



STANDARDS OF ETHICS, BUSINESS PRACTICES & CODE OF CONDUCT

The objective is to make and project the Bank as a professionally run and managed successful and profitable Islamic Commercial Bank with high standards, discipline, morals, ethical norms and be recognized as such by others within and outside the country.

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

STANDARDS OF ETHICS & BUSINESS PRACTICES

The objective of these standards is to promote business practices within Meezan Bank, which are Shariah compliant, fair, reasonable and reflect high standards of ethical behavior.

Summarized below are standards to ensure that each member of the MBL family (employee / directors) understands what is expected from them in carrying out daily banking activities. These standards must always be upheld in day-to-day activities in conducting bank's business.

The standard of ethics and business practices, which the bank expects from all of its employees, is a condition of employment with the Bank and may be considered at the time of performance appraisal of an employee.

1) GENERAL PRINCIPLES

Business ethics are particularly relevant to banks, given the position of trust and the fiduciary that they occupy. Indeed these are even more important for us, as Meezan Bank is the first Islamic Commercial Bank in Pakistan.

In order to be able to meet this responsibility, Meezan Bank will observe the following:

- a) Follow the principles and spirit of Islamic finance.
- b) Comply with all the regulatory provisions issued by the State Bank of Pakistan, Bank's Board of Directors, Shariah supervisory board or any other regulatory bodies.
- c) Act fairly and properly.
- d) Maintain high standards of integrity in dealings with customers and with other financial institutions.
- e) Adhere to a high level of professional practice.
- f) Endeavor to develop a highly qualified, experienced and committed team of professionals.

2) FOR DIRECTORS

- a) Strive for the achievement of Meezan Bank's vision and mission.
- b) Aim for achieving continuous growth in our earnings for our shareholders.
- c) Give due importance to all the decisions taken by our Shariah Supervisory Board.
- d) Undertake to ensure existence of effective internal controls and risk management in the Bank.
- e) Make available true and accurate information about the management, financial position and general business plans of the Bank to all the shareholders and all those who have legitimate interest in our Bank. Any such information will always be free of misrepresentation, exaggeration and overstatement.
- f) Understand complete and accurate financial records and to present them in accordance with all applicable laws and professional accounting standards
- g) Never make use of material non-public information related to our Bank for personal benefit.



3) FOR EMPLOYEES

- a) Code of Conduct, during office hours or otherwise, shall always be that of a good citizen.
- b) Act with integrity, competence, dignity, and ethically while dealing with the customers, shareholders, vendors and colleagues.
- c) Understand and comply with the legal/regulatory requirements and internal policies and procedures of the Bank that applies to the duties assigned to the employee.
- d) Never willingly enter into a business transaction, which shall violate any law or principles of Islamic finance.
- e) Never use their position to force, induce, coerce, harass and intimidate any other person, including sub-ordinate to provide any force, gift or benefit, whether financial or otherwise, to themselves or others.
- f) Avoid professional misconduct involving dishonesty, fraud, deceit or misrepresentation. Any unintentional mistake, wherever possible, shall be immediately rectified and reported to the line manager.
- g) Not make use of any information including Bank's trade secrets, proprietary, confidential information, gained in the performance of official Bank duties as a means of making any personal profit, gain or benefit for themselves or connected persons.
- h) Immediately report to the management of preexisting personal relationship with any existing or potential customer, industry representative or government employee with whom the Bank 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.
- i) Will not use the Bank's services or facilities for private purposes except with prior permission.
- j) Conduct Bank's business with honesty, integrity and in a professional manner.
- k) Avoid any action on his / her part that may be repugnant, unethical or unlawful.
- l) Avoid any action on his / her part that may be viewed as repugnant, unethical or unlawful by customers or public at large or the Bank itself.
- m) Avoid any activities that could involve or lead to involvement in any unlawful or unethical governance practice.
- n) Avoid participation in any political activities.
- o) Avoid participation in any other subversive activities.
- p) Abstain from gambling, betting and wagering contracts.
- q) Be Exemplary in personal conduct towards the Bank, the other employees and customers of the Bank.
- r) Safeguard the confidential information of the Bank and its customers.
- s) Avoid actual or potential conflicts of interests in transactions on behalf of the Bank.
- t) Provide accurate and reliable information in records submitted.

4) 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) Should not divulge proprietary information (any information relating to a customer's affairs obtained by Meezan Bank 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 a bank is legally compelled to do so or where there is a duty to the public to disclose or where it is necessary for the bank to present its case - e.g. in court or in other circumstances of a related nature.

5) MARKETING AND ADVERTISING

- a) Marketing and advertising practices will conform to high Islamic, ethical and professional standards.
- b) All statements made in advertising and marketing will be honest and truthful and not such as to mislead or confuse.
- c) No information will be omitted which would be essential to the formation of a considered view by the recipient.



6) GUIDELINES FOR MBL NOMINATED DIRECTORS

The directorship of an employee in the companies MBL has a stake in, is subject to the following terms and guidelines:

- a) The directorship is by virtue of nomination by MBL and not in the individual's personal capacity.
- b) An employee nominated for directorship remains the employee of MBL and only represents MBL's interest in the company.
- c) For all directorships in individual capacity, prior written clearance should be obtained from President & CEO.
- d) An employee acting as director of the company will keep MBL's interest supreme in all decisions regarding the company and ensure effective presence of MBL in the company.
- e) If an employee receives any fee exceeding Rs.25,000/- in a Tax year (July 1st to June 30th) on account of Director's Fee or Attendance Fee from any one board membership, the entire Fee will be passed on to Meezan Bank. This amount will not be counted towards the income of employee but will be credited towards MBL's income.
- f) The directorship may not be used for availing any personal gain either monetary or otherwise.
- g) Reimbursement of expenses, per diem travel cost etc. paid by the company where the employee is a Director is not required to be surrendered to MBL.



CODE OF CONDUCT

1) CONFIDENTIAL INFORMATION

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

During the course of employment and after its termination for whatever reason, the employee must not disclose to anyone (nor use for any purpose other than the business of the Bank) any information relating to the Bank or its employees which is not already available to the public, unless authorized to do so. 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 the Bank.

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 the Bank. The distinction between confidential information that should be treated in this way and other non-protected information is not always clear. If in doubt, consult Human Resources Department.

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 MBL information i.e. confidential information about Bank'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 MBL 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 MBL shares, or the shares of a customer or supplier. The employees are required to maintain "Clean Desk" i.e. leaves no confidential information on the working place/desk/Computer terminals unattended.

The employees of the bank are strictly prohibited to disclose 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.

2) RECORDING OF INFORMATION

No unrecorded fund or assets of Bank shall be established or maintained for any reason. No false, artificial or misleading entries in the books and records of Bank 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.

3) CONFLICT OF INTEREST

A conflict of interest arises when any employee;

- a) Permits the prospect of direct or indirect (e.g. through a family connection) personal gain to influence his/her judgment or actions, or
- b) More generally, when he/she favors someone else's interest over the interests of the Bank and its customers, or
- c) He/she favors the interests of customer(s) over the interests of the Bank in the conduct of Bank's business.



There it is obligatory that;

- a) An employee may not hold a position of director, consultant, employee, representative or agent with any supplier, competitor, customer, individual or organization either doing or seeking to do business with Bank without prior written consent of the Bank's President & CEO. If any immediate family member holds a position with any organization doing or seeking to do business with the Bank, a written disclosure must be made promptly to line manager/HRD.
- b) An employee may not hold any interest in any organization doing business with the Bank without the written consent of Regional Manager or Department Head, unless it is a company/establishment quoted on a Stock Exchange and the interest is less than 1 percent.

All employees must ensure that their personal interests do not conflict with the duties which are owed to Meezan Bank or which Meezan Bank owe to its customers.

This includes engaging in any of the following activities, without the prior written permission / approval of the Chief Operating Officer (COO) / Chief Executive Officer (CEO).

- a) Becoming personally involved in any Meezan Bank's transaction;
- b) Negotiating or contracting on behalf of MBL with an entity in which the employee or his/her relative has an interest;
- c) Accepting any employment or retainer-ship, consultancy or partnership outside the Bank;
- d) Getting involved in any activity contrary to the local law(s) or National Security to gain personal benefit(s);
- e) Employees must not receive / offer any form of bribe or commit or involve in fraud / forgery. Any employee found involved in such activities shall be liable to the disciplinary action / criminal proceedings.

If any employee wishes to undertake a non-executive director, trustee or supervisory position with external organizations, the employee must obtain the consent of the President & CEO. In considering any requests, the following factors will normally be taken into consideration:

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

In the event that consent is obtained, any remuneration received for work carried out in normal working hours must be paid to the Bank.

4) HIRING / EMPLOYMENT OF RELATIVES

Meezan Bank will not employ a person in the same Branch/ Hub/ Regional Office/ Area Office/ Head Office Department or any other office/affiliates, in which a relative of the incumbent is already employed. The aim is to avoid/discourage all sorts of conflict of interest, favoritism, nepotism etc.

It may be noted that hiring of relatives may only be allowed if relatives are geographically not stationed at the same Branch / Hub / Regional Office / Head Office Department etc and their working relationship interests should be mutually exclusive. For the sake of clarity, relative in this context means;

Son & his spouse[s]	Daughter & her spouse	Father & Mother
Step-father & Step-mother	Sister & her spouse	Brother & his spouse[s]
Employee's Spouse	Spouse's sister & brother	Spouse's parents
Spouse's step-parents	Maternal/Paternal Aunt	Maternal/Paternal Uncle
Niece / Nephew	Grand-Parents / Children	Cousin's of the first degree



If a candidate being considered for a position at MBL has a relative employed at MBL, this fact should be disclosed by either the candidate or existing employee (relative of the candidate) at the time of hiring. The interviewer should also question the candidate for the same. Provision for this has been made in the "Interview Rating Sheet" that has to be filled as a part of hiring process. In case of a relative already working at MBL, the hiring has to be approved by the President & CEO.

Meezan Bank will not recruit relatives of the employees of EVP II & Above grade. In case of marriage of two MBL staff members or any new relationship developed between two employees by virtue of any marriage in their family; these employees should intimate HR within 15 days of such development. These guidelines apply to all employees (regular / contract) of Meezan Bank Limited.

5) MIS-DECLARATION / CONCEALMENT OF FACTS

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

- a) An employee issuing an incorrect account statement, salary certificate or any other information for any customer or staff member.
- b) An employee issuing a fake claim for reimbursement of any expenses whereby either the expenses are inflated and/or the difference between expenses claimed and actually incurred are pocketed by the staff member.
- c) An employee at the time of induction in MBL (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.

6) 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 the Bank's Code of Conduct, he/she is encouraged to inform the Bank of these concerns. Such concerns may be over health and safety/security matters, financial malpractice, discrimination or unethical conduct.

In the first instance, the employee should raise concerns with 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 Manager Employee Relations at HRD. It is the responsibility of concerned manager or senior executive to:

- a) Respond to the concerns (if the manager is already aware of the situation and satisfied that there has been no improper conduct).
- b) Conduct an investigation into the matter if it is within his/her area of responsibility and there are grounds for concern; OR raise the issue with Employee Relations Manager in HRD, if the matter is outside his/her area of responsibility.
- c) 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.
- d) 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).
- e) If an employee, after discussing the matter with employee's concerned manager or senior executive continues to have concerns, he/she may contact directly to the Internal Audit or Legal or HRD, as described above.
- f) 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 is victimizing or deterring employees from raising a concern about improper conduct.

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



7) DEALING WITH OUTSIDE AGENCIES

As a matter of policy, no gift of any value will be offered or made and no lavish entertainment offered or extended to any government or private official or employee. Entertainment of an employee, agent or official of the Government, Private entity is limited to routine lunches or dinners occurring during the conduct of regular business and that only to the extent that it is not in violation of the policy of the Government, Private Entity involved and has duly been sanctioned by the Bank.

8) KNOW YOUR CUSTOMER, VENDORS AND COUNTER PARTIES

In order to safeguard the Bank's reputation and integrity, it is not only necessary for employees to discipline their own actions, it is also necessary to be aware of the character and actions of customers, vendors and counter parties. Care must be exercised in selecting those with whom we deal. Each MBL business must have processes in place for checking on the credit and character of customers, vendors and counter parties.

Employees must ensure that the Bank establishes relationship with only those individuals, businesses and entities who have sound reputation and whose true identity has been established. Employees should conduct maximum caution in opening new accounts and before opening, ensures that due diligence steps are completed.

9) GIFTS & ENTERTAINMENT

At certain times of the year some customers, suppliers, contractors and consultants to the Bank may present gifts or arrange entertainment for employees. While the sentiments behind such actions are usually genuine, there is a possibility that others may misconstrue them. In a minority of cases such actions may not be in the best interest of good working relationships.

*A good rule of thumb may be to consider the following:
IF YOU WANT IT- DON'T TAKE IT
IF YOU DON'T WANT IT – WHY TAKE IT?*

Gifts may be presented locally or internationally in the form of Cash or in kind of Services, either free or discounted.

PRECAUTIONS / GUIDANCE

An employee should never allow him/herself to be in a position whereby he/she might be deemed by others to have been influenced in making business decisions as a consequence of accepting a gift or hospitality.

Following are the specific guidelines to be strictly followed:

- a) Employees are not allowed to accept gifts from companies or individuals with whom the Bank does business. Examples are:
 - i. Kickbacks in cash from customers, suppliers or contractors.
 - ii. Gifts from customers, suppliers or contractors.
 - iii. Services from customers, suppliers or contractors.
 - iv. Invitations to attend functions by customers, suppliers or contractors, especially those with lucky draws involving expensive prizes.
 - v. Foreign holidays or tours arranged/paid by customers, suppliers or contractors.
 - vi. Gifts with commercial value from travel agents, hotels or insurance companies.
- b) Employees are allowed to accept only minor items such as small number of inexpensive items like calendars, diaries, desk pads and pens usually bearing a company logo. In no case should the specialty items be valued at more than Rs.5,000/- in total. The Department Heads / Line Managers should be consulted if any doubts are encountered.
- c) If the employees are offered gifts, other than minor items as listed above, they should politely but firmly decline them, referring to Bank policy, if necessary.
- d) If gifts are delivered at their houses or workplace and cannot be easily returned without incurring embarrassment, they must hand over gifts to the HRD, which will consider the most appropriate ways of dealing with them.



- e) As a recipient of any gift, employee will write to the senders acknowledge receipt of the gifts, inform them of the course of action taken and inform them of the Bank's policy in acceptance of gifts.
- f) Gifts from airlines arising from business travel such as travel bags, pens and toiletry sets will be allowed along with the accrual of air miles in appropriate schemes. Cash reimbursements or deals offering refund or free air tickets or lodging must be returned to the company marking the same.
- g) The employee must not accept hospitality unless it is business related. The frequency and scale of business related hospitality should not be significantly greater than what the Bank is likely to reciprocate. Invitations to suppliers' social events, sports or theater tickets, golf outings, non business dinners etc. should generally be avoided.
- h) Generally, when employees travel to visit a supplier and a lunch/dinner meeting is appropriate, the customers/ suppliers will many times pay for it. When the same supplier visits Bank, the concerned unit's staff should reciprocate with lunch/dinner and turn in an expense report.

10) PURCHASING ACTIVITIES

The staff involved in purchasing department is many times the first or perhaps the only department 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 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 business relationships both inside and outside the Bank.

11) ENGINEERING WORK FOR THE BANK

On work related to expansion of branch network, employees must adhere to the highest standard of ethical conduct and exercise extreme caution in arranging or supervising contractual work related to construction, erection, renovation installation of electrical / civil / mechanical work, fittings or furniture etc.

Employees must ensure that such relations are strictly in line with the term of the contract and no undue advantage is extended or received from such entities. Should any undue deviation or influence is felt; the same must be brought to the attention of the competent authority for redress.

12) ADVERTISING FOR THE BANK

Advertising staff must also act to the highest standard of ethical conduct in interaction with vendor, advertising firms or media agencies. The jobs entrusted must strictly conform to policies of the Bank in all related dealings.

13) TAKAFUL COVERAGE FOR THE BANK

Most of the takaful coverage companies to generate business for themselves offer a number of inducements to clients. The employee dealing with such entities for coverage of Bank employees, assets, transit items or obtaining policies on behalf of customers for trade finance or consumer products must exercise due care and caution; negotiate the best advantageous coverage at best price without any other consideration for self.

14) OTHER CORPORATE ETHICAL POLICIES

Here are some other important corporate ethical policies and requirements:

- a) If an employee wishes to become officially employed with any outside company or other organization as director, employee, consultant or advisor, such employment must first be approved by the President & CEO.
- b) An employee must obtain the consent of the Heads of Marketing and PDSC before submitting a work for publication or making a public speech/ articles /media presentation (be it print or electronic)/ interview. Generally, approval will be granted if the writing or speech furthers the



cause of Islamic banking, furthers legitimate MBL business interests and does not involve the disclosure of confidential information.

- c) Our internal ethical standards are the results of shared moral convictions. Rationales such as ‘everyone in the market does it’ or ‘our competitors do it’ cannot be countenanced as permitting deviations from our standards.
- d) Compliance with laws, regulations and ethical standards is an important element of our obligations to our customers, our stockholders, the general public and other staff. It is essential to our success that we take compliance seriously. Each employee of the Bank should think of compliance as a personal responsibility and should be expected to be held accountable for all compliance-related activities.

15) BRIBERY & MISCONDUCT

An employee will be guilty of an offence, who, without lawful authority or reasonable excuse:

- a) Solicits or accepts any advantage as an inducement or reward for doing or intending to commit any action in relation to the Bank’s affairs or business,
- b) Showing or intending to show favors or disfavor to any person in relation to the Bank’s affairs or business;
- c) Offers any advantage to any one as an inducement or reward for any favor / disfavor or otherwise,
- d) Intends to deceive the Bank by using any receipt, account or other document which is false or erroneous or defective in any way and which to employee’s knowledge is intended to mislead the Bank.
- e) Take any cash or near-to-cash benefit from any stake holder of the bank to provide undue advantage.
- f) Pay any cash or near-to-cash benefit to any stake holder of the bank to take undue advantage.

16) FRAUD, THEFT OR ILLEGAL ACTIVITIES

Employees shall be alert and vigilant with respect to frauds, thefts or illegal activity committed within the office. If any such activity comes to the attention of an employee, the employee must immediately report the same to the Head of Audit, Head of Operations and Head of Human Resources; who will arrange for appropriate follow-up action to be taken. Failure to report any such activity will be subject to disciplinary action.

17) MONEY LAUNDERING

Bank has set its priority not to become implicated, in any way; with individuals or firms involved in criminal activities and money laundering. The employees are expected to exercise maximum caution in this regard.

The employee should know the customer, be vigilant for unusual circumstances and immediately report any suspected case to the Manager/Area Manager/Regional Manager/Compliance Department/ Audit Department, who will arrange for appropriate follow-up action to be taken. Failure to report any such activity will be subject to disciplinary action.

18) COURTESY AND MANNERS

Employees of Meezan Bank Ltd. shall maintain utmost courtesy and exemplary manners when interacting with clients or with each other. Employees are dealing on behalf of the Bank, so they are required to keep high standards of professionalism and ethics. Any violations of this code shall be brought to the attention of supervising officials as well as the Human Resource Department for their information, record and remedial disciplinary action.



19) OFFENCES & PUNISHMENT

An employee of the Bank that commits breach of the policies, discipline and knowingly does something detrimental to the interest of the Bank, attracts strict disciplinary action that can lead to termination or dismissal as per relevant bank policy.

The Bank, at its sole discretion, shall determine what act or omission constitutes misconduct, breach of trust or negligence to assigned duty.

20) HONESTY & INTEGRITY

Employees shall serve the Bank, devote whole time during office hours and discharge their duties honestly, faithfully and use their utmost endeavors to promote the interest of the Bank. They shall behave with decorum, integrity, show courtesy and attention in all dealings with customers, government officials, senior officers, colleagues, subordinates and general public.

21) FINANCIAL SERVICES COMPLIANCE

Employees shall observe the requirements of legislation / the rules and regulations of the statutory regulatory authorities set out in detail in various compliance bulletins, circulars and notices issued to all offices of the Bank.

22) CHANGE OF PERSONAL INFORMATION

Employees must notify the Bank as early as possible about any change in their personal data e.g. marital status, educational / professional qualification, change of home address, change of group life coverage / provident fund nominee, birth of children, death in the immediate family etc. The appropriate record will be updated accordingly.

23) FAMILIARIZATION AND ADHERENCE TO RULES AND REGULATIONS

Employees must familiarize themselves with the Bank's rules and regulations, Islamic banking practices, internal procedures, customs, usage and practices pertaining to the Bank's operations. They are expected to do their utmost to ensure the quality of the Bank's operation by adherence to all laws, rules, practices and procedures etc. as issued from time to time.

24) PERSONAL MAIL, TELEPHONE CALLS, FAXING AND PHOTOCOPYING

Except in genuine exigencies, Bank facilities should not be used for personal mail, telephone calls, faxing or photocopying. Any ensuing cost incurred may be deducted from the employee's personal account.

25) PERMISSION TO LEAVE STATION DURING DISCIPLINARY ACTION

Employees under disciplinary action by the bank are required to obtain prior approval of HR Department before leaving their stations for work-related travel, holidays, long weekends, or any other purpose except in extreme exigencies.

26) EMPLOYEE'S IDENTITY CARD

Bank's Identity card gives all employees a unique identity as members of the Meezan Bank Ltd. team. Wearing of ID card by all employees of Meezan Bank Ltd. is compulsory for identification and security reasons. Employees of a third party contractor will not be provided Bank's ID Cards. However they should also wear ID cards provided by their company.

27) PARTICIPATION IN POLITICAL ORGANIZATIONS

No employee shall take part in, subscribe in aid of, or assist in anyway in any political movement in Pakistan during the office timing at the office premises. No employee shall use official influence in connection with or take part in any election to a legislative body, whether in Pakistan or elsewhere.

28) IDEOLOGY OF PAKISTAN

No employee shall express views detrimental to the ideology or integrity of Pakistan.

29) DIRECT REPRESENTATIONS TO THE HIGH GOVT. & MBL OFFICIALS

No employee shall make any personal representations directly to Chairman, Directors or Members of the Board, or Government functionaries. Such representations must be addressed to the President & CEO



through the immediate supervisor of the employee. However this policy does not in any way seek to block a citizen's redress to the judiciary and other statutory redresses.

30) DEFAULT IN PAYMENT WITH OTHER BANKS

According to the State Bank of Pakistan's Prudential Regulations' Fit and Proper test for appointment, a person cannot be employed by the Bank as Chief Executive, member of Board of Directors or key Executive if he/she has been in default of payment of dues owed to any financial institution and/or has been declared as defaulter in payment of any taxes in individual capacity or as proprietary concern. Similarly for all other inductions, MBL ensures that the new joiner should not be in heavy debt burden and should not be in default with other financial institutions.

31) TRANSFER OF SERVICES

Services of the employees may be transferred at the sole discretion of the Bank at any time in any city where the bank has its operation or intends to start operation. Such transfer may also involve change in the employee designation and official responsibilities.

32) BANK'S PROPERTY IN THE CUSTODY OF THE EMPLOYEE

The bank's property (e.g. accommodation, car, motorcycle, PC / laptop, mobile phone, ID card, etc.), which has been in use / custody of an employee, who is retiring or resigning, shall be handed over to the Administration Department of the bank on or before last working day, unless another date has been approved in writing by the Bank. In the case of an employee being discharged, terminated or dismissed; the bank's property should be handed over as soon as possible. The responsibility for the collection of the assets lies with Administration Department.

33) INFRINGEMENTS OF RULES

An employee guilty of infringing any of the provision of rules shall render himself/herself liable to disciplinary action that could lead to the dismissal from service.

34) CORE VALUES

- a) Shariah Compliance;
- b) Integrity;
- c) Professionalism;
- d) Service Excellence;
- e) Social Responsibility.

35) MEEZAN BANK'S PERSONALITY

The Bank expects its employees to be:

- a) Sober;
- b) Truthful;
- c) Committed to excellence;
- d) Empathetic;
- e) Professional;
- f) Extremely loyal;
- g) Dependable friend;
- h) Trust worthy business partner;
- i) Committed to the cause of Islamic Banking.

36) HEALTH & HYGIENE

Personal Hygiene is the most important aspect of our daily life. The personality is perceived by its degree of neatness. The personal hygiene covers care of Body odor, Bad breath, Teeth, Nails, Ears, Nose, Hair, daily shower, shave (if not keeping proper beard), daily wear washed, clean, pressed cloths etc.

Every employee shall also be responsible to take 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:



- a) Be familiar with and adhere to the health, safety rules applicable;
- b) Conform to the highest standards of hygiene as an individual as well as team;
- c) Cooperate with the management team to ensure compliance of health & safety legal requirements;
- d) Report immediately, any potential security hazard to the employees;
- e) Conserve rather than exploit nature;
- f) Maintain display signs of “No Smoking Area” and concerned Manager will be responsible for such display.

37) SMOKING AND CHEWING BETEL LEAVES (PAAN) AT THE OFFICE Smoking and chewing of Betel shall be prohibited in all offices of the Bank. Customers may politely be informed of this regulation, introduced in the interest of health and welfare of all concerned as well as for keeping the premises neat, clean and pollution-free. Through these rules, Meezan Bank Ltd. demonstrates to the outside world, that as an institution, it cares for the peoples’ health and the environment.

38) DISCIPLINE & DECORUM

All staff members working in any Unit shall:

- a) Speak in such low volume and pitch that the colleague sitting at the adjoining desks should not be disturbed;
- b) Not talk to department staff or colleagues across desks and instead, use intercom facility.

39) WORKING TIMINGS

All staff should report for duty on or before official time and should be ready to attend clients' dealings at 9:00 a.m.

Official timings of the Bank are as follows;

Week Days	HO/ Area & RO Timing	Branch Timing	8 to 8 Banking Timing	Mid Breaks
Monday to Thursday	9:00 a.m. to 5:30 p.m.	8:45 a.m. to 5:30 p.m.	7:45 a.m. to 8:30 p.m.	(With 45 minutes lunch / prayer break)
Friday	9:00 a.m. to 5:30 p.m.	8:45 a.m. to 5:30 p.m.	7:45 a.m. to 8:30 p.m.	(With two hours lunch / prayer break)
Saturday	9:00 a.m. to 2:00 p.m.	8:45 a.m. to 2:00 p.m.	7:45 a.m. to 2:00 p.m.	(Without break)

Timings during the month of Ramadan shall be followed as per the circular issued by the State Bank of Pakistan. MBL will also follow timings seasonally prescribed by SBP for different parts of country.

There is no grace time allowed and 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 5th 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. In the event that there is no annual leave available, one day will be marked as leave-without-pay.

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. In the event that there is no annual leave available, one day will be marked as leave-without-pay.

The attendance record should be carefully reviewed by each staff as the above mentioned policy will be effected if not rectified with 7 days.

The Branch Manager / Line Managers and Department Heads will cascade the month end attendance



register with all staff in their reporting line for any possible rectification. This being a policy statement, HR will not issue any separate warning for effecting above penalties.

The disciplinary action may be initiated against habitual latecomers and absconders.

40) COMPUTER, E-MAIL, INFORMATION SECURITY

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

The email system should therefore only be used for official/business purpose. All communication and information are the property of MBL and the Bank 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.

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 MBL information assets:

- a) The respective HOD / Branch Manager shall be responsible for the removal of access rights for an individual.
- b) Upon termination, 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 / Branch Manager.
- c) The respective HOD/Branch Manager shall ensure that access rights are removed including physical and logical access, IDs & passwords, keys, identification cards, information processing facilities. The respective HOD / Branch Manager shall also ensure that terminated employee is removed from all magazine/email subscriptions and also removed from any documentation that identifies them as a current employee of MBL.
- d) 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.
- e) 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.

41) TELEPHONE ETIQUETTES

The communication on the phone is an important part of banker's job. This could be with internal and external clients. It is imperative to communicate effectively; keeping a very important thing in mind that; every phone call is a potential sale.

In order to standardize phone calls handling, the following standard may be observed.

- a) Employees are expected to answer all incoming calls with in 3 bells.
- b) Employees are also expected to attend incoming calls of their colleagues in Branch/ Department/ Vicinity (in their absence) within 3 bells. Also make note of the message from the caller.
- c) The standard Meezan Bank Telephone Greeting is; "Assalam-o-alaykum, Meezan Bank, Name of the Receiver".
- d) Every call should be handled with courtesy, friendliness and efficiency.
- e) If employee make a commitment, it is the moral obligation and duty that employee meet that commitment (e.g. if employee promise to call back then he/she must do so within the timeframe promised).
- f) Keep the customer informed of what the bank is doing or what course of action is being followed.
- g) Be courteous and do not give orders to customers.



- h) Before putting a customer on hold, ask first and - most importantly- wait for his/ her answer.
- i) In case the call is disconnected/ dropped, do not wait for the customer to call, always call back yourself.
- j) In case employee is not able to address the customers concern/query, please ensure that the query is passed onto the relevant staff after briefing them of the issue.
- k) It is important that phone calls for all department heads/ branch managers on their direct numbers/ extensions are attended during their absence. They must therefore designate one individual to attend such calls.
- l) Please ensure that any calls received during absence are returned.
- m) When making a call, be sure to first identify yourself and Meezan Bank.
- n) Treat the call as if it is a meeting that has a purpose and an agenda.
- o) If employee has to put the phone down, do it gently to spare caller's ear.

42) MOBILE PHONES

- a) Employees should keep their mobile phones on vibration (preferably) or on basic tones while on duty.
- b) Song / instrumental beats or animals tones are strictly prohibited.
- c) Employees are advised to take care of their mobile sets in bank premises. The Bank shall not be responsible if it's lost.
- d) Employees, who have been provided mobile phones by the Bank, shall keep their phones operative 24 hours. In case of non-compliance, the mobile facility can be withdrawn.

43) DRESS CODE & PROFESSIONAL ATTIRE

Attire is a reflection of professionalism as well as that of the Bank'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 MBL is professional corporate attire inline with traditional Islamic modesty. At MBL every staff member is expected to have a professional business appearance together with a high standard of personal hygiene.

The dress code & professional attire of both genders are detailed below:

43.1-DRESS CODE FOR MALE EMPLOYEES

- a) An appropriate dress code includes dress trouser, dress shirt, necktie & dress shoes (black / brown) on all working days including Fridays. Shalwar Kameez with Sherwani is also allowed.
- b) Smart/Business casual is permitted (for Head office staff) on Saturdays only. Smart casual means Trouser, Shirt (without neckties), T-Shirts (with collars and sleeves) and dress shoes.
- c) Employees working in branches & involved in customer dealing shall follow the formal dress code on Saturdays.
- d) Moustache should be trimmed, tidy & well groomed.
- e) Hair must be kept short & neatly styled.
- f) Proper care of body hygiene is a must.
- g) Collar/sleeve less T-shirts, Shalwar Qameez without Sherwani, jeans, sandals, joggers, Slippers are strictly prohibited.
- h) Bracelets and earrings are not permitted.
- i) All internees must also follow the same dress code.
- j) Non clerical staff i.e. messengers, security guards, tea boys, maintenance staff etc. shall always be dressed in uniforms.

43.2-DRESS CODE FOR FEMALE EMPLOYEES

- a) Female employees should dress elegantly with a Headscarf and Abaya, without being ostentatious.
- b) An appropriate dress code includes shalwar kameez / any modest dressing, with Abaya.
- c) Females staff are required to wear Hijabs (a scarf covering the entire head and hair and a gown covering sleeves) while on duty, training & on clients' visit, as required by Islamic injunction.
- d) All internees must also follow the same dress code.
- e) Female staff is expected to exercise discretion in their choice of make-up & jewelry. Nails should not be longer than medium & may be polished only with neutral colors.



f) Proper care of body hygiene is a must.

44) PERSONAL PROPERTY

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

45) CONCLUDING GUIDANCE

No Code of Conduct can spell out the appropriate behavior for every situation, nor should it seek to do so. Meezan bank relies on its 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 and does it complies with the Bank's policy / standards?
- b) Does action 'feel right'? Could it be justified to others in the Bank or to the Senior Management of the Bank?
- c) Can action be defended if questioned by the management or by the law enforcing agencies?

46) IMPLEMENTATION

HRD will issue this Statement of Ethics, Business Practices & 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 measure will apply to any supervisor who directs or approves violation or has knowledge of them and does not move promptly to correct them in accordance with this document.

47) REPORTING BREACHES

All Branch Managers and Department Heads are responsible for ensuring compliance of the above guidelines in their respective branches and departments. The Audit, Compliance and Service Quality staff will ensure to report deviations to the policy in their periodical reports. Any breach of this Code of Conduct to be reported immediately as defined in the text of this document or to the respective Branch Manager with a copy marked to Area and Regional Managers (for Branches/ Area /Regional Offices) and the respective Department Head (for Head Office). In all cases, a copy will also be marked to Head of Audit, Head of Compliance and Head of Human Resources.