

CODE OF CONDUCT

FOR

SENIOR MANAGEMENT AND OTHER EMPLOYEES

PURPOSE

This Code of Conduct (the “**Code**”) has been adopted by National Bank Modaraba Management Company Limited (the “**NBMMCL**”) and First National Bank Modaraba (the “**FNBM**”) (hereinafter collectively referred to as the “**Company**”) in compliance with rule 5 of the Public Sector Companies (Corporate Governance) Rules, 2013 and regulation 10 of the Listed Companies (Code of Corporate Governance) Regulations, 2019 to ensure that professional standards and corporate values are in place that promotes integrity for the Board , senior management and other employees and prevent conflict of interest in their capacity as member of the Board and senior management.

Code describes and elucidates on the objectives and rules that reflect our commitment to responsible, ethically irreproachable and legally compliant behavior. It outlines the standards of behavior that are expected from the senior management and other employees of the Company in performance of their responsibilities and gives guidance in the areas where they need to make personal and ethical decisions.

The Board of Directors (the “**Board**”) of NBMMCL shall be responsible for disseminating the Code throughout the Company along with the supporting policies and procedures and these shall be put on the Company’s website.

APPLICABILITY

The Code has been formulated and approved by the Board of Directors of NBMMCL on February 26, 2026 and applies to Senior Management and other employees (collectively referred to as the “**Employees**”) of the Company for the governance of good corporate practices. Any issue relating to the interpretation of the Code will be handled by the Board.

BASIC PRINCIPLES:

1. Personal Conduct:

- a) Employees shall exhibit high standards of personal conduct, ethics and dignity both inside and outside the Company. They are expected to conduct themselves in a professional, courteous and respectful manner and exercise due diligence, objectivity, sound and independent judgement while performing the duties;
- b) Misconduct, intimidating & insulting behavior, verbal onslaught, accusations, misogynist behavior, sexual harassment, ignorance of regulatory framework, spate communication (letters, emails, etc.) without highlighting specific discrepancies, humiliation, pressurizing tactics, coerciveness, disruptive and distractive measures, bullying, disruption of conduct of business, unnecessary interference in management issues, unethically tarnishing image of any person will not be tolerated .
- c) Employees must not undertake any external activities during the working hours or at the expense of Company’s duties and commitments.

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2. Conduct in Business Dealings:

Employees must:

- a) Treat everyone, inside and outside the Company, professionally with respect and equality without taking improper advantage of their position;
- b) Ensure fairness and transparency in all acts and deeds relating to the business of the Company including its dealings with colleagues, customers, suppliers, vendors, competitors, auditors, attorneys and other stakeholders. Any act involving moral turpitude, dishonesty, fraud, deception, misrepresentation, manipulation, misuse of privileged information, concealment of facts or any other act prejudicial to the Company is not acceptable.

3. Honesty & Integrity:

- a) Employees shall act at all times with honesty, integrity, fairness and independence to protect Company's properties, reputation and image, and must not directly or indirectly engage in dishonest practices such as bribery, extortion, kick-backs, payoffs and all other forms of corruption.
- b) Exercise due diligence, objectivity, sound and independent judgement while performing the duties;
- c) Act in the best interests of the Company and fulfill their fiduciary obligations.
- d) To not involve in practices with the intention to get any undue advantage either for himself/herself or his/her family members.

4. Understanding of the Legal Duties & Compliance with Laws and Regulations

Employees shall :

- a) Acquire appropriate knowledge of the legal requirements relating to their duties to perform their obligations diligently and in compliance with the applicable laws, relevant guidelines and policies of the Company and to ensure compliance of applicable regulatory frameworks;
- b) Make dedicated efforts to improve competence and skills in their respective roles through continuing professional education and trainings;
- c) Bring to the notice of the Board, any non-compliance or violation of law or policy by the Company, its board members or employees.
- d) Ensure compliance with all the laws, guidelines, regulations and directives applicable to the Company including but not limited to NBMMCL's internal policies and procedures as may be amended from time to time and other applicable regulations and directives issued by regulatory and tax authorities including Securities & Exchange Commission of Pakistan, Pakistan Stock Exchange Limited , Central Depository Company of Pakistan Limited and Federal Board of Revenue etc.

5. Conflict of Interest:

A conflict of interest occurs when personal interest or interest of the third party competes with the interest of Company.

- a) Employees shall not get into any such business or practice that would tend to influence them in a way other than in the best interests of the company;
- b) Employees shall not engage in any business, relationship, activity or agreement that would result in the conflict of interest in any manner, other than those in the best interests of the company; If a Conflict of Interest situation arises, the employee must immediately disclose it to the Head of Department or Human Resource Department so that matter can be handled timely and in a professional manner.

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- c) Employees shall not receive gifts and other benefits from the outsiders having pecuniary and other interest.

6. Confidentiality:

- a) Any information concerning the Company's business, its customers, related parties, counterparties, suppliers, vendors, contractors, consultants and employees etc., which Employees have access or possesses such information by virtue of their position in the Company, must be considered confidential and held in confidence, unless authorised to disclose or when its disclosure is required as a matter of law.
- b) Employees shall not provide any confidential or sensitive information either formally or informally, to any third party, press or any other publicity media by any means of communication without permission of the Managing Director of the Company, except such information is required by Court of Law.
- c) Employees shall not use or intend to use the confidential and proprietary information for gaining unfair advantage and personal benefits, unless it becomes public.
- d) Employees of the Company are required to make fair and proper use of all electronic communications devices within the organization, including computers, e-mail, connections to the Internet, Intranet and extranet and any other public or private networks, voice mail, video conferencing, facsimiles, tokens, Digital Signatures and telephones. Any other form of electronic communication used by Employees currently or in the future is also intended to be encompassed under this Code. Employees of the Company are prohibited from making copies, in any form, of confidential information without prior consent of the Chief Executive Officer/Managing Director of the Company.
- e) All copies of correspondence, electronic data, documents, paper & records and list of clients or customers shall be surrendered to the Company when any employee leaves the Company's employment or is no longer affiliated or connected with the Company.

Confidential information: All information that is not shared or not yet shared with public. It includes any information related to the Company business, customers, counterparties, related parties, suppliers, vendors, employees etc.

7. Protection and Proper Use of Company Assets:

- a) Employees have a responsibility to safeguard and properly use Company's assets and resources, both tangible and intangible.
- b) Except as specifically authorized, Company assets, including physical assets, intellectual property, resources and proprietary information must be used solely for legitimate business purposes and not for personal benefits or gains.
- c) Company's information systems, including computers, networks, and data, must be used by the Employees responsibly and in accordance with applicable laws and policies. Unauthorized access, data breaches, and misuse of information systems will not be tolerated.
- d) Unauthorized use, theft, misappropriation or destruction of Company's assets will be considered a gross violation of this Code.

8. Insider Trading

Maintaining the highest standards of ethical conduct in the financial markets is a cornerstone of the Company's commitment to integrity. Employees shall not indulge in insider trading in FNBM's securities on the basis of unpublished price sensitive information concerning FNBM, subject to exceptions given in Part X -section 128 of the Securities Act, 2015 and ensure compliance with all relevant laws, regulations and policies on prohibition of insider trading.

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9. Money Laundering (ML) and Financing of Terrorism (FT)

An employee will be guilty of offence if, found involved in ML / FT activities in violation of regulatory instructions / policies issued from time to time.

10. Environmental, Social and Corporate Governance (ESG) Practices:

- a) Employees shall advocate the best practices and ensure commitment to strengthen environmental, social and corporate governance areas in accordance with the global best practices.
- b) Encourage the management to adopt digitalization to enhance efficiency and to protect the environment;
- c) Promote and ensure compliance with ESG policy of the company, if any;
- d) Encourage philanthropic activities, donations, contributions to charities, voluntary work and other matters of social welfare, in terms of sustainable practices;
- e) Ensure that the Company operates in an environmentally and socially responsible manner, while having strong governance practices in place;
- f) Ensure that the company adopts most efficient energy management system, prevention of energy waste and utilization of natural resources in responsible manner;
- g) Ensure commitment 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.

11. Diversity Equity and Inclusion (DEI)

Diversity is essential for the Company's business to thrive. Company respects individuals of all sexes, physical abilities, sexual orientations, nationalities, ages, industry backgrounds, religions, cultural, and ethical beliefs, races, genders, castes, as well as their opinions.

Board shall ensure to:

- a) Promote diverse and inclusive Board and Management composition
- b) Provide equal opportunities to all employees for employment in the Company irrespective of their culture, race, gender, caste and religion
- c) Promote a work environment free from discrimination, harassment and intimidations of any nature.

12. Weapons, Workplace Violence, Drugs, Alcohol and Gambling

Company is committed to maintaining a safe and respectful work environment for all employees. Weapons, violence, illegal drugs, alcohol, and gambling are strictly prohibited in the workplace.

13. Workplace Harassment

Company is committed to maintaining a workplace free from harassment, discrimination violence, and intimidation. Harassment based on race, religion, color, age, disability, gender, sexual orientation, nationality, marital status, cultural and ethical beliefs or cast or any other protected status is strictly prohibited.

14. Disciplinary Action

Company views breaches of this Code as a serious misconduct. Any non-compliance or violation of this Code will result in appropriate disciplinary action, which may include counselling, warnings, suspension, or termination of employment, depending on the severity and frequency of the violation. Examples of events constituting non-compliance with the Code include but are

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not limited to:

- a) Insider trading.
- b) Theft, fraud, dishonesty, misappropriation or embezzlement of Company's assets.
- c) Unauthorized disclosure of confidential information.
- d) Wanton abuse of the Code causing reputational risk, damage or financial loss to the Company.
- e) Frequent disregard or disobedience of rules or general orders.
- f) Acceptance of bribes or kickbacks.
- g) Involvement in Money Laundering and Financing of Terrorism.
- h) Unauthorized use of information systems.
- i) Workplace violence or harassment.
- j) Use of drugs or alcohol in the workplace.

Disciplinary actions will be determined by management and Human Resource Department, based on the circumstances of each case.

Waivers and Amendments

Any waiver of any provision of this Code must be approved in writing by the Board and appropriately disclosed. Based on the business requirements and applicable regulations, the Code may be amended by the Board from time to time.

Acknowledgement / Disclosure

Employees are required to read, understand and sign off the Code and disclose any deviation from any provision thereof, if any. Fresh signing off will be required whenever an amendment is made in the Code.

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Managing Director/Chief Executive Officer

ACKNOWLEDGEMENT OF CODE OF CONDUCT BY THE EMPLOYEE

I certify that, I have read and understood the contents of the Code of Conduct. I agree to conduct all my duties in accordance with the standards outlined in the Code of Conduct. I certify to the best of my knowledge, information and belief that I have not been engaged in any behavior which is unacceptable under this statement.

Name of Employee
Designation