

Taufika Foods and Lovello Ice-cream PLC

“ CODE OF CONDUCT ”

A Guiding Principle for the Chairman of the Board, other Board Members and the Chief Executive Officer
[As per requirement of the Corporate Governance Code 2018 of the BSEC]



1. Preamble

This Code of Conduct ('this Code') shall be called "The Code of Conduct for the Chairperson of the Board, other Board members, Managing Director and/or Chief Executive Officer of Taufika Foods and Lovello Ice-cream PLC". This Code of Conduct complies as per requirement of the Corporate Governance Code 2018 of the Bangladesh Securities and Exchange Commission.

The purpose of this Code is to provide guidance to the Incumbents to manage the affairs of the Company in an ethical manner and to develop a culture of honesty and accountability and to enhance transparency.

The Board of Directors of the Company adopt this Code on the basis of recommendation of the Nomination and Remuneration Committee (NRC) to assist the Incumbents in fulfilling their duties to the Company. This Code attempts to set forth the guiding principles on which the Incumbents shall operate and conduct themselves with multitudinous stakeholders, government and regulatory agencies, media and anyone else with whom the Company is connected.

Applicability

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

The Chairperson, other Board members and Chief Executive Officer shall continue to comply with other applicable / to be applicable policies, rules and procedures of the Company.

2. Interpretation

In this Code, unless repugnant to the meaning or context thereof, the following expressions, wherever used in this Code, shall have the meaning as defined below:

"Board/Directors" shall mean the Board of Directors of the Company.

"BSEC" shall mean the Bangladesh Securities and Exchange Commission.

"Chairperson " shall mean the person holding the office who is typically elected or appointed by the members of the Board and presides over board and general meetings of the Company.

"Company" shall mean Taufika Foods and Lovello Ice-cream PLC.

"Conflict of Interest" means where the interests or benefits of one person or entity conflicts with the interests or benefits of the Company.

"Incumbents" shall mean the Chairperson of the Board, other Board members and Managing Director and/or Chief Executive Officer of the Company to whom this Code is applicable.



“Independent Director” shall mean an Independent Director as per the provisions of the Corporate Governance Code 2018 of the BSEC.

“Managing Director” shall mean a Director who is in whole time employment of the Company and the member of the Board of Directors.

“Chief Executive Officer” shall mean an officer who is in whole time employment of the Company and is member of its management team and is not on the Board of Directors.

3. Principles of the Code

The Incumbents shall be careful in the performance of their duties, be loyal to the Company and act in good faith and in a manner they reasonably believe to be in the best interests of the Company. They also shall be sincere to comply with all applicable laws, regulations, confidentiality, obligations and Corporate Policies taken by the company.

The Incumbents are expected to be guided by the following basic principles:

- Responsibility
- Accountability
- Integrity
- Efficiency
- Impartiality and
- Discretion

4. Prudent Conduct and Behavior

The Incumbents shall act honestly, ethically in good faith and in the best interest of the Company and to fulfill their fiduciary obligations. Whilst carrying out the duties, they shall ensure that they are executed in terms of the authorizations granted and within the limits prescribed under the relevant policies, codes, guidelines and other directives issued by the Board of Directors or Committee of Directors of the Company from time to time.

5. Statutory Compliance, Rules and Regulations

The Incumbents are expected to be aware of and conduct themselves in accordance with the all applicable laws, rules and regulations in the country and make best efforts not to willingly breach any provision of such laws. They shall ensure compliance of various regulatory requirements as applicable to the business of the Company and endeavor that before any directions are given or decisions taken, relevant legal/regulatory requirements are taken into account.



6. Conflict of Interest

The Incumbents shall not enter into any transaction which is or may likely to have a conflict with the interest of the Company. They are also expected to ensure that they don't create actual, or the appearance of, conflicts of interest for others in their professional dealings. They shall not take up any position or engagement that may be prejudicial to the interest of the Company.

7. Corporate Business Opportunities

The Incumbents may engage in business so long as they do not pre-empt or seize a corporate business opportunity. A corporate business opportunity is;

- a. An opportunity in the line of business of the Company or proposed expansion or diversification;
- b. An opportunity which the Company is financially able to undertake, and
- c. An opportunity which may be of interest to the Company.

The Incumbents who learns of such a corporate business opportunity and who wishes to participate in it should disclose the opportunity to the Board and if the Board determines that the Company does not have an actual or expected interest in the opportunity, then a Incumbent may participate in it, provided that he has not wrongfully utilized the Company's resources in order to acquire the opportunity.

8. Confidentiality

Confidential information comprises any information that is not yet public information. Unless otherwise required by law or authorized by the Company, the Incumbents shall maintain confidentiality of the information that is entrusted upon them for carrying on their respective responsibilities and duties and shall not use the same for personal benefits or gains or anyone's gains other than the Company.

9. Prohibition of Insider Trading

The Incumbents shall comply with all laws, rules and regulations about trading of shares of the Company. As per the law of the Country 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 (PSI) 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.



10. Company Property

It is the fiduciary responsibility of the Incumbents to safeguard and properly use the assets and resources of the Company, as well as assets of other organizations that have been entrusted to the Company. Except as specifically authorized, the Company assets, including Company equipment, materials, resources and proprietary information, must be used for Company business purposes only.

11. Relationship with Customers

It is an established policy of the Company to develop and foster fair, sustainable and mutually beneficial relationship with its customer's on an arm's length basis. The Incumbents are expected to respect its customers, their needs and contribute to satisfying these needs in efficient and effective manner such that the interest of the Company and shareholders are not compromised.

12. Relationship with Suppliers

The Company's policy is to deal with its suppliers on an arm's length basis in a manner that creates and maintains long term trust based on objectivity, integrity, fairness and honesty. The Incumbents are expected to follow to the above principles.

13. Relationship with Employees

The Incumbents should strive for causing the Company to maintain cordial employee relations and build competency, based on the human resource systems and maintain human resources policy that has been directed at managing the growth of the organization efficiently.

14. Environment Relations

The Incumbents are expected to be aware of the Company's commitment to contribute to sustainable business development with respect for environmental issues and requirements and its environmental policy statements issued from time to time.

The Incumbents are also expected to have knowledge of, monitor and adhere strictly with the country's all applicable laws, rules and regulations related to the environment that impact the Company operations and business including the requirements under environmental standards of the financial participants.



15. Political Contributions

The Company will not make any political contributions from corporate resources to any political party candidate or holder of public office, or political committee. This includes monetary contributions as well as in-kind contributions (such as the use of corporate property, personnel services or facilities).

The Incumbents may not cause the Company to make contribution to any political party or for any political contribution without the prior approval of the Board. They may not make personal political contributions on behalf of, or in the name of the Company.

16. Independency

The Incumbents shall be independent in regards to discharge their duties and responsibilities entrusted upon them, within the purview of the law and for the best interest of the Company. They shall also be independent to give any fair opinion to take any decision in the Board meeting for the purpose of the business of the Company, as they think appropriate with their knowledge and experience and believe, in good faith.

17. 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 the letter or spirit of the Code.

18. Non Compliance of this Code

It shall be the duty of the Incumbents to help the enforcement of this Code and any suspected violations of this Code must be reported to the Chairperson of the Board. All reported violations shall be appropriately investigated. The Incumbent who violate 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.



19. Amendments to this Code

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.

20. Publication of the Code of Conduct

Pursuant to Condition 01 (7) (b) of Corporate Governance Code Notification 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 i.e. <https://www.lovello.club>

21. Waiver

Waivers of a provision of this Code shall only be made in exceptional circumstances, and then only by unanimous vote of the disinterested members of the Board.