



Code of Conduct & Ethics

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United Commercial Bank Limited

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1.0 Preamble

The term UCB, or the “Company”, as used in this Code of Conduct & Ethics policy refers to United Commercial Bank Ltd. and each of its direct and remote subsidiaries and affiliates, either alone or as a group.

The principal objective of this “Code of Conduct & Ethics” policy is to protect the interests of customers, owners and employees, stakeholders of the bank as well as the counterparties, in addition to the wider interests of the society as a whole. This policy includes a series of principles representing the ethical values, considered as ideal standards for the professional conduct, and a series of conduct qualities, each employee must possess in practice and in dealing with colleagues, customers and other stakeholders.

The term ‘Code of Conduct’ underscores the commitment to compliance with laws and regulations; alerts employees to critical issues that require consideration and caution; helps to detect and prevent actions that may violate the Bank’s policies or compromise its reputation.

Ethics is an entire body of principles and measures, which investigates the values, norms and rules that govern the individual and social relations of the humans, from a moral viewpoint which is essentially based on the parameters of right-and-wrong, good-and-bad, etc. Professional ethics regulates the relations between the individual members of a profession and the relations of these members with the rest of the society, while corporate ethics identifies a corporate behavior culture by introducing certain rules in dealing with the problems stemming from inside or outside the organization.

BRPD of Bangladesh Bank issued “Code of Conduct for Banks & Non-Bank Financial Institutions” vide their Circular No.-16 dated 06/11/2017 for proper implementation of ‘National Integrity Strategy’ in banking sector. In light of that circular UCB has prepared & introduced this ‘Code of Conduct & Ethics’ policy.

UCB expects all directors, officials & employees (i.e. including permanent, temporary and contractual) to share its commitment to high moral, ethical and legal standards. This Code of Conduct & Ethics policy applies to all divisions, departments and service units in the ‘Company’, to all employees. Compliance with this Code by all stakeholders is mandatory.

2.0 Introduction

All Members of the Board of Directors and its committees, employees of all levels and categories of UCB, business partners and service providers and receivers to and from banks are expected to display the highest standards of professionalism and commitment to ethics and integrity in all of their conducts. It is also strongly expected that they all in every act and at all times would pay due respect, care and consideration to others and putting the public interest first.

Directors of Board, members of different Committees of the Board and Management of UCB are individually and collectively remain committed and responsible to excel the practice of corporate governance principles in their institutions and activities by placing due attention and weights on the compliance of best ethical standards and integrity as recommended by the regulators for enhancing the internal and external credibility and establishing transparency.

3.0 Purpose

This Code is intended to document some of the specific principles of ethics and conduct which shall be followed by directors, officers and employees in the performance of their responsibilities related to business and activities. The purpose of the Code is to promote:

- Compliance with applicable laws and regulations.
- Integrity, honesty and ethical conduct.
- A work environment free of Conflicts of Interests.
- Fair, accurate, timely and understandable disclosure to the public.
- Respecting banking secrecy law and protecting confidential information.
- Internal reporting of violations of this Code.
- Accountability for non-compliance to this Code.

4.0 Stakeholders:

4.1 Government and Regulators

- a. Ministry of Finance (MOF);
- b. Bangladesh Bank (BB);
- c. National Board of Revenue (NBR);
- d. Bangladesh Securities and Exchange Commission (BSEC);
- e. Bangladesh Investment Development Authority (BIDA);
- f. Comptroller and Auditor General of Bangladesh etc.

4.2 Investors, Beneficiaries, Analysts/Researchers and External Auditors

- a. Shareholders and market investors;
- b. Business community, including chambers, associations and business clubs;
- c. Rating agencies and the users of ratings;
- d. Financial analysts/financial professionals;
- e. External Auditors;
- f. Brokers and dealers in shares, securities, debentures etc,

4.3 Customers and Clients

- a. Customers and users of goods/products and services;
- b. Suppliers-both backward and forward linkages; and
- c. Service providers and receivers of all categories.

4.4 Staff and staff associations/clubs

- a. Employees of all levels;
- b. Trade Unions/Welfare Associations;
- c. Consumer Welfare Associations;
- d. Other interest groups such as ethicists, environmentalists, gender welfare groups, etc.

4.5 Others

- a. Civil society-elite groups;
- b. Social Media-print and electronic;
- c. Authorities of related books and journals, and advertising Agencies;
- d. Brokers and dealers;
- e. Whole sellers and retailers;
- f. Agents and facilitators; and
- g. Stockiest and Transport and Courier Companies.

5.0 Basic professional and institutional obligations

For attaining and upholding public attention and customer/users and stakeholders' confidence, UCB has to make it sure that each of their officials & employees perform their assigned job with utmost honesty and integrity, along with highest professional attitude and aptitude. Each member of all categories must be firm in their performance for the benefits of their organization and must avoid conflict of interest.

5.1 Code of Conduct for Employers

There shall be a pleasant working environment in the organization in terms of presence of well set and well defined compensation package, clearly set goal orientation, as well as performance-led job description for officials & employees of all levels. The employer must ensure the scope for both professional and career development of the officials & employees. Such an environment with well designed strategic and logistic support would reinforce the satisfaction of the employees, which will ultimately make them loyal to the organization and its culture.

Working environment as well as procedures in UCB shall be well designed and well maintained so as to make it reasonably and promptly responsive to the customer needs, along with compliance of legal and regulatory requirements. Hence, the officials & employees shall therefore be made well-trained and well mannered in order for discharging their jobs efficiently, which will eventually enhance the goodwill of the institution and thereby, expand the customer base and market share. Importantly, to motivate the employees towards the goals of the organization and enable them to perform to the best of their levels, responsibilities be clearly defined and carefully be allocated along with requirements and procedures for accountability and performance reporting and evaluation.

5.2 Some specific compliance guidance

- a. At all times the stakeholders shall act in a professional and ethical way, and uphold the highest standards of honesty, trust, fairness, integrity and diligence;
- b. Every stakeholder shall consider the risks and implications of their actions and in principle, should feel accountable for them, and for the potential adverse impacts;
- c. All in the company/organization shall take firm promise to comply with all current regulatory and legal requirements, and adopt endeavor to follow best industry practices;
- d. All information be used and handled with best care and due diligence be applied to ensure highest confidentiality and preserving sensitivity;
- e. Prevent and avoid potential conflict of interest that may arise and influence one whilst he/she performs;
- f. Serve customers, colleagues and counterparties with due care. Respect their desires and serve them with responsibility if they asked for, or help them voluntarily;
- g. Set the service standard for the organization that reflects professionalism that also expresses values and attitudes, as well as positive behaviors;

- h. Equip employees to carry out their duties with due regards to the technical and professional standards expected by qualified customers. Encourage the staffs continuously to develop and maintain their technical and professional knowledge and level of competence; and
- i. Train and encourage the staff/officials to act with complete integrity towards customers, colleagues, counterparties and others with whom they may come into contact.

The ethical conduct of all officials & employees of UCB and the reputation of the profession depend largely on their approaches and attitudes at all levels. Standards of integrity, ethics and professionalism cannot be created or maintained by written rules alone, rather this depends upon the integrity and behavior of those engaged as professionals in the industry. Thus the responsibility of UCB is to adopt and uphold integrity and professional ethics in their respective institutions and service standards.

5.3 Serving Customers and the Stakeholders

For ensuring standardized services and ethical business development, UCB shall identify the existing and potential users, side by side with the selection of service providers at various levels. Efficient and effective selection and categorization would enable it to make proper business plan.

5.4 Service Provider

- a. Analyze and determine customer base and review and understanding their needs effectively;
- b. Add in and provide product and service excellence with integrity and sincerity;
- c. Provide with secured and advanced banking facilities-products and services;
- d. Be fair and well-committed in serving the customers and stakeholders;
- e. All services sold or served be passed - through the legal and regulatory processes; and
- f. Each type of stakeholders' involvement and concern be clearly defined and clearly understood.

5.5 Encouraging people for knowledge and skill enhancement

- a. Providing opportunities for professional development;
- b. Evaluating performance objectively; and
- c. Applying Banks/NBFIs values & principles consistently.

5.6 Delivering to Partners

- a. Adherence to good corporate governance practices;

- b. Protecting intellectual property;
- c. Protecting reputation of Banks/NBFIs; and
- d. Strengthening competitive behavior.

5.7 Being Proactive

- a. Anticipating and embracing changes;
- b. Encouraging and rewarding innovation responsibly; and
- c. Maintaining and sharing accurate and useful information.

5.8 Working in Teams

- a. Remain individually and make others accountable for every action;
- b. Refrain from favoritism and bias;
- c. Extract value from different perspectives;
- d. Work jointly and collectively; and
- e. Acknowledge and appreciate value for both individual and team contributions.

5.9 Respecting Each Other and reciprocity

- a. Recognize and respect human dignity;
- b. Provide/establish a working environment free of harassment and intimidation;
- c. Comply with social and occupational health & safety regulations; and
- d. Protect organization from damage/loss of physical assets.

5.10 Guarding against Arrogance

- a. Celebrate successes and achievements with modesty;
- b. Meet the legitimate expectations of stakeholders; and
- c. Express personal identity with dignity, courtesy and tolerance.

6.0 Responsibility

6.1 Responsibility to Shareholders

- a. UCB shall preserve the lawful benefits and interests of their shareholders;
- b. Shall make utmost endeavor to maximize profit and increase payout ratio for the stakeholders; and
- c. Shall make best effort to maximize company profit and manage the same ethically and properly.

6.2 Responsibility to Customers

To satisfy the customers-needs efficiently, UCB requires to:

- a. Understand and honor the customer needs, as well as serve them indifferently, promptly and honestly;
- b. Ensure complete secrecy of customers` affairs/account information at all times unless asked by any competent court or any other lawful authority;
- c. Issue notice with reasonable time in case of closure of bank accounts for any legitimate reason(s);
- d. Provide customers with requested account statement accurately and promptly;
- e. Keep the customers updated regarding any suspicious operations in his account;
- f. Exercise due diligence in the operation of customer accounts; and
- g. Keep customers fully informed with all banking and financial products.

6.3 Responsibility to Community/Society

All banking and other financial activities of UCB must comply with the recognized/established legal, regulatory, as well as social/community norms, customs and values.

6.04 Commitment to the Environment

Environmental and climatic protections are among the most pressing global challenges of the time. All of these shall be taken into account in all areas of lending/ financing. Emphasizing on the areas of energy and climate change while lending, UCB would support the process of sustainable economic growth of the country. Officials & employees of UCB must have firm commitment to choose and do the right things, along with the compliance of legal requirements. They must consider structural and non-traditional risks management options that inherent to banking and other financial activities side by side with the management of traditional financial risks, such as credit risk, market risk and operational risk etc. Risks inherent to environmental and social events/activities also need to be taken into consideration.

7.0 Property and Information

7.1 Property of UCB

Key responsibility of UCB shall be to protect and safeguard the organization's property, not to use it for personal purposes/gain use and abide by the followings-

Official & employee of UCB shall follow the operational and IT security manual meticulously while using property of the organization;

- a. He/she needs to ensure the fair value of assets while these are acquired and disposed off if an Official & employee works as member of asset acquiring/disposal committee.
- b. He/she shall not participate in the name of other person in the supplying of materials to bank or selling UCB's old assets.
- c. He/she shall protect the pilfering of stationeries, stealing, embezzling or misappropriating money, funds or anything from UCB.
- d. He/she shall apply own judgment and ethical concerns in using organization's phones, electronic mail or computing systems for personal requirement.
- e. He/she shall refrain from using the organization's Letter Head for personal correspondence.

7.02 Information Security

UCB shall take reasonable care to keep secure their information from unauthorized disclosure and exchange. Any confidential information it receives on clients, or any details of the transactions of its clients shall be preserved with utmost security. Unless asked by any lawful and competent court/authority, exchanging or disclosing of information will be treated as a serious violation of ethical standard, and shall be treated as a breach of contract.

7.03 Invisible Property

- a. An Official & employee shall not use the corporate brand and goodwill of UCB for non-official purposes like taking house rent, renewal of car license, buying own flat and other assets.
- b. The use of official designation for any personal gain should be prohibited.

7.04 Intellectual Property of Others

An official or employee shall be cautious about the intellectual property rights of others. For example, he/she shall not provide performance report of one customer to other, not use logo of third party in purposes which are not allowed in the franchise agreement, not use the CIB report of third party and refrain from plagiarism of other bank's/NBFI's credit analysis for personal gains or purposes.

7.05 Bank's Information

While performing the official task, an official or employee of UCB shall have access to information that is not generally available to the public or that is considered confidential for managerial or administrative purposes. This may include information related to banks, customers, suppliers and current and former officials or employees, as well as system- and

bank-related information. He/she shall not disclose this information unless authorized by competent authority.

An official or employee of UCB shall not provide any information to third party without prior approval of competent authority. He/she shall not disclose the unpublished and sensible information of the institution related to its performance, strategy, system, policies etc.

7.06 Customer Information

An official or employee shall not accede to or use customers' information excepting related business purposes. He/she shall protect the confidentiality and security of customer information.

7.07 Information of Government Agencies'

Any information of govt. agencies like ACC, NBR, BB, BSEC etc. shall not be disclosed without prior approval of competent authority.

7.08 Employee Information

An official or employee shall keep all information of the organization, either current or old, secret and confidential.

7.9 Suppliers' Information

An official or employee shall keep information about the purchase of goods or services confidential. Price quoted, methods, business policy etc. of the vendors should not be disclosed.

8.0 Use of Position

The officials & employees in all positions of UCB shall have to abide by their respective Code of conduct for the sake of both institutional and national integrity. It is expected that an official shall use his/her position and delegated power to do his/her jobs appropriately. Any deviations of this shall be treated as abuse of position and power. Generally such deviations are found out for following two reasons:

8.01 Private Gain:

An official or employee is supposed to exercise his/her power attributed to his/her position for the benefit of the institution as well as the country. But it becomes injurious and illegal if the exercise of his/her power relating to his/her position is led towards personal benefit. It is tantamount to corruption or misuse of

power and position and it is quite contradictory to national integrity. Therefore, the use of position of an employee in any institution for any private gain is strictly prohibited.

8.02 Endorsement/ Nepotism:

The endorsement of one's position is also similar to the abuse of position. Sometimes, dignitaries may not directly take any benefit by using their power and position. However, they may pave the path for benefits for other persons by making such unlawful use and authorization of position and power.

The aim of a dignitary should be serving the people or nation without bias. If any activity makes his/her own people benefited unusually and thereby frustrates the others, it shall be treated as partiality and nepotism. So, a dignitary shall not be involved in such activities.

While there is no prohibition against the employment of close relatives, the integrity of the professional process must be maintained.

In order to ensure fair treatment for all employees of the Bank, avoid discrimination and being biased, every employee should disclose the name of his/her close relatives and shall not serve on a committee; make personal recommendations or decisions, influence any person making decision such as appointment, retention, transfer, advancement or promotion affecting a close relative.

Close relative means father, mother, wife, brother, sister, son, daughter, first cousins, nephews, nieces, uncles/aunts, brother-in-law, sister-in-law, son-in-law etc.

9.0 Conflicts of Interest

The conflict of interest is often a very strong hurdle on the way of implementation of national integrity strategy. When an employee thinks of his/her personal interest from his/her official position, a question of conflict of interest arises. The statute allows him/her to serve his/her own gain, or interest at the cost of employing institution or the state. It is a statutory as well as an ethical obligation for an employee to keep himself/herself away the personal interest. Whatsoever the circumstances, the employees must avoid the conflict of interest as long as they hold positions in the organization. Availing any kind of undue or illegal benefit/facilities irrespective of forms, shall be treated as deviation from the required standard of services. Therefore, it is the policy of the Company to prohibit its employees from engaging in any activity, practice, or conduct which conflicts, or appears to conflict, with the interests of the organization. Because it is impossible to describe all of the situations that may cause or give the appearance of a conflict of interest. An official or employee shall have to refrain from doing the following:

- a. Performing his duties with a view to preserve/protect his own benefits at the cost of his employer.
- b. Involving in any kind of financial activities relating to his personal gain.
- c. Giving any advice, consultancy, direction or suggestion to anybody or to any institution that may cause for losses to his employer;
- d. Any practice/exercise that may benefit him at the cost of institution's assets either monetary or non-monetary;
- e. Doing anything that may damage the goodwill, image and reputation of the institution;
- f. Doing anything that may hamper the secrecy and privacy of any affairs/information of the company;
- g. Involving or taking part in any business dealing like share holding, profit sharing, partnership of any business company or manufacturing industry or servicing centre for their personal benefit;
- h. Getting any unusual or illegitimate benefits directly, or indirectly for himself/herself and family or family members, and relatives either explicitly, or implicitly by disguising identity;
- i. Receiving any charitable contribution from others and/or make any charitable contribution to his family members and relatives if those charitable contributions are made by/under his power and position;
- j. Receiving any gift (in cash or kind) from those who are directly benefited or assisted by his office or by his power and position.

The above noted issues are least in the list, but not exhausted. Any unusual act made/done by the official(s) or employee(s) shall be considered within the trap of conflict of interest and be reviewed within the purview of offences.

10.0 Engagement in Other Employment

An official/employee shall not:

- a. Engage himself in any commercial activity or pursue such activity either on his own account or as agent of others ;
- b. Accept any outside employment, honorary or stipendiary, without prior approval/consent of the competent authority in the current employing institution; and
- c. Undertake part time work except those, which may be requested to be accepted or undertaken by competent authority.

11.0 Private Trade or Employment

Subject to the other provisions of this Code of conduct, no official/employee shall, except with the previous permission of the competent authority, engage in any trade or undertake any employment or work, other than his/her official duties.

Any official/employee may undertake honorary work in social, religious or charitable organizations and also may engage in occasional work of a literary or artistic character/nature, which may include publication of one or a few literary or artistic works, provided that his/her official duties do not hamper/suffer thereby. But the employing authority, at any time, may forbid him to undertake it or ask to abandon it if there exists valid reason/s to do so.

11.01 Procedure for Applying in Outside Employment:

Eligible application of temporary, or permanent employees of the organization for outside employment shall be dealt with on the basis of the following principles:-

- i. a. Application for appearing in the competitive examinations of Bangladesh Public Service Commission and in other government, semi-government entities/institutions including state owned/specialized banks, private banks and other public/private entities/institutions shall be forwarded.
- b. Applications for employment in International Organizations where Bangladesh is a member and for employment under Foreign Governments shall be forwarded provided that all such applications are processed through the concerned/competent channels of Government of Bangladesh.
- ii. Applications from all categories of employees for employment in the autonomous bodies including public and private university shall be forwarded.
- iii. Any application for outside employment which does not fulfill the above conditions shall not be forwarded.
- iv. In case of employment opportunities abroad, the applicants must pay their liabilities with the employer and thereafter, submit resignation letter abiding by concerned rules and regulations of the employing Bank/NBFIs. When an employee is released for outside (foreign) employment and the question of lien arises, such an issue shall be governed by the service rules of the banks concerned. This would be followed both in cases of temporary and permanent foreign employment. However, UCB can depute any of its official/employee to

any work or institution of their own, onshore/off-shore offices, branches, affiliated offices/institutions, subsidiaries and such placements/deputations might be governed by the service and/or other related rules.

11.02 Teaching, Speaking & Writing

Employee considering authorship or publication of a book, article etc. and speaking in front of the media which is not commissioned by the organization but which could in any way be connected with their work or employment at the organization should seek guidance from the management through HR before entering into any commitment. Any publication or public speaking of an employee should not tarnish the image of the organization vis-à-vis regulatory bodies of the country. The same considerations apply to the publication of material on the world-wide web and social media. No employee shall make any communication regarding the affairs of UCB to the press or any other media, nor publish any article containing data, comments or opinions on banks or other affairs in any newspaper which may involve the bank, without obtaining prior approval of the competent authority.

12.0 External Pressure/Approach to Member of Parliament, Political Leader, Board Members etc.

No employee of UCB shall, directly or indirectly use any political or other type of influence or attempt to bring any influence of the Board of Directors of his/her organization for his/her employment, increment, promotion, transfer or any other personal gain.

13.0 Acceptance of Gifts and Foreign Awards

- i. No employee of UCB shall, without prior permission of the competent authority, accept by him/herself, or permit any of his/her family member to accept any gift from any person that make him/her obligated in official position to the gift providers. If anyone sends gift items via postal or courier services may be received but will immediately be handed over to the higher authority for disposal.
- ii. If any question arises whether the receipt of a gift places an official or employee under any form of official obligation to the donor, the authority will take action against such activity.
- iii. If any gift is offered by the head or representative of a foreign state or organization which may arise conflict of interest, the employee concerned should attempt to avoid acceptance

of such a gift if, s/he can do so without giving offence. If, however, s/he cannot do so, s/he shall accept the gift and shall report to the authority for orders as to its disposal.

- iv. No employee of UCB shall accept a foreign award, title or honor without the approval of the competent authority.

14.0 Fair Treatment of Counter-parties

All relationships with external counter-parties should be conducted in professional and impartial manner. Vendor selection and hiring decisions shall be made objectively and in the best interest of the organization based on evaluation of integrity, suitability, price, delivery of goods/service, quality and other pertinent factors. Employee should commit to fair contract and payment terms with them in return of good service at a good price supplied; in a responsible manner.

Employee's personal relationship with contractors, suppliers and vendors if any, shall be disclosed to the Top Management at the time of entering into the negotiation and should not influence decisions made on behalf of the organization. Negotiations with customers and potential customers shall be conducted in a professional manner and subsequently comparison of Cost & Benefit to be presented to the competent authority. Vendors or suppliers shall not be used for any personal purposes, so as to have any conflict of interest while dealing with them.

15.0 Anti-Money Laundering

Money Laundering legislations criminalize money laundering in respect of several crimes including drug trafficking, terrorism, theft, tax evasion, fraud, handling of stolen goods, counterfeiting and blackmail etc. It is also an offence to undertake and/or facilitate transactions with individuals and entities involved in criminal activities.

UCB shall not do business with drug traffickers, money launderers and other criminals. It shall formulate Anti Money Laundering Policy following regulatory body's guidelines to enable all employees to follow the policy meticulously.

Employees shall exercise requisite diligence in selecting those with customers/counter-parties while conducting business. They shall adhere to processes in place for checking the credit and character of customers and counter parties. These processes ensure customer's due diligence and ongoing monitoring of their customers to detect suspicious transactions during the entire period of the relationship.

16.0 Accuracy of Records and Reporting

Organization's books, records, accounts and reports shall accurately reflect its transactions and must be subject to an adequate system of internal controls and disclosure controls to promote the highest degree of integrity. An employee shall ensure that records, data and information owned, collected, used and managed by him/her for the organization are accurate and complete. Records shall be maintained as per policy of the organization in sufficient details so that these may reflect accurately the Organization's transactions.

An employee shall assist in maintenance of appropriate records so as to ensure that financial transactions are prepared in accordance with generally accepted accounting principles and that they fairly present the financial conditions and result of the Organization. He/she shall observe standards of good flavor regarding content and language when creating business records and other documents (such as weekly/monthly/quarterly statement, e-mail etc.) that may be retained by the organization. Non-maintenance of these records that come into employee's notice and any misappropriation or tampering of records, needs to be reported to the relevant authority. An employee shall not represent any report/claim for his/her personal gain or to protect him/herself.

17.0 Fraud, Theft or Illegal Activities

Employees shall be vigilant about the frauds, theft or illegal activities and shall not engage in such activities at any cost. If any such activity comes into any employee's notice, he/she shall immediately report the same to his/her immediate superior/s or management to protect the interest of the organization. He/she shall act as a whistle blower thereby under the whistle blowing policy of UCB.

18.0 Working Environment

18.01 Health & Safety

Adequate attention is always accorded to the health and safety of the employees, i.e. deployment of both physical and technical surveillance on premises to minimize possible threats to security. Physical premises are under regulatory requirement to conduct periodic drills for a systematic approach both to prevent any security breaches as well as to promote a culture of security and safety awareness. This involves managing health and safety care as any other critical business activity with periodic reporting, appraisals and improvements made.

18.02. Workplace Environment

Energizing the workplace is one of the key factors of any organization. All employees of the organization are responsible to keep the workplace friendly, congenial, transparent, free from harassment & corruption etc. and ensure the cohesiveness among the colleagues.

19.0. Team Work

Teamwork and co-operation is an important aspect of the work ethics in the organization. UCB shall leverage on the dynamics of collective skills, knowledge and experience to achieve the best for the stakeholders. UCB admits its employees as human capital and recognizes the pivotal role that meritocracy plays in setting rewards and penalties for safeguarding the interests of its employees. It respects the incidence of conflicts arising in the workplace and seeks amicable resolution of contentious issues in a manner that is constructive, open, honest and ultimately beneficial to all parties involved.

20.0 Diversity

UCB respects all employees as unique individuals with fundamental human rights and supports the cultural and ethnic diversity of its workforce. It believes that creating a work environment that enables to attract, retain and fully engage diverse talents, leads to enhanced innovation and creativity in the services of the organization.

21.0 Employees' Grievance

A grievance is defined as any type of problem, concern, dispute and complaint related to work and the work environment that cannot be resolved through normal day to day communication. Grievances may arise due to differences in perception, misconduct, unfair treatment, intra-personal problems of individual employees, dissatisfaction with working conditions etc. If employees have a grievance, they should try to resolve this informally first. But, if the complainant feels unable to tackle the complaint informally, and cannot reach a satisfactory conclusion through the informal process, he/she may pursue a formal grievance mitigation application.

22.0 Compliance with Laws, Rules and Regulations

UCB employees are expected to comply with the laws, rules and regulations governing the Organization's business vis-à-vis regulatory bodies. No individual is expected to know the details of all applicable laws, rules and regulations, but individuals shall be knowledgeable about specific laws, rules and regulations that apply to their areas of duties and responsibility.

23.0 Fair & Equal Employment Opportunity

UCB is committed to provide equal opportunity in employment on the basis of individual merit and personal qualifications to employees and applicants for employment. Every individual has the right to work in a professional atmosphere that promotes equal and legal employment opportunities and where discriminatory practices, including harassment are strictly prohibited.

24.0 Harassment

- i. UCB is committed to provide a work environment where all employees can work free from harassment on ground of religion, age, gender, family background, ethnicity, personal appearance etc. UCB shall not tolerate any type of harassment by directors, employees, supervisors or others. All employees shall treat each other with respect and courtesy. Harassment in any form including verbal and physical conduct, visual displays, threats, demands and retaliation is strictly prohibited.
- ii. UCB is committed as employers to create an environment which is free from all forms of harassment and discrimination towards women. Any harassment or discriminatory behavior directed at female employees based on their background, gender, religion, race, color, ethnicity, national origin, age, marital status, physical condition, personal appearance, and status shall be dealt with appropriate disciplinary action. Harassment towards female colleagues shall include making of derogatory or provocative comments, physical violence, inappropriate jokes, and unwanted physical contact, use of epithet, comments or innuendo, obscene or harassing telephone calls, inappropriate content exchange through e-mails, letters, SMS, notes or any other forms of communication.

25.0 Zero Tolerance to Violence Whistle Blower in the Workplace

UCB shall prohibit any acts of violence or threats of violence by any employee against any other person at any time. Mutual understanding and respect toward all employees is an essential element for excellence in professionalism, existence of safe and healthy work place, and maintenance of a corporate culture, which serves the needs of the community. UCB shall bear zero tolerance for violence against any member of the workforce or its property.

26.0 Special Responsibilities of Superiors

In addition to responsibilities as employees, superiors shall abide by the:

- a. **Duty of selection** - Carefully select the employees for a job in light of their personal and professional qualifications.
- b. **Duty of Instruction** - Formulate obligations in a precise, complete, and binding manner, especially with a view to ensuring compliance with provisions of instructions.
- c. **Duty of monitoring** - Ensure that he/she meets the expected deliverable on regular basis and comply with provisions of applicable laws and regulations, on a constant basis.
- d. **Duty of communication** - Communicate to the employees that any violation of the applicable laws/regulations is disapproved of and shall have disciplinary implications.

27.0 Fair Treatment of Customers

Treating customers fairly and without prejudice fosters good rapport and helps to build long-term sustainable business relationships. Moreover in the advent of global financial crisis, both local and global law-makers and regulators are increasingly focusing on ensuring that the organizations employ fair practices in dealing with customers. In this backdrop UCB entails:

- a. Ensuring that communications are fair, concise, clear and not misleading so that clients are fully aware of the product features, relevant fees and associated risks for financial products and services;
- b. Creating products which meets customer needs and takes into account their financial situation, profile and risk tolerance;
- c. Providing quality customer service, delivering on service level promises and handling complaints in an efficient, prompt and friendly manner; and
- d. Identifying and managing possible customer conflicts in an open and clear way.

28.0 Privacy and Security of Clients/Stakeholders Information

- i. In order to provide financial services, UCB shall collect, maintain and use the personal information of clients in a manner which allow them to provide better and more tailored products and services and better meet the clients' financial needs and objectives. All information gathered from customers/clients during the course of providing service shall be considered confidential.
- ii. All information of an individual's employment in UCB shall be considered confidential unless it is clearly stated otherwise (or the situation arises whether he/she has been authorized to do so) and shall be used only for the performance of said job duties in line with all rules,

regulations, laws and other policies governing the individual's employment. Furthermore, the information shall be kept confidential and secure even after leaving the employment of that particular institution.

29.0 Transparency and Accuracy of Financial, Tax and other Reporting

UCB shall ensure that their reports and communication is true, complete and accurate and shall not be misleading. UCB shall maintain transparency in their business operations and dealings with clients, stakeholders and regulators.

30.0 Interaction in Print, Electronic and Social Media

All media (print, electronic and social) inquiries shall be forwarded to personnel from Public Relations/Corporate Affairs/Corporate Communications or any other department which has been authorized to initiate contact with the media on behalf of the organization. UCB shall ensure that a consistent message in compliance with the governing laws and regulations is broadcasted.

The advent of social media has enabled people from across the globe to have information at a rapid pace which may at time be sensitive in nature and thus it is particularly important to ensure that social media sites and tools are used by the employees and management of UCB responsibly and with good judgment in compliance with the company's policies which restrict the disclosure of confidential information about the company, its operations, policies and procedures, employees, customers and other stakeholders or any other information that compromises internal controls and safety requirements.

31.0 Guidelines for 'Speak Up Policy'

It is vital that UCB adopts a 'Speak up Policy' to uphold their commitment to the code and to maintain a culture of strong ethics and integrity. Any misconduct by personnel serves to harm not only the reputation and financial performance of that particular organization but also ultimately undermines trustworthiness of the industry itself.

Management shall establish a formal policy, procedure, channels and open environment where staff are confident in raising concerns about any misconduct and are free from the fear of victimisation.

32.0 Personal Investments and Insider Trading

Insider trading is the abuse of confidential information and is defined as a malpractice relating to the exchange of a company's securities by individuals who by nature of their job have access to crucial price

sensitive information which is otherwise non-public in nature and thus this gives them a competitive advantage over other investors and undermines the credibility of the financial system. As such, employees and other representatives of UCB are prohibited from partaking in trading of publicly traded securities (including the securities of their place of employment) for personal gain (or for the gain of the members of their household) if they possess material non-public information about the security or the issuer. It is to be noted that insider trading also encompasses giving 'tips' to another person, encouraging anyone else to deal or dealing on behalf of anyone else based on other non-public 'inside' information. Furthermore, employees and other representatives of UCB shall not make any personal investment in an enterprise (including in a public or private company that does business transactions or is a supplier or competitor of their place of employment) if the result of this investment affects or appears to affect his/her ability to make any unbiased business decisions in favor of his/her employment as thus resulting in a conflict of interest.

33.0 Arranging Seminar / Workshop / Training

UCB shall organize and sponsor seminars/workshops/debates and discussions in order to promote ethics, integrity and compliance standards within the organization in specific and the financial services industry in general.

34.0 Automation / Digitalization of Business Process

In today's business environment, advancements in technology and administrative functions are increasingly leading to the automation and digitalization of business processes. UCB shall take necessary steps to ensure that any such advancement does not compromise the integrity of information security and that the guiding principles of the Code of conduct are duly complied with.

35.0 Employee Conduct outside the Office Premises

Employees and representatives of UCB shall realize that their conduct outside the workplace reflect on their place of employment and thus shall take necessary actions to ensure that the above mentioned service conduct must encompass outside workplace activities as well so that behavior/actions do not compromise the business interests, safety and security or confidentiality of their place of employment. As such, employees shall exercise caution while interacting with outside entities so as to not be perceived negatively by the media, society or the communities in which they operate. Moreover, affiliations with certain entities which may result in conflict of interest or disclosure of confidential information are to be strictly avoided.

36.0 Grooming, Etiquette and Compliance with the Dress Code

UCB shall ensure an official grooming standard which is suitable to the culture and values of Bangladesh. For relationship managers and other front office personnel (or sometimes even back office personnel) it is important to realize that he/she is often the first point of contact for any customer and as such his/her conduct, grooming, etiquette, proficiency and overall service quality will reflect on their place of employment. It is therefore important not only to make a great first impression, but also to continue to repeat such behavior throughout all interactions with the customers.

37.0 Post-Employment Activities and Responsibilities

It is probable that during the course of their employment staff members and other representatives of UCB may be privy to sensitive information about the company, customers and other stakeholders and business processes which can be confidential in nature and also of proprietary nature for the particular organization. As per the Code of conduct (as well as the exit clauses of their employment contracts) employees shall act with highest standard of integrity and refrain from divulging such information.

38.0 Responsibilities of Ethics Committee to Uphold the Code of conduct

- i. This policy has been developed in line with guideline of Bangladesh Bank. The Board of Directors as well as the management of the organization shall be responsible for proper implementation of this Code of Conduct & Ethics policy.
- ii. The members of the Ethics Committee of UCB in their corporate capacity have a responsibility to promote the code of conduct effectively and lead by example in embedding the code in their everyday work. Any instance of breach of code of conduct shall be dealt with appropriate disciplinary procedure. Ethics committee shall have an annual work plan and periodically monitor their progress against the work plan.

39.0 Recognition & Award

UCB shall have reward programs that take into account not only the performance of the employee but also the way how the performance was achieved. Rewards system should be designed in a way which encourages compliance to code of conduct and highest level of integrity. Ethics Committee of UCB under the guidance of MD/CEO shall develop the reward policy for the bank.

40.0 Disciplinary Procedures and Actions

UCB shall have a laid down disciplinary procedure which is in compliance with local laws and ensures fair treatment to employees. This shall ensure that employee's disciplinary matters are judged fairly, transparently, consistently and proportionately, using appropriate processes and achieving fair outcomes. Any disciplinary actions undertaken shall take into account on the basis of gravity of the misconduct, previous records (if any) and any other extenuating or aggravating circumstances which may exist.

41.0 Compliance with the Code of Conduct

- i. All new employees joining in UCB as well as all existing employees must have commitment to the code of conduct and duly sign a statement of compliance attesting the same.
- ii. At all times every employee shall act in a professional and ethical manner and uphold the highest standards of honesty, trust, fairness, integrity and diligence:
 - a. Consider and value the risks and implications of each employee's actions, make them accountable for works to be performed, and for the impact their actions may have on others;
 - b. Comply with all current regulatory and legal requirements, and endeavor to follow best industry practice;
 - c. Keep scope to adopt/incorporate with future changes in this code of conduct and in or any part/paragraph/point of this code of conduct;
 - d. Make information reliable and appropriate, and use them with confidentiality and sensitivity;
 - e. Be alert to and manage potential conflicts of interest which may arise whilst performing their role, motivate them not act for personal gain or advantage;
 - f. Treat all customers, colleagues and counterparties with respect and take responsibility for the advice and services provided to them;
 - g. Senior staffs should lead by example and act as positive role models to others; and
 - h. Continuously develop and maintain technical and professional skill and knowledge and competence of the work force; and
 - i. Uphold the name and reputation of UCB and the profession.



United Commercial Bank Limited

Employee Declaration

(To be submitted to the HRMD at the time of joining)

I Mr./Ms. confirm and declare that:

- ❖ I have read and understand the terms of employment applicable to me and the provisions of United Commercial Bank Ltd. Code of Conduct and Ethics.
- ❖ I shall during the course of my service with the Bank or in the event of cessation of my service in the future, due to any reason whatsoever, for a period of 6(six) months from the date of cessation, directly or indirectly, either on my own accord or on behalf or in conjunction with any other person(s), firm(s) or company refrain/desist from canvassing or soliciting attempting to or including any employee(s) business associate(s) to leave their current employment with the Bank to join the services of any new employer/firm/company or any other competitor of the Bank.
- ❖ I am aware that any act in contravention of the above provision on my part shall attract initiation of appropriate action as deemed fir by the Bank.
- ❖ I shall disclose to the Bank the following details, whenever required by the Company:
 - All bank accounts being held by me- either singly or jointly with other family members
 - Investment made in immovable property including sale of such property
 - A statement that I have no material interest or any other conflicting interests, in any person who is a party to a material contract or proposed contract with the Bank.

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Employee Signature