HEIDELBERGCEMENT BANGLADESH LTD.

CODE OF CONDUCT FOR
→ CHAIRPERSON
→ BOARD OF DIRECTORS
→ CHIEF EXECUTIVE OFFICER
THE CODE OF CONDUCT FOR CHAIRPERSON OF THE COMPANY

This Code of Conduct for Chairperson of the Board of Directors is prepared in accordance with Condition 1(7)(a) of the Corporate Governance Code notified by the Bangladesh Securities and Exchange Commission (BSEC) dated 3 June 2018. For the purpose of this Code, “Chairperson” shall mean the Chairperson of the Board of Directors of the Company. The Company is committed to being an ethical and responsible member of the business communities in which it operates. The Company always endeavors to ensure that the highest standards of honesty, integrity and ethics are maintained. This Code is intended to serve as a source of guiding principles for the Chairperson even though no code or policy can anticipate every situation that may arise. The standards contained in this Code are neither exclusive nor comprehensive. The Chairperson of the Board of Directors is required to comply with all applicable laws, rules and regulations, whether or not specifically addressed in this Code.

Compliance With Laws, Rules And Regulations

The Chairperson of the Board shall act as the ambassador for the Company. The Chairperson strives to ensure that all activity by or on behalf of the Company is in compliance with applicable laws, rules and regulations of Bangladesh (“applicable laws”). When dealing with customers, suppliers, competitors or other third parties, the Chairperson shall neither undertake any commitment nor engage in any agreement which is prohibited as anti-competitive, discriminating or illegal. Beyond compliance with laws and regulations, the Chairperson is expected to carry out his/her duties with integrity and professionalism when dealing with customers, suppliers, governmental bodies or partners.

Fair And Honest Dealing

The Chairperson of the Board shall manage and provide leadership fairly and honestly to the Board of Directors of the Company. The Chairperson shall behave in an ethical manner and shall not take unfair advantage of or from anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing practice. The Chairperson is expected to uphold a culture emphasizing honesty, integrity, fairness, trust, competence, professionalism, discipline, teamwork, as well as truthfulness and high moral standards in day-to-day dealings and conduct, both within and outside the Company.

Conflicts Of Interest

The Chairperson must adhere to the highest standards of honesty and ethical conduct. These include, but are not limited to, sensitivity to the existence of a conflict of interest or the appearance or possibility of a conflict of interest. Conflicts of interest can arise in many ways and the Chairperson must always be sensitive to those situations in which they are most likely to be present. A conflict of interest exists when the Chairperson’s personal interest interferes or appears to or may interfere, in any way with the interests of the Company, or when the Chairperson otherwise takes actions or has interests that may make it difficult for him or her to perform his or her role objectively and effectively. The Chairperson shall act in the best interest of the Company at all times.

Compliance With Laws On Insider Trading

Insider information is defined as knowledge of data, projects, transactions or processes, the disclosure of which could affect the stock market price of securities, especially the Company’s shares. As someone who potentially has access to insider information, likely to result in substantial movements of the price of the stock or any other financial instruments of the Company, the Chairperson shall comply with applicable insider trading laws.

Outside Activities And Compensation

Following his or her appointment to the Board, and except as expressly approved in advance by the Board, the Chairperson shall not take up any management or other employment position with, or have any material interest in, any firm or company which has direct or indirect competition with the Company or otherwise. In this regard, the Chairperson must adhere to the policies of the HeidelbergCement Group, rules and regulations of BSEC and applicable laws of Bangladesh.

Anti-Bribery And Dealings With Governmental Officials

Special care must be taken when dealing with governmental authorities. The Chairperson shall not make any direct or indirect promise, offer or make payment in money or anything of value to anyone, including a government official, agent or employee of a government, political party, labor organization or business entity or a candidate of a political party, or their families, with the intent to induce favorable business treatment or to improperly affect business or government decisions. In this regard, the Chairperson must adhere to the policies of the HeidelbergCement Group, rules and regulations of BSEC and applicable laws of Bangladesh.
## Anti-Discrimination And Harassment
A core responsibility of the Chairperson shall be providing a work environment that is free of unlawful discrimination and harassment. In this regard, the Chairperson must adhere to the policies of the HeidelbergCement Group, and applicable laws of Bangladesh.

## Environment And Health & Safety
The Chairperson is committed to complying with and encouraging compliance with all applicable environmental and Health & Safety laws, standards and requirements. The Chairperson shall encourage employees to take care of Health & Safety measures, to follow all relevant rules, regulations and work instructions and to use appropriate personal protective equipment as required by applicable law.

## Confidential Information
Confidential information includes all non-public information that might be of use to competitors, or harmful to the Company if disclosed. All information (in any form, including electronic information) that is created or used in support of Company business activities is the property of the Company. This Company information is a valuable asset, and the Chairperson is expected to protect it from unauthorized disclosure. The Chairperson must maintain the confidentiality of information entrusted to him/her by the Company or its customers, vendors or consultants except when disclosure is properly authorized by the Company or legally mandated. The Chairperson shall take all reasonable efforts to safeguard such confidential information that is in his/her possession against inadvertent disclosure and shall comply with any non-disclosure obligations imposed on the Company in its agreements with third parties.

## Protection And Proper Use Of Company Assets
The Chairperson shall strive to preserve and protect the Company's assets and resources and to promote their efficient use and not to convert assets of the Company for personal use. Company property should be used for the Company's legitimate business purposes and the business of the Company shall be conducted in a manner designed to Company's interests rather than the personal interests of an individual.

## Integrity And Accuracy Of Financial Records
The preparation and maintenance of accurate books, records and accounts are required by law and essential to the proper discharge of financial, legal and reporting obligations. The Chairperson shall ensure that all financial data must be completely and accurately recorded in compliance with applicable laws and the Company's accounting policies and procedures.

## Disclosure, Amendments And Waivers
To the extent required by law, the Company shall publicly (e.g., in its Annual Report and/or on its website) disclose this Code and its application. This Code may only be amended by the Board of the Directors of the Company. To the extent required by law, amendments to the Code shall be disclosed publicly. Any waiver of the Code may be made only by the Board and shall be disclosed as required by law.

## Conclusion:
The Chairperson is obligated to read and accept the provisions of this Code. No code of conduct, however, can address every situation for which guidance may be necessary. If the Chairperson is unclear about what may be the right course of action in a particular situation, he/she should obtain appropriate advice before taking action. The Chairperson is expected to abide by both the letter and spirit of this Code. Any questions regarding the scope or proper interpretation of this Code, or advice concerning its application to a particular situation, should be referred to the Legal Department of the Company or to the HeidelbergCement Group Legal Department.
THE CODE OF CONDUCT FOR MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY

This Code of Conduct for Members of the Board of Directors (“Board”) is prepared in accordance with Condition 1(7)(a) of the Corporate Governance Code notified by the Bangladesh Securities and Exchange Commission (BSEC) dated 3 June 2018.

For the purpose of this Code, “Directors” shall mean all the Directors on the Board of Directors of the Company. This Code of Conduct for Members of the Board of Directors is initiated to uphold the core values of the Company i.e. Commitment to excellence, intellectual honesty, openness, fairness & trust, care for people, dynamic & successful business organization, a socially-valued enterprise & business integrity. This Code aligns with the aforesaid core values and the commitment to maintain the highest standards in its interface with all stakeholders, society at large and the environment. This Code is intended to focus the Board and each director on areas of ethical risk, provide guidance to directors to help them recognize and deal with ethical issues, and help to foster a culture of honesty and accountability. Each director must comply with both the letter and spirit of this Code.

This Code is intended to serve as a source of guiding principles for directors even though no code or policy can anticipate every situation that may arise. Hence, the Directors are encouraged to bring questions about particular circumstances involving one or more of the provisions of this Code to the attention of the Chairman of the Audit Committee, who may consult with inside or outside legal counsel as appropriate. Directors who also serve as officers of the Company should read this Code in conjunction with the Company's Code of Business Conduct. The standards contained in this Code are neither exclusive nor comprehensive. The Directors are required to comply with all applicable laws, rules and regulations, whether or not specifically addressed in this Code.

Directors’ Role & Responsibilities

It is the primary responsibility of the Board to protect the interest of the shareholders as well as the Company's employees. The Board is the highest governing authority within the management structure. It is the Board's job to select, evaluate, and approve appropriate compensation for the company's chief executive officer (CEO), evaluate the appropriateness of and recommend dividends and approve the Company's financial statements.

The Board holds the ultimate responsibility & accountability for the Company's activities and affairs of the Company and shall take into account the interests of the shareholders and various stakeholders. As such, the Board shall hold periodic meetings, at least once a quarter, and provide appropriate decisions/directions to Executive Management. Such meetings will typically consider the Company’s operational performance, financial results, review of budgets, capital expenditure proposals for Balancing Modernisation Rehabilitation Expansion (BMRE) or new projects/divisions/product lines, procurement of funds by issuance of shares or borrowing, procurement of raw materials, plant & machinery, pricing of products/discounts, recruitment, training and promotion of officers, approval of audited accounts and distribution of dividends and other interest of the stakeholders including the employees and workers.

The Board's responsibilities in performing this oversight function include a duty of care and a duty of loyalty. A Director's duty of care refers to the responsibility to exercise appropriate diligence in overseeing the management of the Company, making decisions and taking other actions. In meeting the duty of care, Directors are expected to:

- Attend and participate in board and committee meetings. Personal participation is essential. Directors may not vote or participate by proxy.
- Remain properly informed about the Company's business and affairs. Directors should review and devote appropriate time to studying board materials.
- Make use of appropriate advice. Absent knowledge that makes reliance unwarranted, directors may rely on board committees, management, employees and professional advisors.
- Make reasonable inquiries. Directors should make reasonable inquiries about potential problems that come to their attention and follow up until they are reasonably satisfied that management is addressing them appropriately.
A Director's duty of loyalty refers to the responsibility to act in good faith and in the Company's best interests, not the interests of the director, a family member or an organization with which the director is affiliated. Directors should not use their positions for personal gain. The duty of loyalty may be relevant in cases of conflict of interest (stated below), and corporate opportunities (stated below). A Director shall not assign his office and any assignment so made shall be void.

Conflict Of Interest

Directors must avoid any conflicts of interest between themselves and the Company. Any situation that involves, or may reasonably be expected to involve, a conflict of interest with the Company, should be disclosed promptly to the Chairman of the Board or the Chairman of the Audit Committee or otherwise prescribed.

A "conflict of interest" can occur when a Director's personal interest is, or may appear to be, adverse to the interests of the Company as a whole. Conflicts of interest also arise when a Director, or a family member, or an organization with which the Director is affiliated, receives improper personal benefits as a result of his or her position as a Director of the Company. Conflicts of interest could involve, but are not limited to, customers, suppliers, contractors, competitors and present or prospective employees.

This Code does not attempt to describe all possible conflicts of interest which could develop. Some of the more common conflicts from which Directors must refrain, however, are set out below.

- Relationship of Company with third parties. Directors may not engage in any conduct or activities that are inconsistent with the Company's best interests or that may disrupt or impair the Company's relationship with any person or entity with which the Company has or proposes to enter into a business or contractual relationship.

- Gifts. Directors and members of their families may not accept gifts from persons or entities who deal with the Company in those cases where any such gift is being made in order to influence the Director's actions as a member of the Board, or where acceptance of the gifts could create the appearance of a conflict of interest.

- Personal use of Company assets. Directors may not use Company assets, labour or information for personal use unless approved by the Chairman of the Audit Committee or as part of a compensation or expense reimbursement program available to all Directors. Directors must act in the best interest of the Company at all times.

Positive Work Environment

I. All Directors are expected to uphold a culture emphasizing honesty, integrity, fairness, trust, competence, professionalism, discipline, teamwork, as well as truthfulness and high moral standards in day-to-day dealings and conduct, both within and outside the Company.

II. All are expected to treat each other with respect for individual dignity and rights, not to discriminate on grounds of race, ethnicity, caste, marital status or gender, sexual orientation, and maintain a work environment free of sexual harassment.

III. All are expected to provide an open, motivating work environment which is conducive to upholding and achieving the Company's vision, targets and goals.

IV. Pride of place shall be given to the best of social, cultural and intellectual values, in behaviour and conduct.

Corporate Opportunities

Directors are prohibited from (a) taking for themselves personal opportunities related to the Company's business; (b) using the Company's property, information, or position for personal gain; or (c) competing with the Company for business opportunities.

Confidentiality

Directors should maintain the confidentiality of information entrusted to them by the Company and any other confidential information about the Company that comes to them, from whatever source, in their capacity as a director, except when disclosure is authorized or legally mandated. For the purposes of this Code, "confidential information" includes all non-public information relating to the Company.
Compliance With Laws, Rules & Regulations; Fair Dealing

Directors shall comply and oversee compliance by employees and officers, with laws, rules, and regulations applicable to the Company. Directors shall oversee fair dealing by employees and officers with the Company's customers, suppliers, competitors, and employees.

Compliance With Laws On Insider Trading

Insider information is defined as knowledge of data, projects, transactions or processes, the disclosure of which could affect the stock market price of securities, especially the Company's shares. As someone who potentially has access to insider information, likely to result in substantial movements of the price of the stock or any other financial instruments of the Company, the Directors shall comply with applicable insider trading laws. Directors who intend to trade in the securities of the Company (either in their own name or in any immediate relative's name) i.e. buy or sell securities and if the value of the securities likely to be traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of one million (Ten lakh) Bangladeshi Taka, should pre-clear the transactions by making an application to the Head of Internal Audit and Compliance indicating the estimated number of units of securities that the designated person or immediate relative(s) intends to trade, the details as to the depository with which (s)he has a security/Beneficiary Owner Account (BO Account), the details as to the securities in such depository mode and such other details as specified in the form provided by the Head of Internal Audit and Compliance and also declare that the applicant is not in possession of any unpublished price sensitive information.

Encouraging The Reporting Of Any Illegal Or Unethical Behavior

Directors should promote ethical behaviour and take steps to ensure the Company: (a) encourages employees to talk to supervisors, managers, and other appropriate personnel when in doubt about the best course of action in a particular situation; (b) encourages employees to report violations of laws, rules, regulations or the Company's Employee Handbook/Employee Code of Conduct to appropriate personnel; and (c) informs employees that the Company will not condone retaliation for reports made in good faith.

Environment And Health & Safety

The Board is committed to complying with and encouraging compliance with all applicable environmental and Health & Safety laws, standards and requirements. The Directors shall encourage employees to take care of Health & Safety measures, to follow all relevant rules, regulations and work instructions and to use appropriate personal protective equipment as required by applicable law.

Compliance Procedures; Waivers

Directors should communicate any suspected violations of this Code promptly to the Chairman of the Board or the Chairman of the Audit Committee. Violations will be investigated by the Board (with the alleged Director abstaining accordingly) or by a person or persons designated by the Board and appropriate action will be taken in the event of any violations of the Code. Any waivers of this Code may only be granted by the Board (with the alleged Director abstaining accordingly) or the Audit Committee after disclosure of all material facts by the Director seeking the waiver. Waivers should only be granted in exceptional circumstances. All members of the Board of Directors shall affirm in writing compliance with this Code immediately after the Code is approved and adopted by the Board of Directors of the Company and on an annual basis in every financial year as required under the Corporate Governance Code.

General

a) Directors are obligated to read and accept the provisions of this Code. No code of conduct, however, can address every situation for which guidance may be necessary. If the Directors are unclear about what may be the right course of action in a particular situation, he/she should obtain appropriate advice before taking action. Directors are expected to abide by both the letter and spirit of this Code. Any questions regarding the scope or proper interpretation of this Code, or advice concerning its application to a particular situation, should be referred to the Legal Department of the Company or to the HeidelbergCement Group Legal Department.

b) This Code shall also be available on the website of the Company.
THE CODE OF CONDUCT FOR CHIEF EXECUTIVE OFFICER (CEO) OF THE COMPANY

This Code of Conduct (Code) for Chief Executive Officer (CEO) of the Company is prepared in accordance with Condition 1(7)(a) of the Corporate Governance Code notified by the Bangladesh Securities and Exchange Commission (BSEC) dated 3 June 2018. For the purpose of this Code, “Chief Executive Officer” shall mean the Managing Director (MD) of the Company. The Company is committed to being an ethical and responsible member of the business communities in which it operates. The Company always endeavors to ensure that highest standards of honesty, integrity and ethics are maintained. This Code is intended to serve as a source of guiding principles for the MD even though no code or policy can anticipate every situation that may arise. The standards contained in this Code are neither exclusive nor comprehensive. The MD of the Company is required to comply with all applicable laws, rules and regulations, whether or not specifically addressed in this Code.

Compliance with Laws, Rules and Regulations

The MD is supposed to ensure that all activities by or on behalf of the Company are in compliance with the applicable laws of Bangladesh (“applicable laws”). When dealing with customers, suppliers, competitors or other third parties, the MD shall neither undertake any commitment nor engage in any agreement which is prohibited as anti-competitive, discriminating or illegal. Beyond compliance with laws and regulations, he/she is expected to carry out his/her duties with integrity and professionalism when dealing with customers, suppliers, governmental bodies or partners.

Fair and Honest Dealing

The MD shall engage in fair and honest dealings with the Company’s shareholders, customers, suppliers, competitors and employees. The CEO/MD shall behave in an ethical manner and shall not take unfair advantage of or from anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

Conflict of Interest

The MD must adhere to the highest standards of honesty and ethical conduct. These include, but are not limited to, sensitivity to the existence of a conflict of interest or the appearance or possibility of a conflict of interest. A conflict of interest can arise in many ways, and the MD must always be sensitive to those situations in which he/she is most likely to be present. A conflict of interest exists when the MD’s personal interest interferes or appears to or may interfere, in any way with the interests of the Company, or when the MD otherwise takes actions or has interests that may make it difficult for him or her to perform his or her role objectively and effectively. The MD shall act in the best interest of the Company at all times.

Compliance with laws on insider trading

Insider information is defined as knowledge of data, projects, transactions or processes, the disclosure of which could affect the stock market price of securities, especially the Company’s shares. As someone with access to insider information, likely to result in substantial movements of the price of the stock or any other financial instruments of the Company, the MD shall comply, and ensure strict compliance with, applicable insider trading laws and shall take immediate corrective action for any violation.

Outside Activities and Compensation

Following his or her appointment to the Board, and except as expressly approved in advance by the Board, the MD shall not take up any management or other employment position with, or have any material interest in, any firm or company which has direct or indirect competition with the Company or otherwise. In this regard, the MD must adhere to the policies of the HeidelbergCement Group, relevant rules and regulations of BSEC and applicable laws of Bangladesh.

Anti-Bribery and Dealings with Governmental Officials

Special care must be taken when dealing with government authorities. The MD shall not, and shall ensure that the Company’s employees do not, make any direct or indirect promise, offer or make payment in money or anything of value to anyone, including a government official, agent or employee of a government, political party, labor organization or business entity or a candidate of a political party, or their families, with the intent to induce favorable business treatment or to improperly affect business or government decisions. In this regard, the MD must adhere to the policies of the HeidelbergCement Group, rules and regulations of BSEC and applicable laws of Bangladesh.

Anti-Discrimination and Harassment

A core responsibility of the MD shall be providing a work environment that is free of unlawful discrimination and harassment. In this regard, the MD must adhere to the policies of the
The MD is committed to complying with and ensuring compliance with all applicable environmental and Health & Safety laws, standards and requirements. The MD shall ensure that employees observe the requisite Health & Safety measures, follow all relevant rules, regulations and work instructions and to use appropriate personal protective equipment as required by applicable law.

### Confidential Information

Confidential information includes all non-public information that might be useful to competitors, or harmful to the Company if disclosed. All information (in any form, including the exchange of electronic data) that is created or used in support of business activities is the property of the Company. This Company information is a valuable asset, and the MD is expected to protect it from unauthorized disclosure. The MD must strictly maintain the confidentiality of information entrusted to him/her by the Company or its customers, vendors or consultants except when disclosure is properly authorized by the Company or legally mandated. The MD shall take all reasonable efforts to safeguard such confidential information that is in his/her possession against inadvertent disclosure and shall comply with any non-disclosure obligations imposed on the Company in its agreements with third parties.

### Protection and Proper Use of Company Assets

The MD shall strive to preserve and protect, and ensure that the Company’s employees preserve and protect, the Company’s assets and resources and to promote their efficient use and not to convert assets of the Company for personal use. Company property should be used for the Company’s legitimate business purposes and the business of the Company shall be conducted in a manner designed to Company’s interest rather than the personal interest of an individual.

### Integrity and Accuracy of Financial Records

The preparation and maintenance of accurate books, records and accounts are required by law and essential to the proper discharge of financial, legal and reporting obligations. The MD shall ensure that all financial data must be completely and accurately recorded in compliance with applicable laws and the Company’s accounting policies and procedures.

### Disclosure, Amendments & Waivers

To the extent required by law, the Company shall publicly (e.g., in its Annual Report and/or on its website) disclose this Code and its application. This Code may only be amended by the Board of the Directors of the Company. To the extent required by law, amendments to the Code shall be disclosed publicly. Any waiver of the Code may be made only by the Board and shall be disclosed as required by law.

### Conclusion

The MD is obligated to read and accept the provisions of this Code. No code of conduct, however, can address every situation for which guidance may be necessary. If the MD is unclear about what may be the right course of action in a particular situation, he/she should obtain appropriate advice before taking action. The MD is expected to abide by both the letter and spirit of this Code. Any questions regarding the scope or proper interpretation of this Code, or advice concerning its application to a particular situation, should be referred to the Legal Department of the Company or to the HeidelbergCement Group Legal Department.