting any potential money laundering activities to the Compliance Department in accordance with PMRC's Anti-Money Laundering Policy/Know Your Customer Policy.

J) INFORMATION SECURITY AND COMMUNICATION: Information is one of the principal assets of the Company and must be protected to a degree appropriate to its vulnerability and importance. The scope of information security extends to all representations of information, wherever it is used or stored. Information communicated verbally, stored electronically or in written form is equally deserving of protection. The responsibility for information security rests with all employees on an on-going basis.

Employees have access to information because the Company trusts all its employees. With this trust comes the responsibility and obligation to ensure that the information is used only for its intended business purpose. The responsibility is significant since the Company uses information on a day-to-day basis that could be valuable to competitors and others who would use it for purposes other than its intended use.

The telephone, electronic mail and all other telephonic equipment and computer systems are to be used for the Company's business operations, and not generally for communication of a

personal, private, or non-business nature. Users must consider their actions before downloading, copying, creating or transmitting material. Messages that are offensive, defamatory, obscene or discriminatory based on race, color, national origin, sex, sexual orientation, age, disability, or religious or political beliefs, or any individual's status in any protected group or class, are strictly forbidden to be created, stored, copied or forwarded to others within or outside the Company. It may be noted that these guidelines apply to the use of Company's systems from the Company's office(s) or from outside locations including access from home. The Company reserves the right to check electronic media stored in computers and/or monitor the use of computers and related systems at any time, without giving any notice or intimation for the same.

K) ACCURACY OF COMPANY'S RECORDS: All official records of the conduct of the Company's business must be accurate, honest and complete without any restriction or qualification of any kind. This means that the accuracy of any record involves factual documentation and ethical evaluation/appraisal. All employees should understand that the Company does not maintain nor does it countenance any 'off-the-book' funds for any purpose. This means, without exception that all Company's funds must be accounted for in official Company records and the identity of each entry and account will be accurate and complete. PMRC does not condone the concealing of any payment by means of passing it through the books and account of its clients/business partners.

L) CONFIDENTIAL AND PROPRIETARY INFORMATION: The nature of the business conducted by the Company means that employees frequently would have access to confidential/proprietary information. Unauthorized disclosure of confidential information is always damaging to the Company and is cause for immediate dismissal from service of any employee found guilty of engaging in such activities. It is the policy of the Company that no employee may disclose to unauthorized parties, or otherwise make use of, the confidential or proprietary information of the Company or any client. Likewise, the Company's policy forbids the solicitation or acceptance of confidential/proprietary information by employees. It is to be emphasized that this obligation continues even after an employee ceases to be employed by the Company.

When accessing external systems, employees should not copy, download, send or receive confidential or proprietary information, including but not limited to documents, images, software programs, models and projections. An employee must respect the copyright and related intellectual property rights of others. Copyright laws also apply to the use of photocopiers, recorders, CD/DVD etc., and violation of such laws is also prohibited.

Unless it is otherwise stated in any publication, it is assumed that copyright restrictions apply. When copying material, an employee should ensure that a very limited portion of each publication is copied and very limited internal distribution. An employee shall not record copied material electronically without first checking that the Company has appropriate right to the material. This applies when scanning documents into any computer.

All third-party software must be properly licensed. Unless the software publisher allows it, users do not have the right to reproduce the software or any related books or materials. Unless explicitly permitted by the vendor, software must be separately licensed for home use.

The Company retains copyright on any intellectual property in any new material that the employee produces in the conduct of the Company's business.

M) COMPUTER USERS: Information processed by the Company's computers is particularly vulnerable. Every major information system is protected by user identification and passwords, which control data access. The employee must not attempt to bypass or defeat the security system, obtain or use passwords or privileges given to other employees, or use the Company's computer for private or other unauthorized purposes. It should be understood that the Company does not provide users a guarantee to or right of privacy or confidentiality in connection with the use of any technology and users should have no expectation of privacy in these communications. Senior Management may access or examine e-mail messages or any other files, whether on the user's hard drive or on a Company's server, for any reason, including but not limited to, retrieval of business information, maintenance of systems, or to conduct an investigation, without notifying users. Access to external systems, including Internet/Web sites, may be monitored and logged. The Company reserves and intends to exercise the right to access and monitor these communications to ensure technology is being used properly.

N) INTERACTION WITH MEDIA: No Company employee shall, except with the prior approval of MD/CEO or his nominee or those who are officially assigned, participate officially in radio/TV/press seminars program or release any information relating to the affairs of the Company or its business areas to the print/electronic/social media. Any press release should be endorsed by the MD/CEO or his nominee, and the Legal Department if require, before its release to the print media.

Employees must refrain themselves from criticizing or using even implicitly inappropriate language on social media. Employees should be aware of the consequences their actions may cause including reputational damage to their own image as well as of PMRC. Although not an exhaustive list, some specific examples of prohibited social media conduct include posting commentary, content, or images that are abusive, defamatory, pornographic, proprietary, harassing, libelous, or that can create a hostile work environment internally or externally or indirectly may impact PMRC.

Employees shall not speak/write on behalf of PMRC, and should use a disclaimer where required.

O) SEXUAL HARASSMENT AND DISCRIMINATION: This Policy has been formulated in compliance with the Code of Business Conduct regarding protection of employees from sexual harassment and discrimination so as to create a work environment that is safe, civilized and supportive to the diversity and dignity of all our staff.

Sexual harassment is a serious matter and is seen as an unsolicited and unwanted verbal or physical conduct of a sexual nature that offends a reasonable person and interferes with that person's professional activities and opportunities at the office. Such practices create a demeaning work environment that is intimidating, hostile, and offensive and is characterized by fear, the precise opposite of our Company's goal. Anyone who engages in such behavior is subject to formal punishment, including dismissal.

The parameters for identifying cases of alleged harassment including sexual harassments are:

- Harassment based on sex, including same-sex. (sexual and non-sexual)
- Harassment based on race, color, ethnic background, sexual orientation, national origin, religion, age, disability or retaliation.
- Harassment based on behaviour not conforming to the social norms but may exclude occasional compliments of a socially acceptable nature.
- The offensive conduct must be pervasive, such that a reasonable employee would consider it to be intimidating, hostile or abusive. It refers to behaviour that is not welcome, that is personally offensive, and that debilitates morale and interferes with work effectiveness.
- Sexual Harassment may include but is not limited to:
 - Physical, written or verbal harassment or abuse; (flirtations including through the use of electronic media, advances, and/or propositions).
 - Behaviour or words, including demand for sexual favors, accompanied by implied threats or preferential treatment concerning a person's employment status; (individual's employment, work assignments, or status, salary, academic standing, grades, receipt of financial aid, or letters of recommendation)
 - Assaults, insults, jokes and reference to such literature, or anecdotes that belittle or demean a person or a group's standing/gender.
 - Inappropriate displays of suggestive objects or pictures.
 - Unnecessary and inappropriate touching, such as patting, pinching, hugging, or brushing against a person's body.
 - Gestures, verbal expressions, or comments about a person's body, clothing, or sharing of sexual experiences.
 - Inappropriate jokes and references to such literature.

All employees/individuals/external service providers are expected to take reasonable measures to prevent and discourage any type of harassment including sexual harassment from occurring in the workplace and report any such instances to the person concerned. Any employee who violates this Policy shall be subject to appropriate disciplinary action, which may result in termination. PMRC shall do all things consistent with this Policy to protect the privacy of the employee involved and to ensure that the complainant and respondent are treated fairly. Information about the complainant and his/her disposition is considered confidential and shall be disclosed only to the relevant person(s). Any counseling required due to trauma caused as a consequence of harassment will be covered by the Company. The Inquiry Committee shall monitor the situation regularly until it is satisfied that corrective measures have been implemented.

Furthermore, the Code of Conduct as defined in 'The Protection against Harassment of Women at Workplace Act 2010' will be applicable to all employees of PMRC.

PMRC shall have an Inquiry Committee to thoroughly investigate complaints of harassment and discrimination, and will take formal disciplinary action, where misconduct has taken place.

The Inquiry Committee consists of three members, of whom at least one member shall be a woman. One or more members may be co-opted from outside the Organization if the Inquiry Committee deems necessary.

In case a complaint is made against one of the members of the Inquiry Committee that member shall be replaced by another for that particular case. Such a member may be from within or outside the organization. The Terms of Reference for Inquiry Committee for Sexual Harassment are attached as Annexure I.

P) WORKPLACE MONITORING: Workplace monitoring may be conducted by PMRC to ensure quality control, employee safety and security. PMRC may conduct video surveillance of non-private workplace areas. Video monitoring is used to identify safety concerns, maintain quality control, detect theft and misconduct, and discourage or prevent acts of harassment and workplace violence. Therefore, PMRC is sensitive to the legitimate privacy rights of employees, and every effort will be made to guarantee that workplace monitoring is done in an ethical and respectful manner.

Q) DRESS CODE:

Men and women who work at PMRC must be well-groomed and conservatively dressed within the generally accepted cultural norms in Pakistan. The intention of this Policy is not to impose a rigid uniform but to provide broad guidelines of what is appropriate or inappropriate.

The employees are advised to follow the dress code instructions in letter and spirit in order to enhance the image of the Company. Department Heads/Group Heads shall ensure that the contents of the Policy are understood by all the employees for its strict compliance.

The following principles have been borne in mind when formulating dress code: -

- The dressing should not distract from a business-like environment, in other words, it should be different from evening or casual home wear; and
- Should be more traditional than following the latest fashion.

It is expected that all employees shall abide by guidelines mentioned in this Policy. Any deviation from the norms mentioned herein shall be reported under non-conformity to dress code and warning may be issued or disciplinary action may be initiated against the individual.

Male employees must wear pants, dress shirts, and formal shoes. Suits and ties should be worn when required, and where appropriate. Male employees may wear Shalwar Kameez with waistcoat/coat.

Female employees must wear modest clothes, which are not revealing and distracting.

R) COMPANY'S IDENTIFICATION CARD:

Company's Identification Card (ID Card) is also a part of building Company's image. To maintain uniformity, computerized Company ID Cards shall be issued to all employees of PMRC. Employees are required to carry the Company's ID Card at all times whilst on office premises.

S) WORKING HOURS AND ATTENDANCE:

Punctuality is essential to ensure optimal productivity and Organizational excellence. All employees shall observe the official timing unless assigned some work outside of normal office hours. The Company shall be officially open on the following timing:

Days	Timing	Break Time
Monday to Thursday	9:00 a.m. to 5:30 p.m.	(With one-hour lunch/prayer break) 01:00 p.m. to 02:00 p.m.
Friday	9:00 a.m. to 6:00 p.m.	(With two hours lunch/prayer break) 01:00 p.m. to 03:00 p.m.

Working hours in the month of Ramazan will be announced prior to the month of Ramazan and will be in accordance with SBP instructions. The HR department shall specify working hours for all employees in line with circulars issued by the SBP and shall be updated in accordance with the same.

The Company shall observe Government/SBP notified holidays or Public Holidays. The Gazette holidays are subject to the Federal Government's notification and may change from time to time.

Employees are expected to report to work as scheduled on time. If it is impossible to report for work as scheduled, employees must call their Department Head and/or the HR Department in advance.

All employees are required to mark their attendance not later than 9:00 am. A grace period of 15 minutes shall be allowed after which the employee will be marked as late. More than three late comings in a calendar month shall be construed as one day's leave.

An employee may be allowed a short leave to attend to any urgent matter. The time allowed shall be at the discretion of the Department Head provided that Company's activities are not affected in any way.

The Department Head/Group Head is responsible for ensuring that all employees observe office timings with punctuality to avoid any disruption in the normal course of activities.

The HR Department is responsible for reviewing and updating leave records of individual employees based on the attendance record of the preceding month. The HR Department shall liaise with the concerned Department Head/Group Head for dealing with unacceptable disciplinary cases related to attendance.

It is the responsibility of the employee to observe official working hours and report to the office on time. In case the employee fails to mark his/her attendance within official time, the Company shall not be held responsible for any future course of action.

Management may, at his discretion, excuse late arrivals on a case to case basis.

T) CONDUCT DURING WORKING HOURS:

The working relationship between employee and the Company shall be based on mutual respect and trust. The Company endeavors to demonstrate its concern and respect for employee and as an individual. It is expected that employee behaviour shall earn that respect by being responsible, constructive and mindful of others. In particular employee:

- Shall comply with all reasonable instructions or requests.
- Shall maintain good relations with those for whom and with whom you work and avoid obstructive behaviour of actions, which threaten the health, or safety of others.

These points shall be borne in mind while carrying out normal duties at the Company's offices and when staff attends social, business or training functions organized by or associated with the Company, whether on or off the Company's premises.

In an effort to ensure a productive and harmonious work environment, persons not employed by PMRC shall not solicit or distribute literature in the workplace at any time for any purpose. In addition, the posting of written solicitations on company bulletin boards is restricted.

If employees have a message of interest to the workplace, they may submit it to the Department Head/Group Head and the HR Department for approval.

EMPLOYEE GRIEVANCE:

Employees, Department Head and Group Head have an obligation to make every effort to resolve employment relation problems as they occur. In any case, where this effort fails, the employee may initiate the grievance process.

Employees may raise their concerns confident in the knowledge that grievances are taken seriously with due regard to confidentiality and privacy and that appropriate and timely action shall be taken by Management to resolve the issue. Grievances that may be reported under this Policy include, but are not limited to:

- Offensive or intimidating behavior
- Sexual harassment
- Unfair treatment
- Misconduct
- Discrimination
- Vilification
- Violation of Code of Conduct
- Racism