

AFTAB AUTOMOBILES LIMITED

Code of Conduct for the Chairperson, other Board Members and Chief Executive Officer/Managing Director

In compliance with the Notification dated 3 June 2018 of Bangladesh Securities and Exchange Commission on Corporate Governance Code under Condition 1.(7)(b), the Board laydown a code of conduct as determined by the Nomination and Remuneration Committee (NRC) as follows:

This code of conduct is a guideline for the Chairperson, other Board Members and Chief Executive Officer/Managing Director of the Company.

Code of Conduct

1. Prudent conduct and behavior

- a) The Chairperson, other Board Members and Chief Executive Officer/ Managing Director shall act honestly, ethically, in good faith and for the greater interest of the Company;
- b) They shall dedicate, attention to ensure diligent performance of his/her duties and responsibilities as set forth in the Company's Memorandum of Association, Articles of Association and Corporate Governance Code;
- c) They shall be free from exercising in any discriminatory practice or behavior based on race, gender, age, color, ethnic or national origin, religion;
- d) They shall conduct themselves in a professional, courteous & respectful manner and shall not take any improper advantage of their position;
- e) They shall use Company's assets, properties, intellectual rights for business purposes of the Company not for any personal benefits or gains;
- f) They shall comply with all applicable laws, regulations, confidentiality, obligations and corporate policies;
- g) They shall aware of the Countries/Foreign business policies, new innovations, future prosperity/prospect and so more; and
- h) The Chairperson shall preside over all the meetings of Board of Directors and General Meetings.

2. Confidentiality

- a) Directors shall be aware of confidential information concerning the affairs and business transaction of the Company;
- b) Directors neither disclose any information to persons outside of the Company, nor they use information for their personal benefits or for the benefit of any person/concern outside of the Company; and
- c) All confidential information must be held in confidence unless authorized by the Board for public dissemination, permissible in accordance with the Corporate Governance Code of BSEC, Listing Regulations of the Exchange(s) or any applicable rules and laws.

3. Conflict of Interest

- a) The Chairperson, Chief Executive Officer/Managing Director and other Board Members shall not enter into any transaction which is may likely to have a conflict with the interest of the Company.
- b) All transaction having conflict of interest, if any, be carried out in accordance with the law and rules fully disclosed to the Board.

4. Compliance with Laws, Rules and Regulations

- a) The Chairperson, Chief Executive Officer/Managing Director and other Board Members shall ensure compliance with relevant legal/regulatory requirements, as applicable to/from the business of the Company and endeavor that before any directions are given or decisions taken, relevant legal/regulatory requirements are considered;
- b) They shall adhere to the laws of the Government and compliance with regulatory requirements applicable for the business. This includes compliance with Company's Act, Regulatory Directives, notification/orders, Income Tax Laws, VAT Act/Rules, Labour Laws, Industry Laws, Trade & Finance Laws,

- Securities Laws, Copyright Act, Employment Policy, Health & Safety Laws, Environmental Laws, Legal Laws and other applicable rules and regulations; and
- c) They shall comply/implement all applicable laws, rules and regulations in order to assist the Company in promoting lawful and ethical behaviors, any possible violation of laws, rules, regulations or the code of conduct shall be reported to the Board.

5. Prohibition of insider trading

- a) Insider trading means using confidential material information about the Company to achieve an unfair advantage in the buying or selling of the company's share/securities. Material Information is usually defined as information which, if publicly disclosed, would reasonably be expected to influence decision to investor to buy, hold or dispose of securities/shares of the Company;
- b) Insider trading is both unethical and illegal. It is also illegal to pass on undisclosed material information in the necessary course of business;
- c) All these materials are subject to take necessary action against who is involves and may be taken prosecutions; and
- d) They shall comply applicable rules and regulations, notifications/orders issued by the regulatory authorities.

6. Relationship with employees

- a) They shall strive for causing the Company to maintain cordial employee relation;
- b) They shall build competency based on human resource systems and maintain human resource policies that have been directed at managing the growth of the Company efficiently; and
- c) They shall assist the Company in future aligning its human resources policies, process and initiatives to meet the business needs.

7. Relationship with shareholder/investor

They shall preserve the lawful benefits and interests of its shareholders/investors. They shall provide with accurate, relevant, transparent, information on Company's operation/business. They shall make utmost endeavor to maximize the project.

8. Relationship with customer

They shall maintain a good business relationship and liaison with its customers through proper business communication, manufacture and market its products of the highest quality and standards as per customer needs backed by efficient market analysis and review with the requirements of the customers to ensure their total satisfaction.

9. Relationship with suppliers

They shall ensure that the suppliers are committed to supply the raw-materials persistently to keep the production stream moving, as well as consider the availability, quality, price of raw materials.

10. Relationship with environments

Environmental and climate protection are among the most pressing global challenges of the time. Risks inherent to environment and social events/activities need to be taken consideration.

11. Independency

- a) They shall remain independent in all material aspects;
- b) They shall works with independency in every sphere of activities, business of the Company; and
- c) They shall ensure the independency of employees at their workplace with a view to deriving the best performance from them that will influence the growth proceeds of the business of the Company.