

**CODE OF CONDUCT FOR
THE BOARD OF DIRECTORS
OF**



The **ACME** *Laboratories Ltd.*

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OF

THE ACME LABORATORIES LTD.

INTRODUCTION

The Board of Directors of The ACME Laboratories Ltd. is committed to the highest standards of conduct in their relationships with ACME's employees, customers, members, shareholders, regulators and the public. This means conducting our business in accordance with all applicable laws and regulations and it also means commitment to the spirit of the law. Our actions should reflect ACME's values, demonstrate ethical leadership, and promote a work environment that upholds ACME's reputation for integrity, ethical conduct and trust. This Code is intended to provide a statement of the fundamental principles applicable to our Directors.

This Code of Conduct for the Chairperson, other Board Members and Chief Executive Officer has been adopted by the Board of Directors in its 92nd meeting of the Board held on 05 September 2018 and framed by the Company in compliance with the requirements of the Condition 1(7) of Corporate Governance Code vide Notification No.BSEC/CMRRCD/2006-158/207/ Admin/80 dated 3 June 2018 of Bangladesh Securities and Exchange Commission

The ACME Laboratories Ltd. has a long-standing commitment to compliance with applicable laws and regulations and to operating in accordance with the highest standards of business conduct.

DEFINITIONS

“Board” means the Board of Directors of The ACME Laboratories Ltd.;

“Board Member” means every Director of the Company as may be appointed from time to time which includes Sponsor Directors, Shareholder Directors, Nominated Director and Independent Directors of the Company;

“Code of Conduct” means this Code of Conduct for members of the Board including modifications as may be done from time to time.

“Company” means The ACME Laboratories Ltd.”

APPLICABILITY

This Code shall be applicable and binding on the Chairperson, other Board Members and Chief Executive Officer of the Company.

CODE OF CONDUCT:

PRUDENT CONDUCT AND BEHAVIOR

The Chairperson, other Board Members and Chief Executive Officer Shall carry out the business with due care and work with loyalty & in good faith for the best interests of the Company. They shall comply with all applicable laws, regulations, confidentiality obligations and corporate policies of the Company. They shall also perform their duty for the best interest of and fulfill their fiduciary obligations to company's shareholders.

CONFIDENTIALITY

The Chairperson, other Board Members and Chief Executive Officer shall maintain confidentiality of information in carrying out their duties and responsibilities. All confidential information must be held in confidence, unless authorized by the Board or otherwise permissible in accordance with this Code; or the same is part of the public domain at the time of disclosure; or is required to be disclosed in accordance with applicable laws.

CONFLICT OF INTEREST

The Chairperson, other Board Members and Chief Executive Officer of the Company shall not enter into any transactions, which are or are likely to be in conflict with interest of the Company save exceptional circumstances where prior approval of the Board would be required. They shall disclose to the board whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the Company. They shall not exploit for their own personal gain, opportunities that are discovered through use of corporate property, information or position, unless the opportunity is disclosed fully in writing to the Board and the Board declines to pursue such opportunity for the Company.

All transactions having conflict of interest should be carried out in accordance with law and be fully disclosed to the Board of Directors

COMPLIANCE WITH LAWS, RULES AND REGULATIONS

The Chairperson, other Board Members and Chief Executive Officer shall ensure compliance with the various legal/regulatory requirements as applicable to the business of the Company including Companies Act, 1994, Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange Ltd. (DSE), Chittagong Stock Exchange Ltd. (CSE), Central Depository Bangladesh Ltd. (CDBL), Registrar of Joint Stock Companies & Firms (RJSC), TAX & VAT Laws together with, any other relevant rules, laws, acts etc. of Bangladesh.

PROHIBITION OF INSIDER TRADING:

- The Chairperson, other Board Members and Chief Executive Officer shall comply with all laws, rules, and regulations governing trading in the shares of the Company and the Company's Code of Conduct for Prohibition of Insider Trading in dealing with the securities of the Company which, inter-alia, prohibits buying or selling of the Company's securities on the basis of any unpublished price sensitive information and prohibits disclosure of such information to any other person (including relatives) where such information may be used by such person for his or her personal benefit or gain.)
- The Chairperson, other Board Members and Chief Executive Officer should comply with the provision of the Companies Act, 1994 and applicable rules and regulations issued by the Bangladesh Securities Exchange Commission, Dhaka Stock Exchange and Chittagong Stock Exchange, in so far as they relate to prohibitions on insider trading.

RELATIONSHIP WITH ENVIRONMENT

The Chairperson, other Board Members and Chief Executive Officer should cause the Company to strive to provide a safe and, healthy working environment and comply, in the conduct of the business affairs of the Company, with all regulations regarding the preservation of the environment of the territory it operates in. The Company should be committed to prevent the wasteful use of natural resources and minimize any hazardous impact of the development, production, use and disposal of any of its products and services on the ecological environment in accordance with the applicable laws.

RELATIONSHIP WITH EMPLOYEES

The Chairperson, other Board Members and Chief Executive Officer shall ensure sound human resource to maintain congenial working environment and better career path. Their outmost

importance on the continuous development of human resources to enhance their competencies through continuous in-house and external training program and encourages people. They shall also assist the Company in further aligning its human resource policies, processes and initiatives to meet its business needs.

RELATIONSHIP WITH CUSTOMERS

The Chairperson, other Board Members and Chief Executive Officer shall work to maintain a good business relationship and liaison with its customers through proper business communication. They shall also work so that the company is committed to manufacture and market its products of the highest quality and standards as per customer needs backed by efficient market analysis and review with the requirements of the customers to ensure their total satisfaction.

RELATIONSHIP WITH SUPPLIERS

This Code contains general requirements applicable to all suppliers to Company.

It is imperative that the Board of Directors maintain a good business relationship and liaison with company suppliers. This shall be achieved through proper business communication. and by treating suppliers indifferently, fairly, promptly and honestly Directors must also ensure that the supplier is committed to supply the raw materials persistently to keep the production stream moving, as well as consider the availability, quality and price of raw materials.

INDEPENDENCY

- The Chairperson, other Board Members and Chief Executive Officer should remain independent in all material aspects.
- The Chairperson, other Board Members and Chief Executive Officer should act impartial to the Employees, Customers, Suppliers, Shareholders and other Stakeholders.

COMPLIANCE WITH THE CODE

This Code has not specifically addressed every potential form of unacceptable conduct and it is expected that the Chairperson, other Board members and Chief Executive Officer will exercise good judgment in compliance with the principles set out in this Code. The Chairperson, other Board members and Chief Executive Officer have a duty to avoid any circumstances that would violate spirit of the Code.

AMENDMENT TO THE CODE OF CONDUCT

The provisions of this Code can be amended/ modified by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee (NRC), from time to time and all such amendments/ modifications shall take effect from the date stated therein. The Chairperson, other Board members and Chief Executive Officer shall be duly informed of such amendments and modifications.

PUBLICATION OF THE CODE OF CONDUCT

Pursuant to Condition 01(7)(b) of Corporate Governance Code Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 of Bangladesh Securities and Exchange Commission, this Code of Conduct and any amendments thereto shall be published/posted on the website of the Company.