

FAQS

Code of Conduct & Ethical Standards 2018

Q1. Why Code of Conduct needs to be filled up?

It is a mandatory requirement of Security Exchange Commission of Pakistan (SECP).

Q2. Who must follow the code?

All UBL permanent and contract employees must adhere to and comply with UBL code of conduct.

Q3. What is the significance of Code of Conduct?

UBL Code of Conduct spells out what is expected from every member of the UBL family. This Code of Conduct serves to define the behavioral framework for our conduct at work. It describes how we put our values of Customer First, Honesty of Purpose, Teamwork, Excellence and Meritocracy into practice. The Code defines expectations from employees towards all stakeholders and provides guidance for employees and everyone who works on our behalf.

Q4. What is conflict of interest?

Conflict of interest (COI) could arise when an employee is in a situation where there is a possibility of compromising business interest.

Any action leading to a potential business compromise whether it is financial or non-financial. Employees are expected not to put themselves in a COI and in case a potential conflict could arise, they should immediately disclose it to their supervisors and HR. Employees are advised to take clarity on these matters from HR.

Q5. What are the possible risks which can harm the bank's reputation?

- Employees need to be extra careful while interacting among themselves, with the customers or even interacting with media accidentally or in a planned manner.
- Employees should avoid receiving any gifts from colleagues or customers, specially taking or giving money for any reasons. The bank has policies in place for the guidance of employees which can be asked from HR for guidance. Under no circumstances should any gift be accepted from current or potential vendors / suppliers either by the employee or by any immediate member of the employee's family.
- UBL's internal ethical standards are the result of shared moral convictions. Rationale like "everyone in the market does it" or "our competitors do it" cannot be considered as permission to deviate from our standards.
- Compliance with laws, regulations and ethical standards is an important element of your obligations as an employee of UBL to our customers, our shareholders, the general public and other staff. It is part of an employee's responsibility to take compliance seriously. Each employee of the Bank should think of compliance as a personal responsibility and should be expected to be held accountable for all compliance related activities.

Q6. Why employee is prohibited to participate in political activities?

As per guidelines of the State Bank of Pakistan, all UBL employees are required to strictly adhere to and comply with bank policies to create a conducive work environment. Wherein employees can give their best performance without any pressure or influence. To ensure such an environment on the instructions of SBP, a circular has been issued prohibiting any political affiliation and participation. It is clearly mentioned in that circular that if need be on arising such a situation bank will report the matter to SBP & Law Enforcement Agencies.

Q7. Why is so much emphasis on Customer Treatment?

SBP is the Regulatory body of banking industry and focuses on provision of best services to be provided to the customers. Fair Treatment of Customers (FTC) is a regulatory approach that seeks to ensure that specific, clearly articulated fairness outcomes for financial services customers are demonstrably delivered. The Bank has developed its “Consumer Protection Framework 2015”. The details are specifically mentioned in COC booklet.

Q8. How to prevent Money Laundering (ML) and Financing of Terrorism (FT)?

It is very simple, fully conform to regulatory requirements and strictly follow the bank policies. In case of any ambiguity, escalate the matter to your supervisor/functional head.

Q9. What is considered as confidential information?

While working for the bank one should understand that all the work related information regarding customer or bank itself is considered to be confidential information.

Q10. What is Insider trading?

As per securities laws, “Insiders” include employee’s relatives and others who have access to employee. Any use by the “insider” of material non-public information for trading securities or by disclosure by way of “tips” to third parties is dubbed as “insider trading”.

Q11. What care needs to be taken with customers, vendors and counterparties?

It is not only necessary for employees to discipline their own actions, but also to be aware of the character and actions of customers, vendors, and counterparties. Bank policies should not be compromised in any circumstances.

Q12. What is Personal investment policy?

This policy is part of Compliance manual and covers buying and selling of UBL shares. It restricts such transactions in closed periods to certain Executives details of which are mentioned in the COC booklet.

Q13. Why confidentiality of information is important?

As a custodian, bank is responsible to protect information shared by its customers and suppliers during the course of business. The same information must not be disclosed to any third party except pursuant to applicable laws and regulations. Confidential information may contain customer details, reported suspicious transactions, UBL business or business development plans, products & services that would be useful to competitor or important to an investor in deciding whether to purchase, hold or sell any shares of a customer or supplier of UBL.

Q14.How to prevent Fraud, theft or illegal activities?

Employees should remain vigilant at all times during performance of their duties. Any violation of banks polices, illegal activities or any other action which employee thinks could be a potential risk for bank's financial or reputational loss should be reported immediately. On the outset it should be reported to the immediate or next level supervisor, if not than to Compliance and Audit Group. The employee may also blow the whistle as per bank's Whistle Blowing Policy.

Q15.What are major offences?

Following are construed as major offences:

- An employee issuing an incorrect account statement, salary certificate or any other information for any customer or staff member.
- An employee issuing a nonexistent or fake receipt for reimbursement of any expenses whereby the expenses are inflated. Additionally, pocketing of any difference between salaries claimed for driver, guard etc., and what is actually paid to them is also considered a mis-declaration.
- Solicits or accepts any advantage as an inducement or reward for doing or intending to commit any act in relation to UBL's affairs or business.
- Shows or intends to show favor or disfavor to any person in relation to UBL's affairs or business.
- Offer any advantage to anyone as an inducement or reward for or otherwise.
- Intends to deceive UBL by using any receipt, account or other document which is false or erroneous or defective in any way, and which to his / her knowledge is intended to mislead UBL.

Q16.What I need to declare?

- That I have not been declared as a defaulter in payment of any financial obligation/loans to a banking company, a financial institution or a non-banking financial institution. I have never been declared as a defaulter by regulator nor is my name placed on credit bureau report of any regulator. The Bank at its will can check the credit bureau report whenever required.
- That I have not been convicted by any court of law and have never been declared incompetent by any regulator to perform a specific job / function.
- That in case of any default in any of my financial obligations towards UBL on consumer products / staff loans being offered / sanctioned by UBL, the Bank will have all the rights to recover the said staff loans / consumer products liabilities, if any, from me as may deem fit and proper with or without intervention of the

court of law and the Bank, may in order to recover the same, have the right to adjust the said loan from my salary, block the entire salary or offset my outstanding against UBL, at the time of separation of services, by offsetting my Provident Fund, Gratuity Fund or any other receivables.

- That in case of my adjustment / off setting against my outstanding staff loans / consumer liabilities, if any, from my salary, Provident Fund or Gratuity Fund or any other receivables, I and / or any member of my family shall not raise a claim or file any litigation against UBL, for that matter.
- That while in the employment of UBL;
 - I will not engage in any other outside employment including during the period of Leave Preparatory to Retirement (LPR).
 - I will inform UBL about any business activity of my spouse and children whether independent or with any partner(s).
 - I will not engage in any commercial business, either on my own account or my spouse/children or as an agent for another or others.
 - Undertake part-time work for a private or public body or private person or accept fee thereof.
- I confirm that I will not participate in public affairs, or carry out part time job / directorship without obtaining a prior “No Objection Certificate” from Human Resources. If so, I shall notify the same in writing to the Company Secretary.
- I further declare that I will ensure in case of any change in my status as given at the time of signing the COC, I will in a timely manner notify Human Resources of any changes in information / details, provided in the acceptance such as relative hires during the year, holding other positions or change in contact details.
- I hereby declare that currently I have the following relatives working in UBL or deployed at UBL through a 3rd party. Relatives include the employees’ real and step parents, brothers, sisters, spouse(s), children, nephews & nieces (children of brothers & sisters), Aunts & Uncles (Brothers & sisters of the employees parents and their respective spouses), first cousins (children of Aunts & Uncles), parents in law, brothers & sisters in law (due to marriage)”. I will give a written disclosure and shall not indulge in any of the below activities;

Q17.What are the consequences in case of failure to follow the code of conduct?

- When an employee of UBL commits a breach of the policies, and does something detrimental to the interest of UBL, he / she may be subject to immediate termination by invoking the appropriate clause of the appointment letter or liable to disciplinary action in accordance with UBL’s disciplinary policy.
- UBL management, in its sole discretion, shall determine what act or omission constitutes misconduct, breach of trust or negligence of duty and its consequences with respect to any employee.