



HALA ENTERPRISES LIMITED

120-E/1, GULBERG III, LAHORE 54660 PAKISTAN

PH: 92 42 5761585-86 FAX : 5710235

Email: hala@halaenterprises.com Web Site: www.halaenterprises.com

CODE OF CONDUCT

It is the fundamental policy of Hala Enterprises Limited (“the Company”) to conduct its business with honesty, integrity and in accordance with the highest professional, ethical and legal standards. The Company has adopted the following code of conduct (“Code”) for directors, which includes the business practices and principles of behavior to meet this commitment. We expect every director to read, understand and apply this Code to the performance of his/her responsibilities. However, we can not anticipate every situation that may arise or replace the thoughtful behavior of an ethical director of the Company.

Salient Features of the Code for Directors.

i. Corporate Values

The Company has adopted the following corporate values:

- To fulfill customer needs by producing quality products;
- To act with good governance;
- To achieve sustainable and equitable growth;
- To promote diversity and ethical behavior;
- To develop a dynamic team of professionals to achieve excellence and innovation.

ii. Compliance Officer

The Company has designated Company Secretary, as its Compliance Officer to administer this Code. Directors, at their discretion may make any report or complaint provided for in this Code to the Chairman of the Board or to the Compliance Officer. The Compliance Officer will refer complaints submitted to the Chairman of the Board.

iii. Compliance with Laws, Rules and Regulations

Directors must comply with all of the laws, rules, and regulations of Pakistan and other countries applicable to either Company or its business but not limited to the Companies Ordinance 1984, Listing Regulations of the Stock Exchanges and Insider Trading Laws.



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iv. Conflict of Interest

A "conflict of interest" may exist whenever the interests of a director conflict in any way (or even appear to conflict) with the interests of the Company. A conflict of interest may arise where a director derives personal benefit by making or influencing decisions relating to a business transaction. Each Director must avoid any conflict of interest between the Director and the Company and its associated or subsidiary undertaking(s). Any situation that involves, or may reasonably be expected to involve, a conflict of interest with the Company, should be disclosed promptly. If directors have a question, they are expected to consult with the Chairman of the Board or the Compliance Officer. Any director who becomes aware of a conflict or potential conflict of interest is expected to bring it to the attention of the Chairman of the Board or the Compliance Officer.

v. Corporate Opportunities

Directors shall not take for themselves personally any business opportunities that belong to the Company or are discovered through the use of corporate property, information or position.

vi. Confidentiality

All directors must maintain the confidentiality of confidential information entrusted upon to them by the Company, except when the applicable Company authorizes disclosure or disclosure is required by laws, regulations, or legal proceedings. The term "confidential information" includes, but is not limited to, non-public information that might be of use to competitors of the Company, or harmful to the Company or its customers if disclosed. Directors are expected to consult the Chairman of the Board or the Compliance Officer if they believe they have a legal obligation to disclose confidential information.

vii. Honesty, Integrity and Fair Dealing

Directors must act honestly and fairly and exhibit high ethical standards in dealing with all the stakeholders, suppliers, customers, bankers, etc.



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viii. Protection and Proper Use of Company Assets

All directors are expected to exercise their business judgment in a manner that protects the assets of the Company and promotes their efficient use. All assets of the Company are to be used for legitimate business purposes.

ix. Encouraging the Reporting of any Possible Illegal or Unethical Behaviour

Directors should take steps to ensure that the Company promotes ethical behavior; encourages employees to talk to supervisors, managers and other appropriate personnel when in doubt about the best course of action in a particular situation; encourages employees to report violation of laws, rules, regulations, Company policies and procedures or the Company's Code of Conduct to appropriate personnel; and informs employees that the company will not allow any retaliation for reports made in good faith.

x. Public Company Reporting

As a public company, it is of critical importance that the Company's filings with the Securities and Exchange Commission of Pakistan, the State Bank of Pakistan and the concerned Stock Exchange(s) on which the shares of the Company are or may be listed be full, fair, accurate, timely and understandable. Directors may be requested to provide information necessary to ensure that the Company's published reports meet these requirements. The Company expects directors to provide prompt and accurate answers to enquiries relating to its public disclosure requirements.

xi. Disclosure of Interest

Directors are also required to disclose, at the time of appointment and on an annual basis the directorships and/or memberships they hold in other companies. Where any director of the Company or his/her spouse sell, buy or transact, whether directly or indirectly, in shares of the Company, he/she shall immediately notify in writing to the Company Secretary of such transaction. Such director shall also deliver a written record of the price, number of shares, form of share certificate (physical or electronic), and nature of transaction to the Company Secretary within four days of effecting the transaction. The notice of the director shall be presented by the Company Secretary at the meeting of the Board immediately subsequent to such transaction.

xii. Insider Trading

No director shall, directly or indirectly, deal in the shares of the Company in any manner during the Closed Period prior to the announcement of financial results. All directors shall



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be advised about the closed period at the time of circulating the agenda and working papers for the Board meetings.

The Closed Period shall start from the day when any document/statement, which forms the basis of price sensitive information, is sent to the Board and terminate after the information is made public.

xiii. Compliance Procedures

Directors should disclose any suspected violations of this Code promptly in the immediate subsequent meeting of the Board of Directors.

xiv. Amendment, Modification and Waiver

This Code may be amended, modified or waived only by the Company's Board of Directors and must be publicly disclosed if required by any applicable law or regulation. As a general Policy, the Board will not grant waivers to the Code.

KEY HR POLICIES AND CODE OF CONDUCT FOR EMPLOYEES

This code and related policies are the source of guidance for conduct and applies to all employees (senior manager, staff and workers) of Hala Enterprises Limited ("the Company"). Employees are required to follow the code of conduct. Therefore, it is the personal responsibility of all employees to read, understand and apply this code in their day to day affairs.

It is understood that all employees are ambassadors of the company, both at work and otherwise. For example, if an employee is not at work and wears a shirt with the logo of the Company or drives a vehicle with the logo of the Company, people would perceive that the employee is representing his/her company. Employees are therefore required to follow the code because an employee's conduct affects the image of the company.

This code and related policies will actively be made available to all employees and can be accessed at any time on the Company's website. If an employee has supervisory or leadership role, than he/she has additional responsibility to:

- Educate his/ her subordinates on this code and related policies and the requirements applicable to their work activities;
- Promote compliance with this Code of Conduct and other relevant policies, standards, and procedures; and
- Report suspicions or allegations of employee misconduct in accordance with company's procedures.



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This Code of Conduct is not intended to supersede any other applicable legal or regulatory requirements of the country in which business of the Company is in operation.

Key HR Policies and Salient Features of the Code for Employees

i. Compliance Office:

The Human Resources department will act as Compliance Office for the code. If an employee has any queries, problems or issues relating to the Code he or she should contact with Human Resources department. The Compliance Office is responsible to educate, train and develop understanding of the code among employees.

ii. Health, Safety & Environment Policy:

Hala Enterprises Limited tries to arrange a safe work environment on its premises. The safety of employees, customers and public is the most important issue on the company's production facilities, offices, outlets and any other place where the work of the company is in process. An employee must strictly follow the safety policies and procedures and immediately report to their supervisor in case of any occupational injuries and illness, injuries to non-employees, and damage to property resulting from any business activities. To preserve and protect the environment, all staff members should:

- Design and operate the Company's facilities and processes so as to ensure the trust of adjoining communities.
- Promote resource conservations, waste minimization and the minimization of the release of chemicals / gas into the environment.
- Provide employees customers, suppliers, public authorities and communities with appropriate information for informed decision making; and
- Strive continuously to improve environmental awareness and protection.

HSE POLICY STATEMENT

We, Hala Enterprises Limited, aim to become the leader in edible oil products. HALA is aware that operating its business in production services has significant health, safety and environmental aspects to be handled. It is therefore essential that all stakeholders concerned with the operation of the company take appropriate steps to protect the environment as well as personnel from harm. To this end we at HALA commit to the following statements:



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- To operate our business with regards to the HSE in order to prevent harm through our operations.
- To use appropriate safety equipment when undertaking our work.
- To integrate HSE issues into our decision making.
- To continually look for ways to improve our HSE system.
- Apply the principles of “reduce, reuse and recycle” in all processes.
- Monitor the use of chemicals and reduce their impact on the environment.
- To ensure compliance with relevant HSE legislation and other requirement related to our operations.
- To set and achieve our HSE objectives and targets.

iii. Physical Fitness for Duty:

An employee must be mentally and physically fit and should remain fit for the work. An employee must not be under the influence of a drug or un-prescribed medicine which impairs his/her ability to work efficiently and safely. In case of prescribed medications the employee must report to his/her supervisor if he/she is taking some prescribed or over-the-counter medicines which might affect his/her ability to work efficiently and safely.

iv. Smoking Policy:

Smoking and exposure of workplace to tobacco poses serious health hazards to the employees/trainees besides potential risks of fire and explosions. Considering this, smoking is permitted only in the designated “**Smoking Area**”.

v. Alcohol, Drug and Gambling:

An employee must not use alcohol in any form within the company premises. Similarly, the use of drugs, except under medical advice, is prohibited on all company locations / premises.

All forms of gambling / betting on the Company’s premises are forbidden.

vi. Harassment:

It is the policy of the Company, to promote a productive work environment and not to tolerate verbal or physical conduct by any employees that harasses, disrupts or interferes



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with another's work performance, or creates an intimidating, humiliating, offensive or hostile environment.

vii. Leave and Attendance policy:

An employee must inform his/her senior or supervisor if he/she is unable to come at the place of his/her duty for any reason. For this an employee should always have the contact information of his/her supervisor. Detailed instructions in this regard are available in the Leave and Attendance procedures which can be obtained from the compliance office.

viii. Workplace Violence:

An employee must not engage in acts or threats of violence. It is the duty of an employee to maintain a safe and secure workplace and avoid acts or threats of physical violence, intimidation, harassment or coercion, stalking, sabotage, and similar activities. Employees who are engaged in such activities will be terminated.

ix. Weapons in the Workplace:

An employee must not bring, carry, store, or use any type of weapon on the Company owned, leased, or rented property; in the company owned, leased, or rented vehicle; in a personal vehicle while on the Company's business; or at a job site, whether on or off duty, unless an employee is explicitly authorized and has a legitimate business reason to do so.

x. Protection and Proper use of Company's Assets:

An employee is expected to exercise their business judgment in a manner that protect the Company's assets and promotes their efficient use. An employee must follow the acquisition, use, maintenance and disposal policies for the acquisition, use, maintenance and disposal of the Company's assets. All Company assets are to be used for legitimate business purposes. An employee may use the company's assets on limited basis with the permission of his/her senior or supervisor.

Employees are expected to carefully use the company property (e.g. Motorcycle, Car, telephone set, cell phone, etc.) provided to them and the same can be taken into company custody for check-up/inspection at any time during the employment/contract period. Moreover, employees may have to sign a bond in this regard.



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xi. Computer and System Security

An employee is responsible for ensuring the security of the Company's computers and information system by complying with the company's information technology policy. It is the responsibility of an employee that he/she:

- Doesn't share passwords or other access credentials with any other person or group and doesn't use another person's password.
- Uses only approved, authorized, and properly licensed software on the Company's computer systems.
- Connects only the Company's owned computers and equipment to the Company networks.
- Doesn't attempt to circumvent or attack security controls on a computer system or network.
- Doesn't access or download pornographic, gaming, file sharing, or other inappropriate files or websites.
- Doesn't store inappropriate or pirated content on his/her company equipment.

Immediately report any suspected or actual breach of the Company's computer system or network security to Information Security's.

xii. Social Media

Social networking sites like Face book and Twitter are used by many to share insights, opinions, and information. Unless an employee is an officially designated company spokesperson, he/she is not authorized to speak on behalf of Hala Enterprises Limited through social media channels, regardless of whether he/she is using a company device or personal device.

In the course of an employee's own personal use of these sites, if he/she chooses to post information related to the Company than an employee is personally accountable for what he/she posts online. Remember, once information is posted to the Internet, it is there for good. An employee must:

- Be open and honest about who he/she is and its role with the company.
- Always include a disclaimer stating that the views an employee publishes are his/her own and don't necessarily reflect those of Hala Enterprises Limited (unless an employee is authorized to speak on behalf of the company).
- Be truthful and accurate.
- Be respectful.
- Disagree agreeably and be professional.



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- Protect confidential information and respect copyright and fair use laws.

xiii. Relations and Fair Dealing with Suppliers, Consultants, Officers and other Employees.

Each employee is expected to deal fairly with the respective customer of the Company, suppliers, competitors, officers, and employees. None should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing practice and will not accept or receive gifts from any of the customers, stakeholders, suppliers, bankers etc. Inappropriate use of proprietary information, misusing trade secret information or inducing such disclosures by past or present employees of other companies is prohibited.

xiv. Bribes and Commercial Payments

The payment of bribes kickbacks or other payments in cash or kind to obtain business or otherwise gain advantage is strictly prohibited, irrespective of whether payments or offers are made directly or (knowingly) via an intermediary.

Such payments are fundamentally inconsistent with the desire to maintain high standards of integrity in its business and relationships.

Furthermore, it is strictly forbidden for any company employee to enter into any type of business, commercial or monetary arrangements with any supplier/vendor or customer/dealer/distributor of the company. This policy is to be strictly followed at all times without exception.

xv. Confidential Information

Staff members should not keep or make copies of correspondence, documents, papers and records, list of suppliers or consumers without the consent of the Company. Company's information and records should be kept on Company premises only and unpublished information may be disclosed to external organizations / individuals only on "need to know" basis. In case of doubt in this regard, the Management's advice should be sought.

Non-disclosure/ confidentiality policy

The protection of confidential business information and trade secrets is very important to the interests and success of Hala Enterprises Limited. Such confidential information includes, but is not limited to, the following examples:

- Compensation data,
- Financial information,



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- Marketing strategies,
- Pending projects and proposals,
- Tendering information,
- Production processes,
- Personnel/Payroll records, and
- Conversations and communication between any persons associated with the company.

All employees are required to sign a non-disclosure agreement as a condition of their employment.

Employees who improperly use or disclose trade secrets or confidential business information will be subject to disciplinary action, including termination of employment and legal action, even if they do not directly benefit from the disclosed information.

xvi. Regulatory Compliance and Corporate Governance.

Hala Enterprises Limited co-operates with all governmental and regulatory bodies and is committed to high standards of corporate governance. The Company is fully compliant with its obligations under the Listing Regulation Stock Exchanges, of whom it is a listed member. All the employees of the Company are required to abide by the country's laws, rules and regulations.

xvii. Financial Integrity

Compliance with accepted accounting rules and procedure is required at all times. In addition to being duly authorized, all transactions must be properly and fully recorded. No record entry of document may be false or misleading and no undisclosed and unrecorded account, fund or asset may be established or maintained. No corporate payment may be requested, approved or made with the intention that any part of such payment is to be used for any purpose other than as described in the document supporting it. All information supplied to the auditors must be complete and not misleading.

xviii. Sanctions:

Any contravention of this Code will be internally investigated. In applicable cases it will also have consequences in labor law and may lead to external investigations and action in the Pakistani courts of law.