

INTRODUCTION

The Directors are entrusted with and are responsible for overseeing the conduct and management of business affairs of the Bank Alfalah Limited (“the Bank”) by the Management, in an honest, fair, diligent and ethical manner. The standards in this Code provide for individual and collective responsibility of all directors.

The Code may be revised from time to time to reflect changing legal, regulatory and ethical standards.

OBJECTIVES

The objective of this document is to make and project the Bank as a professionally run and successfully managed profitable Bank with high standards, morals and ethics and recognized so by others within and outside the country.

To achieve the above objective, the directors of the Bank must fully comprehend and follow the standards of ethics and business practices.

STANDARDS

Stipulated below are standards that require the directors to exercise their powers and carry out their fiduciary duties with a sense of objective judgment and independence, in the best interest of the Bank. It is not an exhaustive document but it recognizes directors’ responsibilities within the scope of their authority as set forth in applicable laws, regulations and directives of regulatory authorities as well as in the Memorandum & Articles of Association of the Bank.

1. COMPLIANCE WITH APPLICABLE LAWS, RULES & REGULATIONS

- (a) As the overall responsibility for the actions and activities of the Bank vests with the Directors, they are required to ensure that the management is carrying out its affairs prudently in line with existing laws, rules and regulations including the Memorandum & Articles of Association of the Bank.
- (b) A director shall not be associated with illegal activity especially relating to Banking business, nor should he/she engage himself/herself in the business of stock exchanges, money changer, or be a member of stock exchange or corporate brokerage house.

2. INTEGRITY & PROFESSIONALISM

- (a) Directors shall discharge their duties with due and reasonable care, skill and diligence and

shall strictly serve and look after the interests of the Bank.

- (b) Directors are required to always adhere to the highest moral conduct & best business practices and:

- (i) Must devote necessary time and attention for fulfillment of their responsibilities.
- (ii) Be aware of the Bank’s business, financial conditions.
- (iii) Attend Board Meetings as per requisite and applicable requirements of the law/regulations/policy.
- (iv) Request for additional material and explanation when needed (do not hesitate to ask questions).
- (v) Exercise independent judgment.
- (vi) Conduct themselves with the highest standards of ethics, professional integrity and dignity in all dealings with all stakeholders.
- (vii) If they become aware of any irregularity that might affect the interests of the Bank, they shall inform the Board immediately.
- (viii) Directors shall not make a statement or disseminate information, which is misleading or false and/or is likely to induce sale or purchase of securities by any person and/or is likely to affect the market price of the Bank’s shares.
- (ix) Refrain himself/herself from being involved in insider trading OR disclosing any material information to outsiders in this regard.
- (x) A director shall not achieve or attempt to achieve any undue gain or advantage either to himself/herself or to his/her relatives, partners or associates.
- (xi) A director shall not assign his/her office

3. CONFLICT OF INTEREST

- (a) A director shall:

CODE OF CONDUCT FOR DIRECTORS

- (i) Disclose any conflict of interest.
- (ii) A director of a company shall not involve in a situation in which he/she may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
- (iii) A director shall not take any part in the discussion of, or vote on, any contract or arrangement entered into, or to be entered into, by or on behalf of the Bank, if he/she is any way, whether directly or indirectly, concerned or interested in the contract or arrangement.

4. DISCLOSURE OF INTEREST

- (i) Director, whether directly or indirectly, concerned or interested in any contract or arrangement entered into, or to be entered into, by or on behalf of the Bank shall disclose the nature of his/her concern or interest to the Board.
- (ii) Notify in writing the company secretary, if he/she or his/her spouse sell or buy or take any position in the shares of the Bank.

5. CONFIDENTIALITY

- (a) Maintain the privacy and confidentiality of all the information acquired being Member of Board of Directors of the Bank or come into their knowledge and refrain from disclosing the same unless otherwise required by statutory authorities/law and bank's own policies. Inside information about the Bank shall not be used for their own gain or for that of others, either directly or indirectly.
- (b) The Directors of the Bank are strictly prohibited to disclose the fact (if it comes to their knowledge) to the customer or any other person that a suspicious transaction or related

information has been reported to any authority, except if required by law.

6. WAIVER

- (a) From time to time, a situation may arise that warrants a waiver of one or more provisions of this Code. A director who believes that a waiver may be more appropriate in certain situations should first consult with the Chairman and finally get the same approved by the Board.

CERTIFICATION STATEMENT

I certify that I have read and understood the foregoing Code of Conduct for Directors.

I agree to conduct all my duties in accordance with the standards outlined in this statement. I certify to the best of my knowledge, information and belief that I have not been engaged in any behavior which is unacceptable under this statement. I further certify that I am not aware of any possible conflict of interest as described in this statement.

Name: _____

Signature: _____

Date: _____