

## **ATLAS ASSET MANAGEMENT LIMITED** **CODE OF CONDUCT**

### **Introduction**

#### **I. Preamble**

The purpose of this Company's Code of Conduct ("Code") is to improve and systematize the Company's governance, to implement professional standards and corporate values that promote integrity for the Board and all the employees, to make its governance more transparent, and to conduct its operations operations with honesty, integrity and openness, and with respect for human rights and interests of the employees.

So far, Atlas Asset Management Limited, (the Company) had adopted a Statement of Ethics and Business Practices, this is being further enhanced by implementing and adopting a more comprehensive Code of Conduct, as now required by the Code of Corporate Governance, 2012. (CCG, 2012). By adopting and following this Code, the Company confirms its commitment to demonstrably lead and promote good corporate values, systems, and professional standards.

In order to foster the confidence of its shareholders, employees, stakeholders and the general public, this Code goes beyond the established legal and regulatory framework in Pakistan today, and embraces both national and internationally recognized corporate governance principles and practices. As the Company is in the line of business of asset management / fund management; whilst formulating this Code, efforts have been made to incorporate within this Code, the basic principles in Code of Ethics and Professional Conduct followed by the CFA Institute, as such Code is globally recognized in the field of asset management / fund management.

The Company's Board of Directors and employees understand that this Code is their joint obligation, and accordingly, obligate themselves to ensure that its provisions and its spirit are adhered to and acted upon throughout the Company.

#### **II. Company Profile**

- **Vision**

The Company's vision is to be a market leader in providing fund management services with customer satisfaction as its premier goal.

- **Mission**

Its objectives, as outlined in the mission statement are multidimensional, encompassing the satisfaction of all stake holders, i.e. the investors, the employees, the society, and the shareholders, by providing the best possible returns on a wide range of products, exceeding the expectations of the investors in terms of returns and service, providing a stimulating environment to all the employees for their growth and development and fostering a feeling of job satisfaction, by following the highest of ethical and fiduciary standards, and serving the interests of the society.

- **Span of activities**

The Company operates as an asset manager and pension fund manager, as licensed by the Securities and Exchange Commission of Pakistan (SECP). Whilst the primary operations are at the Head Office in Karachi, the Company also has sales offices in Lahore and Islamabad.

### **III. Obeying the law**

Atlas Asset Management Limited is committed to complying with the laws and regulations of Pakistan. The main governing laws applicable to the Company and the funds under its management are:

- The Non Banking Finance Companies (Establishment and Regulation) Rules, 2003;
- The Non Banking Finance Companies & Notified Entities Regulations, 2008;
- The Voluntary Pension System Rules, 2005;
- The Companies Ordinance, 1984;
- The Code of Corporate Governance, 2012;
- The Income Tax Ordinance, 2001;
- The Zakat and Ushr Ordinance, 1980;
- Listing Regulations of the Karachi and Lahore Stock Exchanges
- Various Circulars issued by the SECP from time to time.

In addition to the above main statutes, various other federal and provincial laws relating to business establishments, labour laws and taxation laws are also applicable to the Company.

## **Commitment to Highest Ethical Standards and Professional Conduct**

### **I. Definition and Principles**

The Company's Code of Conduct is defined as a set of principles and standards which are aimed at securing and maintaining the trust of the customers, i.e. the investors, as the Company's products are financial products seeking funds from the public. It is a means to improving operational efficiency, developing transparency of structures and processes for the direction and control of the Company, and ultimately, towards building a better reputation.

### **II. Code of Ethics**

- **For Members of the Board and employees**

Members of the Board of Directors and the employees of the Company shall at all times, follow the following code of ethics:

- (a) Act with integrity, competence, diligence, respect, and in an ethical manner with the public, clients, prospective clients, employers, employees, colleagues in the asset management/pension fund management industry, and other participants in the capital markets.
- (b) Conduct business operations with honesty, integrity and openness, and with respect for human rights and interests of the employees. The legitimate interests of all stakeholders rank equal and are to be protected.

- (c) Comply and obey the laws and regulations of Pakistan, including listing regulations of the stock exchanges and the rules governing capital markets.
- (d) Use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment analysis, making investment recommendations, taking investment actions, and engaging in other professional activities.
- (e) Create a working environment where there is mutual trust and respect and where everyone feels responsible for the performance and reputation of the Company, enhancing their professional competence and strive to maintain and further improve the same.
- (f) They shall not knowingly make any misrepresentations relating to investment analysis, recommendations, actions, or other professional activities. In case any unintentional or inadvertent misrepresentation or mistake is subsequently discovered, the BoD/employees, and the Company shall endeavor to rectify the same at the earliest.
- (g) There shall be no engagement of any act involving dishonesty, fraud, deceit, or any act that reflects adversely on the professional reputation, integrity or competence of the individuals, and of the Company on a collective basis.
- (h) There shall be no misuse of non public information that could affect the value of an investment, and all employees shall follow the personal trading guidelines and parameters established by the Company to eliminate misuse of non public information for personal benefits.
- (i) Confidentiality of investment information, and information about the current, former, and prospective clients of the Company shall be maintained at all times by the existing, as well as outgoing employees, who, under the highest professional and ethical standards shall not disclose such information to their new prospective employers, nor copy / remove any such data from the Company's records, without prior approval of the Company.
- (j) All employees are expected to avoid personal activities and financial interests, which could conflict with their responsibilities to the company. No employee shall offer, give or receive any gift or payment, which is, or may be construed as being a bribe or that may be construed as a conflict of interest with the Company. Any demand for, or offer of, a bribe must be rejected immediately and reported to management. They shall not seek gain for themselves or others through misuse of their positions.

- **For the Company**

The following code of ethics shall be applicable to the Company at all times:

- (a) It shall recruit, employ and promote employees on the sole basis of the qualifications and abilities needed for the work to be performed, i.e. on merit. There shall be no discrimination of any kind, relating to caste, creed, religion, gender or any other basis.
- (b) It shall be committed to safe and healthy working conditions for all employees. The Company shall not use any form of forced, compulsory or child labour.

- (c) It shall be committed to the enhancement of the development of its employees in accordance with each individual's skills and capabilities through in-house training as well as professional seminars, courses and training.
- (d) It shall respect the dignity of the individual and the right of employees to freedom of association.
- (e) It shall maintain good communications with employees through company based information and consultation procedures. Likewise, all employees of the Company are committed to focusing on achievement of the Company's objectives, and giving their best performance to attain these objectives.
- (f) It shall strive its best to satisfy the Unit/Certificate Holders and continuously improve its services to them to enable them to attain their financial goals.
- (g) It shall provide timely, regular and reliable information on its activities, structure, financial situation and performance to all the shareholders.
- (h) It shall strive to be a good and trusted corporate citizen and, as an integral part of society, to fulfill its responsibilities to the societies and communities in which it operates, through contributions to health and education projects for the benefit of the society, as elaborated further under the CSR/donations policy.
- (i) It shall promote and defend its legitimate business interests. In this connection, the Company shall co-operate with government and other organizations, in the development of proposed legislation and other regulations, which may affect legitimate business interests.
- (j) Atlas Asset Management Limited believes in fair competition and conducts its operations in accordance with the principles of fair competition and all applicable regulations at all times.
- (k) It shall not support any political party, or contribute to its (political party's) funds.
- (l) It shall not give or receive, whether directly or indirectly, bribes or other improper advantages for business or financial gains.
- (m) Its accounting records and supporting documents must accurately describe and reflect the nature of the underlying transactions. No undisclosed or unrecorded account, fund or asset will be established or maintained.

### **Responsibility for implementation, Compliance, Monitoring and Reporting**

Compliance with the above principles is an essential element to the Company's business success. The Board of Directors of Atlas Asset Management Limited is responsible for ensuring that the Code of Conduct prescribed above is communicated to, understood, and observed by all employees.

Following the approval of this Code, the same shall be placed on the Company's website for dissemination to all employees and for the information of the general public, as prescribed by the CCG, 2012.



Day-to-day responsibility is delegated to the senior management, through the Management Committee. They are responsible for implementing these principles, if necessary, through more detailed guidance tailored to local needs.

Assurance of compliance shall be given and monitored each year. Compliance with the Code of Conduct shall be subject to review by the Board, as supported by the Audit Committee.

Any breach of the Code must be reported in accordance with the procedures specified by the management. Any matter, as may be deemed significant for the attention of the Board of Directors by the Chief Executive Officer of the Company, shall be placed for the attention of the Board.

### **Whistle Blowing Policy**

The Board of Atlas Asset Management Limited expects employees to bring to their attention, or to that of senior management, any breach or suspected breach of these principles. In this connection, the Board has implemented a Whistle blowing Policy across the organization, enabling employees to report any suspected breaches of these principles, or fraud, in confidence and assures that no employee will suffer as a consequence of doing so.

### **Implementation Date**

This Code shall become effective in respect of Atlas Asset Management Limited following the approval by the Board of Directors of the Company.

### **Modification and amendments**

The above Code of Conduct may be amended, as necessary, from time to time. Any amendment therein shall be made by way of an addendum, duly recommended by the CEO and approved by the Board of Directors.

### **Approved by:**

Board of Directors

In 55<sup>th</sup> Board meeting dated July 5, 2012