

## 1. CODE OF CONDUCT

### 1.1. INTRODUCTION

- 1.1.1. Faysal Bank's reputation is a priceless asset that each of us is responsible for maintaining. Our reputation not only affects whether or not someone will be our customer; it also determines whether we are proud to be associated with this organization — how we feel about coming to work.
- 1.1.2. The Code of Conduct is designed to guide the personal business ethics of all of us. It applies to every employee of Faysal Bank Limited and each of its subsidiaries. In addition, other persons performing services for the Company may be subject to the Code by contract or agreement. Employees are expected to read this document promptly upon receiving it. Employees also are expected to read and understand the Company policies that relate to sections of this Code.
- 1.1.3. Individual business units or staff groups may issue additional policies that provide more specific guidance about certain practices related to those particular businesses. Employees should speak with their leader for more information about any additional policies that may pertain to employees.
- 1.1.4. In addition to the ethical guidelines included in the Code, Employees must comply with the requirements of all applicable laws and regulations. This is mandatory for everyone and is not subject to business priorities or individual discretion.
- 1.1.5. Adherence to the Bank's Code of Conduct is a condition of employment. All employees are required to comply with the Code, and no waivers from its coverage may be granted.
- 1.1.6. Code of Conduct section may be revised with respect to revision in relevant policies, periodically.

### 1.2. BUSINESS ETHICS AND COMPLIANCE WITH LAW

- 1.2.1. Employees are expected to protect and enhance the assets and reputation of Faysal Bank Limited.
- 1.2.2. Our business is based on a strong tradition of trust. It is the reason our customers come to us. Honesty and integrity are cornerstones of ethical behavior. Trustworthiness and dependability are essential to lasting relationships. Our continued success depends on doing what we promise — promptly, competently and fairly.
- 1.2.3. In our rapidly evolving businesses, each of us is challenged by a complex environment, this often requires fast responses under pressure. No written policy can definitively set forth the appropriate action for all business situations. Accordingly, rather than a set of specific rules, this Code emphasizes a standard of ethical conduct that must permeate all of our business dealings and relationships. Individual businesses may issue additional policies that provide more specific guidance about certain practices related to that business. Employees should speak with their leader for more information about any of those policies that pertain to them. Employees also should pay careful attention to compliance training programs to help apply the Code in their daily activities.
- 1.2.4. The Code of Conduct provides guidelines for a variety of business situations. It does not try to anticipate every ethical dilemma employee may face. Faysal Bank, therefore, relies on employee's good judgment.
- 1.2.5. Employees must conduct business in accordance with applicable laws and regulations and the Code.
- 1.2.6. Employees should consult the Legal Counsel whenever have a question about the legality of a course of action. Employees must also exercise the utmost care to ensure that all statements they make, especially those made to the government bodies that regulate our businesses (or with which we do business), are accurate. If employees are in doubt about any situation or behavior, they should speak to their leader, Compliance or their Human Resources representative.
- 1.2.7. Leaders, by virtue of their positions of authority, must be ethical role models for all employees.

- 1.2.8. An important part of a leader's responsibility is to exhibit the highest standards of integrity in all dealings with fellow employees, customers, suppliers and the community at large. An equally important responsibility is to obtain employees' commitment and develop their ability to make sound ethical judgments. Leaders must communicate the seriousness of the Bank's expectations for ethical conduct and their own personal support of these expectations. Ethical leadership includes both fostering a work environment that encourages employees to voice concerns or otherwise seek assistance if faced with potentially compromising situations, and supporting those who speak out. Leaders must be alert to any situations and/or actions that may be unethical or potentially damaging to the Company's reputation and to respond appropriately. Leaders must avoid giving even implicit approval of such situations and actions. For example, leaders must ensure that financial reports and product and service claims are honest and complete.

### **1.3. ENGAGING IN MISLEADING OR DECEPTIVE CONDUCT**

- 1.3.1. The Bank staff shall not engage in misleading conduct by any means. A Bank's conduct is considered misleading or deceptive where such conduct has the tendency or capacity to mislead or deceive consumers in relation to a banking service or product. In determining whether the Bank is engaging in misleading or deceptive conduct, following factors are considered:
- 1.3.2. 1. Whether the Bank has met explicit instructions issued by the SBP on product suitability, product transparency and disclosure, sales, post sales services, grievance handling and consumer empowerment.
- 1.3.3. 2. The circumstances in which the alleged misconduct occurred. For example, the manner in which information was communicated to the consumers, and whether it was appropriate to the level of financial knowledge and understanding of the consumer.
- 1.3.4. Following are some examples of misleading or deceptive conduct by Bank in relation to banking services.
- 1.3.4.1. Employees will not hide or not disclose the actual price of a financing product.
- 1.3.4.2. Employees cannot falsely be claiming third parties' product to be bank's product. Ambiguous disclosure of ownership of product will also be counted as misconduct.
- 1.3.4.3. Employees will not falsely state that a banking product (including third party products) are only available for a limited time without disclosing the actual period for such campaign.
- 1.3.4.4. Employees will not falsely or ambiguously present a consumer's rightful entitlement, e.g. the right to redress, etc.
- 1.3.4.5. Employees are not allowed to misrepresent the benefits, advantages, conditions or terms of banking service or product.
- 1.3.4.6. Giving prominence to the returns on a banking service or product without judiciously disclosing the significant terms, conditions, and risk warnings or not following the related regulations are also examples of misleading the customers. Such action may mislead consumers to form unrealistic expectations on the returns to be earned.
- 1.3.4.7. Employees will not describe a banking service or product as 'free' or 'at no cost' without disclosing the conditions making that offering free.
- 1.3.4.8. Employees will not omit material facts that are relevant for the banking consumer to make an informed decision such as using abbreviations, small print or cluttered disclosures to obscure such facts.
- 1.3.4.9. Refrain from Accepting payments or consideration for services or products without intending to or being able to supply the services or products except the externalities beyond banks' control.
- 1.3.4.10. Employees will not misrepresent conventional products as Shariah compliant products.
- 1.3.4.11. Employees are not allowed to obscuring early payments, switching or exit conditions and costs without adequate references to the sources such as Schedule of Bank Charges.

### **1.4. TREATMENT OF EMPLOYEES AND OTHERS**

- 1.4.1. Leaders are expected to treat colleagues, employees and others with whom they interact with respect and dignity.

- 1.4.2. Treating all employees with respect and dignity is a FBL Value that applies to everyone. This is particularly important for leaders who influence the work environment of their areas on a daily basis. Leaders must remember that they are role models for their employees and that these employees are likely to treat their colleagues, including employees whom they manage and others, as they themselves are treated.
- 1.4.3. The Company expects leaders to seek out the ideas of subordinates and to involve them in decisions whenever appropriate. At the same time, once a decision is made, everyone involved is expected to pull together and support it.
- 1.4.4. In addition, leaders must respect and maintain the confidentiality of information they learn about their employees and colleagues (e.g., salaries, performance reviews, disabilities or leaves of absence). Leaders must not share this information with anyone either inside or outside their department, except as is necessary to perform their job.
- 1.4.5. Employees to avoid absurd remarks on social media and must display tolerance.
- 1.5. RELATIONS WITH REGULATORS**
- 1.5.1. All communications with regulators must be handled through the appropriate department/Function. Where communication with the regulator is part of an employee's job description (e.g. dealing with the regulators for filing regular financial returns which is the responsibility of the respective department sending the regular returns), in these cases, Compliance is only involved if there is a potential breach of regulations. Guidelines of SBP issued in this regard shall be strictly followed. A copy of all non-routine correspondence with the regulators must be provided to the Compliance Function.
- 1.5.2. Meetings with Regulators
- 1.5.2.1. Any visits to regulators by employees or Senior Management must be notified to and if required may be coordinated by the Compliance Function.
- 1.5.3. Reporting to Regulators
- 1.5.3.1. Information provided to regulators by FBL must: -
- 1.5.3.1.1. Be accurate;
- 1.5.3.1.2. Not omit any information that might result in the information provided being misleading;
- 1.5.3.1.3. Be provided only after all reasonable enquiries are made to ascertain the accuracy and completeness of the information;
- 1.5.3.1.4. Be reviewed by a Head of the Department/Function.
- 1.5.4. Inspection by Regulators
- 1.5.4.1. Regulators may inspect FBL to enable regulators to inspect its activities, FBL must maintain all records in a form capable of being checked or audited. Employees must ensure that they do not amend, destroy, erase or make further entries to any record or file which is, or may be, relevant to a matter being inspected or investigated by a regulator or to any disciplinary process or appeal process. Employees must co-operate with any inspection carried out by the regulator to the fullest possible degree. Compliance may co-ordinate inspections but employees must:
- 1.5.4.1.1. Make them readily available to the inspection team;
- 1.5.4.1.2. On receipt of a proper request by the regulator, produce to the inspection team any documents, files and computer data and other material in their possession or control;
- 1.5.4.1.3. Give the inspection team access, at all times, to FBL's premises and reasonable facilities;
- 1.5.4.1.4. To the extent that they are properly requested by the regulator, permit the inspection team to copy any documents or other material in FBL's premises or elsewhere at FBL's expense and to remove copies and hold them elsewhere; and
- 1.5.4.1.5. Answer truthfully and fully all questions put to them by the inspection team. Failure to comply with a request by regulators to produce records and documents, give regulators access to the premises, staff or records of FBL for the purposes of supervision or inspection or to provide information relating to a transaction is an offence for which FBL and senior management may be punished by fine or imprisonment. Directors, officers or employees of FBL must comply with any fines, prohibitions, requirements, sanctions, penalties, orders and decisions of any regulator.

## **1.6. RELATIONS WITH CUSTOMERS**

- 1.6.1. Employees must ensure that all communications are clear, fair and not misleading. FBL must manage conflicts of interests appropriately and ensure fair treatment of all affected clients.
- 1.6.2. Employees must not unfairly or unreasonably place the interests of FBL above those of a client. Employees must ensure they are aware of each client's current financial situation and other relevant facts about the client appropriate to the services provided to or requested by the client. If FBL has control of client assets it must ensure those assets are properly accounted for and safeguarded in accordance with regulatory, contractual or fiduciary responsibilities.
- 1.6.3. Every employee shall not divulge any information relating to the affairs of its customers except in circumstances in which it is, in accordance with law, practice and usage customary among bankers, necessary or appropriate to divulge such information.
- 1.6.4. Exerting undue pressure or influence
  - 1.6.4.1. Exerting undue pressure or influence over customers to sell a product or service is a prohibited conduct. Bank staff will be considered exerting undue pressure or influence on a banking consumer if it is involved in exploiting a position of power or control over a banking consumer that unreasonably limits the consumer's ability to make an informed decision. It includes making unnecessary or excessive contact despite consumer's refusal or using any physical or forceful actions that restrict consumers' choices.
  - 1.6.4.2. Timing, location, nature or persistence of the conduct will be considered in determining whether a bank is exerting undue pressure or influence on a consumer. Following are some examples of prohibited behavior of exerting undue pressure or influence:
    - 1.6.4.2.1. Employees will not make repeated solicitations to promote banking services or products to the consumers who have communicated their disinterest in same offerings.
    - 1.6.4.2.2. Employees will not offer / Market and sell products and services on a single call.
    - 1.6.4.2.3. Exercising right to set off without informing the customer or following the regulatory provisions on fair debt collection guidelines is not allowed.
  - 1.6.4.3. Demanding payments for unsolicited services
    - 1.6.4.3.1. SBP Prohibits Banks to demand payments for Banking services or products for unsolicited services i.e. services or products provided to consumers without their request or consent. Following aspects will be considered in determining whether a banking service or product is unsolicited:
      - 1.6.4.3.2. Direct debits from customer's accounts without explicit and re confirmation of consumer consent.
      - 1.6.4.3.3. Demanding payments for automatic enrolment offering without consumer consent unless expressly accepted or opted by the consumer within the time frame given by the bank.
  - 1.6.4.4. Colluding to fix features or terms to the detriment of banking consumers
    - 1.6.4.4.1. Collusion that results in detriment to banking consumers is a prohibited conduct. An arrangement that results in significant benefits to consumers that could not be achieved otherwise may not be considered as prohibited business conduct. The standardization of common terms and definitions used in contracts or agreements that helps consumers to compare similar products across different providers or which improves processing efficiency, is however, admissible. Some of the examples are given as under:
      - 1.6.4.4.2. Implicit or explicit agreement between banks to maneuver or manipulate a compliance requirement, e.g. omission or self-interpretation of an elicited regulatory requirement when adopting new delivery channels.
      - 1.6.4.4.3. Implicit or explicit agreement between banks to maneuver legal or ethical requirement, e.g. compromising on customer confidentiality by sharing consumer information for marketing purpose without consent of the customer.
      - 1.6.4.4.4. Adoption of policies or actions and procedures, which are detrimental to the interest of the customer, e.g. undue holding of customer cheques (received in inward clearing or near closing).

1.6.4.5. Complacency to Ethical and Responsible Banking conduct

- 1.6.4.5.1. Banks will be considered complacent if they are found not taking interest or are least interested in taking necessary actions to ensure responsible banking conduct. Such actions may require investing or re-engineering systems and procedures, developing products, managing human resource, engaging with customer etc. Following are some examples of complacency on the part of the banks:
- 1.6.4.5.2. Inadequate measures and tools deployed to fetch consumer and employee feedback.
- 1.6.4.5.3. Lack of reporting and action to rectify gaps identified by employee and consumer feedback.
- 1.6.4.5.4. Lack of policy identifying the level of authority to approve or disapprove actions or recommendations to be taken on consumer or employee feedback.
- 1.6.4.5.5. Casual attitude towards compliance requirements and addressing the root causes of the issues.
- 1.6.4.5.6. Absence or inadequacy of remedial actions to be taken after incidents of frauds/misconduct.
- 1.6.4.5.7. Existence of conflicting reporting lines despite apparent conflict of interest or high probability of biased or partial decision-making.

**1.7. EMPLOYEES' DUTY OF NON-DISCLOSURE & TIPPING OFF**

- 1.7.1. Anti-Money Laundering (AML) Act of 2010 (as amended up to Feb 2020) forbid and make it a crime, for the bank or employee to alert a client or potential client (or any party involved in the transaction) to the fact that the bank is investigating their actions or motives, or to tell them, or any other outside party, that a report of activity identified as suspicious has been prepared and/or filed. The same also applies for the Currency Transaction Reporting (CTR) to Financial Monitoring Unit. Such an act is known as Tipping Off and is punishable crime under AML Act of 2010 (as amended up to Feb 2020) which may lead to fine and/or imprisonment. Such an act may also subject an employee to disciplinary action by the bank.
- 1.7.2. To protect against a violation of any non-disclosure requirements, employees should adhere to the following guidelines:
- 1.7.3. Never disclose to the client or any third parties that information has been provided to any department within FBL or a government authority or that any suspicious activity investigation is contemplated or underway;
- 1.7.4. Never take any action that might otherwise alert the subject that FBL has suspicions that will result in a report or filing a Suspicious Transaction Reporting (STR) and treat the filing of a STR as a confidential matter, even within FBL.

**1.8. CONFIDENTIALITY**

- 1.8.1. It is the policy of FBL to honor all applicable laws, including AML, data protection, privacy and bank confidentiality laws. Copies of STR filings and underlying documentation are maintained as confidential documents. This means they are shared within FBL only on a "need to know" basis. A summary or description of these reports (and supporting materials) may be shared with local regulators as required by applicable law. Generally, regulators are also required to treat as confidential any details that they are provided. In case of any uncertainty as to how to respond to such an inquiry kindly contact the Compliance Function for guidance.

**1.9. FBL EMPLOYEE REPORTING RESPONSIBILITIES**

- 1.9.1. Every employee of FBL is responsible for identifying reportable events and adhering to the Compliance policy with respect to any suspicious activity he/she may observe in his/her job capacity. Consistent with FBL's Compliance Policy, employees with client-related duties are responsible for understanding the nature of their clients' transactions, business and source of wealth, and for using currently available FBL resources to monitor their clients' activity for consistency with this understanding. This review activity is a formal means by which Reportable Events may be identified. In addition, employees must be diligent and alert in all aspects of their job functions, including but not limited to the use and review of any available reports and information databases, and must use common sense and experience to guide them in asking questions and spotting irregularities.

- 1.9.2. When a possibly suspicious activity or potential legal or regulatory violation is observed, the employee is responsible for calling the situation to the attention of his/her supervisor, who will notify the Functional Head and the Compliance Function. In extremely sensitive situations or in any instance where an employee is uncomfortable working with their supervisors on such matters, any employee may directly report the Compliance Function.
- 1.9.3. Failure to follow the STR policy when a Reportable Event occurs is a breach of policy and may subject an employee to disciplinary action

#### **1.10. KNOW YOUR CUSTOMER & ANTI MONEY LAUNDERING**

- 1.10.1. Every client must be owned by a relationship officer of the Business line. Such relationship officer will be responsible for the client's KYC, due diligence and ensuring that FBL is safeguarded against criminal activities like money laundering, terrorist financing and drug trafficking etc. in this regard.
- 1.10.2. We must ensure that we have sufficient information about our customers to satisfy ourselves as to their reputation and standing and the nature of their business activities.
- 1.10.3. Money laundering is the process by which banks are used as vehicles to disguise or "launder" the proceeds of criminal activity. Such activities undermine a bank's integrity, damage its reputation deter honest customers and expose a bank to server sanctions. Faysal Bank fully supports the international drive against money laundering and is committed to assisting relevant authorities in preventing money laundering.
- 1.10.4. Faysal Bank's success on this front is dependent upon the co-operation of all employees and employee. Everyone must exercise prudence and vigilance when assessing potential new clients, handling client requests and processing client transactions. With everyone's commitment and determination, it is possible to translate the spirit of FBL's core values and business principles into daily practice, continue to protect the integrity of the banking system, and maintain the bank's reputation as a respectable and trustworthy institution.
- 1.10.5. Accordingly, the following precautionary steps are to be adopted in this connection:
  - 1.10.5.1. The identity of every new customer with whom we deal must be established from reliable identifying documents.
  - 1.10.5.2. If Employees suspect that funds stem from illegal activities, this must be reported internally to their next Reporting supervisor or Compliance who will liaise with competent authorities.
  - 1.10.5.3. Customers should not be warned when information relating to them is being reported.
- 1.10.6. Detailed requirements on Bank's due diligence policy and procedures are to be followed as given in the Compliance Manual.

#### **1.11. INSIDER TRADING**

- 1.11.1. Insider trading shall include.
  - 1.11.1.1. an insider person transacting any deal, directly or indirectly, using inside information involving listed securities to which the inside information pertains or using others to transact such deals;
  - 1.11.1.2. any other person to whom inside information has been passed or disclosed by an insider person transacting any deal, directly or indirectly, using inside information involving listed securities to which the inside information pertains or using others to transact such deals;
  - 1.11.1.3. Transaction by any person as specified in clauses 13.11.1.1 and 13.11.1.2 or any other person who knows or ought to have known under normal and reasonable circumstances, that the information possessed and used for transacting any deal is inside information; or
  - 1.11.1.4. an insider person passing on inside information to any other person, or suggesting or recommending to another person to engage in or dealing in such listed securities with or without the inside information being disclosed to the person who has dealt in such securities.
- 1.11.2. The following shall not be deemed as insider trading:
  - 1.11.2.1. any transaction performed under an agreement that was concluded before the time of gaining access to inside information; or
  - 1.11.2.2. the disclosure of inside information by an insider person as required under law.
  - 1.11.2.3. No contract shall be void or unenforceable by reason only of an offence under this section.

#### **1.12. SPECULATIVE DEALING**

- 1.12.1. The following conduct is prohibited for Insiders:
  - 1.12.1.1. Insiders (staff) of the bank are not allowed to invest in equity market including FBL securities and they are also prohibited from engaging in speculative transactions.
  - 1.12.1.2. Members of their immediate families, or any trusts over which they have control, enter or to purchase or to sell while in possession of Inside Information. This prohibition applies even if the decision to buy or sell is not based upon the Inside Information.
  - 1.12.1.3. Members of their immediate families, or any trusts over which they have control, may not buy or sell securities of any other publicly-held company while in possession of Inside Information about such company.
  - 1.12.1.4. Insiders in possession of Inside Information may not:
    - 1.12.1.4.1. Disclose the Inside Information to anyone including members of immediate family other than those individuals associated with the bank who need to know the information to conduct their job duties; or
    - 1.12.1.4.2. Offer tips, opinions or recommendations regarding Inside Information, or based on Inside Information, to any other individual, including members of the Immediate Family, friends, vendors, suppliers or customers, who may use the same to his or her profit by trading in the securities of FBL and/or such other bank or company to which the Insider Information relates.

### **1.13. CONFLICT OF INTEREST**

- 1.13.1. Employees must be alert to any situation that could compromise the position of trust they hold as a Faysal Bank employee, and avoid any kind of conflict between their personal interests and those of Faysal Bank.
- 1.13.2. Employees may engage in outside activities that do not conflict with the interests of the Bank, interfere with the responsibilities of its employees, or damage or misuse the reputation, trademarks, relationships, confidential information or other property of the Bank. The Bank has adopted the following guidelines to protect both the Bank and employees against conflicts of interest, and from situations that create a perception of impropriety.
- 1.13.3. From time to time, situations will arise that are not clear-cut. If Employees are uncertain about the propriety of their conduct or business relationships, consult their supervisor, Legal Department or Compliance Department.
- 1.13.4. Employees should never use their position with the Bank, or information acquired during their employment, in a manner that may create a conflict — or the appearance of a conflict — between their personal interests and the interests of the Bank or their customers and clients. Employees also should be aware that actual or potential conflicts of interest can arise not just from dealings with external parties, such as customers or suppliers, but also from relationships or transactions with leaders, subordinates or other employees. If a conflict or potential conflict arises, Employees must report it immediately to their leader or the Compliance function, who will review and any such discussion will be held in confidence to the extent possible and in a spirit of cooperation.
- 1.13.5. Employees must ensure that their personal interests do not conflict with the duties which are owed to the Bank or which the Bank owes to its customers. This includes engaging in any of the following activities without the prior written approval of the Management.
  - 1.13.5.1. Becoming personally involved in any transaction of the Bank / Group.
  - 1.13.5.2. Negotiating or contracting on behalf of the Bank with an entity in which an Employee or a relative has an interest.
  - 1.13.5.3. Accepting any employment (whether part time, temporary or other), consultancy, directorship or partnership outside the Bank.
- 1.13.6. If Employees are in doubt about whether a certain circumstance might create a conflict of interest, they may consult the Compliance for guidance before taking action.

### **1.14. PERSONAL INVESTMENT POLICY**

- 1.14.1. This covers Members of Investment Committee and the relevant Staff who are required to disclose their personal investments in stocks, shares and other securities.

- 1.14.2. In this context, the relevant Staff need approval from the Board of Directors to invest in shares of any Company in which the Directors of FBL have any interest. Further, the relevant Staff must comply in letter and spirit with all the applicable regulations, rules of conduct and the Bank's Compliance Policy. Any ambiguity in transactions with the above should be referred to the Investment Committee.
- 1.14.3. Further, the Personal Account Dealing has to do with minimum standards with respect to Personal Account transactions of the Employees. These guidelines have been developed to meet local Regulatory requirements whilst being consistent with the FBL's Insider Dealing / PAD policy. It is applied to Insiders, Non-Insiders and Bank's Senior Management.
- 1.14.4. Generally, employees (both FTE and outsources) from the following departments and roles are considered insiders, however, anyone in the bank who come across Insider information during the course of employment with the bank is considered an insider. Accordingly, in case a function is handling a price sensitive insider information pertaining to any specific transaction, the relevant Functional Head will ensure that it will pass on the necessary instructions advice to all concerned staff and communicate the details of the insider to HR as per Bank's prescribed format mentioned in Personal Account Dealing process.
- 1.14.4.1. Board of Directors and Shariah Board Members
  - 1.14.4.2. President and Chief Executive Officer
  - 1.14.4.3. Chief Operating Officer
  - 1.14.4.4. All Management Team Members and Direct Reports
  - 1.14.4.5. All Corporate and Investment Banking Employees
  - 1.14.4.6. Treasury
  - 1.14.4.7. Chief Risk Officer and his/her direct reports
  - 1.14.4.8. Internal Audit Employees
  - 1.14.4.9. Finance (CFO and his direct reports)
  - 1.14.4.10. Any staff member who can have access to the insider price sensitive information of FBL at any particular time and with reference to a specific transaction.
- 1.14.5. For further details, please refer to Compliance Policy and Personal Account Dealing Process.

#### **1.15.EXTERNAL FUNCTIONS**

- 1.15.1. Employees may not simultaneously work for any concern that does business with or competes with the Bank without the approval of the Head HR. Employees must disclose the following outside positions to the HR, who will determine if a conflict exists:
- 1.15.1.1. A member of employee's immediate family or household works for, and holds a position that can influence decisions at, a firm that directly competes with or does business with the Company.
  - 1.15.1.2. A member of employee's immediate family or household holds a position that interacts with positions of authority at a firm that directly competes with or does business with the Company.
  - 1.15.1.3. Further, Employees may not serve as a director, trustee, officer or similar position (paid or otherwise) of any business, other than with the Bank or one of its subsidiaries, without prior approval of the HR. This rule does not apply to charitable, civic, religious, educational, public or social organizations, or to residential boards whose activities do not conflict with the interests of the Bank and do not impose excessive demands on their time.

#### **1.16.BOOKS AND RECORDS ACCURACY AND COMPLETENESS**

- 1.16.1. Employees must ensure that the accounting and financial records of the Bank meet the highest standards of accuracy and completeness.



- 1.16.2. Reporting accurate, complete and understandable information about the Bank's business, earnings and financial condition is an essential responsibility of all employees. It is not the exclusive responsibility of the Bank's accounting personnel to ensure that the Bank's accounting and financial records are accurate and complete. If Employees have reason to believe that any of the Bank's books and records are not being maintained in an accurate or complete manner, they are expected to report this immediately to their leader, the Chief Financial Officer, Compliance or the HR. Similarly, the Bank relies on Employees to speak up if they feel that they are being pressured to prepare or destroy documents in violation of Bank policy. Employees also should speak up if they become aware that any misleading, incomplete or false statement has been made to an accountant, auditor, attorney or government official in connection with any audit, examination or filing with a government agency, such as the State Bank of Pakistan or Securities and Exchange Commission.

#### **1.17. PROTECTION AND PROPER USE OF BANK'S PROPERTY**

- 1.17.1. All Faysal Bank's employees are entrusted with protecting the Bank's property.
- 1.17.2. Acts of dishonesty against the Bank or its customers involving theft, destruction or misappropriation of money, property, office equipment, supplies or any other items of value, are, of course, prohibited. Falsification, alteration or substitution of records for the purpose of concealing or aiding such acts is also prohibited. If Employees suspects someone has committed such an act or witness such an act, they should report it immediately to Security. If they prefer, they can speak informally and confidentially with Compliance.
- 1.17.3. Employees also must protect the use of the Bank's computer equipment, including Internet access. Employees should follow the Bank's procedures in connection with the disposition of personal computers, personal digital assistants, mobile phones or other Bank assets.

#### **1.18. GIFTS AND ENTERTAINMENT**

- 1.18.1. It is the policy of the Bank that gifts are not to be accepted from customers or suppliers and potential donors must be diplomatically informed of this.
- 1.18.2. Exceptions: In cases where refusal of a gift would be regarded as an affront or it would be impractical or impossible to return the gift then in certain cases it can be accepted provided the gift is:
- 1.18.2.1. Not in the form of cash,
- 1.18.2.2. Clearly not in return for any consideration or in the anticipation of such,
- 1.18.2.3. Of nominal value only.
- 1.18.3. Any departure or proposed departure from the above must be reported through the line to the Compliance Function for a ruling on acceptance.
- 1.18.4. Personal Gifts by Employees: Personal friendships developed on the basis of banking relationships can sometimes encourage the exchange of gifts for personal account. Care must be taken in this regard as it must be realized that, unfortunately, what may be offered simply as a token of friendship and goodwill, may be construed, in some circumstances, as not only a breach of ethics but even a criminal action.
- 1.18.5. Presenting Gifts: Gifts may be given for promotional purposes or on special occasions where it may be appropriate while remaining within the jurisdiction of FBL management. The context in which such gifts are given is important and care must be exercised to avoid any such event that could be misinterpreted or construed as bribery or corruption.

#### **1.19. CONFIDENTIAL INFORMATION AND TRADE SECRETS**

- 1.19.1. Employees must protect confidential information and trade secrets, and prevent such information from being improperly disclosed to others inside or outside the Bank.

- 1.19.2. Employees may learn, to a greater or lesser degree, facts about the Bank's business, plans, operations or "secrets of success" that are not known to the general public or to competitors. Sensitive information such as customer lists, the terms or fees offered to particular customers, marketing or strategic plans, or proprietary or product systems developments are examples of the Bank's confidential information and trade secrets. Similarly, during the course of performing their responsibilities, they may obtain information concerning possible transactions with other companies or receive confidential information about other companies. Employees may not disclose any confidential information or trade secret of the Bank to others or use any such information for their own or someone else's benefit. Within the Bank, confidential information and trade secrets should be divulged only to other employees who need the information to carry out their business responsibilities. Employees also are responsible for maintaining the confidentiality of sensitive employee information, such as salary, bonus or performance appraisal data. These obligations apply both during and subsequent to their employment with the Bank. Employees must be careful not to discuss such matters with family members, business or social acquaintances, or in places where they can be overheard, such as taxis, elevators, the Bank cafeteria or restaurants. In addition, Employees should not communicate or transmit confidential or sensitive information through external online communications services, such as the Internet.

#### **1.20. BREACHES & DISCIPLINARY ACTION**

- 1.20.1. 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, indolence or criminal (riotous) behavior or does anything detrimental to the interests of the Bank 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:
- 1.20.1.1. Postponement or stoppage of increment or promotion.
  - 1.20.1.2. Recovery from pay of the whole or part of any pecuniary loss caused to Bank by the employee.
  - 1.20.1.3. Demotion to a lower stage of pay in his / her Grade or to a lower Grade.
  - 1.20.1.4. Dismissal from service, which will involve permanent disqualification for future employment in the Bank without notice period.
  - 1.20.1.5. Termination from service.
  - 1.20.1.6. Compulsory retirement from Service.

#### **1.21. CODE OF CONDUCT FOR SALES STAFF**

- 1.21.1. In addition to the above, full-time sales staff will also sign-off the appended code of conduct:
- 1.21.2. Representation of qualification: Employees shall not knowingly misrepresent their qualifications, capacity, experience and abilities or delegate assigned tasks to unqualified persons who have not signed the code of conduct.
- 1.21.3. Timings: Office timings to be strictly followed.
- 1.21.4. Smoking: Smoking is prohibited in the office and at customer's premises.
- 1.21.5. Neatness and Cleanliness: It is Employees' duty to keep their premises & surroundings neat and clean.
- 1.21.6. Appropriate use of Bank Information: During Employees' employment tenure or even after employment terminates, they must never disclose or request disclosure of proprietary or confidential information about the Bank or the customer to anyone.
- 1.21.7. Spirit of team work: In order to be a team player Employees should inculcate the qualities of humanity, patience and cooperation, and be willing to share the credit for good work as well as responsibility for mistakes.
- 1.21.8. Harassment: Employees should not behave towards others in a manner that may reasonably be perceived as intimidating or overbearing.
- 1.21.9. Professionalism: In dealing with customers, staff should be professional, honest, and forthright and provide information promptly, in an appropriate manner. The information must be clear, accurate and complete.
- 1.21.10. Integrity: Integrity means to be truthful in all endeavors, to say what Employees mean and to deliver what they promise.

- 1.21.10.1. Accuracy of Company Records and Reporting: The records, data and information owned, used and managed by the Bank must be accurate and truthful based on facts.
- 1.21.10.2. Referral of actual and Potential Infractions: If Employees suspect a possible violation of a law, regulation, or ethical standards or if they are being asked to do something as an employee that is improper or illegal, promptly refer the suspected violation to their Supervisor or to any appropriate authority.
- 1.21.10.3. Avoiding conflicts of interest: Employees should avoid conflicts between their private interests and Bank responsibilities and should avoid situations where there is reasonable basis for the perception of such a conflict.
- 1.21.11. Call making etiquettes: Telephone contacts may be made either at customer residence, place of business or both.
  - 1.21.11.1. Identify their self and the Bank.
  - 1.21.11.2. State reason for the call.
  - 1.21.11.3. Always offer to call back, if the connected call is not clear, either to Employees or the other person.
  - 1.21.11.4. To the extent possible, talk in the language which is most comfortable to the customer.
  - 1.21.11.5. Keep the conversation limited to business matters & be respectful at all times.
  - 1.21.11.6. In the event the customer is not available, a message may be left for the customer. The aim of the message should be to establish contact with the customer.
- 1.21.12. Privacy: Employees should always respect customer's privacy while visiting / calling the customer (home / work place).
- 1.21.13. Contacting timings: Telephonic or physical contact must be kept at reasonable hours, which is between 9:00 AM and 8:00 PM Monday to Saturday or as per customer's request. Sundays & public holidays' calling should be avoided.
- 1.21.14. External activities and Public Comment: Any external activity should not be undertaken during the working hours or, at the expense of Bank duties and commitments.
- 1.21.15. Where a Bank staff member comments publicly in connection with a political party or interest group activities, it should be made clear that such comments are made on behalf of that particular association which they represent and not in their capacity as associated staff of the Bank.
- 1.21.16. Employees to avoid absurd remarks on social media and must display tolerance.
- 1.21.17. Information provided to the customer: Employees should not mislead the customers about their organization's name, or falsely represent their self or make any false/unauthorized commitment on behalf of the Bank for any facility /service. Always respect the Bank's privacy.
- 1.21.18. Economy and Efficiency: Employees have a responsibility to ensure that Bank resources are managed effectively and without harm to the community or environment.
  - 1.21.18.1. Use of property and resources for Bank purposes: Material, Financial and computerized resources should be used only for the legitimate Bank purposes for which they are provided.  
Electronic mails and access to internet and computerized resources are provided to Employees to support their employment activities and should be used for this purpose.  
Employees should not remove Bank equipment from the Bank except where this is necessary for use for Bank purposes and where they have appropriate permission. Employees may occasionally need to use Bank resources. For instance, to make a telephone call for private purposes, or to use a computerized system such as the internet to enhance their skills in respect of these technologies. Employees should be sensitive that in doing so they are using Bank resources and should endeavor to ensure that such use is kept to the minimum.
  - 1.21.18.2. Avoidance of waste and security of Bank property and facilities: Bank resources should be used economically and waste avoided. Equipment, materials and Bank facilities should be treated with appropriate care and secured against theft or misuse.

Work areas, conference rooms should be secured when unoccupied. Ensure that business related paper work documents produced, copies, faxes, filed, stored, and discarded by means designed to minimize the risk that unauthorized persons might obtain access to proprietary or confidential information.

Sensitive matters or confidential information should not be discussed in general places such as elevators, cafeterias etc.

- 1.21.19. Offer of Gift or Bribes: Employees shall explicitly refuse any offer from an applicant. (Bribe or a gift) given for any consideration in return. All such instances should be reported to the respective supervisor immediately or on the following business day in case of a weekend or a public holiday.
- 1.21.20. Precaution during visits or contacts: Employees should always carry their business cards & Company ID at all times.
  - 1.21.20.1. Respect personal space – maintain adequate distance from the Customer
  - 1.21.20.2. Do not enter or insist on seeing applicant's private residence from the inside, instead stay within the public or open area of the residence.
  - 1.21.20.3. Never visit in large numbers or groups.
  - 1.21.20.4. Respect applicant's privacy & that of his/her family.
- 1.21.21. If the applicant is not present and only family members' / office persons are present at the time of the visit, Employees should be extra cautious in asking questions. Employees should end the visit with request for the customer to call back & leave their visiting card with the person met.
  - 1.21.21.1. Provide telephone number, supervisor's name or concerned Bank officer's contact details, if asked by the applicant.
  - 1.21.21.2. Limit discussions with the applicant to the business – Maintain a professional distance / decorum.
  - 1.21.21.3. Always update visit records maintained by the Bank after making visits to the residence or the business place of the customer.
- 1.21.22. Appearance and Dress Code: Employees must always be appropriately dressed;
  - 1.21.22.1. Male Staff shall wear suit or dress trousers, dress shirt, suit jacket (obligatory for VP and above, optional for the rest), necktie and dress shoes during all workdays. Shalwar kameez with formal waistcoat or sherwani is also allowed. Employees facing customers in branches open on Saturdays shall also follow this code from Monday through Saturday. Staff with no customer dealing may come on working Saturdays in smart casuals. Jeans, collarless/sleeveless T-shirts, Shalwar kameez without waistcoat/sherwani, are strictly not allowed. This dress code also applies to all interns.
  - 1.21.22.2. Female Staff should dress elegantly with a full sleeved Abaya; worn with a headscarf covering the entire head & hair, without being ostentatious covering hands up to wrists. Preferably Abaya should be muted in colors which should be professional and can go with Office decorum. Female staff are required to follow the above attire guidelines while on duty, training and clients' visits, as required by Islamic injunction. Adherence of this dress code is mandatory and shall be communicated in interview sessions with new candidates. The above dress code also applies to all interns.
  - 1.21.22.3. Performance of duties: It must be ensured that employees perform their duties professionally reflecting integrity and efficiency.

## **1.22. MARKETING RESEARCH COMMUNICATION AND COMPLAINTS**

- 1.22.1. Communication with Clients and Prospects: This Chapter applies to clients and prospective clients ("clients"). Faysal Bank requires that all communications with clients must be fair clear and not misleading.
- 1.22.2. False and Misleading Statements: It is an offence in many jurisdictions to a person to induce or attempt to induce another person to deal in securities by:
  - 1.22.2.1. Making or publishing any statement, promise or forecast that he knows or ought reasonably to have known is misleading, false or deceptive;
  - 1.22.2.2. Dishonestly concealing material facts; or
  - 1.22.2.3. Recklessly making or publishing any statement, promise or forecast that is misleading, false or deceptive. The offence can be punishable by fine or imprisonment. In addition, making false or misleading statements either fraudulently or negligently increases the risk of FBL being sued by clients.

- 1.22.3. Verification and Accuracy of Communications: Employees must have a reasonable basis for statements made in communications to clients and language used must be accurate clear and appropriate. Employees should exercise professional judgment with respect to the appropriateness of each statement made or the probity of its omission. Statements that contain unwarranted superlatives should be avoided. Information provided to clients must not omit any information that might result in the information provided being misleading. Translations of any materials must be accurate.
- 1.22.4. Business Communications: All business communication from Faysal Bank must be on the Bank's official headed writing paper and state the originator's name & designation or some other reference to identify him.
- 1.22.5. Correspondence relating to FBL business may not be issued by any employee on personal or unheaded paper.
- 1.22.6. Provision of Corporate Information: FBL is under a regulatory obligation to provide clients with adequate and appropriate information about its business and its employees. Employees may provide members of the public the following information upon request: -
  - 1.22.6.1. The full name of the company and its affiliates;
  - 1.22.6.2. The address, phone and fax numbers of the Pakistan or any other office;
  - 1.22.6.3. The name, position and contact details of the employee with whom a person is dealing;
  - 1.22.6.4. The names of its directors or employees, including information about whether they are registered with regulators; and
  - 1.22.6.5. Information about FBL or its affiliates' registrations with regulators.
- 1.22.7. In addition, clients may be provided with the following information:
  - 1.22.7.1. The financial position of FBL by providing a copy of the latest annual report for the Ithamar Bank; and
  - 1.22.7.2. General information about the history and operations of Faysal Bank as is set out in corporate marketing materials.
- 1.22.8. This can be provided by way of business card, corporate, marketing or advertising brochures or written or verbal communication. Employees who act for more than one company in FBL should ensure that the member of the public or client with whom they are dealing is not confused as to which legal entity the employee is representing.
- 1.22.9. Disclaimers: Appropriate disclaimers and legends must be attached to documentation sent internally and externally. Legal department must approve all disclaimers. All emails and faxes must contain a disclaimer a standard email disclaimer is auto-attached to messages generated from the FBL network. As the auto-attach feature does not cover emails created on non-FBL computers or private email addresses, employees should avoid sending messages from such machines or addresses unless absolutely necessary. If an employee must send a message from a private machine or email address, he or she should clearly state that the message is being sent from a private address or computer on behalf of FBL and the appropriate disclaimer should be attached. Please contact Legal Department for the appropriate wording.

### **1.23. MEDIA AND ADVERTISING**

- 1.23.1. Media Relations: The Media (print and electronic and digital/web to be permitted subject to applicable Shariah and Regulatory conditions and guidelines) plays an important role in providing information to the public. Media inquiries, whether by phone, email, letter or in person are addressed promptly wherever possible by the appointed spokesperson. The authorized spokespersons for Faysal Bank are the President and Chief Executive Officer and the Head, Retail Banking. On occasion, based on the specificity of the subject matter/topic another senior management official may be authorized to communicate with the media after due approval from the President and Chief Executive Officer. In case of a situation where an individual invitation is received by an employee to appear before the media (with regard to the Bank), prior approval from Head of Human Resource and relevant Group Head with the concurrence of President and Chief Executive Officer will be required based on recommendation by Head of Marketing.

- 1.23.2. Guidelines for Production of Marketing Materials: The following general guidelines apply when any marketing publication or advertisement of either a corporate or product nature is produced. This section also applies to any materials that are released via a website. FBL must believe that any information contained in marketing material is true and fair and be presented in a clear and effective manner. FBL must ensure that the information contained in marketing materials does not have any misleading or potentially misleading effect. FBL must not dishonestly conceal or withhold material facts or include information that is false in any material way. FBL must ensure that all marketing materials are dated and are kept up to date, if necessary by way of reprint, during such period as they are used.
- 1.23.3. Due Diligence Review Procedures: Prior to the issue of any marketing materials a due diligence review should be completed to ensure that statements made in the documentation are reasonable and can be supported. There must be no misrepresentations and no material information is omitted.
- 1.23.4.** Advertising: For all Corporate and Product brand executions, marketing is the brand custodian and approvals/deviations are with the Head Retail and President and Chief Executive Officer only. All relevant approvals from Legal Department and Compliance Department are to be in place as and when deemed necessary. Shariah and Head Islamic Banking approvals should also be taken for Islamic Banking products and services. During promotion of any Islamic Banking products and services, it should be ensured that using pictures of living creatures (humans, animals, etc.) or any form of music is avoided. The products and services for which print advertisements are being conducted should be Shariah compliant in nature.
- 1.23.5.
- 1.23.6. When an agency is appointed for special projects, the relevant approval is obtained from the President & Chief Executive Officer. For Islamic Banking Division, the Marketing department should ensure to provide all the marketing collaterals, sales illustrations, brochures and related agreements to Shariah Compliance Department for review and onward approval from Shariah Board.
- 1.23.7. Copyright
- 1.23.7.1. Faysal Bank Copyright: All original documents of any sort (including slides, presentations, the website, brochures and marketing and promotional material) produced by Faysal Bank Limited should be noted as being Faysal Bank copyright. Legal Department can advise the exact wording which should be adopted.
- 1.23.7.2. Third Party Copyright: At a minimum where Faysal Bank Limited uses information from other sources it must reference that source. Certain information may be subject to copyright or licensing restrictions which prevent the reproduction, distribution or use of the information unless the necessary permissions or licenses have been obtained and the fees paid. Legal Department should be consulted about the use of information from third party sources.
- 1.23.7.3. Ownership of Work: Employees should be aware that their work remains the property of Faysal Bank Limited and that copyright in them remains, at law, with the employer. Leaving Bank's employment, (either by way of termination or resignation) does not entitle employees to take with them hard or soft copies of their work which remains the property of FBL.
- 1.23.7.4. In addition, employees should note that any attempt to take such information (whether by photocopying, downloading to disk or emailing to an outside email address) may amount to theft. FBL will demand the return of any information taken by employees that it has not specifically authorized and will not hesitate to bring the matter to the attention of both regulatory authorities and the police where necessary.

#### **1.24. CLIENT ACCEPTANCE AND ANTI MONEY LAUNDERING (CAAML) - COMPLIANCE POLICY**

- 1.24.1. Faysal Bank is required to have written KYC & Anti -Money Laundering procedures. It is important for the reputation of FBL that it conducts business with acceptable clients and has adequate policies and procedures to deter criminal activities. Faysal Bank's Compliance Policy ensures that attention is paid to determining if Faysal Bank wants to do business with a client and that Faysal Bank's clients are of good reputation.

- 1.24.2. What is Money Laundering? Money laundering covers a wide range of activities intended to alter the identity of the source of illegally obtained money to create the appearance that it originates from a legitimate source. Cash being a bearer instrument and completely fungible lends anonymity to a variety of criminal activities and is the preferred medium of exchange in the criminal world. This gives rise to a need for criminals to:
- 1.24.2.1. Conceal the true ownership and origin of the money;
  - 1.24.2.2. Maintain control over the money; and
  - 1.24.2.3. Alter the form of the money to mask its origins.
  - 1.24.2.4. There are three common stages in the laundering of money: -
    - 1.24.2.4.1. Placement – the physical disposal of cash proceeds derived from illegal activities;
    - 1.24.2.4.2. Layering – separating illicit proceeds from their source by creating complex layers of financial transactions designed to disguise the source of the money, subvert the audit trail and provide anonymity; and
    - 1.24.2.4.3. Integration – creating the impression of apparent legitimacy to criminally derived wealth. In situations where the layering process succeeds, integration schemes effectively return the laundered proceeds back into the general financial system and the proceeds appear to be the result of or connected to legitimate business activities.
- 1.24.3. Anti-Money Laundering Safeguards
- 1.24.3.1. Training: Faysal Bank is required to:
    - 1.24.3.1.1. Ensure that the applicable statutory and regulatory rules are available to and understood by employees; and
    - 1.24.3.1.2. Develop employees’ awareness and vigilance for KYC to guard FBL against money laundering and terrorist financing;
    - 1.24.3.1.3. For this reason and as staff responsible for contacting clients or handling transactions are the best defense against financial crime, HR in consultations with Compliance should develop and implement a training plan in relation to Compliance Policy for the employees.
    - 1.24.3.1.4. For all new joiners HR must ensure that the staff goes through Compliance Policy & Compliance Principles Training with in the probation period.
  - 1.24.3.2. Client Acceptance & Anti Money Laundering Officer: Faysal Bank has designated a Head of Client Acceptance and Anti Money Laundering (also termed as CAAMLO) who reports directly to the Head of Compliance.
  - 1.24.3.3. Risk Based Approach: Compliance Policy advocates a Risk Based Approach, meaning that the standards of due diligence, filtering and monitoring vary in view of the specific risks a (prospective) client or client segment may pose. This approach allows for the possibility to use different measures and controls in different situations and risk levels, depending on:
    - 1.24.3.3.1. The clients or client segments,
    - 1.24.3.3.2. Their background,
    - 1.24.3.3.3. Their business activities,
    - 1.24.3.3.4. Their products and service’s needs,
    - 1.24.3.3.5. The source and nature of funds or assets, and
    - 1.24.3.3.6. The geographies involved.
  - 1.24.3.4. AML is for everyone: Faysal Bank’s success on this front is dependent upon the co-operation of all employees and employee. Everyone must exercise prudence and vigilance when assessing potential new clients, handling client requests and processing client transactions. With everyone’s commitment and determination, it is possible to translate the spirit of FBL’s core values and business principles into daily practice, continue to protect the integrity of the banking system, and maintain the Bank’s reputation as a respectable and trustworthy institution.
- 1.24.4. Responsibility
- 1.24.4.1. Board: The Board’s main responsibility in respect to the Compliance Policy is based on their strong commitment to guard and promote the stability, transparency and trustworthiness of FBL and ensure that the integrity of the Bank’s policies and operations is well preserved.

- 1.24.4.2. Senior Management: Senior Management is responsible for ensuring commitment and training, to emphasize the serious consequences of non-compliance, to communicate roles and responsibilities, to ensure a partnership approach with the Compliance policy.
- 1.24.4.3. AML Officer: The CAAMLO reports to the Head of Compliance, the CAAMLO has specialist knowledge of money laundering and terrorist financing and the applicable laws and regulations. The AML Officer ensures the necessary quality controls and keeps track of the actual compliance with AML Policy. The CAAMLO is responsible for assisting the business in developing and maintaining appropriate AML procedures, responding to day-to-day enquiries from the business lines, reviewing and advising on increased risk clients. Furthermore, the AML Officer is responsible for the handling of the outcome of transaction filtering, money laundering detection, and reporting unusual/suspicious activities to appropriate authorities (Suspicious Transaction Reporting (STR filing)). Furthermore, he is responsible for monitoring the agenda of periodic risk re-assessments.
- 1.24.4.4. Staff and Management: FBL staff and management must understand the relevance and meaning of the Compliance Policy and act accordingly, always and everywhere. This is not only a matter of being fully compliant in the “formal sense”, but certainly also of acting in the “spirit” of the Compliance Policy and in line with the Bank’s Core Values. All employees of FBL are required to report any unusual/suspicious activity or transaction to the CAAMLO through their line management or in certain cases even directly to the CAAMLO.

### **1.25. INSIDER DEALING**

1.25.1. Purpose: Faysal Bank Limited has adopted this Insider Dealing Policy in order to facilitate compliance with the local laws including compliance with Securities and Exchange Commission of Pakistan (SECP), State Bank of Pakistan (SBP), listings of Pakistan Stock Exchange (PSX) and other regulatory bodies (if any).

#### 1.25.2. Introduction

1.25.2.1. Insider trading, unethical by nature and a crime according to law, undermines investor’s confidence in the fairness and integrity of the securities markets. As such securities regulators all over the world have treated the detection and prosecution of insider trading violations as one of their enforcement priorities.

1.25.2.2. Under the SECP, SBP and PSX laws, criminal and civil penalties may be imposed upon persons (including customers and staff) and corporations that:

1.25.2.2.1. Buy or sell a company’s stock or other securities while in possession of Inside Information (note that this prohibition applies regardless of how employees obtain the information and whether or not they consider the Inside Information when deciding to buy or sell the security); or

1.25.2.2.2. Disclose inside Information to another person who then trades in securities.

1.25.2.3. In addition, in certain circumstances, penalties can be imposed on the Bank in the event of insider trading violations by employees, officers or directors of the Bank.

1.25.3. Key Terms and Definitions: Insiders shall include:

1.25.3.1. any sponsor, executive officer or director of an issuer of listed securities;

1.25.3.2. any sponsor, executive officer, director or partners of a legal person or unincorporated business association, in which the issuer holds a share or voting rights, directly or indirectly, of twenty-five per cent or more;

1.25.3.3. any sponsor, executive officer director or partner of a legal person or unincorporated business association who holds, directly or indirectly, a share or voting rights of twenty per cent or more in an issuer of listed securities;

1.25.3.4. any sponsor, executive officer or director of an organization that has been engaged in the placement of securities or the public offer of securities, as well as any employee of the issuer or an organization participating in the issuing and marketing of such securities who has had access to insider information during his employment, for a period of one year after leaving employment;



- 1.25.3.5. any person holding a share, directly or indirectly, which enables him to appoint director on the board, or ten per cent or more shares of an issuer of listed securities;
- 1.25.3.6. any sponsor, executive officer or director of a credit institution in which the issuer of listed securities has an account;
- 1.25.3.7. any person obtaining inside information as part of his employment or when discharging his usual duties in an official capacity or in any other way relating to work performed under contract of employment or otherwise;
- 1.25.3.8. any person obtaining inside information through unlawful means;
- 1.25.3.9. spouse, lineal ascendant or descendant including step children partner or nominee of a person referred to in clauses (a) to (h); and
- 1.25.3.10. Any person obtaining information or advice to trade in a security from any person referred to in clauses (a) to (i).
- 1.25.4. Inside Information means:
- 1.25.4.1. information which has not been made public, relating, directly or indirectly, to one or more issuers of listed securities or to one or more listed securities and which, if it were made public, would be likely to have an effect on the prices of those listed securities or on the price of related listed securities;
- 1.25.4.2. in relation to derivatives on commodities, information which has not been made public, relating, directly or indirectly, to one or more such derivatives and which are traded in accordance with accepted market practices on those markets;
- 1.25.4.3. in relation to persons responsible for the execution of orders concerning listed securities, information which is conveyed by a client to such person and related to the client's pending orders; or
- 1.25.4.4. Information regarding decision or intentions of a person to transact any trade in listed securities.
- 1.25.5. Material: In general, information is "material" if there is a substantial likelihood that its disclosure to the public would affect investors' decisions to purchase, sell or hold the securities of the company in question; would significantly affect the total mix of information available to the public; or would likely affect the market price of a company's securities. If Employees learn of information about the Company or other bank and / or any other listed company that might be important to an investor, the information probably is material.
- 1.25.6. Non-Public: Non-public information is Company-related information that has not been released through an official news release or other public official announcement. Information does not become "public" information merely because it is the subject of rumors or unofficial statements.
- 1.25.7. Immediate Family: Any child, parent, spouse & sibling.
- 1.25.8. Trading Day: Any day on which any of the stock exchanges in Pakistan are open for trading.
- 1.25.9. Securities: Any security listed and traded at any stock exchange located in Pakistan or elsewhere.
- 1.25.10. Closed Period: The closed period includes five days immediately preceding and five days subsequent to each and every Board Meeting when the Quarterly/Annual accounts of FBL are placed before the Board of Directors for approval and announcement of Dividend, etc., if any.
- 1.25.11. Guidelines
- 1.25.11.1. Information should not be regarded as "public" until at least two full trading days have elapsed after it has been published by a national news medium or has otherwise become available through an official news release or official announcement such as audited annual report.
- 1.25.11.2. For FBL, employees (both FTE & outsourced) from the following departments and roles are considered as insiders, however anyone in the bank who come across Insider information during the course of employment with the bank is considered as an Insider:
- 1.25.11.2.1. Board of Directors and Shariah Board Members
- 1.25.11.2.2. President and Chief Executive Officer
- 1.25.11.2.3. Chief Operating Officer
- 1.25.11.2.4. All Management Team Members and Direct Reports
- 1.25.11.2.5. All Corporate and Investment Banking Employees

- 1.25.11.2.6. Treasury
- 1.25.11.2.7. Chief Risk Officer and his/her direct reports
- 1.25.11.2.8. Internal Audit Employees
- 1.25.11.2.9. Finance (CFO and his direct reports)
- 1.25.11.2.10. Any staff member who can have access to the insider price sensitive information of FBL at any particular time and with reference to a specific transaction.
- 1.25.11.3. All Insiders of FBL and any of FBL's affiliated or managed Bank(s) shall comply with all applicable local laws relating to buying or selling securities of Faysal Bank Limited or any of its affiliated company(ies).
- 1.25.11.4. The following conduct is prohibited for Insiders:
  - 1.25.11.4.1. Insiders (staff) of the bank are not allowed to invest in equity market including FBL securities and they are also prohibited from engaging in speculative transactions.
  - 1.25.11.4.2. Members of their immediate families, or any trusts over which they have control, enter or engage in any transaction involving a purchase or sale of FBL's securities, including any offer to purchase or to sell while in possession of Inside Information. This prohibition applies even if the decision to buy or sell is not based upon the Inside Information.
  - 1.25.11.4.3. Members of their immediate families, or any trusts over which they have control, may not buy or sell securities of any other publicly-held company while in possession of Inside Information about such company.
  - 1.25.11.4.4. Insiders in possession of Inside Information may not: disclose the Inside Information to anyone including members of immediate family other than those individuals associated with the bank who need to know the information to conduct their job duties; or offer tips, opinions or recommendations regarding Inside Information, or based on Inside Information, to any other individual, including members of the Immediate Family, friends, vendors, suppliers or customers, who may use the same to his or her profit by trading in the securities of FBL and/or such other bank or company to which the Insider Information relates.
- 1.25.11.5. The Management of Faysal Bank Limited will be within its right, at all times to produce to the legal /law enforcing authorities, any of the parties, in person or associated evidence there against, if any established, in respect of the implicated person (s) as stated here above who is/are found to be involved in inside trading by way of such plausible evidence, so as to meet the requirements of the country/territorial law.
- 1.25.11.6. It will continue to apply to any Insider whose relationship with the Company terminates as long as the individual possesses Inside Information.
- 1.25.11.7. Employees of FBL and its affiliates or managed Bank(s) who violate Insider Dealing Policy shall, at the discretion of FBL, be subject to disciplinary action by FBL, which may include ineligibility for future participation in FBL's equity incentive plans for termination of employment.
- 1.25.11.8. Directors, chief executive, managing agents, chief accountants, secretaries and auditors of FBL or any person who is directly or indirectly the beneficial owner of more than 10% of FBL's equity securities must also comply with the reporting obligations set forth in section 224 of the companies' ordinance, 1984. The practical effect of these provisions is that the directors, chief executive, managing agents, chief accountants, secretaries and auditors of FBL or any person who is directly or indirectly the beneficial owner or more than 10% of FBL's equity securities who purchases and sells FBL's securities within a 6 months' period must disgorge all profits to FBL whether or not they had knowledge of any Inside Information.
- 1.25.12. Scope of Securities and Investments: Given the diversity of products available in the market, Employees should assume that all publicly listed and traded products are covered by these rules unless specifically excluded (mentioned in Excluded products). These rules cover dealings in Securities and Investments, defined in the widest sense and including:
  - 1.25.12.1. Shares

- 1.25.12.2. Options, futures and forwards
- 1.25.12.3. Financial derivatives
- 1.25.12.4. Funds where the beneficial holder is able to self-select the investments in the portfolio
- 1.25.12.5. Fixed income products
- 1.25.12.6. Rights in any of the above.
- 1.25.13. Excluded Products: Specifically excluded from the insider dealing policy because of their liquidity and investment characteristics are: - Spot or forward currency transactions (unless Employees sell or trade these for the Bank);
  - 1.25.13.1. Government bonds (unless employees sell or trade these for the Bank);
  - 1.25.13.2. Spread betting on sporting fixtures and public events (e.g. an election);
  - 1.25.13.3. Investments in privately owned companies (unless the company is a significant customer of the Bank and a potential conflict of interest exists;
  - 1.25.13.4. Collective Investment Schemes (i.e. Units Trusts, Funds) for long-term investment purposes; - Mutual Funds (except those that are single stock or where any one investment represents more than 20% of the Fund, providing the employee was aware of this investment limit, or reasonably should have been);
  - 1.25.13.5. Pension contributions;
  - 1.25.13.6. Professionally managed saving plans not managed by FBL;
  - 1.25.13.7. Deposit accounts and time deposits
- 1.25.14. Although the above investments are not included in the insider dealing policy requirements any employee who has inside information about such instruments is prohibited from dealing in the relevant instrument.

## **1.26. TRADING & TRANSACTIONS**

- 1.26.1. Market Manipulation
  - 1.26.1.1. Prohibited Market Practices: Employees must not engage in any conduct or assist a client or another person to engage in any conduct which would prevent the proper operation of market forces. Certain market practices are either illegal or considered by FBL not to be in accordance with best business practices and employees must not engage in these practices either in the course of client or personal trading. The following types of market misconduct are offences in Pakistan and are punishable by fine or imprisonment. They also attract civil liability so that an employee who engages in the misconduct may also be forced to pay compensation to any third party who loses money as a result of his or her misconduct.
  - 1.26.1.2. There are certain defenses to each of these offences. However, this is a complicated area of the law with serious consequences. If an employee suspects that these offences are occurring either in FBL or at a counterparty of FBL, he/she must immediately consult Compliance
  - 1.26.1.3. False Trading: Employees must not either intentionally or recklessly engage in activities which are intended to; create a false or misleading appearance of active trading in securities or futures; or create an artificial price or maintain an artificial price level in securities or futures. Except in the case of an off-market transaction or as otherwise advised by Compliance, any employee who engages in the following activities is deemed to be engaged in false trading: -
    - 1.26.1.3.1. Entering into a sale and purchase transaction with no change of beneficial ownership;
    - 1.26.1.3.2. Offering to sell securities or futures at same price as he/she has offered to purchase the securities; or
    - 1.26.1.3.3. Offering to purchase the securities or futures at the same price as he/she has offered to sell the securities.
  - 1.26.1.4. Price Rigging: Employees must not enter into a transaction with no change of beneficial ownership or a fictitious or artificial transaction with an aim to maintain, increase, reduce, stabilize or cause fluctuations in the price of securities or futures.
  - 1.26.1.5. Disclosure of False or Misleading Information Inducing Transactions: Employees must not disclose or circulate false or misleading information that is likely to;
    - 1.26.1.5.1. Induce another person to deal in securities or futures
    - 1.26.1.5.2. Induce the sale or purchase of securities by another person; or

- 1.26.1.5.3. Maintain increase, reduce or stabilize the price of securities or futures
- 1.26.1.6. Stock Market Manipulation: Employees must not enter into multiple transactions in securities with the aim of: -
  - 1.26.1.6.1. Increasing the prices of the security with the intent of inducing another person to purchase or not sell that security or its affiliated securities; or
  - 1.26.1.6.2. Reducing the prices of the security with the intent of inducing another person to sell or not purchase that security or its affiliated securities; or
  - 1.26.1.6.3. Stabilizing the price of the security with the intent of inducing another person to buy or sell or not buy or sell that security.
- 1.26.1.7. Fraud: Employees must not use any device or scheme with the intent to defraud or deceive or engage in any act or course of business that is fraudulent or deceptive.
- 1.26.1.8. Falsely Representing Dealings in Futures Contracts: An employee must not represent to another person that he is dealing in futures contracts in Pakistan or overseas if he is in fact not doing so or is reckless as to whether he is doing so.
- 1.26.1.9. Disclosure of Information about Prohibited Transactions: Employees must not disclose or circulate information to the effect that prices are likely to go up or down as a result of a prohibited transaction that they have entered into or are likely to benefit from.
- 1.26.1.10. Front Running: If an employee has knowledge of a client's order or intention to place an order it is prohibited for that employee or for FBL to gain advantage or enable another person to gain advantage where to do so would disadvantage the client in anyway.
- 1.26.1.11. Related Party Transaction: It is a transfer of resources, services or obligations between the entity and related party, regardless of whether a price is charged. It also includes related party's appointment to any office or place of profit in the bank, its subsidiary company or associated company.
- 1.26.1.12. The details of all related party transactions shall be periodically placed before the BOD for review and approval except for those held with employees as per their terms of employment or a policy of the Bank.
- 1.26.1.13. In this context, an Employee means; a) A regular permanent employee of the bank; b) An executive director who is on the payroll of the bank; or c) A Chief executive who is on the payroll of the bank. Further, Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the bank, directly or indirectly, including any director of the bank. Moreover, Relative means spouse, siblings and lineal ascendants and descendants of a person. Related Party Transactions Policy could be referred for further details.

#### **1.27. CLIENT CONFIDENTIALITY & CONFLICTS OF INTEREST**

- 1.27.1. Conflicts of Interest: FBL is a full service integrated Bank and financial service provider which means that circumstances can arise which lead to conflicts of interest between clients of different Business Units or departments or between clients of the same department/division. In this context, Section 7.3.3 of Ethics Policy as well as Compliance Policy could also be referred.
- 1.27.2. Identifying Conflicts of Interest: Various circumstances can lead to conflicts of interest between the needs of different clients. Employees must remember that business relationships which seem minor to their department may be of importance to another department.
- 1.27.3. When a potential conflict has been identified this must be discussed immediately with senior management and Compliance.
- 1.27.4. Managing Conflicts of Interest: Conflicts of interest must be managed appropriately to ensure fair treatment to all affected clients of FBL. The various procedures set out in this segment are designed to assist in the management of conflicts of interest. Conflicts must be disclosed to clients unless to do so would breach confidentiality obligations to other clients. If disclosure cannot be made or the conflict cannot be resolved, the business should be declined.

- 1.27.5. Preventing Conflicts of Interest: Employees must not unfairly or unreasonably place the interest of a department/division FBL above those of a client. Within FBL business relationships between units must be conducted at an arm's length basis which reduces department/division conflicts of interest. Potential conflicts may arise due to unauthorized exchange or leaking of information, movement of employees within FBL or personal activities outside the Bank (e.g. external business interests even when approved). It is not always obvious when a conflict might arise so employees should seek the advice of Compliance and HR.
- 1.27.6. Exclusivity: Exclusivity may not be offered to a client without ensuring that the appropriate checks have been made with the Deal Team for that. Function/Department all exclusivity arrangements must be approved by the relevant function/department and if it would constrain FBL from working freely with its clients in a particular sector must have Senior Management approval. The wording of all agreements must be approved by Legal Department.

### **1.28.WHISTLE BLOWING**

- 1.28.1. Faysal Bank defines Whistle blowing as alerting the Bank authorities that an individual or group of individuals have committed or are going to commit offences that are considered to be unethical, improper and have broken the standard norms and prevailing practices in the Bank. Whistle blowers can be employees, suppliers, contractors, vendors, clients or any individual who becomes aware of any wrongdoing, fraudulent activity or incidents of misconduct and brings it to the attention of the concerned authority for appropriate action.
- 1.28.1.1.
- 1.28.2. This is designed to ensure that:
- 1.28.2.1. employees who in good faith report a case of (suspected) criminal or unethical or non Shariah compliant (in case of Islamic Banking) conduct will not be regarded as disloyal or suffer such detriment (even if their suspicion is ultimately proven unfounded), and
- 1.28.2.2. Whistle blow complaints reporting channels are in place and remain functional and accessible to all employees, external parties and Bank's BOD and Shariah Board, in case of Islamic Banking.
- 1.28.3. The Whistle Blowing Program covers deliberate and voluntary disclosure of individual or organizational impropriety by a person who has or had concrete information about an actual, suspected or anticipated wrongdoing within or by an organization that is within its ability to control. This is applicable on all employees (FTEs and OS), any third party staff working in FBL, including all units, departments and businesses, operations and support functions. All whistle blows complaints, whether it is made by an FBL employee, a customer, or other external party, shall be governed and managed.
- 1.28.4. Raising a Concern: In order to achieve the Whistle Blowing Policy objectives, FBL has established channels (mentioned in the said policy) that employees are encouraged to use if they wish to either make a verbal report or to submit their concerns in writing. In this context, the relevant hotline, e-mail address and web pages are administered by designated official.
- 1.28.5. If for any reason the employee feels uncomfortable in using this route, he or she may make the report to his / her manager or Ethics officer (Compliance), or a senior representative of their choice. Concerns may be reported in writing or by telephone, but should include a statement that they are being reported under Whistle Blow policy. Where an employee who is a line manager or other senior employee receives a disclosure made under this paragraph, he or she should immediately inform the Whistle Blow Committee's Secretary, for guidance.
- 1.28.6. Confidentiality: The fact of the disclosure and the (suspected) criminal or unethical conduct will be treated with the utmost confidentiality by all parties involved or otherwise aware of the reported matters (subject always and only to any disclosures required to be made as part of any regulatory process and/or legal proceedings).

- 1.28.7. Protection for Whistle Blower(s): FBL is committed to the protection of genuine complainants who report the wrongdoing(s) in good faith from suffering any detriment. The Bank recognizes that the decision to report a concern can be a difficult one to make because of the fear of reprisal from those responsible for the malpractice/misconduct. The Bank will not tolerate harassment or victimization and will take action, which could involve disciplinary proceedings, to protect the whistleblower when they raise a concern in good faith.
- 1.28.8. Further, employees are strongly encouraged not to report concerns anonymously. Any employee who is found to file malicious or frivolous reports will himself/herself risk disciplinary action.
- 1.28.9. Legal Obligations: Where a disclosure has been made in good faith, and subsequently leads to regulatory or court hearings, the employee initiating the report may be obliged to act as a witness. Where this occurs, FBL will provide appropriate help and support, including any necessary legal advice, to the employee up to and throughout the hearing

For relevant details, all the employees could refer Whistle Blowing Policy available on Bankopedia.

### **1.29. DISCIPLINARY ACTION**

- 1.29.1. In the event of an employee committing breach of the disciplinary rules under the Employment Rules of the Bank, and rules elaborated in relevant regulatory /statutory sources or contravening instructions/ orders issued to him/her in connection with the official work or displaying negligence, inefficiency, indolence or undertaking anything detrimental to the interest of the Bank or being guilty of any other act of misconduct or insubordination, the Disciplinary Action Committee (DAC) will be the final competent authority on deciding and approving disciplinary actions/penalty(ies) relating to staff accused in all matters of code of conduct violations and breach of disciplinary rules under the employment rules of the bank. All DAC decisions will be executed by HR department. Following penalties may be imposed:
- 1.29.1.1. Postponement or stoppage of increment or promotion;
- 1.29.1.2. Recovery from Salary whole or part of any pecuniary loss caused to the Bank by the employee;
- 1.29.1.3. Demotion to a lower stage of Salary in his / her Grade or to a lower Grade;
- 1.29.1.4. Compulsory retirement from service;
- 1.29.1.5. Termination;
- 1.29.1.6. Dismissal from service, without notice period, which will involve permanent disqualification for future Employment in the Bank.
- 1.29.2. Suspension: The Head HR may, if he/she deems fit, suspend in writing, an employee pending inquiry against him/her. Post such approval of the Head HR, the written order of communication may be sent out to the employee by an HR Executive, to whom such authority is delegated to by Head HR. During suspension:
- 1.29.2.1. The employee shall be entitled to full salary
- 1.29.2.2. He / she shall not attend office until settlement of the case.
- 1.29.2.3. Provided that for such employees who are governed under the Industrial & Commercial Employment (Standing Orders) Ordinance 1968 the order of the suspension shall be given in writing and may take effect immediately on delivery to the employee.
- 1.29.2.4. Further provided that for such employees who are governed under the Industrial & Commercial Employment (Standing Orders) Ordinance 1968 the total period of such suspension shall not exceed 4 weeks.
- 1.29.3. Procedure for Disciplinary Action: When, as a result of preliminary investigation, an employee is reported to have committed any irregularity, Head HR (also refer "Fraud and Forgeries for further details):
- 1.29.3.1. Shall cause a charge sheet to be issued to him/her to submit reply within three days. The charge sheet may be issued by an HR Executive duly authorized by Head HR to issue the same;
- 1.29.3.2. If the reply to the charge sheet is not satisfactory, shall appoint an Inquiry Officer/Committee hereafter called "Inquiring Authority; and the Inquiring Authority so constituted shall;

- 1.29.3.3. Require the charged employee within a reasonable time, not less than 3 days and not more than 7 days from the date charge-sheet has been communicated by hand or by Registered Post at the last known address to the charged employee, to submit a written defense and to state at the same time whether he/she wishes to be heard in person.
- 1.29.3.4. Shall inquire into the charges and may examine such oral or documentary evidence in support of the charges or in defense of the charged employee as may be considered necessary and the charged employee shall be entitled to cross-examine the witnesses against him/her and in favor of him/her.
- 1.29.3.5. Where the inquiring authority is satisfied that the charged employee is hampering or attempting to hamper the progress of the inquiry, it shall administer a warning and if thereafter it is satisfied that the charged employee is acting in disregard to the warning, it shall record a finding to that effect and proceed to complete the inquiry in such a manner as it deems proper under the circumstances.
- 1.29.3.6. The Inquiring Authority shall submit to Head HR a report together with the necessary documentation for consideration. Head HR may award, if within his/her jurisdiction, such punishment as he/she deems proper, provided that in consideration of the facts of the case, Head HR may dispense with the requirements of above cited rules and take an explanation of the employee to the charges against him/her and award punishment forthwith.
- 1.29.4. Review / Appeal: An employee shall have the right of appeal or making an application for review to the P&CEO of any of the penalties imposed upon him/her within 30 days of the date of orders conveying such penalties. The appeal or application for review shall comply with following requirements:
- 1.29.4.1. It shall contain all material statements and grounds relied upon and shall be complete in itself, and
- 1.29.4.2. It shall specify the relief desired.
- 1.29.5. If the employee so desires, he / she shall have the right to be heard in person by the Authority Competent to consider the appeal or application for review.
- 1.29.6. The Appeal Authority shall have final powers to accept or reject an appeal.
- 1.29.7. Termination of Employment
- 1.29.7.1. The services of an employee may be terminated by Head HR from employment, in management grade by giving one (01) month notice or a sum equal to his / her gross salary for one (01) month in lieu thereof. Such termination is applicable either as 'termination simplicitor' or may be on assignment of reasons such as position becoming redundant or nature of job changing due to business considerations.
- 1.29.7.2. In case termination of employment is a result of misconduct including but not restricted to fraud or negligence, termination will be immediate and without compensation and may be made under head of dismissal.
- 1.29.7.3. At the end of the notice period, the employee will be entitled to the deferred payments applicable to him/her. Such payments, however, will not be effected if the employee is terminated for misconduct or any other reasons cited above.
- 1.29.7.4. An employee who absents himself/herself from duty without authority to do so or fails to report for duty within the period specified in the written notification issued to him/her shall render himself/herself liable to disciplinary action including dismissal of his/her services. Such notification shall require the employee to report for duty immediately on or before the date of dispatch, by registered post, of the letter at the employee's last known address on Bank's records, or to produce a genuine and verifiable Medical Certificate justifying the total period of absence.
- 1.29.7.5. The Bank reserves the right to have any employee checked by a Medical Board specially constituted for such purpose.
- 1.29.7.6. The Bank shall determine what act or commission constitutes misconduct, breach of trust or negligence of duty, according to the applicable legislation. Following are some of the reasons for which the services of an employee can be terminated without notice or compensation:

- 1.29.7.6.1. Habitual absence without leave or unauthorized absence from duty for more than ten days;
- 1.29.7.6.2. Persistent failure to observe timekeeping rules;
- 1.29.7.6.3. Failure to submit medical certificates to cover periods of absence due to illness;
- 1.29.7.6.4. Failure to meet the required standards of work;
- 1.29.7.6.5. Failure to comply with reasonable or lawful requests from superiors;
- 1.29.7.6.6. Willful insubordination or disobedience;
- 1.29.7.6.7. Unauthorized use of Bank property;
- 1.29.7.6.8. Leaving confidential information unsecured;
- 1.29.7.6.9. Use of inappropriate language;
- 1.29.7.6.10. Intoxication, and/or consumption of alcohol or drugs on Bank premises;
- 1.29.7.6.11. Failure to disclose a personal interest conflicting with any Bank transaction in which the Staff is engaged;
- 1.29.7.6.12. Breach of confidence;
- 1.29.7.6.13. Disregard of duties;
- 1.29.7.6.14. Sexual or racial harassment;
- 1.29.7.6.15. Theft, fraud, misappropriation, dishonesty with business or property of the Bank or any other organization / any person inside or outside the Bank or inappropriate removal or possession of property;
- 1.29.7.6.16. Falsification of employment documents / data to obtain employment;
- 1.29.7.6.17. Tampering the office records;
- 1.29.7.6.18. Negligence or improper conduct leading to damage of Bank-owned or customer-owned property or damage to the reputation of the Bank;
- 1.29.7.6.19. Conviction for a criminal offence within or outside the office;
- 1.29.7.6.20. Violation of safety or health rules;
- 1.29.7.6.21. Illegal strike or inciting others to go on strike;
- 1.29.7.6.22. Misuse of Official Stamps / Letterheads / Telephones / Computers & other items;
- 1.29.7.6.23. Willful damage to or loss of Bank's goods or property;
- 1.29.7.6.24. Taking or giving bribes or any illegal gratifications;
- 1.29.7.6.25. Habitual breach of Rules or any Law applicable to the Bank;
- 1.29.7.6.26. Riotous or disorderly behavior during working hours at the establishment of the Bank or any act subversive of discipline;
- 1.29.7.6.27. Making commitments on behalf of the Bank beyond the scope of the delegated authority or making commitments known to be detrimental to the interests of the Bank;
- 1.29.7.6.28. Engaging directly or indirectly, without the Bank's permission in any other business or paid occupation, whilst in the services of the Bank;
- 1.29.7.6.29. Use of the political or other outside pressure/ influence, with intent to induce the authorities / superior officers in respect of any matter relating to the appointment, promotion, transfer, punishment, retirement or for any other terms and conditions of Employment;
- 1.29.7.6.30. Refusing to receive any official memorandum or communications addressed to the employee by the Bank;
- 1.29.7.6.31. Frequent disregard or disobedience of rules or general orders;
- 1.29.7.6.32. Frequently making false and misleading statements;
- 1.29.7.6.33. Inefficient, dilatory, careless or wasteful working;
- 1.29.7.6.34. Insider Trading (Illegal transactions made basis of privileged information, particularly trading in stock & shares, whose value is likely to be affected by the release of news, of which only a few people are aware of);



- 1.29.7.6.35. Parallel Banking (Any activity by an individual that he carries out in his personal capacity, which he actually should have performed on behalf of the Bank);
- 1.29.7.6.36. Money laundering;
- 1.29.7.6.37. Regulatory violations leading penalties by SBP/other concerned authority;
- 1.29.7.6.38. Misbehavior / Discourteous behavior with the Customer, which may adversely affect the image of the Bank;
- 1.29.7.6.39. Poor Performance;
- 1.29.7.6.40. Non meeting of assigned targets;
- 1.29.7.6.41. Neglect of Work;
- 1.29.7.6.42. Submission of Fake/Forged Medical Claim
- 1.29.7.6.43. Usage of Bank's facilities and premises for political and unofficial activities
- 1.29.7.6.44. Carrying or displaying of arms or weapons in the Bank's premises
- 1.29.7.6.45. Subjecting any staff of the Bank to abuse and/or harassment
- 1.29.7.6.46. Involving outsiders in the Bank's activities and exerting outside influence/pressure
- 1.29.7.6.47. Any act(s) subversive of discipline.
- 1.29.7.7. An employee shall not undertake the following activities:
  - 1.29.7.7.1. Engage in any other activity whether remunerated or non-remunerated of any nature, whether part time, temporary or other, without the prior written consent of the Head HR. Failure to seek approval of the Head HR will be considered as unfair competition and conflict of interest and shall be grounds for immediate termination under disciplinary action.
  - 1.29.7.7.2. Engage in any teaching, coaching or media assignment, whether remunerative or non-remunerative, without the prior written permission of the Head HR.
- 1.29.7.8. Infringement of Rules: An employee guilty of infringing any of the provisions of the Employment Rules or who commits any acts of misconduct will render himself / herself liable to disciplinary action including his / her dismissal from service.
- 1.29.7.9. Security Measures to be undertaken on an Employee Exit from the Bank: In the event of exit of an employee from the service of the Bank, whether as a result of resignation or termination, following measures (in addition to any others that the reporting manager deems necessary) need to be taken to ensure security for the Bank:
  - 1.29.7.9.1. Recovering identity cards, keys and devices used to operate access control systems.
  - 1.29.7.9.2. Denying access to sensitive areas such as dealing rooms and communications and data centers.
  - 1.29.7.9.3. Deleting the names of exiting individuals from lists of authorized signatures, where required.
  - 1.29.7.9.4. Changing the Personal Identification Number codes on all access control systems known to the exiting employee.
  - 1.29.7.9.5. Barring access to IT systems by canceling user identities and passwords.
  - 1.29.7.9.6. Canceling access to office management facilities such as e-mail, voice mail, Note Books and any related remote terminals.
  - 1.29.7.9.7. Recovering papers, notebook computers and associated media and information that the person may have been working on at home.
  - 1.29.7.9.8. Recovering Bank provided motor vehicles and the related papers/document.
- 1.29.7.10. The extent to which measures to limit access should be applied will depend on the reason for person's departure and whether he/she will be required to serve a notice period. The following details provide guidance on measures to be applied in different situations:

- 1.29.7.10.1. In the event of retirement, normal access privileges of employees who retire on completing their contracts/ service period should be cancelled immediately.
- 1.29.7.10.2. Employees who resign or who are made redundant because their jobs have fallen away may have a contractual obligation to work on a notice period. Normally, they should be permitted to do so before access is withdrawn. However, if this creates a potential business, security, reputation or other risk, it may be necessary to ask the person concerned to leave the Bank premises immediately.
- 1.29.7.10.3. When staff is dismissed for misconduct, access privileges should be withdrawal immediately.
- 1.29.7.10.4. Any other measures that may be required in such cases should be decided by the line management in consultation with Head HR / Legal Advisor as appropriate.

### **1.30.FRAUD & FORGERIES**

- 1.30.1. Introduction: Fraud is the intentional perversion of truth in order to induce another to part with something of value or to surrender a legal right. Fraud includes intentional deception, misappropriation of assets and the manipulation of financial data to benefit the perpetrator. Major deterrents to fraudulent activities are fear of detection and punishment.
- 1.30.2. Fraud in context of the Bank refers to an intentional act by one or more individuals among the management, employees or third parties which results in misappropriation of funds, accounts maintained by the Bank etc. and may include following:
  - 1.30.2.1. Manipulation, tempering, falsification or alteration of records or documents.
  - 1.30.2.2. Misappropriation and theft of assets, business or property of the Bank or any other organization.
  - 1.30.2.3. Suppression or omission of the effects of transactions from record or documents.
  - 1.30.2.4. Recording of transactions without substance.
  - 1.30.2.5. Misapplication of accounting policies.
- 1.30.3. Forgery in its broadest interpretation is, 'making or altering any document with the intention of prejudicing another person'. A definition of forgery includes false making, counterfeiting, alteration, erasure, obliteration of genuine instrument, in whole or in part, making or counterfeiting of the signature of the party or witness, in placing or connecting together with the intent to defraud different parts of several genuine instruments. Thus placing a false signature on a cheque/ document/ instrument, raising the amount, or changing payees name or the number of cheque/ document/ instrument with the intention to defraud, these constitutes forgery.
- 1.30.4. At the very outset it must be accepted that it is not possible to entirely circumscribe and eliminate the risk of fraud and forgeries. New technology, changes in personnel, economic environment and numerous other factors may have their impact on controls and the manner in which they are operated. However, the existence of a strong and interactive control environment, clear understanding of the responsibilities and a positively motivating cooperative work-environment reduces the risk of occurrence of fraud and forgeries to an acceptable low level.
- 1.30.5. Frauds & forgeries result in financial losses and can also prove to be potentially threatening to the image and reputation of the Bank. Such instances also entail wastage of time and energy of the senior management staff in the matter of investigation and adoption of necessary course of action as admissible under the law against the person(s) involved.

### **1.31.THE PROTECTION AGAINST HARASSMENT OF WOMEN AT THE WORKPLACE ACT, 2010**

- 1.31.1. Following are the salient features of this law.
- 1.31.2. Short title, Extent and Commencement
  - 1.31.2.1. This Act may be called the Protection against Harassment of women at the Workplace Act, 2010.
  - 1.31.2.2. It extends to the whole of Pakistan and is in force.
- 1.31.3. Definitions: In this Act, unless there is anything repugnant in the subject or context.

- 1.31.3.1. "accused" means an employee or employer of an organization against whom complaint has been made under this Act;
- 1.31.3.2. "CBA" means Collective Bargaining Agent as provided in the Industrial Relations Act, 2008 (IV of 2008), or any other law for the time being in force. (Not applicable in case of FBL as there is no trade union).
- 1.31.3.3. "Code" means the Code of Conduct as mentioned in the Schedule to this Act;
- 1.31.3.4. "Competent Authority" means the authority as may be designated by the management for the purposes of this Act;
- 1.31.3.5. "complainant" means a woman or man who has made a complaint to the Ombudsman or to the Inquiry Committee on being aggrieved by an act of harassment;
- 1.31.3.6. "employee" means a regular or contractual employee whether employed on daily, weekly, monthly or hourly basis, and includes an intern or an apprentice;
- 1.31.3.7. "employer" in relation to an organization, means any person or body of persons whether incorporated or not, who or which employs workers in an organization under a contract of employment or in any other manner whatsoever and includes;
- 1.31.3.7.1. An heir, successor or assign, as the case may be, of such person or, body as aforesaid;
- 1.31.3.7.2. any person responsible for the direction, administration, management and control of the management;
- 1.31.3.7.3. the authority, in relation of an organization or a group or organizations run by or under the authority of any Ministry or department of the Federal Government or a Provincial government, appointed in this behalf, or where no authority is appointed, the head of the Ministry or department as the case may be;
- 1.31.3.7.4. the office bearer, in relation to an organization run by or on behalf of the local authority, appointed in this behalf, or where no officer is so appointed, the chief executive officer bearer of that authority;
- 1.31.3.7.5. the proprietor, in relation to any other organization, of such organization and every director, manager, secretary, agent or office bearer or person concerned with the management of the affairs thereof;
- 1.31.3.7.6. A contractor or an organization of a contractor who or which undertakes to procure the labor or services of employees for use by another person or in another organization for any purpose whatsoever and for payment in any form and on any basis whatsoever; and
- 1.31.3.7.7. office bearers of a department or a Division of a Federal or a Provincial or local authority who belong to the managerial, secretarial or directional cadre or categories of supervisors or agents and those who have been notified for this purpose in the official Gazette;
- 1.31.3.8. "harassment" means any unwelcome sexual advance, request for sexual favors or other verbal or written communication or physical conduct of a sexual nature or sexually demeaning attitudes, causing interference with work performance or creating an intimidating, hostile or offensive work environment, or the attempt to punish the complainant for refusal to comply to such a request or is made a condition for employment;
- 1.31.3.9. "Inquiry Committee" means the Inquiry Committee established under sub-section (1) of Section 3;
- 1.31.3.10. "management" means a person or body of persons responsible for the management of the affairs of an organization and includes an employer;
- 1.31.3.11. "Ombudsman" means the Ombudsman appointed under section 7;

- 1.31.3.12. "organization" means a Federal or Provincial Government Ministry, Division or department, a corporation or any autonomous or semi-autonomous body, Educational Institutes, Medical facilities establishment or controlled by the Federal or Provincial Government or District Government or registered civil society associations or privately managed a commercial or an industrial establishment or institution, a company as defined in the Companies Ordinance, 1984 (XLVII of 1984) and includes any other registered private sector organization or institution;
- 1.31.3.13. "Schedule" means Schedule annexed to this Act; and
- 1.31.3.14. "workplace" means the place of work or the premises where an organization or employer operates and includes building, factory, open area or a larger geographical area where the activities of the organization or of employer are carried out and including any situation that is linked to official work or official activity outside the office.
- 1.31.4. Inquiry Committee
- 1.31.4.1. It is hereby notified, that under section 3 of the Protection against Harassment of Women at Workplace Act, 2010, three-member Inquiry Committee has been constituted by Head HR (competent authority) with the concurrence of P&CEO.
- 1.31.4.2. Any subsequent change will be recommended by Head HR and approved by P&CEO.
- 1.31.4.3. Any complaint of Harassment under the said Act shall be forwarded to Inquiry Committee for action and disposal in accordance with the law.
- 1.31.5. Procedure for Holding Inquiry
- 1.31.5.1. The Inquiry Committee, within three days of receipt of a written complaint, shall:
- 1.31.5.1.1. Communicate to the accused the charges and statement of allegations leveled against him, the formal written receipt of which will be given;
- 1.31.5.1.2. Require the accused within seven days from the day the charge is communicated to him to submit a written defense and on his failure to do so without reasonable cause, the Committee shall proceed ex-parte; and
- 1.31.5.1.3. Enquire into the charge and may examine such oral or documentary evidence in support of the charge or in defense of the accused as the Committee may consider necessary and each party shall be entitled to cross-examine the witnesses against him.
- 1.31.6. Subject to the provisions of this Act and any rules made there under the Inquiry Committee shall have power to regulate its own procedure for conducting inquiry and for the fixing place and time of its sitting.
- 1.31.7. The following provisions inter alia shall be followed by the Committee in relation to inquiry:
- 1.31.7.1. The statements and other evidence acquired in the inquiry process shall be considered as confidential.
- 1.31.7.2. An officer in an organization, if considered necessary, may be nominated to provide advice and assistance to each party;
- 1.31.7.3. Both parties, the complainant and the accused, shall have the right to be represented or accompanied by a Collective Bargaining Agent representative, a friend or a colleague;
- 1.31.7.4. Adverse action shall not be taken against the complainant or the witnesses;
- 1.31.7.5. The Inquiry Committee shall ensure that the employer or accused shall in no case create any hostile environment for the complainant so as to pressurize her from freely pursuing her complaint; and
- 1.31.7.6. The Inquiry Committee shall give its findings in writing by recording reasons thereof.

- 1.31.8. The Inquiry Committee shall submit its findings and recommendations to the Competent Authority within thirty days of the initiation of inquiry. If the Inquiry Committee finds the accused to be guilty it shall recommend to the Competent Authority for imposing one or more of the following penalties:
- 1.31.8.1. Minor Penalties
- 1.31.8.1.1. Censure;
- 1.31.8.1.2. Withholding, for a specific period, promotion or increment;
- 1.31.8.1.3. Stoppage, for a specific period, at an efficiency bar in the time-scale, otherwise than for unfitness to cross such bar; and
- 1.31.8.1.4. Recovery of the compensation payable to the complainant from pay or any other source of the accused;
- 1.31.9. Major Penalties
- 1.31.9.1.1. Reduction to a lower post or time-scale, or to a lower stage in a time-scale;
- 1.31.9.1.2. Compulsory retirement;
- 1.31.9.1.3. Removal from service;
- 1.31.9.1.4. Dismissal from service; and
- 1.31.9.1.5. Fine. A part of the fine can be used as compensation for the complainant. In case of the owner, the fine shall be payable to the complainant.
- 1.31.10. The Competent Authority shall impose the penalty recommended by the Inquiry Committee under sub-section (4) within one week of the receipt of the recommendations of the Inquiry Committee.
- 1.31.11. The Inquiry Committee shall meet on regular basis and monitor the situation regularly until they are satisfied that their recommendations subject to decision, if any of Competent Authority and Appellate Authority have been implemented.
- 1.31.12. In case the complainant is in trauma the organization will arrange for psycho-social counseling or medical treatment and for additional medical leave.
- 1.31.13. The organization may also offer compensation to the complainant in case of loss of salary or other damages.
- 1.31.14. Powers of the Inquiry Committee
- 1.31.14.1. The Inquiry Committee shall have power:
- 1.31.14.1.1. To summon and enforce attendance of any person and examine him on oath;
- 1.31.14.1.2. To require the discovery and production of any document;
- 1.31.14.1.3. To receive evidence an affidavit; and
- 1.31.14.1.4. To record evidence.
- 1.31.14.2. The Inquiry Committee shall have the power to inquire into the matters of harassment under this Act, to get the complainant or the accused medically examined by an authorized doctor, if necessary, and may recommend appropriate penalty against the accused within the meaning of sub-section (4) of section 4,
- 1.31.14.3. The Inquiry Committee may recommend to Ombudsman for appropriate action against the complainant if allegations leveled against the accused found to be false and made with mala fide intentions.
- 1.31.14.4. The Inquiry Committee can instruct to treat the proceedings confidential.
- 1.31.15. Appeal against Minor and Major Penalties
- 1.31.15.1. Any party aggrieved by decision of the Competent Authority on whom minor or major penalty is imposed may within thirty days of written communication of decision prefer an appeal to an Ombudsman established under section 7.
- 1.31.15.2. A complainant aggrieved by the decision of the Competent Authority may also prefer appeal within thirty days of the decisions to the Ombudsman.
- 1.31.15.3. The Appellate Authority may, on consideration of the appeal and any other relevant material, confirm, set aside, vary or modify the decision within thirty days in respect of which such appeal is made. It shall communicate the decision to both the parties and the employer.

- 1.31.15.4. Until such a time that the Ombudsman is appointed the District Court shall have the jurisdiction to hear appeals against the decisions of Competent Authority and the provisions of sub-sections (1) to (3) shall mutatis mutandis apply.
- 1.31.16. Ombudsman
- 1.31.16.1. The respective Governments shall appoint an Ombudsman at the Federal and Provincial levels.
- 1.31.16.2. A person shall be qualified to be appointed as an Ombudsman who a judge of High Court has been of qualified to be appointed as a Judge of High Court. The Ombudsman may recruit such staff as required to achieve the purposes of this Act and the finances will be provided by the respective Governments.
- 1.31.17. Ombudsman to Enquire into Complaint
- 1.31.17.1. Any employee shall have the option to prefer a complaint either to the Ombudsman or the Inquiry Committee.
- 1.31.17.2. The Ombudsman shall within 3 days of receiving a complaint issue a written show cause notice to the accused. The accused, after the receipt of written notice, shall submit written defense to the Ombudsman within five days and his failure to do so without reasonable cause the Ombudsman may proceed ex-parte. Both the parties can represent themselves before the Ombudsman.
- 1.31.17.3. The Ombudsman shall conduct an inquiry into the matter according to the rules made under this Act and conduct proceedings as the Ombudsman deems proper.
- 1.31.17.4. For the purposes of an investigation under this Act, the Ombudsman may require any office or member of an organization which in the opinion of the Ombudsman is relevant and helpful in the conduct of the investigation.
- 1.31.17.5. The Ombudsman shall record his decision and inform both parties and the management of the concerned organization for implementation of the orders.
- 1.31.18. Representation of President or Governor
- 1.31.18.1. Any person aggrieved by a decision of Ombudsman under sub-section (5) of section 8, may, within thirty days of decision, make a representation to the President or Governor, as the case may be, who may pass such order thereon as he may deem fit.
- 1.31.19. Powers of the Ombudsman
- 1.31.19.1. The Ombudsman shall for the purpose of this Act have the same powers as are vested in a Civil Court under the Code of Civil Procedure, 1908 (Act V of 1908), in respect of the following matters, namely:
- 1.31.19.1.1. Summoning and enforcing the attendance of any person and examining him on oath;
- 1.31.19.1.2. Compelling the production of evidence;
- 1.31.19.1.3. Receiving evidence on affidavits;
- 1.31.19.1.4. Issuing commission for the examination of witnesses;
- 1.31.19.1.5. Entering any premises for the purpose of making any inspection or investigation, enter any premises where the Ombudsman has a reason to believe that any information relevant to the case may be found; and
- 1.31.19.1.6. The Ombudsman shall have the same powers as the High Court has to punish any person for its contempt.
- 1.31.19.2. Ombudsman shall while making the decision on the complaint may impose of any of the minor or major penalties specified in sub-section (4) of section 4.
- 1.31.20. Responsibility of Employer

- 1.31.20.1. It shall be the responsibility of the employer to ensure implementation of this Act, including but not limited to incorporate the Code of Conduct for protection against harassment at the workplace as a part of their management policy and to form Inquiry Committee referred to in section 3 within thirty days of the enactment of this Act which is latest by April 08, 2010; and designate a Competent Authority referred to in section 4.
- 1.31.20.2. The management shall display copies of the Code in English as well as in language understood by the majority of employees at conspicuous place in the organization and the workplace within six months of the commencement of this Act.
- 1.31.20.3. On failure of an employer to comply with the provisions of this section any employee of an organization may file a petition before the District Court and on having been found guilty the employer shall be liable to fine which may extend to one hundred thousand rupees but shall not be less than twenty-five thousand rupees.
- 1.31.21. Provisions of the Act in addition to and not in derogation of any other law: The provisions of this Act shall be in addition to and not in derogation of any other law for the time being in force.
- 1.31.22. Power to Make Rules: The Federal Government may make rules to carry out the purposes of this Act. Draft Rules have already been circulated.
- 1.31.23. Code of Conduct for Protection against Harassment of Women at the Workplace: Whereas it is expedient to make the Code of Conduct at the workplace etc. to provide protection and safety to women against harassment it is hereby provided as under:  
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- 1.31.23.1. The Code provides a guideline for behavior of all employees, including management, and the owners of an organization to ensure a work environment free of harassment and intimidation;
- 1.31.23.2. "Harassment" means any unwelcome sexual advance, request for sexual favors or other verbal or written communication or physical conduct of a sexual nature, or sexually demeaning attitudes, causing interference with work performance or creating an intimidating, hostile or offensive work environment, or the attempt to punish the complainant for refusal to comply to such a request or is made a condition for employment;
- 1.31.24. The above is unacceptable behavior in the organization and at the workplace, including in any interaction or situation that is linked to official work or official activity outside the office.
- 1.31.25. Explanation: There are three significant manifestations of harassment in the work environment: -
- 1.31.25.1. Abuse of authority: A demand by a person in authority, such as a supervisor for sexual favors in order for the complainant to keep or obtain certain job benefits, be it a wage increase, a promotion, training opportunity, a transfer or the job itself.
- 1.31.25.2. Creating a hostile environment: Any unwelcome sexual advance, request for sexual favors or other verbal or physical conduct of a sexual nature, which interferes with an individual's work performance or creates an intimidating, hostile, abusive or offensive work environment. The typical "hostile environment" claim, in general, requires finding of a pattern of offensive conduct, however, in cases where the harassment is particularly severe, such as in cases involving physical contact, a single offensive incident will constitute a violation.
- 1.31.25.3. Retaliation: The refusal to grant a sexual favor can result in retaliation, which may include limiting the employee's options for future promotions or training, distorting the evaluation reports, generating gossip against the employee or other ways of limiting access to his/her rights. Such behavior is also a part of the harassment.
- 1.31.25.3.1. An informal approach to resolve a complaint of harassment may be through mediation between the parties involved and by providing advice and counseling on a strictly confidential basis;

- 1.31.25.3.2. A complainant or a staff member designated by the complainant for the purpose may report an incident of harassment informally to her supervisor, or a member of the Inquiry Committee, in which case the supervisor or the Committee member may address the issue at her discretion in the spirit of this code. The request may be made orally or in writing;
- 1.31.25.3.3. If the case is taken up for investigation at an informal level, a senior manager from the office or the head office will conduct the investigation in a confidential manner. The alleged accused will be approached with the intention of resolving the matter in a confidential manner;
- 1.31.25.3.4. If the incident or the case reported does constitute harassment of a higher degree and the officer or a member reviewing the case feels that it needs to be pursued formally for a disciplinary action, with the consent of the complainant, the case can be taken as a formal complaint;
- 1.31.25.3.5. A complainant does not necessarily have to take a complaint of harassment through the informal channel. She can launch a formal complaint at any time.
- 1.31.25.3.6. The complainant may make formal complaint through her in charge, supervisor, CBA nominee or worker's representative, as the case may be, or directly to any member of the Inquiry Committee. The Committee member approached is obligated to initiate the process of investigation. The supervisor shall facilitate the process and is obligated not to cover up or obstruct the inquiry;
- 1.31.25.3.7. Assistance in the inquiry procedure can be sought from any member of the organization who should be contacted to assist in such a case;
- 1.31.25.3.8. The employer shall do its best to temporarily make adjustments so that the accused and the complainant do not have to interact for official purposes during the investigation period. This would include temporarily changing the office, in case both sit in one office, or taking away any extra charge over and above their contract which may give one party excessive powers over the other's job conditions. The employer can also decide to send the accused on leave, or suspend the accused in accordance with the applicable procedures for dealing with the cases of misconduct, if required;
- 1.31.25.3.9. Retaliation from either party should be strictly monitored. During the process of the investigation work, evaluation, daily duties, reporting structure and any parallel inquiries initiated should be strictly monitored to avoid any retaliation from either side;
- 1.31.25.3.10. The harassment usually occurs between colleagues when they are along, therefore usually it is difficult to produce evidence. It is strongly recommended that staff should report an offensive behavior immediately to someone they trust, even if they do not wish to make a formal complaint at the time. Although not reporting immediately shall not affect the merits of the case; and
- 1.31.25.3.11. The Code lays down the minimum standards of behavior regarding protection of women from harassment from harassment at workplace etc. but will not affect any better arrangement that an organization may have developed nor will it bar the grant of protection that employees working in an institute may secure from their employers through negotiation.
- 1.31.25.4. We expect that this Code of Conduct will create a safe and dignified working environment for men and women employees that are free of sexual harassment, abuse and intimidation and with a view to enable higher productivity and a better quality of life at work.