

CODE OF CONDUCT POLICY

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1. PREAMBLE

Whereas it is expedient to define and to formulate the Code of Conduct for the directors (including Chief Executive Officer), officers and employees of Quaid-e-Azam Solar Power (Pvt) Limited (the “**Company**”);

Whereas the Board of Directors of the Company in compliance with sub-rule 5(4) of the Public Sector Companies (Corporate Governance) Rules, 2013 (the “**Rules**”) have unanimously adopted this Code of Conduct (the “**Code**”) for the purpose of:

- Encouraging honest and ethical conduct including fair dealing and ethical handling of conflicts of interest;
- Encouraging full, fair, accurate, timely and understandable disclosure;
- Encouraging compliance with applicable laws and governmental rules and regulations;
- Ensuring the Company’s legitimate business interest including corporate opportunities, assets and confidential information and

Whereas all directors (including the Chief Executive Officer), officers and employees of the Company are expected to be familiar with the Code and to adhere to the principles and procedures mentioned herein.

2. DEFINITIONS

2.1 Board:

“Board” means Board as defined under clause 2(a) of the Rules;

2.2 Code of Conduct:

The definition of the term ‘Code of Conduct’ is same as provided under sub-rule 5(4) of the Rules;

2.3 Public Sector Company:

“Public Sector Company” means Public Sector Company as defined under section 2(g) of the Rules;

2.4 Member:

“Member” means a member of the Board;

2.5 Employee:

“Employee” means any officer or employee of the Company.

3. BASIS OF THE CODE

The Code is based on the principles of ethics and set of associated values. This Code sets standards of conduct for the Company based on the following ideals:

- i. Integrity and Impartiality;
- ii. Promotion of the public good; and
- iii. Transparency and Accountability.

4. SCOPE OF THE CODE

The Code describes the conduct of the Board in delivering services to the community and will ensure the promotion of the ethical culture in the Company. An ethical culture in public sector companies is initiated at directors’ level (including Chief Executive Officer(s)) and is demonstrated through Company’s officers and all employees.

4.1 Chief Executive Officer(s) and Directors

- a) Chief Executive Officer(s) and Directors have a responsibility to visibly demonstrate and uphold the principles and values of the ethical conduct in public sector. Chief Executive Officer(s) and Directors’ roles are to promote an organizational culture that values high ethical standards and behavior.
- b) Chief Executive Officer(s) and Directors openly demonstrate their conscious commitment to ethics communicating the importance of ethical decision-making in the workplace and promoting ethics in day-to-day action.
- c) Chief Executive Officer(s) and Directors shall ensure that employees have access to training in the operation of this Code.

4.2 Managers and Officers

- a) Managerial behavior sets the tone for the conduct of all employees. Managers and Officers of the company have a responsibility to model and promote this Code.
- b) Managers and Officers have the ability to influence others by fostering an ethical environment and demonstrating this awareness in performing their duties and in making decisions.
- c) Managers and Officers of the Company shall ensure that public service employees understand the Code and any other relevant legislation, delegations, policies or other information required to satisfactorily perform their duties. Managers and Officers of the Company shall also ensure that appropriate

development and training is provided to public service employees to perform their duties.

4.3 Employees

- a) Employees of the company shall take full responsibility to uphold this Code and follow the principles of ethics and ensure that they will not participate or take a part in any unethical/unacceptable activities in the company.
- b) Each employee must act with integrity, including being honest and ethical, while still maintaining the confidentiality of information where required or consistent with the Company's policies.
- c) Each employee shall observe both the form and spirit of laws and governmental rules and regulations and accounting standards.
- d) Each employee shall not accept improper or undisclosed material personal benefits from third parties as a result of any transaction or transactions of the Company.
- e) Each employee shall adhere to a higher standard of business and moral ethics.

4.4 Honest and Ethical Conduct

Each director, manager, officer and employee owes a duty to the Company to act with integrity. Integrity requires, among other things, being honest and ethical. This includes the ethical handling of actual or apparent conflicts of interest between personal and professional relationships. Deceit and subordination of principle are inconsistent with integrity.

4.5 Conflict of Interest

A "conflict of interest" may exist whenever the interests of a Director, Chief Executive, manager, officer and/or any employee conflict in any way (or even appear to conflict) with the interests of the Company. While Director, Chief Executive Officer, manager, officer and/or any employee should be free to make personal investments and enjoy social relations and normal business courtesies, however, they must not have any interests that adversely influence the performance of their responsibilities. A conflict of interest may arise when a Director, Chief Executive, manager, officer and/or any employee takes actions or has interests that may cause a difficulty in performance of his or her

Company responsibilities objectively. A conflict of interest may also arise when a Director, Chief Executive Officer, manager, officer and/or any employee of his or her family, receives improper personal benefits as a result of his or her position with the Company, whether received from that Company or a third party. Gifts above a *de minimis* value to, loans to, or guarantees of obligations of, Director, Chief Executive, manager, officer and/or any employee, or their respective family members may create conflicts of interests.

Although it is not always possible to avoid conflicts of interest, it is each Company's policy to prohibit such conflicts when possible. Conflicts of interest may not always be clear-cut. If Director, Chief Executive, manager, officer and/or any employee have a question, they are expected to consult with the Chairman of the Board. Any Director, Chief Executive, manager, officer and/or any employee who becomes aware of a conflict or potential conflict of interest is expected to bring it to the attention of the Chairman of the Board.

4.6 Confidentiality

All directors, chief executive officers, managers, officers and/or employees must maintain confidentiality of the confidential information entrusted to them by the Company except such disclosure is authorized by the Company or required by any law, regulation, or legal proceeding. The term "confidential information" includes, but is not limited to, non-public information that might be of use to competitors of the Company or harmful to the Company or its customers if disclosed. Directors are expected to consult the Chairman of the Board or the compliance officer if they believe they have a legal obligation to disclose confidential information.

4.7 Fair Dealing

Each director, chief executive officer, manager, officer and/or any employee is expected to deal fairly with the Company's customers, suppliers, competitors, officers and employees. None should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice. Inappropriate use of proprietary information, misusing trade secret information that was obtained without the owner's consent or inducing such disclosures by past or present employees of other companies is prohibited.