

# **ATLAS ASSET MANAGEMENT LIMITED**

## **CODE OF CONDUCT**

### **1. Introduction**

#### **I. Preamble**

The purpose of Atlas Asset Management Limited's ("the Company") 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 with honesty, integrity and openness, and with respect for human rights and interests of the employees.

So far, the Company had adopted a Statement of Ethics and Business Practices. This is being further enhanced by implementing and adopting a more comprehensive Code. 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 businesses as an asset manager, pension fund manager, investment advisory services, private equity and venture capital fund management services and REIT management services provider; 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, and such Code which are globally recognized in the field of asset management / fund management and guidelines for preparing Code of Conduct issued by the Securities and Exchange Commission of Pakistan (SECP)..

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 risk adjusted returns on a diverse range of products, providing a stimulating and challenging environment for its employees, and committing to the highest ethical and fiduciary standards. We firmly believe that by placing the best interests of our clients first, we will also serve the best interest of our employees, our shareholders and the communities in which we operate.

#### **Span of activities**

The Company operates as an asset manager, pension fund manager, investment advisory services, private equity and venture capital fund management services and REIT management services provider 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;
- Private Funds Regulation, 2015 (Private Equity, Venture Capital and Alternative Fund);
- Real Estate Investment Trusts (REIT) Regulation, 2015;
- The Companies Act, 2017;
- The Listed Companies (Code of Corporate Governance), 2019;
- Anti-Money Laundering and Countering Financing of Terrorism Regulations, 2020;
- Anti-Money Laundering Act,, 2020;
- The Income Tax Ordinance, 2001;
- The Zakat and Ushr Ordinance, 1980;
- Rule Book of Pakistan Stock Exchange Limited;
- 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.

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

### **A. 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.

### **B. 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) Acquire appropriate knowledge of the legal requirements relating to their duties to perform their obligations diligently and in compliance with the applicable laws, relevant guidelines and policies of the company and to ensure compliance of applicable regulatory frameworks and make dedicated efforts to improve competence and skills in their respective roles through continuing professional education. 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

- (d) Comply and obey the laws and regulations of Pakistan, including listing regulations of the stock exchanges and the rules governing capital markets.
- (e) Use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, taking investment actions, and engaging in other professional activities.
- (f) 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.
- (g) Promote a work environment free from discrimination, harassment and intimidations of any nature.
- (h) Treat everyone, inside and outside the company, professionally with respect and equality without taking improper advantage of their position;
- (i) To not involve in such practices like manipulation, misuse of privileged information and concealment of facts.
- (j) Exhibit high standards of personal conduct, both inside and outside the company.
- (k) 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.
- (l) 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.
- (m) Avoid Misconduct, intimidating & insulting behavior, verbal onslaught, accusations, misogynist behavior, sexual harassment, ignorance of regulatory framework, spate communication (letters, emails, etc.) without highlighting specific discrepancies, humiliation, pressurizing tactics, coerciveness, disruptive and distractive measures, bullying, disruption of conduct of business, unnecessary interference in management issues, unethically tarnishing image of any person;
- (n) Avoid Conflict of Interest,
  - avoid any such business or practice that would tend to influence him/her in a way other than in the best interests of the company;
  - avoid any business transaction or agreement that would result in the conflict of interest in any manner, other than those in the best interests of the company;
  - avoid receive gifts and other benefits from the outsiders having pecuniary and other interest.
- (o) Exercise due diligence, objectivity, sound and independent judgement while performing the duties;

- (p) To not involve in practices with the intention to get any undue advantage either for himself or his family members.
- (q) Protect confidential, proprietary and any such information received by virtue of their position in the company and not disclose such information to anyone, unless the disclosure is required under any law or authorized by the board of the company.
- (r) To not use or intend to use the confidential and proprietary information for gaining unfair advantage and personal benefits, unless it becomes public.
- (s) 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.
- (t) 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.
- (u) 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.
- (v) Use company's assets, property, proprietary information and intellectual rights for business purposes of the company and not for personal benefits or gains and to make utmost efforts for the protection and efficient use of the company's assets.
- (w) To not indulge in insider trading on the basis of unpublished price sensitive information, subject to exceptions given in section 128 of the Securities Act, 2015, and ensure compliance with all relevant laws and company's policies, if any, on prohibition of insider trading.
- (x) It shall not undertake any external activities during the working hours or, at the expense of company's duties and commitments.

**For the Company**

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

- (a) To promote diverse and inclusive board and management composition;
- (b) 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.
- (c) Promote a work environment free from discrimination, harassment and intimidations of any nature.
- (d) Be committed to the safety and health of all employees and to provide safe, competitive and healthy working environment.. The Company shall not use any form of forced, compulsory or child labour.

- (e) 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.
- (f) Respect the dignity of the individual and the right of employees to freedom of association.
- (g) 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.
- (h) Strive its best to satisfy the Unit/Certificate Holders and continuously improve its services to them to enable them to attain their financial goals.
- (i) Provide timely, regular and reliable information on its activities, structure, financial situation and performance to all the shareholders.
- (j) 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.
- (k) 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.
- (l) Believe in fair competition and conducts its operations in accordance with the principles of fair competition and all applicable regulations at all times.
- (m) Not support any political party, or contribute to its (political party's) funds.
- (n) Not give or receive, whether directly or indirectly, bribes or other improper advantages for business or financial gains.
- (o) 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.
- (p) Treat all shareholders/members and stakeholders of the company in a fair and respectable way;
- (q) Act in the best interests of the company and fulfill their fiduciary responsibilities qua the company;
- (r) Understand and consider the interests of all stakeholders in the success of the organization.

### **3. Environmental, Social and Corporate Governance (ESG) Practices**

Since, the investors are increasingly considering the sustainability factors while making their investments, thus, the concepts of Environmental, Social and Governance ("ESG") are evolving, therefore, the directors, senior managers and employees of such companies should advocate the best practices and ensure commitment to strengthen environmental, social and corporate governance areas in accordance with the global best practices. Salient features are as below:

- To encourage the management to adopt digitalization to enhance efficiency and to protect the environment.

- To promote and ensure compliance with ESG policy of the company, if any;
- To encourage philanthropic activities, donations, contributions to charities and other matters of social welfare, in terms of sustainable practices;
- To encourage the management to publish or disclose regular reports on their ESG targets, environmental and social impact activities;
- To ensure that the company operates in an environmentally and socially responsible manner, while having strong governance practices in place;
- To ensure that the company adopts most efficient energy management system, prevention of energy waste and utilization of natural resources in responsible manner;
- To ensure commitment to prevent the wasteful use of natural resources and minimize any hazardous impact of the development, production, use and disposal of any of its products and services on the ecological environment in accordance with the applicable laws.

#### **4. 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.

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 or non-compliance or violation of law or policy by the company, other board members or employees must be reported in accordance with the procedures specified by the management., 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.

#### **5. 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.

#### **6. 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.

#### **7. 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