

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

CODE OF CONDUCT

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1. Overview

At Raqami Islamic Digital Bank Limited (“**RIDBL**”), we are guided by our core values of Shariah Excellence, Innovation & Agility, Customer Centric, Equal Opportunity, Eco Friendly and Integrity. We believe that these values should be at the heart of our Code of Conduct. As a high-performing digital company, we understand that our success is not solely defined by our achievements, but also by how we embody these values in our interactions with one another and the world around us. Our Code of Conduct serves as a compass, providing clear guidance on how to uphold these values in our daily business practices. By adhering to this code, we ensure that our decisions and actions align with the principles of innovation, transparency, respect, and integrity, thereby fostering a culture of trust and accountability. It is the responsibility of every individual at RIDBL to integrate these values into their behavior and contribute to our shared commitment to ethical and responsible conduct.

2. Code Principles

The Code Principles set out the core requirements for our conduct in RIDBL. The Code Sections include specific requirements and guidance for critical risk areas. The Code of Conduct helps us make informed decisions and explains where to go for more information and guidance.

The Code Principles form the foundation of our ethical culture and define the core of our business conduct.

We adhere to the applicable laws, Shariah Regulations, Board Guidelines and internal policies and in situation of a conflict, we ensure to uphold the highest standard.

We actively seek information, understand our responsibilities and acknowledge the broader impact of our actions on the society in which we operate. We foster an environment of openness and honesty. We are forthcoming and truthful about the challenges we face, promoting trust and effective communication.

We encourage a culture where questions are welcomed, and doubts are addressed.

3. Scope

The Code of Conduct applies to all employees and everyone acting on behalf of RIDBL, including the Board of Directors and the Shariah Board. We expect our vendors, suppliers, contractors, and other Business Partners to commit and uphold the same high ethical standards that we follow ourselves.

4. Annual Recombitment

Every year, HR will circulate the Bank’s Code of Conduct along with an undertaking to all of its employees. In order to reiterate and ensure compliance of the RIDBL’s Code of Conduct, the employees are required to sign and give affirmation that they have reviewed, understood and agree to adhere to this Code. Any clear infractions of the points mentioned in this document will be subject to disciplinary action, which may include reprimand, stoppage of increment / bonus / promotion,

demotion, termination of services or dismissal, depending on the seriousness of the offense. In addition, disciplinary action will apply to any supervisor who directs or approves infractions or has knowledge of them and does not act promptly to correct them in accordance with this statement.

5. How To Use The Code

To effectively utilize the Code, it is important to understand how it should be used in practice. The following guidelines outline the key steps in using the Code;

- **Embrace the Code Principles and specific requirements:** The Code Principles, along with the specific obligations outlined in the Code Sections, serve as the foundation of our ethical responsibilities. Familiarize yourself with these principles and requirements, as they form the basis of our day-to-day operations.
- **Complement with Policies and Manuals:** In addition to the Code, there are other policies and manuals within our organization that provide further guidance. It is crucial to understand and comply with these supplementary requirements.
- **Manage challenges and ethical dilemmas:** The Code is designed to assist us in navigating various challenges and ethical dilemmas that may arise in our business. When faced with such situations, refer to the Code for guidance and consider seeking advice from your line manager and / or the Compliance Function. They can provide support and help you make informed decisions.
- **Addressing gaps and uncertainties:** While the Code provides comprehensive guidance, it may not cover every potential dilemma or situation we encounter. As our business evolves, there will be new challenges and changes in the legal and regulatory landscapes. In such cases, we are still obligated to uphold the highest ethical standards and seek guidance from appropriate channels to ensure one makes the right choices. The Code emphasizes the importance of complying with applicable laws, regulations and Shariah principles, so one should familiarize themselves with the laws relevant to one's respective operating jurisdiction and consult with the Compliance / Legal and / or Shairah Compliance Function if needed.

As employees of RIDBL, certain expectations are placed upon us to uphold the values and principles of the organization. Here are the expectations for employees and leaders:

6. Guidelines For Employees

- Act with high integrity and transparency: Employees must conduct themselves in an ethical and transparent manner, ensuring their actions align with the highest standards of integrity.
- Read, understand, and follow the legal/regulatory/Shariah requirements and internal policies and procedures of RIDBL that apply to the duties assigned to the employee.
- Raise issues of concern: Use the designated channels outlined in the "How to Speak Up" section of the Code to raise any concerns or issues the employee may come across.
- Never willingly enter into a business transaction, which may violate any law or principles of Islamic finance.
- Never use their position to force, induce, coerce, harass and intimidate any other person, including sub-ordinate to provide any gift or benefit, whether financial or otherwise, to themselves or others.
- Avoid professional misconduct involving dishonesty, fraud, deceit or misrepresentation. Any mistake, wherever possible, shall be immediately rectified and reported to the line manager.

- Not make use of any information including RIDBL’s trade secrets, proprietary, confidential information, gained in the performance of RIDBL’s official duties as a means of making any personal profit, gain or benefit for themselves.
- Immediately report to the management of pre-existing relations as defined by SBP with any existing or potential customer, industry representative or government employee with whom RIDBL has a business relationship. Pending clearance from the management, the employee shall take no further action associated with the business in which a personal relationship exists. Conflict of interest arising may expose the Bank to risk. Failure to timely disclose will be considered as a serious matter and may lead to disciplinary action.
- Conduct RIDBL’s business with honesty, integrity and in a professional manner.
- Avoid any action on his / her part that may be viewed as repugnant, unethical, Shariah non-compliant or unlawful by customers or public at large or RIDBL itself.
- Avoid any unlawful or unethical governance practice.
RIDBL respects the right of employees to participate in personal political activity, however, employees should ensure that their individual political activities are lawful and do not create the appearance of impropriety or a conflict with the role at RIDBL.
- Adhere Shariah compliance in all personal and professional activities at RIDBL. Employees are encouraged to seek guidance from Shariah Board for creating and maintaining a conducive environment from Shariah compliance perspective and follow accordingly.
- Be exemplary in personal conduct towards RIDBL, the other employees and customers of RIDBL.
- Safeguard the confidential information of RIDBL and its customers.
- Avoid actual or potential conflicts of interests in transactions on behalf of RIDBL.
- Provide accurate and reliable information in records submitted.

7. Dealing With Customers

- a) Ensure fairness, truthfulness and transparency in informing customers of the terms, conditions, mutual rights and obligations, which shall govern customer services.
- b) Present the relevant information in a fair and truthful manner.
- c) Act in the best interest of customers
- d) Should not divulge proprietary information (any information relating to a customer’s affairs obtained by RIDBL in the ordinary course of its business with that customer) to third parties other than where the party concerned has given permission to do so or where RIDBL is legally obliged to do so or where there is a duty to the public to disclose or where it is necessary for RIDBL to present its case – e.g. in court or in other circumstances of a related nature.

8. Marketing And Advertising

- a) Marketing and advertising practices will conform to Islamic ethical and professional standards and guidelines provided by Shariah Board.
- b) All statements made in advertising and marketing will be honest and truthful and shall not mislead or confuse the customer.
- c) No information will be omitted essential to the recipient's considered view.
- d) Employee (except Shariah Board members other than RSBM) will not give any interview on behalf of RIDBL or in his/ her official capacity in the print/electronic/social media or road talk shows or have his / her photographs displayed in any official capacity nor be allowed to participate or act in

television/ stage plays or in any media or cinema without having permission from the Human Resources Department of RIDBL.

9. Corruption

The Code Section on Anti-Corruption in RIDBL's Code of Conduct emphasizes the organization's zero tolerance for corruption. The key points to know are:

- **Zero tolerance for bribery:** RIDBL strictly prohibits bribery or improper payments in any form.
 - 1.1. **Open and transparent business:** RIDBL is committed to conducting business in an open and transparent manner.
- **Risks and forms of bribery:** Bribery, including facilitation payments, kick-back schemes, and the use of shell companies or hidden owners, is illegal and poses reputation and legal risks.
- **Caution with public officials:** Public officials are subject to strict anti-corruption rules, requiring extra caution in dealing with them.
- **Supply chain risks:** Corruption within the supply chain can pose significant risks to RIDBL, even if RIDBL is not directly involved.
- **Gifts and hospitality:** Apart from routine courtesies, gifts, hospitality, and even charitable donations or sponsorships can be considered bribery if they are used to secure a commercial advantage.

To ensure compliance with the Anti-Corruption Section of the Code, employees need to:

- **Never engage in bribery:** Employees must never participate in bribery or trading in influence.
- **Avoid improper payments or advantages:** Apart from routine courtesies, employees should not offer or accept improper payments or advantages.
- **Non-involvement in prohibited conduct:** Employees must not request others to engage in conduct that they themselves are not allowed to engage in.
- **Careful selection and monitoring of Business Partners:** Business Partners should be selected carefully, with a focus on their commitment to ethical and lawful conduct. Regular monitoring is essential.
- **Accurate bookkeeping:** Books and records should be maintained to accurately and fairly reflect RIDBL's business transactions.
- **Caution with Public Officials:** Extra caution should be exercised when interacting with Public Officials.
- **Risk assessment and seeking guidance:** Employees should assess the risks they may encounter and seek appropriate training and guidance to effectively manage them.

It is important to be aware of potential red flags or situations that may indicate bribery or corruption, such as unusual payment terms, non-compliance by Business Partners, interactions with Public Officials for obtaining licenses or permits, requests for donations to affiliated organizations, or offers of gifts, travel, donations, or lavish entertainment.

By adhering to these principles and being vigilant for warning signs, employees can contribute to maintaining a corruption-free environment at RIDBL.

10. Business Partners

The Code Section on Business Partners emphasizes the importance of selecting and working with Business Partners who meet RIDBL's standards and respect its values. The key points to know are:

- **Reputational and legal risks:** The actions of Business Partners can impact RIDBL's reputation and expose it to legal / Shariah risks.
- **Definition of Business Partners:** Business Partners include individuals and entities such as suppliers, agents, distributors, joint venture partners, as well as sponsorship and donation recipients.

Expectations for employees regarding Business Partners:

- **Working with responsible partners:** RIDBL aims to collaborate with Business Partners who demonstrate responsible business conduct, are not involved in non-shariah compliant activities and uphold ethical values consistent with its own.
- **Caution in selection:** Employees should exercise caution when selecting Business Partners, following RIDBL's risk screening and sourcing procedures.
- **Compliance with laws and standards:** Business Partners are required to comply with all applicable laws and meet RIDBL's standards for responsible business conduct.
- **Risk management by Business Partners:** Business Partners are expected to take responsibility for identifying and managing risks while designing, delivering, and operating assets related to RIDBL.
- **Evaluating opportunities in sanctioned countries:** RIDBL carefully evaluates business opportunities in countries subject to economic sanctions or trade embargoes.
- **Trade control compliance:** Applicable trade controls, including sanctions regimes and import-export requirements, must be complied with.
- **Monitoring and support:** RIDBL monitors and supports Business Partners to ensure their activities align with RIDBL's standards for responsible business conduct.
- **Fair and transparent treatment:** All Business Partners should be treated with respect and fairness in a transparent manner.

Employees should be alert to the following indicators or situations involving Business Partners:

- **Business Partner non-compliance:** A Business Partner demonstrates reluctance to fully commit to following RIDBL's standards, including its Supplier Conduct Principles, where applicable.
- **Negative reflection on RIDBL:** Awareness that a Business Partner conducts business in a way that could have a negative impact on RIDBL's reputation.
- **Insufficient screening:** Discovery that a Business Partner has not undergone proper screening in accordance with RIDBL's requirements.
- **Questionable conduct or ethics:** Any behavior or circumstances that raise doubts about the conduct or ethics of a Business Partner.

By adhering to these guidelines and remaining vigilant, employees contribute to maintaining a network of responsible Business Partners aligned with the values and standards of RIDBL.

11.Competition

The Code Section on Competition emphasizes the commitment of RIDBL to fair competition. The key points are:

- **Importance of fair competition:** Fair competition is essential for society and creates sustainable business opportunities for RIDBL, both domestically and internationally.

- **Harm from unfair advantage:** Engaging in unfair practices or benefiting from an unfair advantage can harm RIDBL's reputation with customers, Business Partners and the public.
- **Anti-competitive agreements and practices:** Anti-competitive agreements or practices not only contradict RIDBL's principles but are also against the law.

Expectations for employees regarding competition:

- **Independent pricing and business strategy:** Employees are responsible for developing their own pricing and business strategies and competing based on the merits of RIDBL's offerings.
- **Limiting communication with competitors:** Communications with actual or potential competitors should be limited and Customer Personal Information must not be shared.
- **Prohibition of anti-competitive agreements or practices:** Employees must not enter into formal or informal agreements or practices with actual or potential competitors to share markets, fix prices, or limit input or sales.
- **Reporting inappropriate conversations:** If a conversation with an actual or potential competitor turns to an inappropriate, anti-competitive subject, employees should remove themselves from the discussion and report it to the Legal Function.
- **Reporting suspected violations:** Employees have an obligation to promptly report suspected violations of competition laws to the Legal Function.

Employees should remain vigilant for the following indicators or situations related to competition:

- **Disclosure of pricing, strategies, or business tactics:** Actual or potential competitors, customers, or Business Partners approach employees with information about their pricing, strategies, or business tactics.
- **Existence of agreements limiting customer access:** Suspicions arise regarding the existence or potential formation of formal or informal agreements that limit RIDBL's or its competitors' access to customers.
- **Informal or social meetings with competitors:** Plans are made to attend informal or social meetings with actual or potential competitors.
- **Indications of exchanging sensitive information:** Interactions are planned with actual or potential competitors where there are indications that the objective is to exchange competitively sensitive information.
- **Pricing or market strategies viewed as abuse of dominant position:** Plans to establish pricing strategies or other market strategies that may be seen as an abuse of dominant position, such as pricing below cost, margin squeeze, or refusing to enter into agreements with customers.

By adhering to these guidelines and promptly reporting any suspicions or violations, employees contribute to fair competition and uphold the principles of RIDBL.

12. Equal Employment Opportunity

RIDBL is an equal opportunity employer in hiring and promotion practices, benefits and compensations. RIDBL does not discriminate against employees and job applicants based upon certain characteristics, such as age, race, color, gender, religion, and disability. We ensure to provide a professional atmosphere for all the employees and treat them with respect and dignity.

13. Confidentiality And Information Handling

The Code Section on Confidentiality and Information Handling highlights the importance of treating information as a valuable asset. The key points to know are:

- **Valuable and digital information:** As employees of RIDBL, we may come across valuable information about the bank, customers, or Business Partners. Most information is in digital form and easily accessible, modifiable, shared, and replicated.
- **Records as high-value information:** Records hold significant corporate value and must be identified and protected. They are crucial for RIDBL and must be handled with care.
- **Criticality of confidentiality:** Maintaining confidentiality is crucial for protecting RIDBL's reputation, its interests in competitive and regulatory processes, and the integrity of its assets.

Expectations for employees regarding confidentiality and information handling:

Employees shall maintain strict secrecy regarding RIDBL's affairs and shall not (except so far as is necessary and appropriate in the normal course of their employment or when required by law) disclose to any person, any information as to the practice, dealing or affairs of RIDBL or any of their customers, which may come to their knowledge by reason of their employment.

During the course of employment and at least for five years after its termination for whatever reason, the employee must not disclose to anyone (nor use for any purpose other than the business of RIDBL) any information relating to RIDBL or its employees which is not already available to the public, unless authorized to do so or required by law. Such information includes customer data, product manuals, technical secrets, confidential research work, technical processes, operating manuals, marketing plans and strategies and other confidential financial or business information of RIDBL.

The confidentiality of non-Banking information must also be respected regardless of how an employee comes across it. If an employee receives or holds information, which he/she knows or believes, is confidential to another person/organization, e.g. a competitor or former employer, he/she should not use that information or disclose it to anyone else in RIDBL. The distinction between confidential information that should be treated in this way and other non-protected information is not always clear. If in doubt, the Chief Information Security Officer (CISO) should be consulted along with the CHRO.

Confidential information concerning a customer, or a supplier must never be disclosed to a third party except pursuant to a statute or regulation, or a court order or other legal process, or after receiving consent of the customer or supplier in writing.

Likewise, proprietary information of RIDBL i.e. confidential information about RIDBL's business or business plans, products and services, marketing methods, technology or systems, must never be disclosed to a third party except pursuant to a statute or regulation or a valid court order.

For these purposes, "confidential information" is non-public information about RIDBL or a customer or supplier that would be useful to a competitor or important to an investor in deciding whether to purchase, hold or sell any RIDBL shares, or the shares of a customer or supplier. The employees are

required to maintain “Clean Desk” along with locked screens on the working place/desk/computer terminals unattended.

The employees of RIDBL are strictly prohibited from disclosing the fact to the customer or any other quarter that a suspicious transaction or related information is being or has been reported to any authority, except if required by law.

14. Recording Of Information

No unrecorded fund or assets of RIDBL shall be established or maintained for any reason. No false, artificial or misleading entries in the books and records of RIDBL shall be made for any reason. All reporting of information should be accurate, honest and timely and should be a fair representation of the facts

15. Conflicts Of Interest

In order to implement the best corporate and ethical practices in RIDBL, it is the responsibility of all employees as well as stakeholders of RIDBL to remain compliant with RIDBL’s Conflict of Interest Policy. Any failure to adhere to these may attract non-financial penal consequences including initiation of disciplinary action against such employee/stakeholder and/or recovery of actual loss.

The conflict of interest includes situations where an employee/ director/ shareholder permits the prospect of direct or indirect personal gain to influence his/her judgment or actions or more generally, when he/she favors someone else’s interest over that of RIDBL’s or any customer of RIDBL’s in the conduct of RIDBL ‘s business. It also includes where an employee/ director/ shareholder accommodates or give some financial or other benefit to his/her relative without proper disclosure, by using his/her discretion unjustifiably or by compromising on any stipulation of the policy he/she is required to follow.

An employee during his employment (except Shariah Board members other than RSBM) may not hold any position, whether for gain or otherwise, of director, consultant, employee, representative or agent with any supplier, competitor or organization either doing or seeking to do business with RIDBL. If any relative of any employee of RIDBL holds a position with any organization doing or seeking to do business with RIDBL, a written disclosure must be made promptly by such employee to his/her manager/Human Resources Department.

An employee may not hold an interest in any organization doing business with RIDBL unless it is a company/establishment quoted on a Stock Exchange and the interest is less than 1%, without the written consent of his / her line manager along with seeking approval from the Compliance Team.

If any employee wishes to undertake a non-executive directorship or trusteeship with any external organization, the employee must obtain the consent of the Management Committee and CEO with the approval of the Board of Directors. In considering any such requests, the following factors will normally be taken into consideration:

- The amount of time required to fully discharge the duties of the position, particularly any periods required during normal working hours.
- Employee's current workload and performance level- Permission will not be given if it is envisaged that the extra responsibilities will impair the employee's ability to perform his/her role in RIDBL or affect his/her health.
- Permission may be refused if the appointment is considered to be commercially, politically sensitive or exposes RIDBL or the employee to charges of commercial indiscretion.
- The potential within the position for the development of key competencies should be valuable to the employee or RIDBL.

In the event that consent is obtained, any remuneration/benefit received for work carried out can be retained by the said employee of RIDBL.

It is the responsibility of all employees as well as stakeholders at RIDBL to remain compliant with the RIDBL's Conflict of Interest Policy.

16. Environment

The Code Section on Environment highlights RIDBL's commitment to protecting the environment and contributing to the prevention of climate change. The key points are:

- **Compliance with laws and standards:** RIDBL complies with local laws and internationally recognized environmental standards.
- **Business opportunities from eco-efficient solutions:** Offering eco-efficient solutions can create business opportunities.
- **Minimization of resource use** RIDBL is committed to minimizing the use of resources such as energy, water, and raw materials, as well as reducing global carbon emissions.
- **Embracing Islamic ethics and values:**
 - RIDBL is firmly committed to embracing Islamic ethics and values, ensuring that all our operations and transactions are fully Shariah-compliant. We adhere to principles of justice, transparency, Shariah compliance and integrity, fostering trust and fairness in every aspect of our business and professional conduct. By upholding these core Islamic values, we aim to create a responsible financial environment that benefits all stakeholders. Shariah compliance is at the heart of our ethical framework, guiding us in promoting socially responsible, equitable, and sustainable financial practices, while ensuring accountability to both our clients and the community.

Expectations for employees regarding the environment:

- **Support for eco-friendly technologies:** Employees should support environmentally friendly and energy-efficient technologies, seeking to minimize carbon emissions across all operations.
- **Sustainable waste management:** RIDBL ensures sustainable waste management, with a focus on reusing, recycling, or safely disposing of electronic waste.
- **Environment considerations in procurement:** Employees should consider the environment when making purchasing decisions

- **Transparency and accurate reporting:** RIDBL is transparent about its environmental footprint and accurately reports its environmental performance, including energy use, carbon emissions, and waste/recycling.
- **Focus on climate change and extreme weather:** Attention is given to extreme weather events and climate change, protecting existing infrastructure, and planning network expansion accordingly.
- **Climate Risk:** Measure, manage, and reduce the climate risk and impact of our business by analyzing and reducing climate risk associated with our operations through policy development, portfolio analysis and measurement, and engagement
- **Immediate reporting of environmental incidents:** Employees are expected to report immediately if they observe an incident actively harming the environment.

Employees should remain vigilant for the following indicators or situations related to the environment:

- Operations of RIDBL that do not minimize negative impact on the environment.
- Suppliers that fail to meet the RIDBL's environmental standards.
- Suspicions of breaches of applicable environmental regulations or company guidelines.
- Opportunities to reduce RIDBL's environmental impact or explore business initiatives offering eco-efficient solutions.

By adhering to these guidelines and reporting any concerns or opportunities related to the environment, employees contribute to RIDBL's commitment to environmental protection and sustainability

17. Financial Integrity and Fraud

The Code Section on Financial Integrity and Fraud emphasizes the importance of maintaining accurate financial records and complying with disclosure standards. The key points to know are:

- **Importance of financial integrity:** Financial integrity is crucial for maintaining the trust of shareholders, customers, Business Partners, and employees.
- **Compliance with International Financial Reporting Standards:** Meeting International Financial Reporting Standards, as adopted by State Bank of Pakistan, is not only a requirement but also enables effective business management.

Expectations for employees regarding financial integrity and fraud:

- **Following Accounting Principles and internal controls:** Employees are expected to follow RIDBL's Accounting Principles and abide by the internal controls implemented by the bank.
- **Proper registration of transactions:** All transactions should be registered correctly, aligning with legal obligations and good accounting practices.
- **Accurate, reliable, transparent, consistent, and timely reporting:** Reporting should be accurate, reliable, transparent, consistent, and timely.
- **Reasonable and proper recording of expenses:** Expenses should be reasonable and recorded properly when utilizing the company's funds.

- **Decision-making in accordance with authority matrix:** Decisions should be made in accordance with applicable Group or Local Authority Matrix, ensuring segregation of duties when applicable.
- **Verification of facts and completeness:** Employees should verify facts, ensure completeness of information, and understand the underlying business rationale before approving a transaction or signing a document.
- **Prohibition of fraudulent records or misrepresentation:** Employees must not create fraudulent records or intentionally violate Shariah rules in the context of executing the transaction in fraudulent manner, falsify / forge the documents, or misrepresent facts, transactions, or financial data.

Employees should remain vigilant for the following indicators or situations related to financial integrity and fraud:

- Financial or accounting irregularities.
- Colleagues or Business Partners falsifying documentation.
- Uncertainty regarding the correct recording of a transaction.
- Concerns about misreporting financial information, including sales results or forecasts, by any employee.
- Concerns about the inconsistent spending or recording of RIDBL's resources compared to company policies.

By adhering to these guidelines and reporting any financial irregularities or concerns, employees contribute to maintaining financial integrity and preventing fraud within RIDBL.

18. Gifts & Entertainment

To implement the best corporate and ethical practices in RIDBL, it is the responsibility of all employees as well as stakeholders at RIDBL to remain compliant with RIDBL's policies and to avoid any conflict of Interest.

The Code Section on Gifts & Entertainment outlines specific guidelines that must be strictly followed to prevent any perception of being influenced in business decisions due to accepting gifts or hospitality. Here are the key points to know:

- **Prohibition on accepting gifts:** Employees are not allowed to accept gifts from companies or individuals with whom the bank does business. This includes kickbacks in cash, foreign holidays or non-business pleasure trips arranged or paid for by customers, suppliers, or contractors/vendors, and gifts with a commercial value of more than Rs. 25,000 per item from travel agents, hotels, or insurance companies.
- **Acceptance of minor items:** Employees may accept/give minor items, such as calendars, books, diaries, desk pads, pens, sweets, and chocolates, as long as the value does not exceed Rs. 25,000. Any doubts should be consulted with the Department Heads and Compliance Team
- **Declining non-permissible gifts:** If employees are offered gifts other than minor items, they should politely decline them, referring to the bank's policy if necessary.

- Handling gifts over the permissible limit: If gifts over Rs. 25,000 are delivered to employees' houses or workplaces and cannot be easily returned without causing embarrassment, they must hand such gifts over to the HR department.
- Gifts from airlines and business travel: Gifts from airlines, such as travel bags, pens, and toiletry sets, received as a result of business travel, are allowed, along with the accrual of air miles in appropriate schemes.
- Bank-provided gifts and entertainment: The bank may provide gifts, lunch, dinner, visits, or travel to clients, strategic partners, vendors, social work, or NGOs however the employees should be vigilant and ensure no harm or reputational damage is being done to the Bank itself from offering, providing, soliciting, accepting, or receiving such act.

Employees should also note that:

- They should not authorize, promise, offer, or give anything of value to a government official or any other person, or to members of their family, or to a third party or charitable organization suggested by the recipient, for the purpose of influencing the recipient to take or refrain from taking any official action, to induce the recipient to conduct business with RIDBL, or to cause the recipient to perform his or her duties improperly.
- They should understand that payments made indirectly through an attorney, consultant, broker, contractor, or other third party are subject to the same restrictions. It is employee's obligation to understand what such a party is doing on their behalf.

They should not make a facilitation payment of any kind. Facilitation payments are typically small payments made to government officials or agencies to expedite or secure performance of a nondiscretionary, routine governmental action, such as the approval of permits or licenses, or to prompt performance of other duties.

By adhering to these guidelines, employees ensure that they do not compromise their business decisions or the bank's reputation due to accepting inappropriate gifts or hospitality. It helps maintain ethical conduct and prevents any perceived conflicts of interest.

19. Health and Hygiene-

Personal Hygiene is the most important aspect of our daily life. The personality is perceived by its degree of neatness. Personal hygiene covers care of body odor, bad breath, teeth, nails, ears, nose, hair, daily shower, maintenance of facial hairs (if not keeping proper beard), daily wear washed, clean, pressed clothes etc.

Every employee shall also be responsible for taking care of health and the hygiene conditions of the offices/working areas. This not only covers the office decorum but is also a legal requirement.

Employees must:

- Be familiar with and adhere to the health and safety rules applicable.
- Conform to the highest standards of hygiene as an individual and team.
- Cooperate with the management team to ensure compliance of health and safety and legal requirements.
- Report immediately any potential security hazard to the employees.

- Conserve rather than exploit nature.

20. Smoking and Vaping at the Office Premises

Smoking and vaping openly are prohibited in all office premises of RIDBL. Employees may be informed of this regulation, introduced for the health and welfare of all concerned and for keeping the premises neat, clean and pollution-free. Employees can smoke/vape in designated labelled spaces or outside office premises.

21. Mobile Phones

- Employees should keep their mobile phones on vibration (preferably) or on basic tones while on duty.
- Songs / instrumental beats or animal tones are strictly prohibited.
- Employees are advised to take care of their mobile sets in RIDBL's premises. RIDBL shall not be responsible if it is lost.

22. Personal Property

RIDBL is not responsible for the security of employees' personal possessions. Employees therefore should not leave their valuables unattended at work.

23. Concluding Guidance

No Code of Conduct can spell out the appropriate behavior for every situation, nor should it seek to do so. RIDBL relies on every employee to make a judgment of what is right and proper in any particular situation.

The following questions to be considered before determining whether taking action is appropriate or not:

- a) Is the action legal, Shariah compliant and does it comply with RIDBL's policy / standards?
- b) Does action 'feel right'? Could it be justified to others in RIDBL or to the Senior Management of RIDBL?
- c) Can action be defended if questioned by the management or by the law enforcing agencies?

24. Insider Trading

An employee shall be liable to criminal and civil offence where he/she is found buying or selling a company's stock or other securities while in possession of inside information or disclose inside information to another person who then trades in securities. Hence, the employee having access to any "material information" should not make it public and refrain from disclosing such information to within and / or outside RIDBL.

25. Money Laundering

RIDBL has set its priority not to become implicated, in any way, with individuals or firms involved in criminal activities, money laundering/terrorist financing activities. Employees are expected to exercise maximum caution in this regard.

The employee should work with due care, diligence and in accordance with know the customer requirements, be vigilant for unusual circumstances and immediately report any suspicious activity to the Compliance department for further guidance / necessary action. An employee must not be a part in conducting or facilitating any sort of unauthorized/ illegal money transfer service directly or indirectly.

Further, all employees are strictly advised not to provide any support, assistance and funding including charity / donation to the proscribed / designated entities and individuals listed under the consolidated lists available at the websites of United Nations Security Council (UNSC) Sanctions Committee and National Counter Terrorism Authority (NACTA), or to those who are known for their association with such entities and persons, whether under the proscribed / designated name or with a different name.

Employees should never advise a client, or anyone outside of RIDBL, that an account is or has been subject to review for AML purposes without first consulting Legal/Compliance.

In case any confusion arises, or any clarity is required, the Compliance department may be immediately contacted for detailed guidance. The non-compliance may lead to strict disciplinary and legal actions as per the law and RIDBL's procedures.

26. Social Media Guidelines

- **Awareness of Bank Observation:** Employees should be aware that the bank may observe the content and information they make publicly available through social media.
- **Responsible Posting:** Employees should use their best judgment and responsibility when posting material on public forums, websites, or platforms. The material should neither be inappropriate or harmful to the bank, its employees, customers, or the public at large nor be non-compliant to Shariah.
- **Avoid Criticizing Regulatory Bodies:** Employees must refrain from criticizing or using implicitly inappropriate language against regulatory bodies on social media.
- **Abstinence from Abusive Language:** Employees should always abstain from using abusive language.
- **Prohibited Social Media Conduct:** Although not an exhaustive list, specific examples of prohibited social media conduct include posting commentary, content, or images that are abusive, defamatory, pornographic, proprietary, harassing, libelous, against the Shariah values or that can create a hostile work environment internally or externally, or indirectly impact RIDBL's reputation.
- **Impact Awareness:** Employees should be aware of the potential impact their actions on social media may have on their own and the bank's image. The information they post or publish may remain public for a long time.
- **Disengaging from Antagonistic Situations:** If employees encounter a situation on social media that threatens to become antagonistic, they should disengage from the dialogue in a polite manner and seek advice from a supervisor, where needed.

- **Permission for Image Posting:** Employees should obtain appropriate permission before referring to or posting images of current or former employees, members, vendors, or suppliers, unless the use/posting is based on personal acquaintance/familiarity/friendship between the involved parties and contains harmless content.
- **Expressing Personal Views:** Employees should clearly state that the views/opinions expressed are their own. They must speak/write in the singular first person to differentiate their personal opinions from RIDBL's official stance.
- **Ensuring Factual Accuracy:** Employees should ensure the factual accuracy of all material before posting it on social media.
- **Usage during working hours:** Employees must ensure their personal use of social media does not interfere with their work and does not occur during working time.
- **Disclaimers:** Employees should not speak or write on behalf of RIDBL unless authorized to do so. They should use disclaimers when necessary to clarify that their views/opinions expressed are personal and do not represent RIDBL's official position.

By adhering to these social media guidelines, employees can engage responsibly on public platforms while safeguarding RIDBL's reputation and maintaining professionalism.

27. Outside Employment

The policy on outside employment states that employment with RIDBL should be seen as a full-time occupation, and therefore, employees (except Shariah Board other than RSBM) are not permitted to engage in other employment or business associations. This policy applies to any type of outside employment, including but not limited to acting as an officer, employee, proprietor, partner, agent, independent contractor, or advisor, or in any similar capacity.

This policy applies to any type of outside employment, including acting as an officer, employee, proprietor, partner, agent, independent contractor, or advisor, or in any similar capacity.

28. Discipline & Decorum

All staff members working in any Unit shall:

- Speak in low tone and pitch that the colleague sitting at the adjoining desks should not be disturbed;
- Talk to department staff or colleagues in designated areas.

29. Working Timings

All staff should report for work at or before official time and should be ready to attend clients' dealings at 9:00 a.m. Official timings of RIDBL are provided in HR Policy.

Timings during the month of Ramadan shall be followed as per the circular issued by the State Bank of Pakistan. RIDBL will also follow timings seasonally prescribed by SBP for different parts of the country. Late arrival would be marked even if employee has given prior information of arriving late, unless the

late arrival was due to an earlier official appointment or late-night official travel etc. Late arrivals for personal reasons will be considered late in any case.

After every 3rd late arrival in a month, late comers will have one casual leave deducted from their leave balance. If there is no casual leave balance available, one annual leave will be deducted.

For every un-condoned absence, employees will have one casual leave deducted from their leave balance. If there is no casual leave balance available, one annual leave will be deducted. If there is no annual leave available, one day will be marked as leave-without-pay.

The attendance record should be carefully reviewed by each employee as the above-mentioned policy will be affected if not rectified within seven (7) days.

Disciplinary action may be initiated against habitual latecomers and absconders.

Any revision/changes to “work timing” will be determined by the Management from time to time.

30. Outside Pressure

All employees must refrain from bringing in outside pressure / influence to attain personal gain within the organization. Any such attempt will be subject to strict disciplinary action.

31. Dress Code

Attire reflects professionalism and RIDBL's brand and personality. A professional business appearance together with a high standard of personal hygiene is expected from all employees. The Official Dress Code of RIDBL is professional corporate attire in line with traditional Islamic modesty. At RIDBL, every staff member is expected to have a professional business appearance together with a high standard of personal hygiene.

The dress code and professional attire of both genders are provided in HR Guidelines & Procedure Document.

32. Disclosure Of Blood Relatives

Under RIDBL's policy, there is prohibition on the employment of close or blood relatives of current employees. However, certain conditions must be met for such employment to be permissible. These conditions include the relatives meeting the required eligibility criteria and ensuring that there is no conflict of interest likely to arise from their employment.

To ensure transparency and mitigate potential conflicts of interest as specified in RIDBL Conflict of Interest Policy, all employees of RIDBL are required to declare any relation who are working in RIDBL or are involved in any capacity as a vendor, consultant, broker, or service provider offering services to RIDBL. This declaration helps in maintaining transparency, preventing favoritism, and ensuring that appropriate measures can be taken to avoid any conflicts of interest that may arise.

By making these declarations, RIDBL aims to uphold fairness, ethical standards, and accountability in its operations while still allowing for the employment of close or blood relatives, provided that the necessary criteria and conflict-of-interest considerations are addressed.

33. Mis-Declaration / Concealment of Facts

An employee shall not make any misdeclaration or conceal the facts in his/her knowledge. The following are illustrative examples, but are not all-inclusive:

- An employee issuing an incorrect account statement, salary certificate or any other information for any customer or staff member.
- An employee issuing a fake claim for reimbursement of expenses where either the expenses are inflated and/or the difference between those claimed and incurred are pocketed by the staff member.
- An employee at the time of induction in RIDBL (i.e. during interview and in testimonials) provided a false, forged, misleading information or concealed, hide, incompletely stated, any information regarding credentials, academic record(s), previous employment(s) and demographic details.

34. Notification Of Improper Conduct

If an employee believes that someone has acted or may be acting improperly in contravention of the principles set out in RIDBL's Code of Conduct, he/she is encouraged to refer to RIDBL Whistle Blowing Policy of the bank and to inform RIDBL's management of these concerns. Such concerns may be over health and safety/security matters, financial malpractice, discrimination, non-Shariah or unethical conduct.

In the first instance, the employee should raise concerns with the line manager or any senior executive directly above the concerned manager. However, if he/she finds this course of action difficult and feels it would be appropriate to discuss the matter with someone else, he/she should contact HRD. It is the responsibility of concerned manager or senior executive to:

- Respond to the concerns (if the manager is already aware of the situation and satisfied that there has been no improper conduct).
- Investigate the matter if it is within his/her area of responsibility and there are grounds for concern; OR raise the issue with HRD, if the matter is outside his/her area of responsibility.
- Communicate the outcome of any investigation to the employee. Where action is not taken, an explanation should be provided without disclosing anything of a confidential nature.
- During any discussion or investigation, it may become apparent that other departments should be consulted by the manager e.g. Internal Audit or Legal or Human Resources. It may also become appropriate to process the matter through other existing procedures (such as the disciplinary action procedure).
- If an employee, after discussing the matter with employee's concerned manager or senior executive continues to have concerns, he/she may contact directly the Internal Audit or Legal or HRD, as described above.

- An employee will not be penalized for expressing personal concerns in good faith. Raising unfounded allegations with malicious intent, however, is a serious disciplinary matter as it victimizes or deters employees from raising a concern about improper conduct.

The Bank will endeavor to maintain confidentiality in respect of all concerns raised.

35. Know Your Customer, Vendors And Partners

To safeguard RIDBL's reputation and integrity, it is not only necessary for employees to discipline their own actions, but also to be aware of the character and actions of customers, vendors and partners. Care must be exercised in selecting those with whom we deal. Each business of RIDBL must have processes in place for checking on the credibility of the customers, vendors and partners. Employees must ensure that RIDBL establishes relationships with only those individuals, businesses and entities who have a sound reputation and whose true identity has been established. Employees should conduct maximum caution in new business relationships, to ensure that due diligence steps are completed.

36. Copyright

Employees will not make unauthorized copies, nor pass on to anyone outside the bank documents / material / information / policies/manuals, electronic and physical data or computer programs etc. Any work that employees undertake for RIDBL, is the sole property of RIDBL and that should be kept secret. However, the information may be shared where required in the course of work by auditors, tax consultants, regulatory bodies etc. with the necessary approval of relevant or CxO and Compliance Team.

37. Computer, Email & Information Security

RIDBL's computer system contains an e-mail facility, access rights, information and software, which are intended to promote effective communication within and outside RIDBL, on matters relating to its business and facilitate routine information flow and smooth and safe transactions.

The email system should therefore only be used by RIDBL's staff for official/business purposes. All communication and information are the property of RIDBL and RIDBL reserves the right to retrieve the contents of the messages for the purpose of monitoring. The employee shall be held accountable for all activities under his / her password. Employees must protect their RIDBL system passwords and never share them with others. The access rights of all employees, contractors and third-party users to information and information processing facilities shall be removed upon termination of their employment, contract or agreement, or changed accordingly.

The following policy shall be used for removal of access rights to RIDBL information assets:

- The respective HOD/ Line Manager shall be responsible for removing access rights for an individual.
- Upon termination/ resignation the access rights of an individual to information assets and services shall be revoked and execution of this activity shall be signed off by the respective HOD / Line Manager.
- The respective HOD/Line Manager shall ensure that access rights are removed including physical and logical access, IDs & passwords, keys, identification cards, information processing

facilities. The respective HOD / Line Manager shall also ensure that terminated employee is removed from all magazine/email subscriptions and removed from any documentation that identifies them as a current employee of RIDBL.

- If a departing employee, contractor or third-party user has known passwords for accounts remaining active, these shall be changed upon termination or change of employment, contract or agreement.
- Access rights for information assets and information processing facilities may be removed even before the employment is terminated or the role is changed, depending on the evaluation of risk factors.
- Employee must only use software that has been acquired through proper channels, licensed and installed properly by the IT Team. No pirated software or applications are allowed. Strict disciplinary action would be taken if found using pirated software or piece of code

Unauthorized use of the software and email in a manner that may be construed by others as harassment or offensive is strictly prohibited.

- Any employee disclosing his / her credentials (security code, password) to other employee(s) or external person / entities will be subject to strict disciplinary action. Similarly, any employee found using other employee's password / security code or other confidential information will be subject to strict disciplinary action.
- IT usage may be monitored to ensure compliance with the RIDBL Information Security Policy.
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38. Other Corporate Ethical Policies:

- **Employee Consent for Work Publication and Speeches:** Employees must obtain consent from Head of Marketing and Head of Shariah Compliance before publishing works or making public speeches or media presentations. Approval is generally granted if it aligns with the bank's interests and does not disclose confidential information.
- **Shared Ethical Standards:** RIDBL's internal ethical standards are the result of shared moral and Shariah convictions. Rationales such as "everyone in the market does it" or "our competitors do it" cannot justify deviations from these standards.
- **Non-Offensive Communication:** Employees must use language, both written and spoken, in intra-office and external communications that does not contain offensive statements or material. Discrimination based on race, color, religion, gender, age, marital status, or disability is strictly prohibited, and employees must comply with applicable laws in this regard.
- **Prohibition of Intoxicants and Illegal Drugs:** Employees are prohibited from buying, selling, exchanging, distributing, possessing, using, or being under the influence of intoxicants or illegal drugs in the workplace.
- **Professional Attitude and Behavior:** Employees are expected to observe high standards of attitude, including maintaining a positive persona, displaying courteous and optimistic behavior, and avoiding negative and unprofessional conduct. They are also responsible for maintaining organized and well-maintained workspaces.

- **Discipline and Responsibility:** Employees must approach their work with discipline and responsibility, assessing potential risks associated with their tasks. They should not exceed their limits of authority and make decisions in compliance with the bank's policies and defined authority matrix.
- **Prohibition of Carrying/Displaying Arms or Weapons:** RIDBL has a zero-tolerance policy regarding employees carrying or displaying arms or weapons on its premises.
- **Attendance and Punctuality:** Employees are expected to maintain good attendance and punctuality. They must obtain prior permission from their immediate supervisor for any absence during working hours. In case of emergencies where prior permission is not possible, necessary permission or confirmation should be obtained from the supervisor within twenty-four (24) hours.
- **Prompt Reporting of Changes:** Employees should immediately inform their supervisor and update RIDBL's system in case of any changes in their relevant information. This information should be approved by the supervisor and communicated to the Human Resources Department.
- **Compliance with Laws, Regulations, Shariah and Ethical Standards:** Compliance with laws, regulations, Shariah and ethical standards is crucial for RIDBL's success. Employees should consider compliance as a personal responsibility and be held accountable for all compliance-related activities.
- **Prohibition of Virtual/Crypto Currency Transactions:** Employees are prohibited from engaging in virtual/crypto currency-related transactions. They must also refrain from facilitating customers or account holders in processing, using, trading, holding, transferring value, promoting, or investing in virtual currency or tokens. If any such transaction or dealing is detected, employees must file an internal Suspicious Transaction Reporting (STR) for further investigation and reporting to the Financial Monitoring Unit (FMU).
- These policies contribute to maintaining a professional and ethical work environment, ensuring compliance with Shariah, laws and regulations, and protecting the bank's reputation and interests. Employees should familiarize themselves with these policies and adhere to them in their daily work activities.

39. Implementation

HRD will issue this Code of Conduct for all existing employees and new joiners for them to go through, understand and sign off being the token of their acceptance and adherence.

Any violation of the above stated points will be subject to disciplinary action. In addition, disciplinary measures will apply to any supervisor who directs or approves violations or has knowledge of them and does not move promptly to correct them in accordance with this document.

40. Purchasing Activities:

The employee in the purchasing Department is often the among the few Departments with which a non-Banking person or group has contacts. It is, therefore, essential that all personnel who are directly

or indirectly responsible for Bank's expenditure behave both professionally and ethically. The intent and appearance of unethical or compromising practice in relationships, actions, and communications must be avoided. Many times, the way in which an outsider views this department/unit is the way they view the Bank as a whole.

The employee should never use his/her authority or office for personal gain and shall seek to uphold and promote the standing of the Bank and the Purchasing Department by maintaining a standard of integrity above reproach, in all of their business relationships both inside and outside the Bank.

41. Offences & Punishment:

When an employee of the Bank commits a breach of the policies & processes, laws, regulations, discipline, Code of Conduct, or knowingly does something detrimental to the interest of the Bank, he/she may be subject to disciplinary action which may include immediate termination / dismissal and other punitive actions in accordance with the Bank's policy.

42. Reporting Breaches

All Line Managers and Department Heads are responsible for ensuring compliance with the above guidelines in their respective offices and departments. The Audit and Compliance staff will ensure to report deviations to the policy in their periodical reports. Any breach of this Code of Conduct should be reported immediately as defined in the text of this document or to the respective Line Manager with a copy marked to the respective Department Head. In all cases, a copy will also be marked to the Chief Internal Audit, Chief Compliance Officer and Chief Human Resources Officer.

43. How to Speak Up

One of the Code Principles is that employees "Speak Up." Employees are encouraged to refer to the Whistle Blowing Policy and ask their managers and Compliance Officers when they have questions about whether activities are ethical or compliant with RIDBL's Code, and employees may challenge and report activities that they believe may be in breach of RIDBL's Code, policies or applicable law. Through reporting, the employees enable RIDBL to keep its promise to operate legally and ethically and help the bank protect its good reputation. It is a responsibility that we share as RIDBL employees.

It sometimes takes courage to come forward and share one's concerns. If you are not comfortable discussing or reporting an issue to one's manager or a Compliance Officer, the employee may discuss with Chief Compliance Officer or Chief Human Resource Office whoever is available to all employees. These escalations are designed to protect the privacy of individuals who report a concern, and individuals who are the subject of a reported concern. All reports are treated as confidential, and a very restricted number of people are allowed access. You may choose to remain anonymous. Your identity is kept confidential unless you agree otherwise.

All reported concerns are taken seriously and given fair and objective follow-up. Employees should refer to the Whistle Blowing Policy for clarity. Minor or routine cases are transferred to the relevant line management or appropriate function, though Head of Business Support & Security will retain governance of the case, ensuring that appropriate and timely actions are taken. In cases which present

serious allegations or concerns, CISO will undertake an independent investigation to clarify relevant facts. All functions must maintain all information in the strictest confidence to ensure the process's integrity.

An important part of our compliance program is taking effective corrective action and, where appropriate, employee discipline. In all cases, the Compliance Function supports management in resolving the investigated concerns to determine whether disciplinary or corrective actions are required. Anyone who violates the law, the Code or a RIDBL Policy or Procedure may be subject to disciplinary action, up to and including termination of employment. Such violations may damage RIDBL's reputation. In the case RIDBL is exposed under the mentioned circumstances, this will be a matter of litigation and hence managed accordingly.

It is important to remember that employees can report suspected unethical, non-Shariah or illegal behavior without concern of retaliation. RIDBL does not tolerate retaliation of any kind against those who speak up in good faith. RIDBL, in its sole discretion, shall determine what act or omission constitutes misconduct, breach of trust or negligence of duty and take actions accordingly.

UNDERTAKING FORM

I hereby confirm that I have read and understood the foregoing Statement of Code of Conduct.

I agree to conduct all my duties in accordance with the standards outlined in this statement. I affirm 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 undertake that I am not aware of any possible conflict of interest as described in this statement.

Signature:	_____	Name:	_____
Employee no:	_____	Designation:	_____
Department:	_____	Date:	_____