

Code of Conduct

2018



Table of Contents

1.0 Preamble	1
2.0 Introduction	1
3.0 Stakeholders	2
3.1 Government and Regulators.....	2
3.2 Investors, Beneficiaries, Analysts/Researchers and External Auditors.....	2
3.3 Customers and Clients	2
3.4 Staff and staff associations/clubs	2
3.5 Others	2
4.0 Basic professional and institutional obligations	3
4.1 Code of Conduct for IDLC as an Employer	3
4.2 Some specific compliance guidance	3
4.3 Serving Customers and the Stakeholders	4
4.4 Service Provider	4
4.5 Encouraging people for knowledge and skill enhancement.....	4
4.6 Delivering to Partners	4
4.7 Being Proactive	4
4.8 Working in Teams	5
4.9 Respecting Each Other and reciprocity.....	5
4.10 Guarding against Arrogance	5
5.0 Responsibility	5
5.1 Responsibility to Shareholders	5
5.2 Responsibility to Customers	5
5.3 Responsibility to Community/Society.....	6
5.4 Commitment to the Environment.....	6
6.0 Property and Information of IDLC.....	6
6.1 Property of IDLC.....	6
6.2 Information Security	7
6.3 Invisible Property/Intangible assets.....	7
6.4 Intellectual Property of Others	7
6.5 IDLC's Information.....	7
6.6 Customer Information	8
6.7 Information of Government Agencies'	8

6.8 Employee Information	8
6.9 Suppliers' Information	8
7.0 Use of Position	8
7.1 Private Gain.....	8
7.2 Endorsement.....	8
8.0 Conflicts of Interest.....	8
9.0 Engagement in Other Employment	10
10. Private Trade or Employment.....	10
11. External Pressure/Approach to Member of Parliament, Political Leader, Board Members etc.	12
12. Acceptance of Gifts and Foreign Awards	12
13. Fair Treatment of Counter-parties.....	12
14. Anti-Money Laundering and Combatting of Financing of Terrorism.....	12
15. Accuracy of Records and Reporting.....	13
16. Fraud, Theft or Illegal Activities	13
17. Working Environment.....	13
17.1 Health & Safety	13
17.2. Workplace Environment	14
18. Team Work.....	14
19. Diversity	14
20. Employees' Grievance	14
21. Compliance with Laws, Rules and Regulations	14
22. Fair & Equal Employment Opportunity.....	15
23. Harassment	15
24. Zero Tolerance to Violence Whistle Blower in the Workplace	15
25. Special Responsibilities of Superiors.....	15
26. Fair Treatment of Customers.....	16
27. Privacy and Security of Clients/Stakeholders Information	16
28. Transparency and Accuracy of Financial, Tax and other Reporting.....	16
29. Interaction in Print, Electronic and Social Media.....	16
30. Guidelines for 'Speak Up Policy' (Whistleblower Policy)	17
31. Personal Investments and Insider Trading.....	17
32. Arranging Seminar / Workshop / Training.....	17
33. Automation / Digitalization of Business Process	17

34. Employee Conduct outside the Office Premises.....	17
35. Grooming, Etiquette and Compliance with the Dress Code	18
36. Post-Employment Activities and Responsibilities.....	18
37. Responsibilities of Ethics Committee to Uphold the Code of Conduct	18
38. Recognition & Award	18
39. Disciplinary Procedures and Actions.....	18
40. Compliance with the Code of Conduct	19
41. Amendments or Modifications to and Dissemination of the Code of Conduct.....	19

1.0 Preamble

This code of conduct sets the principles for the stakeholders of IDLC - Members of the Board of Directors and its committees, employees of all levels and categories, business partners and service providers and receivers to and from IDLC to uphold and promote the interests of IDLC.

The principle objective of this set of code of conduct is to protect the interests of customers, owners and employees, stakeholders of IDLC as well as the counterparties, in addition to the wider interests of society as a whole. This document is also vesting the responsibility of compliance of the codes set herein along with abundance of legislation, regulations and industry/employer codes and standards on all concerned in IDLC in all of their day to day activity.

The ultimate and firm objective is to ensure integrity, high ethical standards, due skill, care and diligence in all of IDLC's business and allied activities, including the stakeholders. The stakeholders of IDLC must take reasonable care and measures to organize, manage and control their dealings and affairs responsibly and effectively, with adequate risk management systems and financial resources.

All stakeholders of IDLC must effectively employ the resources, policies and procedures, processes, systems and control checks, including compliance checks and staff training that are necessary for compliance with and proper understanding of this guidelines and that of the regulatory bodies.

Another objective of the guidelines is to promote rational behavior between/amongst all of IDLC's stakeholders. Practicing such code of conduct may also promote fair competition in the industry and strengthen the banking and financial environment in the country. This code of conduct is aligned with the code of conduct guidelines issued by Bangladesh Bank for banks and financial institutions.

2.0 Introduction

Persons working with/for IDLC, including their affiliates in research and development, and training in the country as owner, director, employee, advisor/consultant, contractor/supplier or in any other form of stakeholder under legal or institutional provisions/arrangements must act with integrity i.e. in an honest, fair and legitimate manner. Their activities must fully be customer service oriented and clearly be motivated by integrity and ethics, of course, in full conformity with the legal and regulatory requirements.

All members of IDLC's Board of Directors and its committees, employees at all levels and categories of IDLC, business partners and service providers and receivers to and from IDLC are expected to display the highest standards of professionalism and commitment to ethics and integrity in all of their conducts. It is also strongly expected that they all in every act and at all times would pay due respect, care and consideration to others and putting the public interest first.

Directors of the Board, members of different Committees of the Board and Management of IDLC should individually and collectively remain committed and responsible to excel the practice of corporate governance principles in IDLC and activities by placing due attention and weight on compliance of best ethical standards and integrity as recommended by the regulators for enhancing their internal and external credibility and establishing transparency.

3.0 Stakeholders

Stakeholders are persons, groups, organizations, institutions that have an interest or concern in the company. For IDLC, stakeholders include the following:

3.1 Government and Regulators

- a. Ministry of Finance (MOF);
- b. Bangladesh Bank (BB);
- c. National Board of Revenue (NBR);
- d. Bangladesh Securities and Exchange Commission (BSEC);
- e. Bangladesh Investment Development Authority (BIDA);
- f. Comptroller and Auditor General of Bangladesh etc.

3.2 Investors, Beneficiaries, Analysts/Researchers and External Auditors

- a. Shareholders and market investors;
- b. Business community, including chambers, associations and business clubs;
- c. Rating agencies and the users of ratings;
- d. Financial analysts/financial professionals;
- e. External Auditors;
- f. Brokers and dealers in shares, securities, debentures etc,

3.3 Customers and Clients

- a. Depositors
- b. Borrowers
- c. Any other users of IDLC products and services;
- d. Suppliers-both backward and forward linkages; and
- e. Service providers and receivers of all categories.

3.4 Staff and staff associations/clubs

- a. Employees of all levels;
- b. Trade Unions/Welfare Associations;
- c. Consumer Welfare Associations;
- d. Other interest groups such as ethicists, environmentalists, gender welfare groups, etc.

3.5 Others

- a. Civil society-elite groups;
- b. Social Media-print and electronic;
- c. Authorities of related books and journals, and advertising Agencies;
- d. Brokers and dealers;
- e. Whole sellers and retailers;
- f. Agents and facilitators; and
- g. Stockist and Transport and Courier Companies.

4.0 Basic professional and institutional obligations

For attaining and upholding public attention and customer/users and stakeholders' confidence, all employees of IDLC must perform their assigned job with utmost honesty and integrity, along with the highest professional attitude and aptitude. All employees must be firm in their performance for the benefits of IDLC and must avoid conflict of interest.

4.1 Code of Conduct for IDLC as an Employer

IDLC shall maintain a pleasant working environment in the organization in terms of the presence of well set and well defined compensation package, clearly set goal orientation, as well as performance-led job description for employees of all levels. IDLC will ensure the scope for both professional and career development of the employees. Such an environment with well-designed strategic and logistic support would reinforce the satisfaction of the employees, which will ultimately make them loyal to IDLC and its culture.

The working environment as well as procedures in IDLC must be well designed and well maintained so as to make it reasonably and promptly responsive to the customer needs, while ensuring compliance with legal and regulatory requirements. Hence, the employees of IDLC will therefore be well-trained and well-mannered in order to be able to discharge their jobs efficiently, which will eventually enhance the goodwill of the company and thereby, expand the customer base and market share of IDLC. Importantly, in order to motivate the employees of IDLC towards the goals of the company and enable them to perform to the best of their levels, responsibilities shall be clearly defined and carefully be allocated along with requirements and procedures for accountability and performance reporting and evaluation.

4.2 Some specific compliance guidance

- a. At all times the stakeholders of IDLC shall act and encourage others to act in a professional and ethical way, and uphold the highest standards of honesty, trust, fairness, integrity, dignity ,competence, ethical manner and diligence that will reflect positively on IDLC employees, their profession and on IDLC at large;
- b. Every stakeholder of IDLC shall consider the risks and implications of their actions and in principle, should feel accountable for them, and for the potential adverse impacts;
- c. All in IDLC shall take firm promise to comply with all current regulatory and legal requirements, and adopt endeavor to follow best industry practices;
- d. All information shall be used and handled with best care and due diligence shall be applied to ensure highest confidentiality and to preserve sensitivity;
- e. All employees of IDLC should prevent and avoid potential conflicts of interest that may arise and influence one whilst he/she performs;
- f. All employees of IDLC should serve customers, colleagues and counterparties with due care. This involves respecting their lawful and reasonable desires and serving them with responsibility if asked for, or helping them voluntarily;
- g. IDLC shall set service standards for the organization that reflects professionalism, expresses values and attitudes, as well as positive behaviors;
- h. IDLC shall equip employees to carry out their duties with due regards to the technical and professional standards expected by qualified customers. IDLC will encourage the staffs continuously to develop and maintain their technical and professional knowledge and level of competence; and

- i. IDLC shall train and encourage the staff/officials to act with complete integrity towards customers, colleagues, counterparties and others with whom they may come into contact.

The ethical conduct of all employees of IDLC and the reputation of the company depend largely on their approaches and attitudes at all levels. Standards of integrity, ethics and professionalism cannot be created or maintained by written rules alone, rather this depends upon the integrity and behavior of those engaged as professionals in the company.

4.3 Serving Customers and the Stakeholders

For ensuring standardized services and ethical business development, IDLC shall identify existing and potential clients, side by side with the selection of service providers at various levels. Efficient and effective selection and categorization would enable IDLC to make proper business plan.

4.4 Service Provider

As a service provider, IDLC shall:

- a. Analyze and determine its customer base and review and understand customer needs effectively;
- b. Add in and provide product and service excellence with integrity and sincerity;
- c. Provide with secured and advanced financial products and services;
- d. Be fair and well-committed in serving the customers and stakeholders;
- e. Ensure all services sold or served are passed through the relevant legal and regulatory processes; and
- f. Ensure each type of stakeholders' involvement and concerns are clearly defined and clearly understood.

4.5 Encouraging people for knowledge and skill enhancement

In order to encourage people for knowledge and skill enhancement, all employees of IDLC shall:

- a. Be provided opportunities for professional development;
- b. Have their performance evaluated objectively; and
- c. Apply IDLC's values & principles consistently. (For more details, please refer to IDLC's Vision, Mission and Core Values)

4.6 Delivering to Partners

While delivering to partners, all employees of IDLC should ensure:

- a. Adherence to good corporate governance practices;
- b. Protection of intellectual property;
- c. Protection of reputation of IDLC; and
- d. Strengthening of competitive behavior.

4.7 Being Proactive

All employees of IDLC should be proactive and,

- a. Anticipate and embrace changes;
- b. Encourage and reward innovation responsibly; and
- c. Maintain and share accurate and useful information.

4.8 Working in Teams

While working in teams, all employees of IDLC should:

- a. Remain individually accountable and make others accountable for every action;
- b. Refrain from favoritism and bias;
- c. Extract value from different perspectives;
- d. Work jointly and collectively; and
- e. Acknowledge and appreciate value for both individual and team contributions.

4.9 Respecting Each Other and reciprocity

IDLC shall:

- a. Recognize and respect human dignity;
- b. Provide/establish a working environment free of harassment and intimidation;
- c. Comply with social and occupational health & safety regulations; and
- d. Protect organization from damage/loss of physical assets.

4.10 Guarding against Arrogance

All employees of IDLC shall:

- a. Celebrate successes and achievements with modesty;
- b. Meet the legitimate expectations of stakeholders; and
- c. Express personal identity with dignity, courtesy and tolerance.

5.0 Responsibility

5.1 Responsibility to Shareholders

- a. IDLC shall preserve the lawful benefits and interests of the shareholders;
- b. IDLC shall make utmost endeavor to maximize shareholder value through, among other things, maximizing profit and increase payout ratio for the stakeholders and manage the same ethically and properly.

5.2 Responsibility to Customers

To satisfy customer needs efficiently, the IDLC shall:

- a. Understand and honor the reasonable and lawful customer needs, as well as serve them equally, promptly and honestly;
- b. Ensure complete secrecy of customers` affairs/account information at all times unless asked by any competent court or any other lawful authority;
- c. Issue notice with reasonable time in case of closure of accounts for any legitimate reason(s);
- d. Provide customers with requested account statement accurately and promptly;
- e. Keep customers updated regarding any suspicious operations, where applicable, in his account;
- f. Exercise due diligence in the operation of customer accounts; and
- g. Keep customers fully informed of all financial products and services.

5.3 Responsibility to Community/Society

All financial activities of IDLC shall comply with the recognized/established legal and regulatory requirements, as well as social/community norms, customs and values to the extent that these do not conflict with established laws and regulations.

5.4 Commitment to the Environment

Environmental and climatic protections shall be taken into account in all areas of lending/financing in accordance with “Environmental Risk Management Guidelines” issued by Bangladesh Bank. Emphasizing on the areas of energy and climate change, where applicable, and considering all relevant risk factors while lending IDLC shall support the process of sustainable economic growth of the country. Employees must have firm commitment to choose and do the right things, along with the compliance of legal requirements. They must consider structural and non-traditional risks management options that inherent to banking and other financial activities side by side with the management of traditional financial risks, such as credit risk, market risk and operational risk etc. Risks inherent to environmental and social events/activities also need to be taken into consideration.

6.0 Property and Information of IDLC

IDLC Employees shall:

- a. Use the goodwill and all assets of IDLC and its customers, whether tangible, intangible, intellectual, electronic or otherwise, in a manner both responsible and appropriate to the business and only for legal and authorized purposes;
- b. Commit to stop Intellectual Property Piracy. The company spends significant resources in the creation and development of various reports, reporting formats, operational procedures, guidelines, software and MIS such as customer lists, the terms or fees offered to particular customers etc. Therefore all the employees are liable to protect such investments and resources that are the intellectual property of IDLC. Any aforesaid document, data or information, or any part thereof, cannot be distributed outside IDLC (or within IDLC if the transaction or project does not require/allow such distribution) or be reproduced in any form, without the prior written approval of IDLC management; and
- c. Under no circumstances, discuss pricing or pricing policy, costs, marketing or strategic plans, or otherwise any confidential information with a company, firm or sole proprietorship identified as a competitor or potential competitor of IDLC. At the same time, there are a number of perfectly acceptable activities competitors can do together, but all these would require caution and prior consultation with IDLC management.

6.1 Property of IDLC

The key responsibility of all employees and, so far as it is applicable, other stakeholders of IDLC is to protect and safeguard the company’s property, not to use it for personal purposes/gain use and to abide by the following-

- a. An employee of IDLC shall follow the operational and IT security manual meticulously while using property of the organization;
- b. If an employee works as a member of any asset acquiring/disposal committee, he/she needs to ensure the fair value of assets, in accordance with established policies and procedures, while

these are acquired and disposed. In this regard, the term “fair value” shall be understood in a general sense; it shall not necessarily mean “fair value” as defined in the financial reporting framework followed by the company.

- c. He/she shall not participate in the name of other person in the supplying of materials to IDLC or in selling IDLC's old assets.
- d. He/she shall protect against the pilfering of stationeries, the theft, embezzlement or misappropriation of money, funds or anything else from IDLC.
- e. He/she shall apply own judgment and ethical concerns in using IDLC's phones, electronic mail or computing systems for personal use.
- f. He/she shall refrain from using the company's letterhead for personal correspondence.

6.2 Information Security

IDLC shall take reasonable care to keep secure company information from unauthorized disclosure and exchange. Any confidential information received on clients, or any details of the transactions of clients shall be preserved with utmost security. Unless asked by any lawful and competent court/authority, exchanging or disclosing of information will be treated as a serious violation of ethical standards, and shall be treated as a breach of contract. In this regard, IDLC employees shall comply with the IDLC Information Security Risk (ISR) Management policy.

6.3 Invisible Property/Intangible assets

- a. An employee shall not use the corporate brand and goodwill of IDLC for non-official purposes like taking house rent, renewal of car license, buying own flat and other assets.
- b. The use of official designation for any personal gain is prohibited.

6.4 Intellectual Property of Others

IDLC employees shall be cautious about the intellectual property rights of others. For example, they shall not -

- a. share performance reports of customers with others,
- b. use logos of third parties for without their authorization ,
- c. use the CIB report of third party
- d. plagiarize other bank's/NBFI's credit analysis for personal gains or purposes.

6.5 IDLC's Information

While performing the official task, IDLC employees may have access to information that is not generally available to the public or that is considered confidential for managerial or administrative purposes. This may include information related to IDLC or other banks/financial institutions, customers, suppliers and current and former employees, as well as system and company related information. IDLC employees shall not disclose this information unless authorized by the competent authority.

An employee of IDLC shall not provide any information to a third party without prior approval of the competent authority. He/she shall not disclose the unpublished and sensitive information of the institution related to its performance, strategy, system, policies etc. In this regard, IDLC employees shall follow the IDLC Information Security Risk (ISR) Management policy.

6.6 Customer Information

Employees of IDLC shall not accede to or use customers' information excepting for related business purposes. They shall protect the confidentiality and security of customer information.

6.7 Information of Government Agencies'

Any information of govt. agencies like ACC, NBR, BB, BSEC etc. shall not be disclosed without prior approval of competent authority.

6.8 Employee Information

Employees of IDLC shall keep all information of the organization, either current or old, secret and confidential.

6.9 Suppliers' Information

Employees of IDLC shall keep information about the purchase of goods or services confidential. Price quoted, methods, business policy etc. of the vendors should not be disclosed.

7.0 Use of Position

Officials in all positions of IDLC shall have to abide by this respective Code of conduct for the sake of both institutional and national integrity. It is expected that an official shall use his/her position and delegated power to do his/her jobs appropriately. Any deviations of this shall be treated as abuse of position and power. Generally such deviations are found out for following two reasons:

7.1 Private Gain

Employees of IDLC are supposed to exercise the power attributed to their position for the benefit of the company as well as the country. It becomes injurious and illegal if the exercise of this power is aimed towards attaining personal benefit. This is tantamount to corruption or misuse of power and position and it is quite contradictory to national integrity. Therefore, the use of position of an employee in IDLC for any private gain is strictly prohibited.

7.2 Endorsement

The endorsement of an employee's position is also similar to the abuse of position. Sometimes, employees may not directly obtain any benefit by using their power and position. However, they may pave the path for benefits for other persons by making such unlawful use and authorization of position and power.

The aim of an employee should be to act without undue bias. If any activity leads to his/her own people (such as relatives, friends, close associates, people from the same geographical region) being benefited unusually, and thereby frustrating others, it shall be considered as partiality and nepotism. An IDLC employee shall not be involved in any activity that may be construed as partiality and nepotism.

8.0 Conflicts of Interest

A conflict of interest may be said to be a state of affairs where a person is in a position to obtain personal benefits from actions or decisions made in his/her capacity as an office-bearer.

8.1 The conflict of interest is often a very strong hurdle on the way of implementation of national integrity strategy. When an employee thinks of his/her personal interest from his/her official position, a question of conflict of interest arises. IDLC employees have a statutory as well as an ethical obligation to avoid

conflicts of interest. The apparent causes or reasons behind such a conflicting situation may include the following:

- a. Dissatisfaction with salary and remunerations;
- b. Unpleasant working environment;
- c. Lack of opportunities for promotion, or deprivation from promotion;
- d. Undue influence and/or pressure from others;
- e. Greed to or from colleagues and employer; and
- f. Lack of job security.

8.2 General principles

- a. Employees shall avoid conflict(s) of personal interest(s) with their professional responsibilities to IDLC and its customers. In particular, employees shall never become personally involved in any transaction, negotiation or contract, on behalf of IDLC, with an entity in which s/he or a relative or friend or otherwise any person such an employee is closely connected to, has any interest. In the event of any such conflict(s) of personal interest(s), such employee(s) shall immediately notify the appropriate IDLC personnel;
- b. Employees shall never use their positions with IDLC, or data and information acquired during their employment, in a manner that may create a conflict, or the appearance of or a potential conflict, between personal interests and the interests of IDLC and/or its shareholders; and
- c. Employees shall always be aware that actual or potential conflicts of interest can arise not just from dealing with external parties, such as customers or suppliers, but also from relationships or transactions with the management, subordinates and/or other employees. If a conflict or potential conflict arises, employees must report it immediately to their Supervisor, the Head of Human Resources, or the Head of Internal Control & Compliance (ICC), who will review the matter with the MANCOM (Management Committee). Any such discussion will be held in confidence to the extent possible and in a spirit of cooperation.

8.3 Regardless of the circumstances, IDLC employees must avoid conflicts of interest as long as they hold positions in the company. Availing of any kind of undue or illegal benefit/facilities by employees, irrespective of the form it takes, shall be treated as a deviation from the required standard of services. So, in order to keep employees away from such trap of conflicts of interest, IDLC will strive to administer employee affairs legally & ethically, and compensate them reasonably. IDLC employees shall refrain from doing the following:

- a. Performing their duties with a view to obtaining or preserving/protecting their own benefits at the cost of their employer.
- b. Involving themselves in any kind of financial activities relating to their personal gain to the detriment of their employer.
- c. Giving any advice, consultancy, direction or suggestion to anybody or to any institution that may cause losses to their employer;
- d. Any practice/exercise that may benefit them at the cost of the company's assets, either monetary or non-monetary;
- e. Doing anything that may damage the goodwill, image and reputation of the company;
- f. Doing anything that may hamper the secrecy and privacy of any affairs/information of the company;

- g. Involving themselves or actively taking part in any business dealing like share holding, profit sharing, partnership of any business company or manufacturing industry or servicing centre for their personal benefit;
- h. Obtaining any unusual or illegitimate benefits directly, or indirectly, for themselves or for their family or family members, and relatives either explicitly, or implicitly (by disguising their identity);
- i. Receiving any charitable contribution from others and/or making any charitable contributions to their family members and relatives if those charitable contributions are made by/under their power and position;
- j. Receiving any gift (in cash or kind) from those who are directly benefited or assisted by their office or by their power and position.

The issues listed, above are not exhaustive. Any unusual act committed by an employee(s) may be considered, where applicable, to fall within the trap of conflict of interest and shall be reviewed within the purview of offences.

8.4 Disclosure of conflicts of interest

IDLC Employees shall:

- a. Disclose all matters, including without limitation, beneficial relationships with customers or any of its associates or agents or otherwise that reasonably could be expected to interfere with their duty or ability to make unbiased and objective decision(s) that is otherwise expected from them;
- b. Disclose all instances to the Chief Financial Officer or the Head of ICC where a family member or their firm is seeking to be hired or to be engaged in the supply of goods or services to IDLC;
- c. Disclose all instances to the Head of Human Resources or the Head of ICC where a direct family member is applying for a position at IDLC that will be ultimately supervised by them; and
- d. Comply with all prohibitions on activities imposed by IDLC, where a conflict of interest exists; however, if a situation arises that is not clear, employees shall consult with their Supervisors or the Head of ICC. They can also speak informally and confidentially with the Human Resources representatives.

9.0 Engagement in Other Employment

An employee of IDLC shall not:

- a. Engage in any commercial activity (i.e. activity undertaken as part of a commercial enterprise) or pursue such activity either on his own account or as agent of others;
- b. Accept any outside employment, honorary or stipendiary, without prior approval/consent of IDLC management; and
- c. Undertake part time work except that, which may be requested to be accepted or undertaken by IDLC management.

10. Private Trade or Employment

10.1 Subject to the other provisions of this Code of Conduct, no IDLC employee shall, except with the previous permission of IDLC management, engage in any trade or undertake any employment or work, other than his/her official duties.

10.2 Any employee of IDLC below officer rank may undertake/run a small enterprise which absorbs only his/her family members. However, in such cases he/she must inform this to his/her employer along with a declaration of assets.

10.3 Any employee of IDLC may undertake honorary work in social, religious or charitable organizations and may also engage in occasional works of a literary or artistic character/nature, which may include publication of one or a few literary or artistic works, provided that his/her official duties are not hampered or do not suffer thereby. However, IDLC management may, at any time, forbid him/her from undertaking such work or may ask him/her to abandon it if valid reasons to do so exist.

10.4 Procedure for Applying in Outside Employment:

Eligible application of temporary, or permanent employees of IDLC for outside employment shall be dealt with on the basis of the following principle :-

i. a. Application for appearing in the competitive examinations of Bangladesh Public Service Commission and in other government, semi-government entities/institutions including state owned/specialized banks, private banks and other public/private entities/institutions shall be forwarded.

b. Applications for employment in International Organizations where Bangladesh is a member and for employment under Foreign Governments shall be forwarded provided that all such applications are processed through the concerned/competent channels of Government of Bangladesh.

ii. Applications from all categories of employees for employment in the autonomous bodies including public and private universities shall be forwarded.

iii. Any application for outside employment which does not fulfill the above conditions shall not be forwarded.

iv. In case of employment opportunities abroad, the applicants must settle their liabilities with the employer and thereafter, submit resignation letter abiding by concerned rules and regulations of IDLC. When an employee is released for outside (foreign) employment and the question of lien arises, such an issue shall be governed by the service rules of the IDLC. This would be followed both in cases of temporary and permanent foreign employment. IDLC can depute any of its employees to any work or institution of IDLC, onshore/off-shore offices, branches, affiliated offices/institutions, subsidiaries and such placements/deputations will be governed by the relevant IDLC service and/or other related rules.

10.5 Teaching, Speaking & Writing

An employee considering authorship or publication of a book, article etc. and speaking in front of the media which is not commissioned by IDLC but which could in any way be connected with their work or employment at the organization should seek guidance from the management through HR before entering into any commitment. Any publication or public speaking of an employee should not tarnish the image of the organization vis-à-vis regulatory bodies of the country. The same considerations apply to the publication of material on the world-wide web and social media. No employee shall make any communication regarding the affairs of IDLC to the press or any other media, nor publish any article containing data, comments or opinions on IDLC or other affairs in any newspaper which may involve IDLC, without obtaining prior approval of the competent authority.

11. External Pressure/Approach to Member of Parliament, Political Leader, Board Members etc.

No employee of IDLC shall, directly or indirectly, approach any Member of Parliament or use any political or other type of influence or attempt to bring any influence of the Board of Directors of his/her organization for his/her employment, increment, promotion, transfer or any other personal gain.

12. Acceptance of Gifts and Foreign Awards

- a. No employee of IDLC shall, without prior permission of IDLC management, accept by him/herself, or permit any of his/her family members to accept any gift from any person that may make him/her obligated in official position to the gift provider(s). If anyone sends gift items via postal or courier services, these may be received but will immediately be handed over to the higher authority for disposal.
- b. If any question arises as to whether the receipt of a gift places an employee of IDLC under any form of official obligation to the donor, IDLC management will take action against such activity.
- c. If any gift is offered by the head or representative of a foreign state, the concerned IDLC employee shall attempt to avoid acceptance of such gift if, s/he can do so without giving offence. If, however, s/he cannot do so, s/he shall accept the gift and shall report the same to IDLC management for orders as to its disposal.
- d. No employee of IDLC shall accept a foreign award, title or honor without the approval of the President of Bangladesh as stipulated in Article 30 of The Constitution Of The People's Republic Of Bangladesh.

13. Fair Treatment of Counter-parties

All relationships with external counter-parties of IDLC should be conducted in a professional and impartial manner. Vendor selection and hiring decisions shall be made objectively and in the best interests of the organization based on evaluation of integrity, suitability, price, delivery of goods/service, quality and other pertinent factors. Employees of IDLC should commit to fair contract and payment terms with them in return for supply of good products/services at good prices; in a responsible manner. In this regard, employees should follow the IDLC Procurement Policy.

Employees' personal relationships, if any, with contractors, suppliers and vendors shall be disclosed to IDLC senior management at the time of entering into negotiations and should not influence decisions made on behalf of the organization. Negotiations with customers and potential customers shall be conducted in a professional manner and subsequently cost-benefit comparison shall be presented to the competent authority.

Vendors or suppliers shall not be used for any personal purposes by employees, so as to avoid any conflicts of interest while dealing with them.

14. Anti-Money Laundering and Combatting of Financing of Terrorism

Money laundering legislations criminalize money laundering in respect of several crimes including drug trafficking, terrorism, theft, tax evasion, fraud, handling of stolen goods, counterfeiting and blackmail etc.

It is also an offence to undertake and/or facilitate transactions with individuals and entities involved in criminal activities.

IDLC shall not knowingly do business with drug traffickers, money launderers and other criminals. It shall formulate Anti Money Laundering Policy following regulatory body's guidelines to enable all employees to follow the policy meticulously.

Employees of IDLC shall exercise requisite diligence in selecting those with customers/counter-parties while conducting business. They shall adhere to processes in place for checking the credit and character of customers and counter parties. These processes ensure customer's due diligence and ongoing monitoring of their customers to detect suspicious transactions during the entire period of the relationship.

15. Accuracy of Records and Reporting

IDLC's books, records, accounts and reports shall accurately reflect IDLC's transactions and must be subject to an adequate system of internal controls and disclosure controls to promote the highest degree of integrity. Concerned employees of IDLC shall ensure that records, data and information owned, collected, used and managed by him/her for the organization are accurate and complete. Records shall be maintained as per the policy of the organization in sufficient detail so that these may accurately reflect IDLC's transactions.

Concerned employees of IDLC shall assist in maintenance of appropriate records so as to ensure that financial transactions are prepared in accordance with generally accepted accounting principles and that they fairly present the financial conditions and results of IDLC. He/she shall observe standards of good flavor regarding content and language when creating business records and other documents (such as weekly/ monthly/quarterly statement, e-mail etc.) that may be retained by IDLC.

Non-maintenance of these records that come into employee's notice and any misappropriation or tampering of records, needs to be reported to the relevant authority. Employees of IDLC shall not represent any report/claim for their personal gain or to protect themselves.

16. Fraud, Theft or Illegal Activities

Employees of IDLC shall be vigilant about fraud, theft or illegal activities and shall not engage in such activities at any cost. If any such activity comes to any employee's notice, he/she shall immediately report the same to his/her immediate superior/s or to IDLC senior management or to the IDLC Whistleblower Committee to protect the interest of the organization. He/she shall act as a whistle blower thereby.

17. Working Environment

17.1 Health & Safety

IDLC shall pay adequate attention to the health and safety of its employees, i.e. deployment of both physical and technical surveillance on premises to minimize possible threats to security. Physical premises (such as branches and offices) are under regulatory requirement to conduct periodic drills so that there is a systematic approach both to preventing any security breaches as well as to promote a culture of security and safety awareness. This involves managing health and safety care in the same manner as any other critical business activity with provision for periodic reporting, appraisals and improvements made.

17.2. Workplace Environment

Energizing the workplace is one of the key factors of any organization. All employees of IDLC are responsible for keeping the workplace friendly, congenial, transparent, free from harassment & corruption etc. and for ensuring cohesiveness among colleagues.

18. Team Work

Teamwork and cooperation are an important aspect of the work ethic of IDLC. IDLC shall leverage the dynamics of collective skills, knowledge and experience to achieve the best for its stakeholders. IDLC shall acknowledge its employees as human capital and shall recognize the pivotal role that meritocracy plays in setting rewards and penalties for safeguarding the interests of its employees. IDLC and its employees shall respect the incidence of conflicts arising in the workplace and shall seek amicable resolution of contentious issues in a manner that is constructive, open, honest and ultimately beneficial to all parties involved.

19. Diversity

IDLC shall respect all employees as unique individuals with fundamental human rights and supports the cultural and ethnic diversity of its workforce. IDLC believes that creating a work environment that enables it to attract, retain and fully engage diverse talents, leads to enhanced innovation and creativity in the services of the organization.

20. Employees' Grievance

A grievance is defined as any type of problem, concern, dispute and complaint related to work and the work environment that cannot be resolved through normal day to day communication. Grievances may arise due to differences in perception, misconduct, unfair treatment, intra-personal problems of individual employees, dissatisfaction with working conditions etc. If employees of IDLC have a grievance, they should try to resolve this informally first. But, if the complainant feels unable to tackle the complaint informally, and cannot reach a satisfactory conclusion through the informal process, he/she may pursue a formal grievance mitigation application.

21. Compliance with Laws, Rules and Regulations

IDLC Employees shall:

- a. Maintain knowledge of and comply with all the applicable laws, rules and regulations of any government, governmental agency, regulatory organization, licensing agency, or professional association governing the employees' professional activities;
- b. Not, intentionally or knowingly, instigate, participate in, suggest or assist anyone in violating any such laws, rules or regulations; and
- c. Not restrain or obstruct or otherwise interfere with others from performing their professional obligations.

Employees of IDLC are mandatorily expected to comply with the laws, rules and regulations governing the company's business vis-à-vis regulatory bodies. While no individual is expected to know the details of all applicable laws, rules and regulations, they shall be knowledgeable about specific laws, rules and regulations that apply to their areas of duties and responsibility and, in particular, must maintain an

awareness of events/circumstances arising that might require them to look up laws and regulations in greater detail or seek specific guidance/advice from subject matter specialists such as internal/external legal counsel.

22. Fair & Equal Employment Opportunity

IDLC shall be committed to providing equal opportunity in employment on the basis of individual merit and personal qualifications to employees and applicants for employment. Every employee of IDLC has the right to work in a professional atmosphere that promotes equal and legal employment opportunities and where discriminatory practices, including harassment are prohibited.

23. Harassment

- a. IDLC shall be committed to providing a work environment where all employees can work free from harassment on grounds of religion, age, gender, family background, ethnicity, personal appearance etc. IDLC shall not tolerate any type of harassment by directors, employees, supervisors or others. All employees of IDLC shall treat each other with respect and courtesy. Harassment in any form including verbal and physical conduct, visual displays, threats, demands and retaliation is strictly prohibited.
- b. IDLC shall be committed as employers to create an environment which is free from all forms of harassment and discrimination towards women. Any harassment or discriminatory behavior directed at female employees based on their background, gender, religion, race, color, ethnicity, national origin, age, marital status, physical condition, personal appearance, and status shall be dealt with appropriate disciplinary action. Harassment towards female colleagues may include making derogatory or provocative comments, physical violence, inappropriate jokes, and unwanted physical contact, use of epithet, comments or innuendo, obscene or harassing telephone calls, inappropriate content exchange through e-mails, letters, SMS, notes or any other forms of communication.

24. Zero Tolerance to Violence Whistle Blower in the Workplace

IDLC shall prohibit any acts of violence or threats of violence by any employee of IDLC against any other person at any time. Mutual understanding and respect towards all employees is an essential element for excellence in professionalism, existence of safe and healthy work place, and maintenance of a corporate culture, which serves the needs of the community. IDLC shall bear zero tolerance towards violence against any member of the workforce or its property.

25. Special Responsibilities of Superiors

In addition to responsibilities as employees of IDLC, superiors shall abide by the:

- a. Duty of selection - Carefully select the employees for a job in light of their personal and professional qualifications.
- b. Duty of Instruction - Formulate obligations in a precise, complete, and binding manner, especially with a view to ensuring compliance with provisions of instructions.
- c. Duty of monitoring - Ensure that employees meet the expected deliverable on a regular basis and comply with provisions of applicable laws and regulations, on a constant basis.

- d. Duty of communication - Communicate to the employees that any violation of the applicable laws/regulations is disapproved of and shall have disciplinary implications.

26. Fair Treatment of Customers

Treating customers fairly and without prejudice fosters good rapport and helps to build long-term sustainable business relationships. Moreover in the advent of global financial crisis, both local and global law-makers and regulators are increasingly focusing on ensuring that banks and NBFIs employ fair practices in dealing with customers. This entails:

- a. Ensuring that communications are fair, concise, clear and not misleading so that clients are fully aware of the product features, relevant fees and associated risks for financial products and services;
- b. Creating products which meets customer needs and takes into account their financial situation, profile and risk tolerance;
- c. Providing quality customer service, delivering on service level promises and handling complaints in an efficient, prompt and friendly manner; and
- d. Identifying and managing possible customer conflicts in an open and clear way.

27. Privacy and Security of Clients/Stakeholders Information

- a. In order to provide financial services, IDLC shall collect, maintain and use the personal information of clients in a manner which allows IDLC to provide better and more tailored products and services and better meet the clients' financial needs and objectives. All information gathered from customers/clients during the course of providing service shall be considered confidential.
- b. All information of an individual's employment in IDLC shall be considered confidential unless it is clearly stated otherwise (or the situation arises where he/she has been authorized to do so) and shall be used only for the performance of said job duties in line with all rules, regulations, laws and other policies governing the individual's employment. Furthermore, such information shall be kept confidential and secure even after the employee concerned has left the employment of that particular institution.

28. Transparency and Accuracy of Financial, Tax and other Reporting

All employees of IDLC shall ensure that their reports and communications are true, complete and accurate and shall not be misleading. They shall maintain transparency in their business operations and dealings with clients, stakeholders and regulators.

29. Interaction in Print, Electronic and Social Media

All media (print, electronic and social) inquiries shall be forwarded to personnel from Corporate Affairs/Marketing & Communications department or any other department which has been authorized to initiate contact with the media on behalf of IDLC. It should be ensured that a consistent message in compliance with the governing laws and regulations is broadcast.

The advent of social media has enabled people from across the globe to have information at a rapid pace which may at time be sensitive in nature and thus it is particularly important to ensure that social media sites and tools are used by the employees and management of IDLC responsibly and with good judgment

in compliance with the company's policies which restrict the disclosure of confidential information about IDLC, its operations, policies and procedures, employees, customers and other stakeholders or any other information that compromises internal controls and safety requirements.

30. Guidelines for 'Speak Up Policy' (Whistleblower Policy)

It is vital that banks and NBFIs adopt a 'Speak up Policy' (Whistleblower Policy) to uphold their commitment to the code and to maintain a culture of strong ethics and integrity. Any misconduct by personnel from IDLC serves to harm not only the reputation and financial performance of IDCL but also ultimately undermines trustworthiness of the industry itself.

IDLC management shall establish a formal policy, procedure, channels and open environment where staff are confident in raising concerns about any misconduct and are free from the fear of victimization.

31. Personal Investments and Insider Trading

Insider trading is the abuse of confidential information and is defined as a malpractice relating to the exchange of a company's securities by individuals who by nature of their job have access to crucial price sensitive information which is otherwise non-public in nature and thus this gives them a competitive advantage over other investors and undermines the credibility of the financial system. As such, employees and other representatives of IDLC are prohibited from partaking in trading of publicly traded securities (including the securities of their place of employment) for personal gain (or for the gain of the members of their household) if they possess material non-public information about the security or the issuer. It is to be noted that insider trading also encompasses giving 'tips' to another person, encouraging anyone else to deal or dealing on behalf of anyone else based on other non-public 'inside' information. Furthermore, employees and other representatives of IDLC shall not make any personal investment in an enterprise (including in a public or private company that does business transactions or is a supplier or competitor of their place of employment) if the result of this investment affects or appears to affect their ability to make any unbiased business decisions in favor of IDLC thus resulting in a conflict of interest.

32. Arranging Seminar / Workshop / Training

IDLC shall organize and sponsor seminars/workshops/debates and discussions in order to promote ethics, integrity and compliance standards within the organization in specific and in the financial services industry in general.

33. Automation / Digitalization of Business Process

In today's business environment, advancements in technology and administrative functions are increasingly leading to the automation and digitalization of business processes. IDLC shall take necessary steps to ensure that any such advancement does not compromise the integrity of information security and that the guiding principles of the Code of Conduct are duly complied with.

34. Employee Conduct outside the Office Premises

Employees and representatives of IDLC should realize that their conduct outside the workplace reflect on their place of employment and thus shall take necessary actions to ensure that the above mentioned service conduct must encompass activities outside the workplace as well so that their behavior/actions

do not compromise the business interests, safety and security or confidentiality of their place of employment. As such, IDLC employees shall exercise caution while interacting with outside entities so as to not be perceived negatively by the media, society or the communities in which they operate. Moreover, affiliations with certain entities which may result in conflict of interest or disclosure of confidential information are to be strictly avoided.

35. Grooming, Etiquette and Compliance with the Dress Code

IDLC has an official grooming standard which is suitable to the culture and values of Bangladesh. It is important for relationship managers and other front office personnel (or sometimes even back office personnel) as they are often the first point of contact for any customer and as such their conduct, grooming, etiquette, proficiency and overall service quality will reflect on their place of employment. It is therefore important not only to make a great first impression, but also to continue to repeat such behavior throughout all interactions with the customers. For details please refer to IDLC's Dress Code.

36. Post-Employment Activities and Responsibilities

It is probable that, during the course of their employment, staff members and other representatives of IDLC may be privy to sensitive information about the company, customers and other stakeholders and business processes which can be confidential in nature and which may also be of proprietary nature for IDLC. As per the Code of Conduct (as well as the exit clauses of IDLC employment contracts) employees shall act with highest standard of integrity and refrain from divulging such information.

37. Responsibilities of Ethics Committee to Uphold the Code of Conduct

- a. The Board of Directors as well as the management of the organization shall be responsible for proper implementation of the Code of Conduct. The Ethics Committee of Bangladesh Bank on NIS Implementation will be intimated about the Code of Conduct and any change thereof.
- b. The members of the Ethics Committee of IDLC in their corporate capacity have a responsibility to promote the Code of Conduct effectively and lead by example in embedding the code in their everyday work. Any instance of breach of code of conduct shall be dealt with appropriate disciplinary procedure. Ethics committee shall have an annual work plan and shall periodically monitor their progress against the work plan.

38. Recognition & Award

IDLC has implemented reward programs that take into account not only the performance of the employee but also the manner in which the performance was achieved. Rewards system should be designed in a way that encourages compliance to the Code of Conduct and the highest level of integrity.

39. Disciplinary Procedures and Actions

IDLC shall have a laid down disciplinary procedure which is in compliance with local laws and ensures fair treatment to employees. IDLC shall ensure that employees disciplinary matters are judged fairly, transparently, consistently and proportionately, using appropriate processes and achieving fair outcomes. Any disciplinary actions undertaken shall take into account the gravity of the misconduct, previous records (if any) and any other extenuating or aggravating circumstances which may exist.

40. Compliance with the Code of Conduct

- a. All new employees joining IDLC as well as existing employees are required to commit to the Code of Conduct and duly sign a statement of compliance attesting the same.
- b. At all times, employees of IDLC shall act in a professional and ethical way and uphold the highest standards of honesty, trust, fairness, integrity and diligence:
 - i. Consider and value the risks and implications of each employee's actions, make them accountable for works to be performed, and for the impact their actions may have on others;
 - ii. Comply with all current regulatory and legal requirements, and endeavor to follow best industry practice;
 - iii. Keep scope to adopt/incorporate with future changes in this code of conduct and in or any part/paragraph/point of this code of conduct;
 - iv. Make information reliable and appropriate, and use them with confidentiality and sensitivity;
 - v. Be alert to and manage potential conflicts of interest which may arise whilst performing their role, motivate them not act for personal gain or advantage;
 - vi. Treat all customers, colleagues and counterparties with respect and take responsibility for the advice and services provided to them;
 - vii. Senior staffs should lead by example and act as positive role models to others; and
 - viii. Continuously develop and maintain technical and professional skill and knowledge and competence of the work force; and
 - ix. Uphold the name and reputation of banking and NBFIs and the profession.

41. Amendments or Modifications to and Dissemination of the Code of Conduct

Bangladesh Bank preserves all right and authority to amend the Code of Conduct entirely or partly as and when it deems necessary. It is the responsibility of IDLC to ensure proper and timely dissemination of the Code of Conduct amongst the employees and concerned parties and the stakeholders. Bangladesh Bank shall extend all sorts of cooperation if banks and NBFIs find it necessary in facilitating the understanding process of the Code of Conduct for their employees and the stakeholders through proper training and other knowledge building processes including seminars, workshops and any other awareness programs.