



Institute of Financial Markets of Pakistan

(Formerly Institute of Capital Markets)

IFMP CODE OF CONDUCT



1. OBJECTIVE

To ensure that Institute of Financial Markets of Pakistan (IFMP) conducts and is seen to conduct its operations in accordance with highest ethical consideration complying with all statutory regulations and universally accepted standards of a good corporate citizen. The IFMP's core values are Ethics, Integrity, Team Work, Dedication and Innovation. It is towards this end of fostering the core values in the corporate culture of the Institute that the IFMP has adopted this Code of Conduct (the Code).

2. APPLICATION

In compliance with the requirements of clause No. v (a) of the Code of Corporate Governance, this Code applies to all Directors and Employees of the IFMP.

3. IMPLEMENTATION

The Code implies as follows:

3.1. Use of IFMP's assets / record keeping

The Directors and employees of the IFMP seek to protect the IFMP's assets and to ensure that the IFMP's assets and services are used solely for legitimate business purposes of the IFMP. The use of IFMP's funds for political contributions to any organization or to any candidate for public office is prohibited.

3.2. The IFMP must make and keep books and records that accurately and fairly reflect the IFMP's transactions and the disposition of its assets in accordance with International Accounting Standards (IAS) and applicable laws & regulations.

3.3. Any accounting adjustments that materially depart from IAS must be reported to the Audit Committee of the Board, Board of Directors and the IFMP's statutory auditors. In addition, any off-balance-sheet transactions, arrangements and obligations, contingent or otherwise, and other relationships of the IFMP with unconsolidated entities or other persons that may have material current or future effects on the financial condition, changes in financial condition, results of operations, liquidity, capital expenditures, capital resources or significant components or revenues or expenses must also be disclosed to the Audit Committee of the Board, Board of Directors and the IFMP's statutory auditors.

3.4. Legal Compliance & Conflict of Interest

The Directors and employees adhere in letter and spirit to all laws and conform to the



accepted standards of good corporate governance and avoid conflict of interest. The conflict of interest, if any real or perceived including potential conflicts must be notified to IFMP in writing immediately. (A conflict of interest may arise when a Director or an employee is in a position to influence a decision or situation that may result in personal gain for such employee or the employee's family or friends at the expense of the IFMP or its customers).

3.5. The Directors and Employees shall not place themselves in a position where their loyalty to the IFMP becomes divided for any reason including their direct or indirect financial interest in a competitor, supplier, consultant or customer.

3.6. The IFMP respects the interests of all the stakeholders and enters into transparent and fairly negotiated contracts. It will do business with customers and suppliers of sound business character and reputation only. All business dealings by the IFMP with third parties shall be on an arm's length and commercial basis.

3.7. Corruption

The Directors and employees reject corruption in all forms – direct, indirect, public or private and do not directly or indirectly engage in bribery, kick-backs, payoffs, or any other corrupt business practices. No employee of the IFMP shall accept any funds, loans, favors or other assets (including those provided as preferential treatment) to obtain business from the IFMP or that might tend to influence an employee's business decisions. Acceptance of any gift will be subject to IFMP's Policy.

3.8. In the course of their normal business duties, employees may be offered entertainment such as lunch, dinner, theatre, a sporting event and the like. Accepting these offers is appropriate if those are reasonable and occur in the course of a meeting or on an occasion the purpose of which is to hold bona fide business discussions or to foster better business relations. Employees should not accept tickets or invitations to entertainment when the prospective host will not be present at the event with the employee.

3.9. Employees may offer tips of hospitality of a customary amount or value for routine services or exchange of customary reciprocal courtesies to prompt general business goodwill provided it does not influence business decisions or dealings of the IFMP.

3.10. Confidentiality

The IFMP respects the privacy of data relating to individual persons (whether employees or third parties) which it may hold or handle as part of its information processing activities



or otherwise. Employees maintain confidentiality of the IFMP's and its customers' confidential information which is disclosed to them.

3.11. The Directors and Employees may not take advantage of the IFMP's information or property, or their position with the IFMP, to develop inappropriate personal gains or opportunities.

4. GENERAL

The IFMP is an equal opportunity employer and does not discriminate on the basis of sex, color, religion or creed.

4.1. Employees may offer tips, gratuity or hospitality of a customary amount or value for routine services or courtesies received as per IFMP policy.

4.2. If an employee becomes aware that another employee has violated this Code, he or she is obligated to report that violation to the IFMP.

4.3. Responsibility for Enforcement / Interpretation

All Directors and Employees of the IFMP are responsible for the continuing enforcement and compliance of this Code. If any employee has any question about any part of this Code, he or she should direct such question to his or her immediate supervisor or to the IFMP Secretary. Non-compliance with this Code will result in disciplinary action as per rules of the IFMP.

4.4. Good faith reports of the violations will be promptly and thoroughly investigated. All employees must cooperate in the investigation of reported violations.

4.5. The Investigating Officer will not, to the extent practical and appropriate under the circumstances, disclose the identity of anyone who reports a suspected violation or who participates in the investigation.

4.6. The IFMP does not permit retaliation against an employee who in good faith seeks advice or reports misconduct. Retaliation in any form against an individual, who in good faith reports a violation of this Code or the law, even if the report is mistaken, or who assists in the investigation of a reported violation, is itself a serious violation of this Code. Anyone who engages in retaliation will be subject to disciplinary action, including termination from the service of the IFMP.