

# **CODE OF CONDUCT FOR THE CHAIRPERSON, OTHER BOARD MEMBERS AND MANAGING DIRECTOR OF POWER GRID COMPANY OF BANGLADESH LID.(PGCB)**

This Code of Conduct is to serve as a guide to the Chairperson, other Board Members and Managing Director of PGCB Limited on the principles of integrity, transparency, ethics and to set up standards for compliance of Corporate Governance Code. This Code of Conduct has been adopted to meet with the requirements of BSEC vide notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under section 2CC of the Securities and Exchange ordinance 1969.

## **A. Compliance with Laws, Rules and Regulations:**

The Chairperson, other Board Members and Managing Director shall:

- a. endeavour to ensure that organization abides by all the provision of the Bangladesh Securities and Exchange Commission Act, 1993, Securities and Exchange ordinance 1969, Securities and Exchange rules, 1987, Company Act, 1994, Dhaka Stock Exchange (listing) Regulations, 2015, Chittagong Stock Exchange (listing) Regulations, 2015, Corporate Governance Code, 2018 and regulations framed thereunder and the circulars, directions issued by BSEC and Government of Bangladesh from time to time;
- b. endeavour to compliance at all levels so that the regulatory system does not suffer any breaches;
- c. honour the time limit stipulated by Board of Directors for corrective action;
- d. always act in accordance with applicable laws and regulations and considering the best interest of the stakeholders of PGCB Ltd.;
- e. not support any decision in the meeting of the Board of Directors which may adversely affect the interest of stakeholders of PGCB Ltd..

## **B. Prudent Conduct and Behavior:**

The Chairperson, other Board Members and Managing Director shall:

- a. place priority for redressing stakeholders grievances and encouraging fair trade practice;
- b. endeavour to analyses and administer the company issues with professional competence, fairness, impartiality, efficiency and effectiveness;
- c. submit the necessary disclosures/ statement of holdings/dealings in securities as required by regulator from time to time as per their Rules or Articles of Association;
- d. unless otherwise required by law, maintain confidentiality and shall not divulge/disclose any information obtained in the discharge of their duty and no such information shall be used for personal gains;
- e. maintain the highest standards of personal integrity, truthfulness, honesty and fortitude in discharge of their duties in order to inspire public confidence and shall not engage in acts discreditable to their responsibilities;
- f. perform their duties with attitude and constructively support open communication, creativity, dedication, and compassion;
- g. not engage in any turpitude, dishonesty, fraud, deceit, or misrepresentation or any other act prejudicial to the administration of the organization or against the interest of the stakeholders.



**C. Meeting and Minutes:**

The Chairperson, other Board Members and Managing Director shall:

- a. not participate in discussions on any subject matter in which any conflict of interest exists or arises, whether pecuniary or otherwise;
- b. ensure that their comment are incorporated in the final minutes;
- c. insist on the minutes of the previous meeting being placed for approval in subsequent meeting;
- d. ensure regular progress report of the previous board meeting decisions;
- e. endeavour to have the date of next meeting fixed at each meeting of the Board of Directors in consultation with other members of the Board of Directors.

**D. Strategic Planning & Supervision:**

The Chairperson, other Board Members and Managing Director shall:

- a. participate in the formulation and execution of strategies in the best interest of PGCB Ltd. and contribute towards pro-active decision making at the governing Board of Directors level;
- b. give benefit of their experience and expertise to the organization and provide assistance in strategic planning and execution of decisions;
- c. endeavour to supervise and monitor progress of execution of strategic planning and decisions ensuring optimum use of resources and best interest of PGCB Ltd.

**E. Honesty, Integrity, Fairness and Accountability:**

The Chairperson, other Board Members and Managing Director shall:

- a. observe the highest standards of ethical conduct and integrity and work to the best of their ability and judgment;
- b. act in good faith, responsibly, with due care, competence and diligence, without being biased or allowing their independent judgment to be subordinated or compromised in any manner;
- c. act in the best interest of PGCB Ltd. and fulfill their fiduciary obligation;
- d. being entrusted with the responsibility to oversee and formulate the policies for the management and affairs of PGCB Ltd., conduct their activities, on behalf of PGCB Ltd. and on their personal behalf, with honesty, integrity and fairness in the interest of good corporate governance.
- e. at all material times act in good faith with honesty and accountability and with due care, competence and diligence;

**F. Conflict of Interest:**

The Chairperson, other Board Members and Managing Director shall:

- a. not enter into any transaction or engage in any practice, directly or indirectly, that would tend to influence him/ her to act in any manner other than in the best interest of PGCB Ltd. or its stakeholders;
- b. should make a full disclosure to the board of any transaction that they reasonably expect, could give a rise to an actual conflict of interest with PGCB Ltd. and seek the board's authorization to pursue such transactions;



promptly disclose their relationships with other individuals, firms or body corporate wherever such relationship may affect their independence of judgment while performing their duties and responsibilities towards PGCB Ltd. in their respective capacities.

**G. Confidentiality with Information:**

The Chairperson, other Board Members and Managing Director shall:

- a. maintain confidentiality of information entrusted to them to carry out their duties and responsibilities. Confidential information includes any information relating to PGCB Ltd.'s business, customers, suppliers, employees etc., which is not available in the public domain and to which the Board of Directors has access or they possesses such information because of their position in PGCB Ltd..PGCB Ltd.'s confidential and proprietary information shall not be inappropriately disclosed or used for the personal gain or advantage of any director.

**H. Health, Safety and Environment:**

The Chairperson, other Board Members and Managing Director shall:

- a. strive to provide a safe and healthy working environment and comply, in the conduct of its business affairs, with all regulations regarding the preservation of the environment of the territory it operates in;
- b. be committed to prevent the wasteful use of natural or any resources and minimize any hazardous impact of the development, production, use and disposal of any of its products and services on the ecological environment.

**I. Independency:**

The Chairperson, other Board Members and Managing Director shall:

- a. perform their duties in an independent and objective manner and avoid activities that may impair, or may appear to impair, their independence or objectivity or official duties.

**J. Prohibition of Insider Trading:**

The Chairperson, other Board Members and Managing Director shall:

- a. not derive benefit or assist others to drive benefit by giving investment advice from the access to and possession of information about PGCB Ltd. in any manner;
- b. prevent insider trading in shares of PGCB Ltd. and comply with all insider trading guidelines issued by Bangladesh Securities and Exchange Commission.

**K. Relationship with Employees, Customers & Suppliers:**

The Chairperson, other Board Members and Managing Director shall:

- a. encourage employees of PGCB Ltd. to report violations of laws, rules, regulations or this Code to the appropriate personnel;
- b. have no relationship, pecuniary and non-pecuniary, with any customers and suppliers that may adversely affect the interest of PGCB Ltd..

