

CODE OF CONDUCT

INTRODUCTION

This code lays down the core values relating to the lawful and ethical conduct of our business activities and provides guidance to all.

No code of conduct can hope to spell out the appropriate behavior for every situation. The Management would rely on each of us to make a judgment of what is right and proper in any particular situation.

If you are having difficulty determining whether taking a certain action is appropriate you should seek guidance from your Immediate Supervisor.

RELATIONS WITH REGULATORS

One of the most important relationships, which POAMCL maintains, is our relationship with our regulators.

All of us must comply not just with letter but also with the spirit of legal and regulatory requirements including any regulatory guidelines applicable to the activities in which we engage.

If a law or regulation appears no longer to be relevant or our competitors are not abiding by it we must not violate it but rather lobby to change it.

The objective is to develop a relationship of confidence and trust in Pak Oman Asset Management Company Limited with our regulators.

Customer Services

POAMCL is committed to the continued development of excellent service culture in which we seek to consistently exceed customer expectations. We should seek to understand our customers' financial circumstances and need to be able to provide them with most suitable products and services.

We will ensure that any advice given is honest and fairly expressed. We will only provide services or products if we have the relevant expertise and authority.

Fidelity and Secrecy (Confidentiality)

You shall not disclose and divulge any classified information that you may obtain while discharging your duties relating to the company or its customers during or after your services with the company unless compelled to do so by a competent court of law.

Know your customer and Money Laundering

We must ensure that we have sufficient information about our customers to satisfy ourselves as to their reputation and standing and the nature of the business activities.

Money laundering is the process by which companies are used as vehicles to disguise or launder the proceeds of criminal activities. Such activities undermine a company's integrity, damage its reputation, defraud honest customers and expose a company to severe sanctions. POAMCL fully supports the international drive against serious crime and is committed to assisting the authorities in preventing money laundering.

Accordingly the following precautionary steps are to be adopted in this connection.

- The identity of every new customer with whom we deal must be established from reliable identifying documents.
- If you suspect that funds stems from illegal activities, this must be reported internally to your next Reporting Supervisor who will liaise with competent authorities.
- Customers should not be warned when information relating to them is being reported.

Insider Trading

Inside trading involves the improper use of unpublished price sensitive information for personal team when dealing in securities.

According to Section 15 A and 15 B of Securities and Exchange Ordinance 1969, employees and other persons who have privileged price information about a company during the preceding six months should not deal in securities of the company. Those found guilty of contravening the provisions of the Ordinance can be awarded punishments up to three years and obliged to pay fine as well as compensation to any person who may have suffered on account of such insider dealing.

SPECULATIVE DEALING

Personal dealing in speculative transactions can entail employees with risks to their financial standing, can distract them from the performance of their duties and can impact on the reputation of the company. For these reasons, employees should not engage in speculative transaction for their personal account.

Accordingly no employee shall

- Borrow money from or in any way place himself/herself under pecuniary obligation to a broker or money lender or any firm or persons without means to meet the full obligation thereof.
- Buy or sell stocks, shares, commodities, foreign exchange or securities of any description without funds to meet the full cost thereof.
- Lend money in his private capacity to constituent of the company or have personal dealings with a constituent for the purpose of sale of bill of exchange, Government paper or any other securities.

In this connection employees are advised to not that borrowing money from any source or placing themselves under pecuniary obligation beyond the capacity to repay or honor the commitment will tantamount to speculative activity.

CONFLICT OF INTEREST

Employees must ensure that their personal interest do not conflict with the duties which are owed to the company or which the company owes to its customers. This includes engaging in any of the following activities without the approval of the management.

Becoming personally involved in any transaction of the Company/ Group

Negotiating or contracting on behalf of the company with an entity in which you or a relative has an interest.

Accepting any employment while employed at POAMCL (whether part time, temporary or other), consultancy, directorship or partnership outside the company

If you are in doubt about whether a certain circumstances might create a conflict of interest you should first consult the competent authority for guidance before taking action.

PERSONAL INVESTMENT POLICY

This policy covers Members of Investment Committee and Members of Investment Staff (Back Office) who are required to disclose their personal investments in stocks and shares and other securities.

Accordingly a staff member in the above category is required to obtain prior permission in writing from the Chief Executive Officer for personal investments making sure that there is no case of conflict of interest.

In case prior approval could not be obtained for any reason investments made should be reported to the management as and when investment is made.

GIFTS AND ENTERTAINMENT

Gifts, business entertainment or other benefits are often accepted as a legitimate and recognized part of commercial life. They are also often part of traditional festive occasions. Problems however arise when they begin to compromise or even appear to compromise commercial relationship. For this reason employees are not permitted as a general rule to offer or accept gifts or other benefits.

Gifts or other benefits are only permissible if they are;

- Of small value (not exceeding Rs. 5000) or
- Diaries/ Calendars and other promotional items
- Employees may offer or accept normal business entertainment appropriate to the circumstances

BREACHES & DISCIPLINARY ACTION

In the event of an employee committing breach of this code or any of the provisions of Employment Rules or contravenes instructions/ orders issued to him/her in connection with official work or who displays negligence, inefficiency, intolerance or criminal behavior or does anything detrimental to the interests of the company or is guilty of any other act of fraud, misconduct or insubordination, the Competent Authority in its sole discretion and without limitation may impose on him/her one or more of the following penalties.

- Reprimand
- Postponement or stoppage of increment or promotion
- Fodeilure of pay for any period of unauthorized absence from duty
- Recovery from pay of the whole or part of any pecuniary loss caused to the company by the employee.
- Demotion to a lower stage of pay in his/her Grade or to lower Grade
- Call upon an employee to resign from services with or without notice period.
- Dismissal from services, which will involve permanent disqualification for future employment in the company without notice period.