

THE CODE OF CONDUCT FOR MEMBERS OF THE BOARD

1. Purpose and Scope

The business of the Board of Directors of Jamuna Bank PLC is governed by the provisions, rules, and procedures of the Companies Act, 1994 (as amended). In addition, the Bank operates under its own provisions as set forth in the Articles of Association. The Bank Companies Act, 1991 (as amended), along with rules, regulations, circulars, orders and directives issued periodically by Bangladesh Bank as well as Bangladesh Securities and Exchange Commission form key regulatory components that guide and control the functioning of the Board.

These laws and regulations collectively ensure that the Board conducts its affairs in accordance with established legal, regulatory, and governance standards in Bangladesh, promoting transparency, accountability, and prudent decision-making in the management of the Bank.

The code of conduct as followed by the Board has been developed as a matter of practices and conventions in this part of the world. It is expected that good working atmosphere prevails while making deliberations in the meeting. Discussions are held within the purview of the particular agenda of the meeting. It is not expected that the speaker is to be too assertive. Minority or majority shareholdings should not be a bottleneck in the smooth functioning of the Board. Decision/resolution should not be given violating credit restrictions as well as damaging the overall interest of the Bank. As per practice, the Managing Director of the Bank initiates discussion on any matter submitted in the Board. Other Directors participate in the discussion to assess the quality of the proposals and then come to a decision/resolution. This is a procedural necessity.

In accordance with the Companies Act, 1994 (as amended), the Bank Companies Act, 1991 (as amended), directives issued by the Bangladesh Securities and Exchange Commission, and prevailing banking sector conventions, the Code of Conduct for Directors may be summarized as follows:

2. Ethical Duties and Integrity

- 2.1. The Directors of the Bank shall exercise their powers and discharge their duties honestly, in good faith, and with due care, diligence, integrity, impartiality, and professionalism for the best interest of the Bank as a whole, while ensuring the highest priority to the interests of the Bank and its depositors.
- 2.2. Directors shall exercise their powers and discharge their functions acting collectively as a body, rather than individually.
- 2.3. The Directors should carry out their duties with reasonable care and exercise such degree of skill and diligence as is reasonably expected of persons of their knowledge and status.
- 2.4. In exercise of their duties, Directors shall comply with and abide by the provisions of the Companies Act, 1994 (as amended), the Bank Companies Act, 1991 (as amended), and all relevant rules, regulations, circulars, directives, and orders issued by the Bangladesh Bank, the Bangladesh Securities and Exchange Commission and Bangladesh Financial Intelligence Unit (BFIU), as well as any other applicable laws and regulations in force in Bangladesh.
- 2.5. Except with the prior consent of the Board of Directors of the Bank and, where applicable, subject to compliance with relevant regulatory requirements, no Director shall enter into any contract or arrangement with the Bank in which he or she has a personal interest, including but not limited to:
 - a. Any contract for the sale, purchase, or supply of goods, materials, or services;
 - b. Any proposal or sanction of a loan or credit facility that may, directly or indirectly, serve the Director's personal interest.
- 2.6. No Director shall directly or indirectly influence, recommend, insist upon, interfere with, or provide any informal, unauthorized, or policy-exempt instruction regarding the sanction, renewal, rescheduling, restructuring, waiver, or approval of any credit facility in favour of any individual, client, or related party. All credit-related decisions, including transactions involving related parties, shall be conducted strictly in accordance with the approved credit policies, risk management framework, prudential regulations, and applicable guidelines, circulars, and directives issued by Bangladesh Bank and other relevant regulatory authorities..

- 2.7. The Directors shall maintain strict confidentiality of all information, documents, and affairs of the Bank obtained in the course of performing their duties and shall not disclose, misuse, or allow access to such confidential information for personal gain or for the benefit of any unauthorized individual, entity, or institution. This obligation of confidentiality shall continue to remain binding even after resignation, expiry of tenure, or cessation from office.
- 2.8. The Directors will not involve themselves in any matter which may tarnish the image or reputation of Director him/herself or the Bank.
- 2.9. Every Director shall abide by the rules, policies, and decisions made by the Board from time to time.
- 2.10. Every Director shall strictly abide by the provision contained in the Articles of Association of the Bank.

3. Participation in meeting of the Board/its Committees

- 3.1. The Directors shall attend meetings of the Board of Directors or its committees to which they are appointed/nominated. They are not bound to attend all such meetings but they must ensure attendance as per Articles of Association of Jamuna Bank PLC as well as rules/regulations as per regulatory bodies.
- 3.2. Directors shall make every effort to attend meetings in time and shall not leave the meeting without valid reason or prior notice under normal circumstances.
- 3.3. Every Director present at any meeting of the Board of Directors or its committee (where he/she nominated) shall put his/her signature in the Attendance Register.
- 3.4. While deliberations are being made in the meeting, the Directors shall keep their mobile phones off to contribute to the effective deliberations.
- 3.5. In a meeting, every Director shall express their views and opinion freely. But he/she shall speak after getting the floor from the chair.
- 3.6. Directors shall refrain from side discussions or exchanging words among themselves during meetings.
- 3.7. Directors shall exercise courtesy, restraint, and discretion in their expressions to ensure that their words do not offend or hurt others.
- 3.8. Directors might have difference of opinion on any point. But decision of the majority shall be gracefully accepted and respected by all Directors.
- 3.9. The agenda of a meeting shall be decided by the Chairman/Chairperson. If any Director wishes to propose an agenda item, it may be referred to the Chairman/Chairperson for his/her consideration. The Chairman, at his discretion, may accept or reject the proposed item.
- 3.10. Directors shall not directly ask the Board Secretary to include/delete/edit any agenda which are to be discussed by the Board/Committee.
- 3.11. Directors shall not directly instruct the Board Secretary to include any of his/her opinion as a decision during the Board/Committee meeting. Only the Chairman/Chairperson of the Board/Committee shall reserve the right to instruct the Board Secretary about any decision in a meeting.
- 3.12. The minutes of a meeting shall be prepared by the Secretary of the Bank on the basis of the deliberations in the meeting. It will ultimately be considered by the Chairman of the meeting only and signed by him. No Director shall dictate the Board's Secretary in the process of preparation of the minutes of the concerned meeting. If any correction is necessary in the minutes, that can be done by a resolution and recorded in another minute. But in no case, the original minutes could be deleted, erased or crossed out.
- 3.13. Directors shall not convene, arrange, or attend any informal meetings without the knowledge of the Chairman/Chairperson that may adversely affect the interests of the Bank, except as provided in the Articles of Association of Jamuna Bank PLC.
- 3.14. The Directors shall communicate any affair of the Bank through submission in the meetings of the Board/Committee.

4. Conflict of Interest and Disclosures

- 4.1. The Directors are required to maintain strict secrecy about the affairs of the Bank.
- 4.2. The Directors of the Bank shall at all times act in the best interest of the Bank and avoid any actual or potential conflict between their personal interests and their duties to the Bank. They shall not use their position, authority, or influence for personal, family, business, or group interests, nor shall they directly or indirectly involve themselves in any transaction or activity that may compromise their independence, objectivity, or fiduciary responsibilities to the Bank.
- 4.3. No Director of the company, shall, as a Director, take part in any discussion of, or vote on any contract or arrangement entered into, or to be entered into, by or on behalf of the company, if he/she is in any way concerned or interested in the contract or arrangement.
- 4.4. The Directors are required to disclose their interest at a meeting of the Board. The disclosure should be made at the earliest possible stage.

- 4.5. The Directors shall disclose their interest in any affair of the Bank for consideration of the Board.
- 4.6. The Directors shall extend full cooperation in implementing the Anti-Money Laundering (AML) laws, rules, regulations, and directives issued by the Bangladesh Financial Intelligence Unit (BFIU) and other regulatory authorities, and shall not create any obstruction, influence, or interference in the process of reporting Suspicious Transaction Reports (STR) or Suspicious Activity Reports (SAR). The Directors shall also support and ensure the implementation of Enhanced Due Diligence (EDD) measures in relation to Politically Exposed Persons (PEPs) and other high-risk customers in accordance with applicable regulatory requirements.
- 4.7. The office of the Bank shall never be used as the office of any Director.
- 4.8. Directors shall not avail any protocol service from the Bank for their personal work/purpose having no linkage with the affairs of the Bank
- 4.9. The Chairman or any Director of the Bank may, however, use the Bank's protocol in the interest of the Bank provided his such service is requested by the Board and the protocol service to him for the purpose of the Bank is approved by the Board of Directors.
- 4.10. No Director/Independent Director, at his/her own accord, shall officially visit any Branches or premises of Bank's Head Office and shall make any query about any affairs of the Bank or shall make any contact directly to official(s) of the Bank. However, he/she may visit Bank's Branch(es) only for his/her own banking needs/affairs, if any.
- 4.11. The queries of the Directors shall be referred to the Chairman/Chairperson of the Bank. He/she will get the queries met.
- 4.12. The requirement of any paper/information of a Director from the management shall be made known to the Chairman/Chairperson and he/she will get them supplied by the management timely.
- 4.13. Every Director shall help establishment of congenial atmosphere in the Bank and shall prevent creation of any clandestine grouping within the workforce.
- 4.14. Directors shall not take anything personally.
- 4.15. The Directors need not exhibit in the performance of their duties a greater degree of skill than what can reasonably be expected of persons of their knowledge and experience. In other words, they are not liable for mere errors of judgments.

5. Responsibilities Toward Management

- 5.1. The Directors shall not interfere directly in the day-to-day affairs of the Bank or issue any instruction to the Management.
- 5.2. The Directors are not bound to give continuous attention in the affairs of their Bank. Their duties are of intermittent nature as are performed at periodical Board meetings and the meetings of any committee to which he is appointed.
- 5.3. A Director having regard to the exigencies of business and Articles of Association, may leave his/her duties to other Directors to be properly performed.
- 5.4. The Directors must not delegate their functions except to the extent authorised by the Companies Act or the Articles of the Bank.
- 5.5. Directors shall not entertain any official's approach to them for lobbying for promotion, posting, extra-facility etc.
- 5.6. Officers/Executives of the Bank are the assets of the Bank. They are the driving force for the growth and development of the Bank. Directors shall, therefore, treat them accordingly and shall not act or utter any such words as may hurt, demean or embarrass any employee anytime.
- 5.7. If any Director has any complaint against any Officer/Executive of the Bank, he/she will refer it to the Chairman/Chairperson of the Board for appropriate action.

6. Financial and Operational Responsibilities

- 6.1. The Directors shall not borrow from the Bank without the approval of the Board/Bangladesh Bank.
- 6.2. The Directors shall not open and operate 'Benami' Account in the Bank.
- 6.3. Directors shall not try to make any secret profit from the Bank.

7. Code Specific to Independent Directors

A. Governance and Oversight

- Act in the interest of good governance, sustainability and the long-term welfare of the Bank.
- Ensure compliance with the BSEC Corporate Governance Code, Bank Companies Act and other applicable regulatory frameworks.

- Report to Bangladesh Bank any material contraventions of laws or regulations by the Board or management.

B. Board Participation & Independence

- Attend Board and committee meetings regularly and provide independent judgment.
- Remain free from conflicts of interest and disclose annually any potential conflicts or material relationships with the Bank or its subsidiaries.
- Safeguard interests of depositors and minority shareholders.

C. Risk Management & Internal Control

- Oversee adequacy of the Bank's risk management framework, including credit, market, liquidity, operational and reputational risks.
- Participate actively in Audit and Risk Committees; ensure internal controls and internal audit are effective and deficiencies addressed.
- Review related party transactions for transparency and fairness.

D. Financial and Performance Oversight

- Ensure financial statements and disclosures give a true and fair view and comply with applicable accounting standards (IAS/IFRS as adopted in Bangladesh).
- Verify accuracy and transparency of regulatory and statutory disclosures.

E. Stakeholder and Depositor Protection

- Promote protection of depositors' funds and public confidence in the Bank.
- Support fair treatment of shareholders and timely disclosure of material information.

F. Strategic Guidance and Policy Review

- Contribute to development and approval of strategic direction, annual plans and key policies (credit, AML/CFT, IT security, HR, compliance).
- As NRC member, promote robust succession planning, meritocratic nomination and transparent remuneration practices.

G. Personal Conduct and Continuous Development

- Maintain high ethical standards, confidentiality and avoid operational involvement beyond the Board's remit.
- Keep skills and knowledge updated on regulatory, industry and governance developments.

H. Monitoring and Reporting

- The Audit Committee will periodically assess Independent Directors' contributions and attendance, and report to the Board.
- Independent Directors shall submit an annual self assessment report highlighting contributions and recommending governance improvements.

8. Implementation, Monitoring and Review

- The provisions of this Code of Conduct shall be implemented with due seriousness and in alignment with the internal governance framework of Jamuna Bank PLC. The Company Secretary shall ensure proper dissemination of the Code among all Directors and maintain appropriate records of their acknowledgment and compliance.
- The Board of Directors, through the Audit Committee and the Nomination & Remuneration Committee (NRC), shall periodically monitor adherence to this Code and assess the effectiveness of its implementation. Any observed non-compliance, deviation, or breach shall be reported to the Board for appropriate deliberation and corrective action.
- This Code shall be reviewed at regular intervals, or as deemed necessary, to ensure its continued relevance and alignment with evolving corporate governance standards. The Board shall also revise or update the Code in response to amendments in applicable laws, rules, regulations, directives of regulatory authorities, and recognized best practices.