



REVISED
CODE OF CONDUCT & CORPORATE GOVERNANCE
FOR MEMBERS OF THE BOARD OF DIRECTORS

All the Directors of the Bank are expected to read and understand the “Code of Conduct” and uphold the standards and policies contained therein by ensuring compliance.

Duties, Power and responsibilities

All the Directors confirm to the best of their knowledge and belief that as Director of the Bank of Punjab, they are fully aware of their duties, powers and responsibilities under the relevant Law(s).

Compliance with Rules & Regulations

All the Directors shall ensure compliance with the requirements/instructions embodied in all the regulatory enactments, rules & regulations, code of corporate governance and standards.

Integrity, Honesty, Confidentiality and Reputation

All the Directors shall set up a high standard of integrity and display prudent attitude in discharge of their duties. A minimum standard of acceptance would be:

- (i) Business decisions to be based on professional judgment and prudence.
- (ii) Professionally tailored and viable strategies shall be followed in pursuit of achieving the Bank’s overall objectives.
- (iii) A good working atmosphere shall be created in ensuring fair dealings, congenial relationship, co-operation and harmony.
- (iv) Customers’ friendly culture shall be promoted by observing the following norms of business ethics.
 - Business needs of the customers shall be given top priority.
 - Business affairs of the customers shall be maintained confidential.
 - Banker-Customer relationship shall not be maintained with those involved in drug trafficking, crimes and terrorist activities.

Ethics and disclosure

Every Director shall confirm to the best of their knowledge and belief that:

- (i) He is not a director of more than Five (5) listed companies, including the Bank of Punjab.
- (ii) He is not a director of any other financial institution.
- (iii) He is a registered tax payer and not in default of payment of any taxes and/or in default of any loan to a banking company, a DFI or an NBFII or, being a member of a Stock Exchange, has been declared as a defaulter by that Stock Exchange.
- (iv) He does not hold any interest in the shares of the Bank other than that disclosed in the pattern of shareholding.
- (v) He has sufficient means to discharge his financial obligations.
- (vi) He and his spouse are not engaged in the business of stock brokerage (unless specifically exempted by SECP).

Conflict of Interest

All the Directors shall not engage in any business transactions which might conflict with the interests of the Bank. They shall not accept any gifts, favors or invitation offered by any client, person or Organization with whom the Bank has a business relationship that creates a conflict between the individual’s personal interests and the interests of the Bank.

i) Insider Trading

Directors shall not deal directly or indirectly in the securities of the bank whether on their own account or their relative's account, if they are in possession of any unpublished price sensitive information concerning the Bank. Directors who are in possession of any unpublished price sensitive information shall not communicate directly or indirectly the said information to others who trade on such information.

Where any director or his/her spouse sells, buys or takes any beneficial position, whether directly or indirectly, in the shares of the Bank, he/she shall immediately notify the Company Secretary in writing. Such director shall also deliver a written record of the price, number of shares, form of share certificates, (i.e. whether physical or electronic within the Central Depository System), and nature of transaction to the Company Secretary within two days of effecting the transaction. Further, no director shall, directly or indirectly, deal in the shares of the Bank, in any manner, during the closed period. (*)

(*) Closed period is determined prior to the announcement of interim/final results and any business decision, which may materially affect the market price of shares.

ii) Evaluation of the Board

The performance of the overall Board, its Committees and individual Board Members shall be evaluated on annual basis as per mechanism prescribed by the regulator and approved by the Board.