

CODE OF CONDUCT

I. BACKGROUND:

Code of Conduct for the Chairman, Board of Directors, Managing Directors and Senior Management of Sunlife Insurance Company Ltd. on the duties and responsibilities, conflict of Interest, confidentiality, relationship with the environment, employees, customers and stakeholders, independence of the Board, compliance with the laws, Regulations and Rules.

Condition no. 1(7)(b) of Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission's Notification no- BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 and Condition 6.5 and 12 of the Insurers' Corporate Governance Guideline issued by the Insurance Development and Regulatory Authority (IDRA) notification dated 19.10.2023 no.53.03.0000.075.22.025.2020.230 require every publicly listed company in Bangladesh shall have Code of Conduct for the Chairman, Board of Directors, Managing Director/CEO and Senior Management. The Board of Directors is responsible to introduce the Code of Conduct the prior reviewed and recommended by the Nomination and Remuneration Committee (NRC). The code of conduct for the Chairman, Board Members, Managing Director and senior management of the Company including among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, social and governance (esg), employees, customers and suppliers; and independency.

II. INTRODUCTION

The Board of Directors hereby introducing its Code of Conduct to provide guidance to its members regarding prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with ESG, employees, customers and suppliers; and independency.

Compliance with the provisions of this Code will allow the Board to fully implement its Corporate Governance requirements; to enhance relationships and foster teamwork among the Board Members and also with employees; and to build respect, confidence, and credibility with the stakeholders and shareholders at large.

III. STANDARDS OF CONDUCT AND CODE OF ETHICS

Each Board Member shall adhere to the following Code of Conduct and Ethics:

- The Directors shall maintain high ethical and moral character, both professionally and personally, so that their behavior will reflect positively upon the Board of The SUNLIFE Insurance Company Ltd.

Sunlife Insurance Company Ltd.

- Members of the Board shall use proper care and exercise independent professional judgment and competence in the performance of their duties.
- The Board shall maintain confidentiality about all matters that are considered in the meetings.
- It is required to be familiar and comply with the provisions of the Companies Act 1994. In addition to such compliance, Board members to be aware of the "conflict of interest" contained in the Companies Act 1994.
- None of the Directors will have private contracts or business dealings with any Department of the Company.
- The Board shall exercise due diligence to avoid breaches of duty and/or obligations.
- Board decisions and actions are to be based on integrity, competence, and independent judgment on the merits and benefits to the stakeholders/shareholders of the Company.
- Board Members will play full and active role in the work of the Company to fulfill their duties and responsibilities responsibly and at all times, act in good faith and in the best interests of the Company.
- The dealings of the Board with the public and their affairs should be to the best of their ability.
- Board Members will strive to cultivate and maintain good relations with the Shareholders, Customers and Employees as set forth in the Code.
- It has the duty to ensure the safeguarding of funds and the assets of the Company.
- The Directors must carry out their fiduciary obligations responsibly that is, take appropriate measures to ensure that the Company uses resources efficiently, economically and effectively, avoiding waste and extravagance.
- Board Member who misuses information gained by virtue of their position may be liable for breach of contract under the Companies Act 1994 (Amendment 2020) and/or insider dealing legislation.
- The Directors must comply with the Service Rules of the Company and relevant rules and regulations applicable for the Company.

IV. DUTIES AND RESPONSIBILITIES OF CHAIRMAN AND MANAGING DIRECTOR & CEO

1. Chairman

The Chairman of the Board of Directors is a Non-executive Director. The Board considers that the Chairman works independently. The Chairman serves as the primary link between the Board and Management, and works with the CEO and Company Secretary to set the agenda of the Board Meeting. He provides leadership to the Board and ensures that the Board works effectively and discharges its responsibilities efficiently.

Roles and Responsibilities of the Chairman:

The primary role of the Chairman is to ensure that the Board is effective in its task of setting and implementing the Company's direction and policy. The principal structures of the role of the Chairman comprise the following:

- Providing leadership to the Board;
- Taking responsibility for the Board's composition and development;
- Ensuring proper information for the Board;
- Planning and conducting Board meetings effectively;
- Getting all Directors involved in the Board's work;
- Ensuring the Board's focus on key tasks;
- Engaging the Board in assessing and improving its performance;
- Overseeing the induction and development of Directors;
- Supporting the Managing Director & CEO.

The Chairman of the Board shall be responsible for the management, development and effective performance of the Board of Directors and provides leadership to the Board for all aspects of the Board's functions. The Chairman is responsible for leadership of the Board. In particular, he will:

- Ensure effective operations of the Board and its committees in conformance with the highest standards of corporate governance;
- Ensure effective communication with shareholders, governments and other relevant stakeholders and ensure that the views of these groups are understood by the Board;
- Set the agenda, style and tone of Board discussions to promote constructive debate and effective decision making;
- Ensure that all Board Committees are properly established, composed and operated;
- Support the Managing Director & CEO in strategy formulation and more broadly, provide support and give advice;
- Ensure an effective relationship among Directors, acting as the principal conduit for communication and issues relating to business strategy, plan acquisitions and corporate governance;

- Establish a harmonious and open relationship with the Managing Director & CEO;
- Ensure that Board Committees are properly structured and all corporate governance matters are fully addressed; and
- Encourage active engagement by all members of the Board;

2. Managing Director & CEO

The Major Roles & Responsibilities of the Managing Director & CEO:

- Ensures compliance with related regulatory guidelines and circulars;
- Achieves the duties as delegated by the board;
- Plans, executes and achieves targets set by the board;
- Appointment and appraisal of the employees;

The other roles and responsibilities of the Managing Director & CEO are:

- To act as the Chief Executive Officer reporting to the Board of Directors;
- To remain accountable to the Board for the overall performance of the Company;
- To develop annual business plan;
- To implement the Board's policies, decisions and strategies in effective manner;
- To report to the Board on progress against the strategic and annual business plan on a regular basis;
- To coordinate the overall management, corporate planning and business development;
- To ensure the compliances of law, rules and regulations for good corporate governance;
- To ensure appropriate internal control system and internal audit in place;
- To develop and implement a risk management plan for underwriting insurance business;
- To make sure all operational and administrative activities are in compliance with the Articles Association of the Company;
- To concentrate towards Transparency, Accountability, Reliability, value enhancement and Reputation.
- The Managing Director & CEO acts as a direct liaison between the Board and the Management of the company, and Communicates to the Board on behalf of the Management; and

- The Managing Director & CEO also communicates on behalf of the Company to the employees, Government authorities and other stakeholders including shareholders, IDRA, BSEC & regulatory authorities.

V. DUTIES AND RESPONSIBILITIES OF DIRECTORS

A Director is responsible for:

- Carry out his/her fiduciary duties with a sense of objective judgment and independence in the best interests of the Company and Stakeholders as a whole.
- Perform his duties in an independent and objective manner and avoid activities that may impair, or may appear to impair, their independence or objectivity or official responsibilities.
- Be informed of the Memorandum and Articles of Association of the Company, its mission, vision, values, policies and codes of conduct as they pertain to the duties of a director;
- Attend Board meetings regularly, serve on committees of the Board as appointed and contribute from personal, professional and life experience to the deliberations of the Board;
- Exercise due care and diligence in the performance of his / her duty and employ his/her skills pursuant to applicable laws and objectives of the Company;
- Be independent and impartial in giving advice and in expressing views on any issue which comes up for consideration and/or decision of the Board.
- Not be influenced by self-interest, outside pressure, expectation of reward or fear of criticism;
- Act with honesty and integrity and conduct himself / herself in a manner consistent with the nature of the responsibilities and the maintenance of public confidence in the conduct of the Board's business;
- 9. Voice clearly and explicitly, at the time taking a decision any contrary view to a decision being considered by the Board;
- Maintain solidarity with fellow Directors in support of a decision that has been made in good faith in a legally constituted meeting, by Directors in reasonably full possession of the facts;
- Request review of a decision, if she/he has reasonable grounds to believe that the Board has acted without full information or in a manner inconsistent with its fiduciary obligations;

- Allow the executives of the Company to independently discharge their functions in conformity with the underlying governance practices;
- Comply with all other codes and policies approved by the Board from time to time.
- The Directors shall unless otherwise required by law, maintain confidentiality and shall not divulge/disclose any information obtained in discharging their duties.
- For not to use any confidential information for his/her personal gain, directly or indirectly, received or obtained by him in his/her capacity as a member of the Board.

VI. RELATIONSHIP WITH ENVIRONMENT, EMPLOYEES, CUSTOMERS, AND STAKEHOLDERS

The Chairman of the Board, Other Board Members and the Managing Director & CEO are expected to monitor that the Company complies with the applicable laws, rules and regulation of the Country related to the environment, employees, customers, suppliers and stakeholders. They shall deal fairly with competitors, employees, customers, suppliers and stakeholders' accordance with the law.

VII. CONFLICT OF INTEREST

The fundamental relationship between each director and the Company is absolutely based on a fiduciary. Essential to trust is a commitment to honesty and integrity. These narrations are intended to ensure the maintenance of the highest standard and integrity of the Board.

The Directors shall put the interests of the Company ahead of any personal interest or the interest of any other person, group or entity. It also means performing his / her duties and transacting the affairs of the Company in such a manner that promotes public confidence and trust in the integrity, objectivity, impartiality and high standard of ethics of the Board.

VI (i) Definition

- A Conflict of interest refers to situations in which personal, occupational or financial considerations may affect, or appear to affect, a Director's or Manager's objectivity, judgment or ability to act in the best interest of the Company.
- A conflict of interest may be real, potential or perceived in nature.
- A real conflict of interest arises where a Director or Manager has a private or personal interest.
- A potential conflict of interest may arise when a Director or Manager has a private or personal interest such as an identified future commitment.

- A perceived or apparent conflict of interest situation in one where a person of ordinary prudence has reason to doubt or believe that a Director or a Manager has a conflict of interest.
- Full disclosure, in itself, does not remove a conflict of interest unless the Board, having analyzed the disclosed facts, considers the conflict neither material nor of any significance.

VI (ii) Pecuniary Advantage

- No Director shall directly or indirectly receive any profit from his / her position as such, provided that the Directors may receive reasonable payments for their services and reimbursement for reasonable expenses incurred by them in the performance of their duties.
- The pecuniary interests of immediate family members (including the immediate family members of a Director's spouse) or close personal or business associates of a Director are also considered to be the pecuniary interests of the Director.

VI (iii) Principles for Dealing with Conflict of Interest

- Both prior to serving on the Board and during the term of office, each Director must openly disclose a potential, real or perceived conflict of interest sooner than any matter of conflict arises and/or come into the knowledge.
- If a Director is not assured whether she/he is in a conflict of interest situation, the matter may be brought to the attention of the Chairman of the Board for advice and guidance empathetically.
- If there is any question or doubt about the existence of a real or perceived conflict, the Board will determine by majority vote if a conflict exists. The concerned Director potentially in conflict of interest shall withdraw from the meeting when the Board discusses the issue.
- The disclosure and decision as to whether a conflict exists shall be duly recorded in the minutes of the meeting.

VIII. CONFIDENTIALITY

It is the responsibility of Directors to know what information is confidential and to obtain clarification when in doubt. Except as s/he may be compelled by applicable legal process, a Director must, both while having and after ceasing to have that status, treat as confidential all information regarding the policies, internal operations, systems, business or affairs of the Company obtained by reason of his / her status as a Director and not generally disclosed to the public. A Director shall not use information obtained in

his/her capacity as a Director for personal benefit. Each director shall avoid activities which may create appearances that he has benefited from confidential information received as a Director.

IX. GENERAL PROVISIONS

- Board of Directors shall govern the Company within the purview of the Memorandum of Association (MOA) and Article of Association (AOA) of the Company.
- The Board must operate the Company in accordance with the rules set forth in the Service Rules of the Company and the decision taken by the Board and the
- Shareholders in the General Meeting from time to time.
- The Board must comply with the Companies Act, BSEC's Corporate Governance Code 2018, Insurer's Corporate Governance Guidelines 2023, the Rules and regulations, Directives.
- The Board shall affirm compliance with this Code within 30 days of the close of every financial year.

X. PROHIBITION OF INSIDER TRADING

This is a reminder that insider trading is strictly prohibited under applicable laws and company policies. All employees, directors, and stakeholders are expected to comply with the following guidelines:

- **Do not use non-public, material information for** personal gain.
- **Do not share confidential information with others**, including family and friends.
- **Trading in the company's securities** while in possession of unpublished price-sensitive information (UPSI) is a violation of law and company policy.
- **Any violation** may result in legal penalties and disciplinary action, including termination of employment or directorship.
- For further clarification or to report a concern, please contact the **Company Secretary or compliance department promptly**.

XI. INDEPENDENCY

- The Chairperson of the Board, other Board Members and the Managing Director & CEO shall exhibit high standards of integrity, commitment and independence in regard to discharge of their respective duties and responsibilities entrusted upon them, within the jurisdiction of the law and the best interest of the Company.

XII. NON-COMPLIANCE WITH THIS CODE

- It shall be the duty of the Board to help the enforcement of this Code, and any suspected violations of this Code must be reported to the Chairman of the Board.
- All reported violations shall be appropriately investigated. The Incumbent who violates this Code may be subject to sanctions, up to and including a request to resign from his position. The Incumbents charged with a violation of this Code shall not participate in a vote of the Committee or the Board concerning his/her alleged violation, but may be present at a meeting of the Board convened for that purpose.
- Any waiver of this Code must be approved by the Board.

XIII. AMENDMENTS TO THIS CODE

- The provisions of this Code can be amended or modified by the Board from time to time, and all such amendments/modifications shall take effect from the date stated therein.

FOR SUNLIFE INSURANCE COMPANY LIMITED

Sd/-

Wafi Shafique Menhaz Khan
Chairman, Board of Directors