

CODE OF CONDUCT FOR THE BOARD MEMBERS AND SENIOR MANAGEMENT

Notification No: BSEC/CMRRCD/2006-158/207/Admin/80 dated June 3, 2018 of the Bangladesh Securities and Exchange Commission (BSEC) specifies that the Board of Directors of every listed company shall lay down a code of conduct for all Board members and Senior Management of the Company.

The Members of the Board of Directors of PHARMA AIDS LIMITED acknowledge and accept the scope and extent of their duties as Directors as detailed under the Corporate Governance Code. The Board thereby lays down the following code of conduct that the Directors and Senior Management are expected to adhere to and comply.

Conduct Specifications:

1. Prudent Conduct and Behavior

Directors and Senior Management personnel must take care in the performance of their respective duties, be loyal to the company, act in good faith, and perform to the best interest of the company through avoidance of conflict of interests that might follow. Also, they must report and encourage other employees and officers to report any imprudent, illegal, or unethical behavior and conduct.

2. Confidentiality and Transparency

"Confidential information" includes all information of the Company not authorized by the management of the Company for public dissemination; and to which Directors and Senior Management personnel have access or which is possessed by them by virtue of their position/status in the Company must be considered confidential information. The Directors and Senior Management personnel must conduct themselves so as to meet the expectations of operational, financial, and investment transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture for good decision-making.

3. Conflict of Interest

All members of the Board of Directors and Senior Management shall be aware of and avoid conflict of interest that may arise from the following instances:

- a) A Director or Senior Manager engages in a business relationship or activity that interferes with the performance or responsibility to the Company or is otherwise in conflict with or prejudicial to the interests of the Company.
- b) A Director or Senior Manager is in a position to derive improper personal benefits or provide such to any of his or her relatives by making or influencing decisions relating to any transaction.

4. Compliance with Laws, Rules and Regulations

Directors and Senior Management personnel must comply, and oversee compliance by other employees and officers with BSEC Corporate Governance Guidelines, Securities Related Laws, Order, Notification, Directive, Guidelines and Companies Act, 1994 that are applicable to the Company. Directors and Senior Management personnel must also deal fairly, and must oversee fair dealing by employees and officers, with the Company's customers, suppliers, competitors, stakeholders, bankers and employees.

5. Protection and Proper Use of Company's Assets/properties

All employees, officers, Directors and Senior Management should protect the Company's assets (tangible assets such as land, buildings, machineries, equipments, stationeries and intangible assets such as business data, customized software, intellectual property, brand logo etc.) and ensure their efficient use and protect such assets from loss, damage, misuse, removal and waste. Theft, carelessness, and waste have a direct impact on the Company's profitability. All Company assets should be used for legitimate business purposes.

6. Prohibition of Insider Trading

No person including any Director or Senior Management personnel of the Company shall enter into insider trading. Insider Trading is prohibited in the Securities of the Company listed on the stock exchange market on the basis of unpublished price sensitive information. "Unpublished Price Sensitive Information" (UPSI) means any information, which relates directly or indirectly, to the Company or its securities, that is not generally available to the public which upon becoming generally available, is likely to materially affect the price of the securities of the Company.

7. Political Activity

Directors, Senior Management, employees and officers shall not encourage/be encouraged to get affiliated with any political party and must not take part in any political debate, meetings, or any sort of political agenda within/outside the Company premises that might disrupt the operational flow and congenial environment of the Company.

8. Relationship with Environment, Employees, Customers and Suppliers

The Company's relationship with environment (proper waste management, free from pollution of air/soil/water), employees (proper chain of command, fair compensation, safe and congenial work environment), customers and suppliers (confidentiality of business deals and data, free from corruption/bribery, quality products/services, timely delivery/payment) must be ensured by the Directors and Senior Management of the Company.

9. Independency (for Independent Directors)

An Independent Director must immediately inform the Board where circumstances arise making an Independent Director lose his or her independence. He or she must devote sufficient time and attention to his professional obligations as per his or her roles, functions, and duties. He or she must not abuse his or her position to the detriment of the Company or its stakeholders. He or she must assist the Company in implementing the best corporate governance practices.

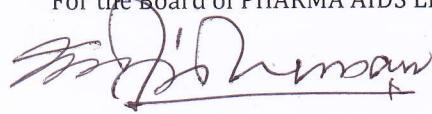
Violation of Code:

It shall be the duty of the Board members and Senior Management personnel to help the enforcement of the Code and any breach if communicated / noticed is to be reported to the Board. In case of breach of this Code by any of the Board members and Senior Management Personnel, the same shall be considered by the Board for initiating appropriate action including disciplinary action such as termination of employment, suspension and/ or penalty, as deemed necessary.

Amendment:

The Code does not specifically address every potential form of acceptable/unacceptable conduct and it is expected that the Directors/ Senior Management personnel will exercise good judgment in compliance with the principles set out in the Code. The provisions of this Code can be amended/ modified by the Board from time to time upon recommendation from NRC and all such amendments/ modifications shall take effect from the date stated therein. All Directors and Senior Management personnel shall be duly informed of such amendments and modifications.

For the Board of PHARMA AIDS LIMITED



Approved by
Faizul Hassan
Managing Director



Recommended by
Md. Mominul Hoque Dhali
Independent Director & NRC Chairman