

CODE OF CONDUCT

SINDH INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED
(SIDCL)

Preface

Sindh Infrastructure Development Company Limited (SIDCL) formerly KIDCL is a public unlisted company fully owned by Government of Pakistan, incorporated under Companies Ordinance, 1984 on 02 June 2015 with a mandate to carry on the business of infrastructure and development, expansion and for planning, designing, implementation, construction and execution of infrastructure and developments in Karachi and any other areas.

The Management of Sindh Infrastructure Development Company Limited realizes the importance of conducting business with honesty, transparency and with good corporate governance. Therefore, the Company has retreated its responsibility and set up a code of conduct for its Directors and Employees.

The Company chalks out its policies on various subjects to achieve its goals in line with its vision, mission, objectives, and core values.

This Code is developed under Code of Corporate Governance for Public Sector Enterprises issued by SECP, which clearly sets out under Section 5- (4) that a code of conduct needs to be developed, disseminated and implemented.

CODE OF CONDUCT

It is a fundamental policy of the company to conduct its business with honesty, integrity and in accordance with the highest professional, ethical and legal standards. The company has adopted a comprehensive Code of Conduct (codes) for members of the Board of Directors and employees. The code defines acceptable and unacceptable behaviour, 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.

CODE FOR DIRECTORS

- **Conflict of Interests**

Each Director must avoid conflict of interest between the Director and company and its associated or subsidiary undertaking(s). Any situation that involves, or may reasonably be expected to involve, a conflict of interest with the company, should be disclosed promptly.

- **Corporate Opportunities**

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

- **Confidentiality**

Directors must maintain confidentiality of the information entrusted upon them by the company and its associated or subsidiary undertaking(s), except when disclosure is authorized by the Chairman of the Board or legally mandated.

- **Honesty, Integrity and Fair Dealing**

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

- **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, Public Sector Enterprise Corporate Governance Rules-2013.

- **Encouraging Reporting of Possible Illegal or Unethical Behaviour**

Directors should take steps to ensure that the company promotes ethical behaviour, encourages employees to talk to supervisors, managers and other appropriate personnel when in doubt about the best course of action in a particular situation. Encourage employees to report violation of laws, rules, regulations, company policies and procedures or code of conduct to appropriate personnel and inform them that the company will not allow any retaliation for reports made in good faith.

- **Trading in Company Shares**

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

- **Compliance Procedures**

Directors should disclose any suspected violations of this code promptly in the immediate subsequent meeting of the Board of Directors.

CODE FOR EMPLOYEES

- **Conflict of Interests**

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

- **Confidentiality and Disclosure of Information**

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

- **Political Contribution**

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

- **Bribes and Commercial Payments**

An employee/ trainee must not give or receive bribes or other payments, which are intended to influence a business decision or compromise independent judgment nor any employee/ trainee give money to obtain business for the company or receive money for giving company business to an outside agency.

- **Proper Recording of Funds, Assets, Receipts and Disbursements**

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

- **Agreements with Agents, Sales Representatives or Consultants**

Agreements with agents, sales representatives or consultants should state clearly the services to be performed, the amount to be paid and other relevant terms and conditions.

- **Relations and Dealings with Suppliers, Consultants, Agents, Intermediaries and Other Third Parties**

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

- **Health, Safety & Environment Policy**

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

- **Smoking Policy**

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

- **Seat Belt Policy**

As per policy, it is mandatory for all KIDCL employees/ trainees, contractors, visitors and other persons to fasten seat belts in the front seats of the vehicle while traveling.

- **Other Employment, Outside Interests, Civic Activities**

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

- **Unsolicited Gifts**

Accepting gifts that might place an employee/ trainee under obligation is prohibited. Employee/ trainee 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.

- **Family Connections and Employment of Relatives**

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

- **Company and Personal Property**

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

- **Alcohol and Drugs**

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

- **Gambling**

All forms of organized gambling or betting on the company's premises are forbidden.

- **Rumour Mongering & Gossiping**

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

- **Harassment**

It is the company's policy 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, creates an intimidating, humiliating, offensive or hostile environment.

Specific Guidelines for Employees on Harassment

Harassment is a type of discrimination that can take several forms such as:

- Threats, intimidation or verbal abuse
- Unwelcome remarks or jokes about issues such as race, religion, disability or age
- Displaying sexist, racist or other offensive pictures or posters
- Sexually suggestive remarks or gestures
- Inappropriate physical contact such as touching, patting, pinching or punching
- Physical assault

Employees are expected to maintain a productive work environment free from harassing or disruptive activity. At the same time, each supervisor and manager has the responsibility to keep the workplace free of any form of harassment.

Any employee who believes that a supervisor, manager or another employee's actions or words constitute unwelcome harassment has a responsibility to report or complain about the situation as soon as possible.

- **Grievance Handling**

KIDCL strives to provide a fair and impartial process to its employees/ trainees and ensure timely resolution of their grievance.

- **Whistle Blowing**

In order to enhance good governance and transparency, KIDCL has introduced a Whistle Blowing Policy. The policy provides an avenue to employees/ trainees and vendors to raise concerns and report legal and ethical issues like fraud, corruption or any other unlawful conduct or dangers to the public or environment.

- **General Discipline**

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

- **Reporting Violations/ Disciplinary Actions**

Any violation of this code shall be promptly reported to the Admin department/HR Committee of BOD by any employee/ trainee having knowledge thereof or reasonable belief that such a violation has occurred.

WHISTLE BLOWING POLICY

Sindh Infrastructure Development Company Limited (SIDCL) is committed to conducting its business and working with all stakeholders including employees, suppliers, customers, and shareholders in a manner that is lawful and ethically responsible. Therefore, Whistle Blowing Policy has been issued to enable all stakeholders to make fair and prompt disclosure of circumstances where it is genuinely believed that the Company's business is being carried out in an inappropriate manner or in violation of applicable laws, Company's policies, procedures and ethical values.

Actions covered under the Policy

This Policy covers any action which results, or is likely to result, in any misconduct which goes against Company's values, such as fraud, breach of Code of Conduct, theft, any action endangering the health and/or safety of any individual, etc.

Method of filing Whistle Blowing Complaint

Whistle Blower can file his complaint directly to the Chairmen of the Board Audit Committee or to the Company Secretary (Convener of Board of Director) or any other authority which he finds suitable for complaining the file.

Confidentiality and Protection Mechanism

The Policy assures that all complaints will be handled in complete confidence, and that the identity of the complainant will not be revealed to Management. In the unlikely event that the identity of Whistle Blower is revealed to any person in the Company, it will be ensured that the complainant is not subjected to any form of detrimental treatment.

Success of the Policy and its implementation

All stakeholders are responsible for the success of this Policy and should ensure that they use it to disclose suspected danger or wrongdoing. If a stakeholder has any question about the content or application of this Policy, he or she may contact the Internal Audit Department for obtaining necessary clarification.