

## CODE OF CONDUCT

It is a fundamental policy of Saif Power Limited to conduct its business with honesty, integrity and in accordance with the highest professional, ethical and legal standards. The Company has adopted comprehensive Code of Conduct (Code) for members of the Board of Directors and employees. The Code defines acceptable and unacceptable behaviors, provides guidance to directors / employees in specific situations that may arise and foster a culture of honesty, accountability and high standards of personal and professional integrity.

### **Salient Features of the Code for the Directors**

#### **1. Conflict of Interest**

Each director must avoid any conflict of interest between the director and the Company, its associated undertaking. Any situation that involves, or may reasonably be expected to involve, a conflict of interest with the Company, should be disclosed promptly.

#### **2. Corporate Opportunities**

Directors are prohibited from taking for themselves personally, opportunities related to the Company's business; using the Company's property, information or position for personal gain or competing with the Company for business opportunities.

#### **3. Confidentiality**

Directors must maintain the confidentiality of information entrusted to them by the Company and any other confidential information about the Company and its associated or that comes to them, except when disclosure is authorized by the Chairman of the Board or legally mandated.

#### **4. Honesty, Integrity and Fair Dealing**

Directors must act honestly and fairly and exhibit high ethical standards in dealing with all stakeholders of the Company.

#### **5. Compliance with Laws, Rules and Regulations**

Directors shall comply with laws, rules and regulations applicable to the Company including but not limited to the Companies Ordinance 1984 and Listing Regulations of the Karachi Stock Exchange Limited.

#### **6. Encouraging the Reporting of Any Possible Illegal or Unethical Behavior**

Directors should take steps to ensure that the Company promotes ethical behavior; encourages employees to talk to supervisors, managers and other appropriate personnel when in doubt about the best course of action in a particular situation; encourages employees to report violations of laws, rules, regulations, company policies and procedures or the Company's Code of Conduct to appropriate personnel; and informs employees that the Company will not allow retaliation for reports made in good faith.

#### **7. Trading in Company Shares**

Certain restrictions / reporting requirements apply to trading by the Directors in company shares. Directors shall make sure that they remain compliant with these statutory requirements.

## **Salient Features of the Code for Employees**

### **1. Conflict of Interests**

Employees / trainees must not engage in activities or transactions which may give rise, or which may be seen to have given rise, to conflict between their personal interests and the interest of the Company.

### **2. Confidentiality and Disclosure of Information**

Employees / trainees are expected to safeguard confidential information and must not, without authority, disclose such information about company activities to any outside source or to employees / trainees who are not entitled to such information.

### **3. Political Contribution**

No funds or assets of the Company may be contributed to any political party or organization or to any individual who either holds public office or is a candidate for public office except where such a contribution is permitted by law.

### **4. Proper Recording of Funds, Assets, Receipts and Disbursements**

All funds, assets, receipts and disbursements must be properly recorded in the books of the Company.

### **5. Relations and Dealings with Suppliers, Consultants, Agents, Intermediaries and Other Third Parties**

The Company's relations and dealings with suppliers, consultants and other third parties should at all times be such that the Company's integrity and its reputation should not be damaged if details of the relationship or dealings were to become public knowledge.

### **6. Health, Safety and Environment (HSE) Policy**

Every employee / trainee at work must take reasonable care for the health and safety of him / her and others including visitors who may be affected by his / her acts or omissions at work and co-operate in company's efforts to protect the environment.

### **7. Smoking Policy**

Smoking and exposure of workplace to tobacco poses serious health hazard to the employee / trainees besides potential risks of fire and explosions considering this, smoking is permitted only in designated 'Smoking Areas'.

### **8. Seat Belt Policy**

As per policy it is mandatory for all the Company employees / trainees to fasten seat belts in the front seats of the vehicle while traveling.

### **9. Other Employment, Outside Interests, Civic Activities**

The Company does not allow its employees / trainees to take any part-time and / or full-time second employment during employees' / trainees' engagement with the Company.

### **10. Unsolicited Gifts**

Accepting gifts that might place an employee / trainee under obligation is prohibited. Employees / trainees must politely but firmly decline any such offer and explain that in accordance with the Company's instructions, they are unable to accept the offer.

**11. Family Connections and Employment of Relatives**

Any dealings between staff and outside organizations, in which they have a direct, indirect or family connection must be fully disclosed to the management.

**12. Company and Personal Property**

An employee / trainee must not take or use company property or the property of another employee / trainee without permission; nor must the employee / trainee use company property for private purposes without the management's permission.

**13. Alcohol and Drugs**

Alcohol in any form and the use of drugs, except under medical advice, is prohibited at all locations.

**14. Rumor Mongering and Gossiping**

Rumor mongering, persuasive allegations, accusations and exaggerations with the main purpose of negatively influencing and manipulating the minds and emotions of the fellow employees / trainees are strictly prohibited.

**15. Harassment**

It is the policy of the Company to promote productive work environment and not to tolerate verbal or physical conduct by any employee / trainee that harasses, disrupts, or interferes with another's work performance or that creates an intimidating, humiliating, offensive, or hostile environment.

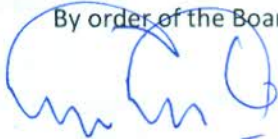
**16. Whistle Blowing**

In order to enhance good governance and transparency, the Company has introduced a whistle blowing policy. The policy provides an avenue to employees / trainees to raise concerns and report legal and ethical issues like fraud, corruption or any other unlawful conduct or dangers to the public or the Company. The Company follows the strict confidentiality policy to protect such whistle blowers.

**19. General Discipline**

Every employee / trainee must adhere to company's rules of service and make sure that he / she is familiar with all of them.

April 03, 2015  
Islamabad

By order of the Board  


SALIM SAIFULLAH KHAN  
Chairman