



## Comprehensive Code of Conduct

The terms of this policy can be subject to change from time to time at Al Khayyat Investments LLC sole discretion and without a need of notice.

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## 1. Preamble

Al Khayyat Investments Group (“Company” or “AKI”) maintains high standards of integrity, ethics and professional conduct for employees as our work brings us into frequent contact with clients, prospective clients, vendors etc. Employees are the Company’s representatives to the outside world and their professional conduct reflects the value system of the Company. This Code Of Conduct aims at creating and building employees’ core values, determining best-in-class practices and establishing centers of excellence in the Company. It emphasizes the Company’s goal of striving to attain the highest ethical standards when resolving potential or actual conflicts of interest.

The following clauses are by no means inclusive of the circumstances an employee may encounter during the course of his/her employment with AKI. An employee who is unsure of how to proceed when faced with a particular situation must discuss the matter with Human Resources prior to taking any action. AKI expects all employees to exercise the highest degree of professional business ethics in all actions they undertake on behalf of the Company. All employees are expected to adhere to the code of conduct. Any contravention of the clauses mentioned herein could result to disciplinary action up to and including termination / dismissal.

Wherever applicable this manual should be governed and aligned with local laws and regulations specifically but not limited to UAE Penal Code in its articles 234 to 239

## 2. Confidentiality of information

All records and information relating to AKI or its customers / clients are confidential, and employees must, therefore, treat all such matters accordingly. No AKI or AKI related information, including without limitation, documents (including electronic documents), notes, files, records, computer files or similar materials may be removed from the Company’s premises except in the course of performing duties on behalf of AKI and with the permission of the respective Department head / Business unit head / Chief Executive officer/ Directors.

Additionally, the contents of the Company’s records or information otherwise obtained in regard to business may not be disclosed to anyone, except where required for a business purpose. Employees (during the term of employment and thereafter) must not disclose, furnish, or make accessible, any confidential information, purposefully or inadvertently (through casual conversation), to any unauthorized person inside or outside of the Company.

Privacy and confidentiality of employee information should be maintained. Online access to employee information will be limited to authorized users. Level and type of access will be based on information needed by user to perform work-related duties.

## 3. Non-Disclosure

During the tenure of employment, all employees will be acquainted with:

- Information pertaining to AKI clients (whether now existing or developed during period of employment either by employee or AKI) and business methodology of AKI.
- Confidential and privileged information relating to clients, special client information, development and production methods and techniques, promotional materials technical information and confidential processes (including software tools and software development processes), products, catalogs, design ideas, machinery, plans, devices or materials and other similar matters treated by AKI as confidential. The said information is a valuable, special and unique asset of AKI and was acquired or will be acquired at a considerable expense to AKI and it is also confidential and a trade and business secret. Employees have an ethical duty not to disclose any information gleaned from business transactions and to protect confidential relationships between the Company and its customers / suppliers and shareholders. Business information that has not been made public (e.g., insider information) must not be released to private individuals, organizations or government bodies unless demanded by legal process such as a subpoena or court order. Employees shall not use confidential information obtained in the course of their employment for the purpose of advancing any private interest or for personal gain. The use / disclosure of such confidential information/data by persons or entities other than AKI may pose a threat to the business. To protect the confidential information, employees are expected to:

- Classify and label all employee information
- Safeguard confidential and restricted information in secure locations with limited access
- Comply with all record retention guidelines
- Share confidential or restricted information with employees or outside entities only as required to meet AKI business objectives and with prior authorization from AKI.

#### 4. Proprietary Information / Data

Any and all discoveries and/or inventions (which shall include but not be limited to improvements and modifications) relating to work performed by the employees, or relating to matters disclosed to employees in connection with work to be performed, or suggested by such matter, whether or not patentable, discoveries and/or inventions made or conceived by the employee, solely or jointly with others during the term of his/her employment (regardless of whether conceived or developed during working hours) or during a period of one year thereafter, shall be a property of AKI or its nominee and such discoveries and/or inventions shall be promptly disclosed to AKI. AKI or its nominee will have the right to file and prosecute, at its own expense, all patent applications, whether local or foreign, on said discoveries and/or inventions. The employee shall, during his/her employment, or at any time or times thereafter, provide to the Company or its nominee all documents, information and assistance requested for the filing, prosecution or defense of any legal action or application pertaining to such discoveries and/or inventions and for the assignment or conveyance to Company or its nominee, of all right, title, and interest in and to such discoveries and/or inventions, patent applications and letters issued thereon. Employees will, in addition to the above, upon request of the Company or the Company's client, to whose work he/she is assigned, execute and deliver such agreements pertaining to discoveries and/or inventions made during the period of his/her employment. Upon termination or expiry of employment with the Company, employees will deliver to the Company all items including, but not limited to, drawings, blueprints, descriptions or other papers or documents that contain any such confidential information. The foregoing provision in this paragraph shall be for the benefit of the Company and/or its clients to whose work the employee is assigned, and either or both shall have the rights and remedies to enforce such provision.

#### 5. Non-Solicitation

To protect AKI employees from unnecessary distractions, distribution of literature, or merchandise on Company premises during working hours is prohibited. This includes soliciting employees for membership, subscription to any organization or entity or the circulation of petitions, notices or other printed materials for any public or private enterprise or for gifts of any nature.

#### 6. Conflict of Interest, Accepting/ Giving gifts

All employees must avoid incurring even the appearance of impropriety, either financial or personal, which might affect or appear to affect their judgment in dealing on the Company's behalf with clients, suppliers or individuals. Where there is a possible conflict, the situation should be mentioned in writing to the HR department. Employees shall not use knowingly or unknowingly organization property, funds, position or power for personal or political gain. Employees must not allow any situation or personal interests to interfere with the exercise of their independent judgment or ability to act in the best interests of AKI. A conflict of interest may arise in the following areas:

- Holding a direct or indirect financial interest as owner, officer, stock-holder, partner joint venture, guarantor or director in a firm which provides services or supplies materials or equipment to AKI or which is in competition with AKI or to which AKI makes sales, provides services or makes loans or where the individual engages in direction or operation of such firm.
- Speculating or dealing in equipment supplies, materials or property purchased by AKI or dealing for his/own account in products sold by AKI.
- Borrowing money from suppliers or clients or from individuals or firms with whom AKI does business.
- Acquiring by purchase or lease an interest in real estate in which it is known that the Company has interest, or which may improve in value because of Company interest in adjoining property.

- Misusing information to which the employee has access by reason of his/her position, such as disclosing confidential information to competitors or others outside the business, or using such information for personal use (e.g. trading in securities)
- Serving as an employee or consultant to another similar business organization without Company's consent. Permission to provide services to other similar businesses must be authorized by AKI.
- Accepting gifts or favors, being entertained or accepting other personal obligations, which are substantial for him/herself or a family member from clients and/or suppliers, whether local or foreign.

Accepting/ Giving gifts:

**Definition of Gifts** benefit of any kind given to someone as a sign of appreciation or friendship without expectations of receiving anything in return

AKI Employee is not allowed for the giving or receiving of any items of value to / or from any Third Parties officials, vendors, customers, governmental officials and any other business stakeholder to influence, or appear to influence, business decisions

- **For Pharma Division:**

- No gift, monetary advantage or benefit may be supplied, offered or promised to a healthcare professional as an inducement to prescribe, supply, sell or administer a medical product.
- Educational items and/or gifts must not be given in the form of cash or cash equivalents (E.g. Debit cards, Gift cards, vouchers, loyalty cards and Gift certificates or any similar items). Any cash or cash equivalent items are strictly forbidden.
- Promotional aids of minimal value and quantity may be offered to healthcare professionals if relevant to the practice of the healthcare professional. A promotional aid is a non-monetary item given for a promotional purpose. Possible examples of acceptable modest promotional aids include pens, note pads, convention bags, calendars, paperweights, mouse pads, portfolios, laser pointers, prescription pad, or business card holders. These items need to be of minimal value and quantity. Promotional aids branding should be limited to the name, logo of the company and of the medical product, its international nonproprietary name when applicable, or its trademark.
- Informational or Educational Materials and Items of Medical Utility can be provided to healthcare professionals provided it is: (i) "inexpensive"; (ii) directly relevant to their practice; and (iii) directly beneficial to the care of patients.
- AKI employee must not provide any gift to Healthcare Professionals engaged as consultants or speakers in lieu of a professional fee for their services
- Nothing of value may be offered, promised or given, or authorised to be offered, directly or indirectly, to an HCP, HCO, HCP Service Provider, Payer or Public Official except for the following:
  1. an item of Medical Utility that does not exceed \$100 in value and is designed primarily to help HCPs educate patients about disease management; this is allowed (as long as given on an occasional basis only and not frequently)
  2. items of value that can be given to HCPs are items of medical utility:
    - With a clear educational benefit for HCP or Patient
    - Have a modest value under \$100
    - That do not have a product brand logo
    - That are given on an occasional basis only and not frequent

AKI employee cannot:

- Give any items of value to, or accept them from, HCPs, HCOs, HCP Service Providers, Payers or Public Officials.

- Give or accept any gifts or hospitality that could be seen as an inducement or reward for granting business.

**For any situation where AKI team will promote on behalf of a Principle, AKI team will adapt with principle compliance terms and conditions.**

## 7. Facilitation Payment

Are payment to public officials to expedited performance of duties of a non-discretionary nature. These payments are intended to influence only the timing of the public official actions (e.g. payments to expedite the issuance of visa) and not their outcomes

AKI prohibits any facilitation payments of any nature.

## 8. Investments

Employees are prohibited from investing in any of AKI' clients, suppliers or competitors unless the securities are publicly traded, the investments are on the same terms available to the general public and not based on any inside information and the investment is not significant to the individual's net worth. This prohibition applies to all forms of investments and to all employees, directors, officers and agents of the Company and their immediate families. In general, AKI employees should not have any financial interest in a client, supplier or competitor that could cause divided loyalty or give the appearance of divided loyalty.

## 9. Engaging in private trade or alternate / outside employment

All employees who are full-time employees of AKI, shall not engage directly or indirectly in any trade/business or undertake any other employment or consultancy or undertake such trade/business/consultancy on behalf of anyone else, either with/without remuneration, during the course of his/her employment with the Company, except with the written permission of the Director. Also, such private trade and/or alternative employment should not adversely affect performance and conflict with the business interest of AKI (this would include working for a competitor). In cases of conflict with any outside employment activity, the employee's obligations to AKI must be given priority. In general, private trade and/or alternative employment is not allowed when:

- It prevents an employee from fully performing work for which he/ she is employed with AKI.
- It prevents an employee for engaging in overtime assignments (if applicable).
- It involves companies that are doing or seeking to do business with AKI, including actual or potential vendors or customers.
- It violates provisions of law or the Company's policies and procedures.

## 10. Ethical standards

AKI expects all employees to exercise the highest degree of professional business ethics in all actions they undertake on behalf of the Company. Employees should observe all laws and regulations governing business transactions and engage in fair competitive actions. Employees are prohibited from using, directly or indirectly, corporate funds and assets for any unlawful purpose or to accomplish any unlawful goal. The Company also prohibits the establishment or maintenance of undisclosed or unrecorded funds and assets. All reporting of information should be timely and accurate. Employees should not make any false or misleading entries in any book or record. Employees should use Company funds only for legitimate and ethical purposes.

**all employees must demonstrate high level of ethical principles. Our AKI ethical principles are:**

- **Respect:** demonstrates respect by valuing opinions and treating each other as an equal. The business shows respect for its customers by listening to feedback and assessing needs. An ethical business respects its vendors, by utilizing fair buying practice



- Integrity: all AKI employees are required to demonstrate high level of integrity by, rejecting any business practice which might reasonably be deemed improper; never using their authority or position for their own financial gain.
- Equality: We do not tolerate discrimination or harassment in the workplace.  
In AKI we don't label people according to:  
Age – disability – ethnicity – origin – gender – race - political attitude – religion - sexual orientation
- Honest: Acting with clear intents, speak up.
- Accountability: Report/pass on information if you become aware of any kind of misconduct (e.g. conflicts of interest - fraud - corruption)

## 11. Anti-corruption:

Our commitment is to strictly follow ABAC policy and not to tolerate any form of bribery or corruption business actions. AKI employee will not give, offer or promise to give anything of value or accept, request or agree to receive anything of value for the purpose of improperly influencing any business related decisions. AKI will not use any third parties to commit acts of bribery or corruption.

## 12. Family Relationships

If an employee wishes to do business on behalf of the Company with a member of his or her immediate family, other relative, or with a Company of which a relative is an officer, director or principal, he or she must disclose the relationship and obtain the prior written approval of the Director.

## 13. Inappropriate/ Illegal Behavior

AKI is committed to providing its employees and visitors a safe, healthy and productive work environment. Violent behavior or threat of violent behavior in the workplace or Company premises will not be tolerated. Employees are prohibited from bringing weapons on Company/client premises, including parking lots, leased buildings and recreation areas. Any employee, who threatens violence, by word or deed, shall be asked to leave the Company/client premises until a review can occur. Employees must avoid improper acts and the violation of any government law or regulations in the course of performing his/her duties. When in doubt about any law or regulation, the employee should consult the HR department. The following guidelines have to be adhered to strictly:

- No corporate or subsidiary funds, assets or corporate participation in any nature should be used for personal benefits, directly or indirectly (e.g. petty cash, company provided vehicles, sponsored promotions etc.)
- No corporate or subsidiary funds or assets will be used for any improper or unlawful purpose such as paying bribes or kickbacks to obtain privileges, concessions or special benefits.
- No employee will accept payment or anything of value whether characterized as a bribe or a kickback, or otherwise; whether intended for Company or personal use, if the payment and/or receipt is illegal or is designed to cause the employee to grant a privilege, benefit or concession to the payer.
- No undisclosed or unrecorded funds or assets of AKI will be established for any purpose.
- No false or artificial entries or documents will be made or entered into the books or records of AKI or its subsidiaries for any reasons, and no employee will participate in an arrangement that results in such a prohibited act.
- No payment on behalf of the Company will be approved or made with the intention, understanding or agreement that any part of such payment is to be used for any purpose other than what is described by the documents supporting the payments.
- No employee will use AKI resources unless properly authorized.
- Any employee having knowledge on any prohibited act, past or present, should report it to the HR department.

## 14. Maintaining a positive work attitude & environment / Floor rules

AKI is committed to providing a positive and learning environment to all employees where all employees are treated fairly, with respect, regardless of their status/designation. Employees also are expected to follow the same principle when dealing with colleagues. No employee should engage in acts of intimidation and harassment. No employee should pass derogatory/insulting remarks about any colleague. No employee should make negative comments about any policy/system/process/methodology of the Company, which will lead to unrest and disturb the work environment. Employees are required to follow the grievance handling procedure to vent their frustrations/complaints etc. (refer to HR Manual). Employees are expected to adhere to the following guidelines while at their work desks:

- No eatables and drinks shall be carried to the floor/ workstation/ desk apart from a water bottle.
- All employees are expected to maintain neatness and orderliness of their desk and the place of work.
- No confidential documents must be kept lying unattended in the open.
- Employees are expected to maintain personal hygiene.

## 15. Participation in politics/ Membership of political parties

No employee shall participate in any demonstration or political events, which would incite an offence under the law of the land.

## 16. Use of Company's property and equipment

All employees are required to handle the Company's property/equipment with due diligence and care. They shall return all such property/equipment to the Company in good condition at the time of separation from the Company or as and when directed by the Management.

## 17. Telephone courtesy

Some of the business is conducted via telephone and for the same, each employee is expected to place special emphasis on telephone courtesy. The following guidelines should be adhered to when speaking on the telephone:

- Use a tone of voice that conveys interest, enthusiasm and a willingness to help.
- Answer calls promptly.
- Make your calls as brief as possible.
- Personal calls should be avoided unless emergencies arise.

## 18. Computer, Email, Intranet & Internet usage

### 18.1. Computers

- The Company purchases and licenses the use of various computer software/ hardware for business purposes. Employees may only use software according to the business requirement. The Company prohibits the illegal duplication of software and its related documentation.
- Equipment must not be attached to or removed from, the Company network, or removed from its normal location, without the approval of the IT in-charge / the person authorized by him. This includes any equipment brought into the Company, for any reason, by third parties.
- Modems must not be connected directly or indirectly to the Company network without the approval of the IT in-charge / the person authorized by him/her.
- Illegally acquired software must not be loaded on Company owned equipment to avoid risks from viruses or other malicious devices and to prevent exposure to legal proceedings.
- Password to network access should not be shared or disclosed. If a workstation is shared by more than one person, then the each user should use his own user ID while accessing the network. There should not be any written record of passwords.

- The Company has installed a variety of firewalls, proxies, internet address screening programs and other security systems to ensure the integrity, safety and security of Company's network and to limit access to certain sites. Any attempt by users to disable, defeat or circumvent these systems may result in disciplinary action and suspension of access to Intranet/Internet.

## 18.2. Emails

- The Company's email system is designed exclusively for business purposes. Personal use of the email system is not permitted. Employees provided with access to email should use discretion and professionalism when writing email messages.
- Each email user has a unique access login and password. The login allows access to messages sent for the user. Use of passwords or other security measures does not in any way diminish AKI's rights to access materials on its system or create any privacy rights of employees in the messages and files on the computer/laptop. Any password used by employees must be revealed to AKI, as emails may need to be accessed by the Company in an employee's absence.
- Login facility will be issued by the email administrator upon receipt of a request from the user duly approved by HR department.
- Legally, email messages are the same as written messages and, like written documents, can be subpoenaed and used in a court of law as evidence. Accordingly, confidential matters should be marked appropriately and / or sent only via hard copy, where appropriate.
- Email is a Company asset and any misuse such as carrying/receiving pornography or any undesirable communication etc. may result in disciplinary action.
- AKI, in its discretion as owner of the email system, reserves and may exercise the right to monitor, access, retrieve and delete any matter stored in, created, received or sent over the email system, for any reason and without the permission of employees.
- Employees should be aware that deletion of any email messages or files would not truly eliminate the messages from the system. All email messages are stored on a central back-up system in the normal course of data management.
- AKI's policies against sexual or other harassment apply fully to the email system, and no email messages should be created, sent, or received if they contain intimidating, hostile, or offensive material concerning race, color, religion, gender, sexual orientation, age, national origin, disability or any other classification protected by law. In addition, the Company's email system may not be used for religious or political causes, commercial enterprises, or on behalf of outside organizations.
- AKI's email system will not be used to send (upload) or receive (download) copyrighted materials, trade secrets, proprietary financial information or similar materials without prior authorization from the Company management. Employees, if uncertain about whether certain information is copyrighted, proprietary, or otherwise inappropriate for transfer, should resolve all doubts in favor of not transferring the information and consult any member of the Company's Information Technology staff.
- **Derogatory Statements:** Because email records and computer files may be subject to discovery in litigation, employees are expected to avoid making statements in email or computer files that would not reflect favorably on the Company or any AKI employee if disclosed in litigation or any other legal matter.
- **System Maintenance:** Employees should routinely delete outdated or otherwise unnecessary emails and computer files. These deletions will help keep the system running smoothly and effectively, as well as minimize maintenance costs.
- **Courtesy:** Employees are reminded to be courteous to other users of the system and always conduct themselves in a professional manner. Emails are sometimes misdirected or forwarded and may be viewed by persons other than the intended recipient. Employees should write email communications with no less care, judgment and responsibility than they would use for letters or internal memoranda written on Company letterhead.

## 18.3. Intranet/ Internet

- The Company provides access to the information available on the Intranet/Internet to its employees specifically for business related and other permitted purposes only.
- Employees should not use the facility of Intranet/Internet in violation of the laws and regulations of the land.

- AKI is not responsible for material viewed or downloaded by Internet users. The Internet is a worldwide network of computers that contains millions of pages of information. Users are cautioned that many of these pages include offensive, sexually explicit, and inappropriate material. In general, it is difficult to avoid at least some contact with this material while using the Internet. Even innocuous search requests may lead to sites with highly offensive content and having an email address on the Internet may lead to receipt of unsolicited email containing offensive content. Users accessing the Internet do so at their own risk.
- The downloading, possession, distribution or copying of a copyright work (e.g. a computer program, document, photograph, music, video etc.) is an infringement of copy right unless properly authorized to do so by the copyright owner. None of these should be downloaded or stored until one is satisfied that such authorization has been obtained. Any files or software properly downloaded into the Company network in compliance with copyright authorizations or licenses become the property of AKI.
- Images, audio or videos may not be downloaded from the Internet using Company facilities except for explicit business-related use. Permitted file transfers or video downloads etc. which are communications-intensive should be scheduled for off-peak times. Transfer or uploading of any software or data licensed to or owned by the Company is not permitted.
- Normally transfer of any confidential / sensitive data pertaining to the Company through Internet is not permitted. However, with explicit authorization from the appropriate authority in the Company, confidential / sensitive data pertaining to the Company may be transferred across the Internet after encrypting using encryption software approved by the Management.
- Users must not possess, access, display, archive, store, edit, record, send or use any kind of sexually explicit, indecent or obscene images or text on the Company's systems. Employees must disconnect immediately if by accident connected to an Internet site that contains such material and should advise the HR/IT department immediately if they receive any such unsolicited material.
- Users must remain polite and respectful of the feelings and beliefs of others in all dealings on the Internet/Intranet and must not knowingly make any statements which may defame, slander or intend to lower the reputation of any person or entity or their goods or services.

## 19. Gender Harassment

Gender harassment refers to behavior of a sexual nature that is not welcome and which interferes with an employee's status of performance by creating an intimidating, hostile or offensive working environment. It is a form of assault, which can manifest itself in terms of physical and psychological acts. This behavior may involve either the same gender or the opposite gender. This conduct may include, but is not limited to, the following:

- Making unwelcome sexual advances and/or requests for sexual favours or other verbal/physical conduct of a sexual nature as a condition of employment.
- Submission to or rejection of the behavior becomes (implicitly or explicitly) a basis for decisions that affect the individual's employment or a condition of the individual's employment.
- The behavior has the purpose or effect of unreasonably interfering with an individual's work performance or creates an intimidating, hostile or offensive work environment.
- Repeated, offensive and unwanted flirtations or advances.
- Demanding sexual favors.
- Verbalizing sexual innuendoes, suggestive comments, lewd/sexual jokes or references, sexual propositions or threats.
- Displaying sexually suggestive objects, graphic commentaries, making suggestive or insulting sounds, whistling and obscene gestures.
- Sexual harassment may be subtle or obvious. Whatever form it takes, it can be insulting and demanding and will not be tolerated.

## 20. Substance abuse/ Intoxication

AKI expects the employees to report in a state of mind and physical condition that will allow them to perform their assigned duties in a competent and safe manner. For this reason, no employees should possess/consume/use/be under the influence of alcohol, illegal drugs or controlled substances in the Company premises. Selling, possessing,

using, delivering or receiving alcohol/illegal drugs/controlled substances at any time during the workday or anywhere on the Company premises is strictly prohibited. Violators will be subject disciplinary action, up to and including termination. Any employee who must use a prescription drug that causes adverse side effects like drowsiness, impaired reflexes or reaction time shall not be allowed to work during such period.

## 21. Smoking

AKI is committed to promoting a safe and healthy work environment free from hazards associated with smoking. Smoking entails risk to personal health and secondary smoking to the health of others in the Company. Therefore all office premises of AKI are 'No Smoking' areas and smoking is prohibited within the confines of all buildings and facilities owned or leased by AKI. Employees who wish to smoke may do so during regular breaks and meal periods, but must do so only outside the AKI office premises and only at designated places. Smoking materials must not be kept lying around in the open in the work place or discarded on the grounds within AKI office premises.

## 22. Safety & Health

### 22.1. Office premises

Each employee should adhere to health and safety guidelines of the AKI.

### 22.2. Warehouse

Warehouse staff should strictly adhere to health and safety guidelines/ SOPs.

### 22.3. Sites

Due to the nature of businesses and activities, it is of prime importance that every individual take extreme precaution to avoid any hazardous situation to health & safety. No individual must enter a construction of project site without the appropriate safety gear which will be made available on each site. The musts are Safety Shoes, Reflective Jacket, Hard Hat (Helmet), Gloves etc.

## 23. Whistle blowing

The AKI Group requires its managers, employees, suppliers, and external associates to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. Employees and representatives of AKI Group must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations in the UAE.

In this regard, a Whistleblower can be defined as any individual (AKI employee, wider public (any member of the UAE public), who has noticed or observed a malpractice or fraudulent activity and has reported to using methods defined in this policy.

### 23.1. Violations Reporting

- A Whistleblower shall be encouraged to report information relating to illegal practices or violations of AKI Group's policies that such person in good faith has reasonable cause to believe is credible.
- Information shall be reported to Head of the Compliance and Internal Audit or anonymously at <https://whistleblower.akigroup.auraa.com/public/report-whistleblower>
- Anyone reporting a Violation must act in good faith, and have reasonable grounds for believing that the information shared in the report indicates that a Violation has occurred.
- Based on the merit of the complaint and on consultation with the CEO, the Head of Compliance and Internal Audit department shall appoint an Audit Committee.
  - The Audit Committee shall in turn decide to commence investigations or otherwise.
  - The Whistleblower shall report Violations through the following methods

- **Direct Meeting:** The Whistleblower may opt to report a Violation to the Head of Compliance and Internal Audit department personally
- **Phone Call:** The Whistleblower may opt to report a Violation on 04 8105564
- **Email:** Whistleblower discovering / encountering a Violation can raise the concern by submitting an email to the email address *whistle@akigroup.com* (Compliance and Internal Audit team will have an access to the mailbox)
- Whistleblowers reporting a known or suspected Violation shall provide the following information:
  - Name, position and contact numbers of the Whistleblower (if willing)
  - Full name and position of the person(s) being complained about / reported
  - Details of the Violation
  - Relevant/material facts and reasonable grounds for the Violation
  - Evidence(s) that support the report (if any)
- The following potential violations can be reported:
  - A breach of professional conduct, unethical behavior by employees including any dishonest or fraudulent act or attempted act by employees of the Company
  - Not declaring a conflict of interest (e.g. a person using his position in the Company to further his own interest or those of others)
  - Disclosing confidential and proprietary information to third parties without authorization
  - Forgery or alteration of any AKI Group's official records including forging of signatures
  - Unauthorized alteration, addition or removal of information from AKI Group's manuals, records or Information systems
  - Fraudulent financial reporting including manipulation of accounting data
  - Misappropriation or misuse of funds, supplies, or other assets
  - Impropriety in the handling or reporting of money or financial transactions
  - Destruction, removal, or inappropriate use of official records, furniture, fixtures, and equipment
  - Financial malpractice (including false expense claims or misuse of valuables)
  - Paying false (or inflated) invoices, either self-prepared or obtained through collusion with suppliers
  - Providing undue privileges to Suppliers, or granting business to favored suppliers, for kickbacks/favors
  - Accepting or seeking anything of material value from Suppliers of AKI Group
  - Non-compliance with established internal controls
  - Threat to staff health and safety
  - Discrimination on grounds of gender, race, disability, or age
  - Misuse of delegated powers or authority
  - Cover up in relation to any of the above matters
  - Any similar or related Violation.
  - A breach of our compliance policies (ABAC, conflict of interest and gifts and entertainment policies)

### 23.2. Authority of the Audit Committee

- All reported Violations will be forwarded to the Head of Compliance and Internal Audit department.
- The Audit Committee shall be responsible for investigating, and making appropriate recommendations to the Director / CEOs, with respect to all reported Violations.

### 23.3. Protection of the Whistle-blower

This Policy is intended to encourage and enable Aki Group's employees, suppliers to raise Violations within the company for investigation and appropriate action. Accordingly, no director, supplier, or employee who, in good faith, who reports a Violation shall be subject to retaliation or, in the case of an employee, adverse employment consequences. Moreover, an employee or supplier who retaliates against someone who has reported a Violation in good faith is subject to disciplinary actions as per AKI Group's disciplinary framework.

### 23.4. Investigation

AKI Group is committed to investigating all Violations that are reported. Upon receipt of the claim of Violations, the Audit Committee may respond to the Whistle-blower, setting out the general plan of action by the Management. Upon completion of the investigation, the Whistle-blower may be informed of the results of the investigation as well as any corrective steps that are being taken.

### 23.5. Anonymous Complaints

Whistleblowers who opt to make an anonymous report due to fear or pressure especially for highly confidential and sensitive matters, may do so by detailing the suspected Violation in writing. Although the investigators will try to exert all efforts to investigate on such complaints, proper investigations cannot be guaranteed since investigators cannot obtain further information from the Whistleblower and/or ascertain whether the report was made in good faith. Thus, it is preferable for Whistleblowers to reveal their identity to the Head of Compliance and Internal Audit department and measures will be taken to preserve confidentiality.

### 23.6. Confidentiality

- All AKI Group's employees have a duty of confidentiality. Any information received in the course of employment must not be disclosed to anyone outside of the company and must not be used for an Employee's own benefit or the benefit of others.
- Any individual who reports or provides information as part of an investigation must maintain the confidentiality of that information, and of the investigation. Further, all information reported to Head of Compliance and Internal Audit department and Audit Committee, irrespective of how it is received, must be considered confidential, and may not be disclosed or discussed with any other individual, other than for the purpose of conducting the investigation.
- The Head of Compliance and Internal Audit department and Audit Committee will manage all reports in the strictest confidence to protect the rights of any party subjected under investigation.

### 23.7. Malicious Allegations

- Whistleblowers are discouraged from making false and malicious allegations. Any malicious use of the Whistleblowing policy by AKI Group's Employees or suppliers will result in disciplinary action against the Whistleblower, up to and including termination of employment

## 24. Dress code

Employees are required to be appropriately dressed when reporting for work. Employees should remember that potential clients and business partners are often invited to visit AKI' offices and sites. Consequently, AKI places a high value on the effect employees' professional appearance can have on the positive image of the Company. In general, employees should dress conservatively, attractively and in good taste. Good personal hygiene is a must. The following is the applicable standards of dress:

### 24.1. Male Staff

- All male staff are required to dress in trousers and full-sleeves shirt.
- All male managers are required to wear, trousers, shirt with blazer / suit.
- All staff and managers are required to wear formal leather shoes.
- All Office Boys, blue collared employees, retail outlet and warehouse staff, and Drivers are required to wear uniform as prescribed by the management.
- All employees are required to maintain the minimum decorum of personal grooming by sporting a neat haircut & trimmed shave.

### 24.2. Female Staff

- All ladies will wear formal outfits.
- Special care would be taken to dress in un-provocative manner.

## 25. Comprehensive disciplinary framework

### 25.1. Introduction

- Discipline is a system designed to promote orderly conduct.
- Formal disciplinary action should be the final course of action in rectifying employee behavior.
- Disciplinary action should be supported through investigation, reasonable evidence of guilt and careful consideration of the circumstances of each case before formal action is taken.
- Disciplinary action should always be prompt, fair and firm.
- While every attempt has been made to ensure that this Disciplinary Code is applicable to general disciplinary instances in AKI, the requirement for use of discretion within the framework of and in accordance with the spirit of the code may be required.
- A successful disciplinary system and climate is dependent on the good judgement, understanding and consistent treatment of the parties involved in disciplinary action.

### 25.2. Procedure and Documentation

#### 25.2.1. Action of supervisor when an alleged offence is reported

When an offence is alleged to have been committed, the Supervisor concerned will investigate or have the matter investigated, and take any form of the following actions:

- Dismiss the case;
- Counsel the employee;
- Give a verbal warning;
- Give a recorded warning;
- Initiate a formal disciplinary enquiry;

#### 25.2.2. Informal disciplinary action

It is desirable for sound interpersonal relations within AKI that Supervisor where possible resolves disciplinary matters by means of informal disciplinary action. Informal disciplinary action can take the form of either a verbal warning or counselling.

An employee found to have committed an offence of a minor nature should be counselled by the Supervisor, without an entry being made on the employee's personal record. The Supervisor may however, make a record of the counselling session to allow for an assessment of the employee's performance record, should this be necessary at the time, and with the employee's knowledge and understanding thereof, formulate a plan of corrective action.



During the counselling, the Supervisor should ensure that the employee is made aware of the nature of the offence and the standard of the conduct or performance that will be expected in the future.

#### 25.2.3. Procedure for formal complaints

A supervisor handling a formal complaint must investigate the case with the assistance of the Human Resources Officer, where possible, and ensure that the relevant sections of the complaint form (Appendix 1) are correctly completed within 48 hours of the offence having been committed or the supervisor having been made aware of the fact that an offence has been committed. A copy of the complaint form should be passed without delay to the Human Resources Officer who will advise whether:

- The accused should be suspended pending full investigation (if this has not already been done);
- Advise the supervisor on whether to continue with a formal complaint
- The Complainant and the accused must provide names of all persons who should be regarded as witnesses as their statements will assist in ensuring a fair hearing of a case. Where possible, should there be witnesses who are non-employees, formal statements should be recorded from them as they may be invited to attend the disciplinary hearing.

#### 25.2.4. Disciplinary Inquiries

Human Resource will be responsible for the overall application of the code and should where possible:

- Advise and guide all participant on the Disciplinary Code;
- Ensure that the code is applied fairly and consistently in all cases (procedurally and substantively);
- When all documentation pertinent to the matter has been collected, the Human Resources Officer shall serve the papers on the accused and/or his/her representative to allow the employee to fully prepare himself prior to the hearing;
- The Hearing Chairperson will hear the case within four full working days of the complaint being lodged – only when further investigate is required shall this period be extended;
- The Human Resources Officer will be responsible for arranging a suitable venue and date for the inquiry, informing all the relevant parties; informing the accused of his/her rights to representation; informing the accused of his/her right to appeal against the decision and arranging for all relevant statements to be taken.
- The complainant shall be responsible to complete the Complaint form.

#### 25.2.5. Attendance at the Inquiry

The following persons must be in attendance at any hearing inquiry:

- Hearing Chairperson
- Complainant
- Alleged Offender (accused)
- Representative of alleged offender (if requested by alleged offender)
- Witness (as) (as and only when required for the duration of the testimony)
- Human Resources Officer.

#### 25.2.6. The Hearing/Inquiry:

- The accused should be given at least 48 hours' notice in advance of the disciplinary hearing (Notice for Disciplinary hearing see Appendix 2), indicating the date, time and venue of the

hearing. In addition, the responsible person convening the hearing should advise the accused of his/her right of representation.

- In the event that the accused alleges that the Hearing Chairperson is implicated in the case and therefore will not be unbiased, the accused may request the appointment of an alternative Hearing Chairperson, giving a full motivation for such a request. The decision whether to appoint another Hearing Chairperson or not rests with the Human Resources Officer. Such requests shall however not be unreasonable withheld.

#### 25.2.7. Duties and Responsibilities of the Hearing Chairperson

The Hearing Chairperson shall be any employee on the same level as the direct supervisor of the Complainant, but not the direct supervisor. The Hearing Chairperson should not have been privileged to any information pertaining to the inquiry prior to the inquiry. Ideally the Chairperson of a disciplinary inquiry will be required to follow the guidelines below when performing duties of a presiding official:

- Introduce and identify all present, stipulate the purpose and format of proceedings;
- Ensure that the alleged offender has been given sufficient notification of the inquiry, and that he/she has signed and acknowledged acceptance thereof. Ensure that the alleged offender has understood his/her employee rights in this regard;
- Establish if witnesses are present and if so inform the hearing that they will be excluded from proceedings once they have led evidence and have been cross questioned;
- Should it be established that the accused was not informed of his right to representation or that the witnesses are not present, the Hearing Chairperson will adjourn and reschedule the hearing for a later date;
- Should the accused fail to attend the hearing, the Hearing Chairperson will establish whether the accused was notified of the date, time and venue of the hearing. It will be advisable to re-notify all parties to attend the disciplinary hearing at a later date if notification was not given;
- If the accused fails to attend a disciplinary hearing, the Hearing Chairperson should in writing advise the accused of the date, time and venue of the hearing and advise him that should he fail to attend, the hearing will proceed in his absence;
- Should the accused fail yet again to attend and if no prior notification for his absence was given, he may be deemed to have waived his right to attend the hearing. The Hearing Chairperson will then decide the case in absentia on the facts available and the accused will be informed, in writing, of the outcome;
- Having ascertained that the particulars on the complaint form are correct, the Chairperson will inform the accused of the charge(s) against him/her, ascertain his/her understanding thereof and the accused will be asked to plead on the charges;
- The accused should be permitted to make any further pertinent comments should he/she wish to do so (whether or not he/she has already made a written statement);
- According to the plea entered by the accused, the Hearing Chairperson must verify all facts and allegations by questioning the accused, Complainant and any other parties in order to arrive at a decision. Only information provided in the case documentation pertaining the charge in question and statements raised during the inquiry will be used as facts pertaining to the disciplinary inquiry;
- The Hearing Chairperson will allow the accused, with his/her representative, the opportunity to express opinions on the case;
- All witnesses should be called to give evidence and to have such evidence examined by the hearing Chairperson, the Complainant and the accused and/or the accuser's representative;
- If during the course of the hearing, the Hearing Chairperson finds it necessary to obtain further information, the case should be adjourned to allow for further investigation;
- If the accused wishes further evidence to be submitted, this should be allowed, provided that the Hearing Chairperson is of the opinion that such further evidence could be of relevance;
- Once the Hearing Chairperson is of the opinion that he/she has gathered sufficient evidence surrounding the case, he/she should request any witness (as) to leave the room;

- At this stage the Hearing Chairperson may call for a recess during which he/she may liaise with the Human Resources Officer in order to obtain further advice and information;
- The Hearing Chairperson may call a recess at any stage of the proceedings and may consider any call for a recess by any other party of the inquiry;
- Once the Hearing Chairperson is satisfied that he/she is in a position to make a decision on the guilt or innocence of the accused, he/she will reconvene the inquiry and inform the accused and his/her representative of his/her findings. The Complainant and Human Resources Official (where possible) should be present when the decision of guilt or innocence is informed.
- If it is the opinion of the Hearing Chairperson that the accused is not guilty, he will inform him accordingly and the finding “case dismissed” will be entered on the Complainant form and the employee’s disciplinary record will be cleared of any reference to the case;
- Where an employee is found guilty, the Hearing Chairperson will then take note of the offender’s record of service, disciplinary record, mitigating and aggravating circumstances, seriousness of the offence, consistency of application and any other circumstances he/she may deem necessary to consider;
- In all cases, current un-expired disciplinary warnings will be taken into account when deciding on the appropriate action;
- Depending on the nature and seriousness of the offence, the whole of the employee’s disciplinary record may be considered;
- The Hearing Chairperson will then record the penalty on the complaint form and inform the offender of the penalty awarded in terms of **Section 6.5** and the reasons for arriving at the decision. The Hearing Chairperson will inform the offender of the period for which the warning will remain on his/her record as a valid entry. The Hearing Chairperson will also inform the offender of his/her right to appeal in terms of Section 6.6 of this code;
- With regard to corrective action, the Hearing Chairperson will, in liaison with the immediate Supervisor, the employee and/or representative, and the Human Resources Officer; formulate an action plan to address the required change in behavior. The employee will be required to assist in this process and make proposals in this regard. The aim is to ensure that the process of correcting unacceptable behavior is addressed objectively and amicably;
- Request the employee to acknowledge the disciplinary action proposed. Should the employee opt not to sign, a witness should be requested to acknowledge that the details of the inquiry have been communicated to the accused.

#### 25.2.8. Recording of Proceedings

- It is in the interest of AKI and the individual that all proven offences and subsequent disciplinary action be accurately recorded.
- The Chairperson will ensure that all other required administrative details on the complaint form are completed before forwarding the document to the Human Resources Officer for overall review and control.
- Statements, Complainant forms and other disciplinary records will be retained by the Human Resources Officer as these may be required even after an employee has left AKI’s services.
- The Human Resources Officer will be responsible for the input of disciplinary penalties on employee’s personal files.

### 25.3. Special Cases

#### 25.3.1. Suspension

An employee may be suspended from work immediately if he/she has allegedly committed or is allegedly involved in any one of the following offences:

- Assault/attempted assault
- Desertion
- Sleeping on duty
- Negligent loss, driving, damage or misuse of company property
- Abuse of electronic/data facilities

- Sexual Harassment
- Fighting
- Riotous Behavior
- Alcohol and drug offences
- Willful loss, damage or misuse of company property
- Theft/Unauthorized possession of company property
- Breach of Trust
- Offences related to dishonesty
- Offences related to Industrial Action
- Any act or omission which intentionally endangers the health or safety of others, or is likely to cause damage to Company property
- Interference with disciplinary and/or grievance investigations
- Abusive or provocative language (when it is likely to cause a disturbance)
- Insubordination (if the situation shows signs of getting out of control)
- Persistent refusal to obey instructions.
- In certain instances, the Supervisor will recommend that the offender be removed from the work place pending investigation of the case. He/she will take immediate steps to report the matter to his/her immediate Supervisor, who will raise the matter with the CEO. Irrespective of the outcome, the employee will be paid for days he/she was suspended;
- It is mandatory to liaise with the Human Resources Officer prior to suspending an employee in order to ensure that the suspension is procedurally and substantively fair.

#### 25.3.2. Poor Work Performance

Cases involving substandard or deteriorating work performance are to be treated differently from those regarded as transgressions of misconduct. The following guidelines should be considered when dealing with such cases. An attempt should be made to resolve alleged poor work performance by means of counselling the individual involved. Where the supervisor identifies work performance, the following procedural action should be considered:

- Investigate and identify the problem area(s)
- Communicate this to the individual concerned, and jointly agree on the appropriate plan of action in order to resolve the matter. If deemed necessary and relevant, norms should be established by arranging appropriate task lists and the time duration allowed for the completion of each task;
- Consideration should be given to the appointment of a coach or mentor to assist the employee to improve performance;
- Accurately minute the agreed contents of any agreement put in place and provide the Human Resources Officer with a copy for record keeping purposes;
- Regular evaluation and follow up on the agreed plan of action should be made;
- Should counseling fail to produce the desired improvement, alternative action should be considered in liaison with the Human Resources Officer. Alternative action could include, but is not limited to, termination of the employment contract on the grounds of incapacity, demotion or a transfer to an alternative position. The employee, throughout this process, will be entitled to representation.

#### 25.3.3. Offences outside normal working hours

AKI reserves the right to take any action it may deem appropriate against employees who are, in the opinion of AKI, guilty of gross misconduct not merely in their working situations. This is particularly so where the nature of the misconduct may affect the employment relationship with any other party. Actions that directly relate to the nature of the business are also liable for disciplinary action.

#### 25.3.4. Court Actions

Where an employee has been criminally charged or legal action has been instituted for an employment – related breach, AKI reserves the right to take disciplinary action against the employee for the alleged offence, in terms of this Code.

### 25.4. Classification of Offences:

Offences are classified into five major categories.

- Absenteeism
- Offences related to Control at Work
- Offences relating to indiscipline or disorderly behavior
- Offences related to dishonesty
- Industrial Action

#### 25.4.1. Absenteeism

Absenteeism in the disciplinary context means being absent from work for an entire working shift, or part thereof, without the expressed permission from a direct supervisor. A sanction of dismissal can apply for the first offence of being absent without permission provided that the employee was absent for seven continuous working days without a valid reason.

- Absent without leave;
- Desertion: Leave the work place without intending ever to return; leave without help or support; abandon; leave without authority or permission.

#### 25.4.2. Offences related to Control at Work

##### 25.4.2.1. Poor Time Keeping and related offences

- Reporting late for work
- Leaving work early
- Extended or unauthorized breaks during working hours
- Persistently committing all or any of the above.

##### 25.4.2.2. Sleeping on duty

Any employee who is found asleep on duty, whether or not such an action constitutes a hazard to the safety and health of the offender or others or leads to damage to Company property, shall be deemed guilty of an offence.

##### 25.4.2.3. Negligent Loss, Driving, Damage or Misuse of Company property

- Negligent loss of Company property: any act whereby an employee, through carelessness or negligence, loses Company property or is unable to account for it satisfactorily.
- Negligent driving; driving a company owned or rented vehicle without due care, whether such an act results in an accident or not.
- Negligent damage to Company property: any act whereby an employee through carelessness or negligence causes or allows Company property to become damaged.
- Misuse of Company property: using Company property for a purpose other than that for which it was intended.

##### 25.4.2.4. Unsatisfactory Work Performance

- Carelessness: Performance of a task or duty without the exercise of due care and attention.
- Negligence: failure to exercise proper care and regard to the manner of discharging duty to the extent that tasks have to be repeated or equipment or persons are at risk of damage or injury.

- Inefficiency: failure to carry out work at the required standard or failure to complete tasks within the given reasonable time limits, without reasonable cause. This includes poor supervision.
- Loafing: passing time idly or failing without reasonable cause to complete tasks set.

#### 25.4.3. Offences Related to Indiscipline or disorderly behavior.

##### 25.4.3.1. Disobedience and related offences

- Refusing to obey an instruction: deliberate refusal to carry out a lawful and/or reasonable instruction given by a person in authority and within the area of his jurisdiction.
- Failing to obey an instruction: failure to obey a lawful instruction given by a person in authority and within the framework of his/her jurisdiction.
- None-compliance with established procedure / standing instructions: failure to follow established procedures.
- Abuse of electronic / Data facilities: excessive use / abuse of email and communication facilities; storage and/or transmission of material of discriminatory nature; storage and/or transmission of pornographic material; unauthorized monitoring and interception of electronic documentation.

##### 25.4.3.2. Abuse and related offences

- The uttering of any words or the publication of any writing expressing or showing hatred, ridicule or contempt for any person or group of persons.
- The offence is more serious when it is wholly or mainly because of his/her/their nationality, race, color, ethnic origin, sex, marital status, religion, creed, political opinion, social or economic status, degree of physical or mental ability, sexual orientation or culture.
- Insolence towards a superior shown by action or words.

##### 25.4.3.3. Disorderly behavior and related offences

- **Disorderly behavior:** Indulging in rough or unruly behaviour or practical jokes whether or not such behavior endangers the safety or health of others or the smooth running of the work place.
- **Threatening violence:** Threatening to do physical injury to any other person.
- **Fighting:** Physical contact between two or more persons, engaging in or inciting a group of persons to indulge in disorderly behaviour or wilfully to damage Company property.
- **Riotous behaviour:** Unruly behaviour between two or more persons, engaging in or inciting a group of persons to indulge in disorderly behaviour or wilfully to damage Company property.
- **Sexual Harassment:** Any unwanted or unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when submission to or rejection of this conduct explicitly or implicitly affects an individual's employment, causes unreasonable interference with an individual's work performance or creates an intimidating, hostile or offensive work environment.
- **Discrimination:** Any act whereby an employee discriminates against any other employee or group of employees on the grounds of nationality, race, color, ethnic origin, sex, marital status, religion, creed, political opinion, social or economic status, degree of physical or mental ability, sexual orientation or culture.

##### 25.4.3.4. Willful loss, damage or misuse of Company property

- **Willful loss:** any act whereby an employee willfully or deliberately loses or causes Company property to be lost.
- **Willful damage:** any act whereby an employee willfully or deliberately damages, or allows or causes damage to Company property.

- **Willful misuse:** any act whereby an employee willfully or deliberately misuses Company property.

#### 25.4.4. Offences Related to Dishonesty

##### 25.4.4.1. Bribery or Corruption

Giving or receiving or attempting to give or receive any bribe or inducing or attempting to induce any person to perform any corrupt act.

##### 25.4.4.2. False Evidence

Deliberately giving untrue, erroneous or misleading information or testimony whether verbally or in writing.

##### 25.4.4.3. Forgery and uttering

Falsifying or changing any documentation with fraudulent intent or attempting to do so. Uttering or attempting to utter fraudulent or false statements or documents.

##### 25.4.4.4. Misappropriation

Applying or attempting to apply to a wrong use or for any unauthorized purpose, any funds, assets or property belonging to AKI.

##### 25.4.4.5. Theft of or unauthorized possession of Company property

Stealing or attempting to deprive AKI permanently of its rightful ownership. Being in possession or disposing of Company property without due authorization.

##### 25.4.4.6. Fraud

The unlawful making of a misrepresentation with intent to defraud, which causes actual or potential prejudice to another party.

##### 25.4.4.7. Breach of Trust

Actions or conduct of an employee that cause a reasonable suspicion of dishonesty or mistrust and for which there exist extraneous evidence to prove a breakdown in the relationship of trust between the concerned employee and AKI. This will include a situation where the conduct of the employee has created mistrust, which is counterproductive to AKI's commercial activities or to the public interest, thereby making the continued employment relationship an intolerable one.

#### 25.4.5. Industrial Action

##### 25.4.5.1. Intimidation

Any act by an employee, whether by himself or in concert with other persons (whether or not such other persons are employees of AKI), to intimidate any employee with the object of compelling him to take part in any strike or other action which interferes with the normal operations of AKI. Intimidation is an offence even if all the procedures for the settlement of the industrial disputes and grievances and the Law have been exhausted.

##### 25.4.5.2. Sabotage

Any deliberate action by an employee that results in the interference with the normal operations of AKI by damaging any machinery, or equipment or by interrupting any supplies of power, or services necessary to the operations.

##### 25.4.5.3. Illegal Strike/Lockouts

Participation in any illegal strike action, lockouts, boycott or any other form of work disruption not in accordance with the applicable statute that constitutes a blatant refusal to work. Examples of such action include, inter alia, work-to-rule: overtime ban; go-slow.

\*\*\* Any disciplinary matter referred to in this subsection will not preclude AKI from exercising its common law rights to terminate the employment contract in the case of illegal industrial action.

## 25.5. Penalties

Penalties are classified as:

- Verbal Warning
- Recorded Warning
- Severe Warning
- Final Warning
- Dismissal

### 25.5.1. Verbal Warning

Any supervisor may, at any time and at his discretion, reprimand an employee without completing a complaint form, in which case there will be no entry made on the employee's disciplinary record. When a verbal warning is given, the supervisor must ensure that the employee being reprimanded is made aware of the existence and function of the Disciplinary Code. A verbal warning is usually issued where the offence is of a minor nature.

### 25.5.2. Recorded Warning (1st Warning)

- **Application:** This may be given for a repetition of an offence for which an unrecorded warning has been given, or it may be given for a first offence.
- **Validity Period:** The employee must be informed that the warning will remain in force for a period of six months.
- **Issued By:** The 1st recorded warning will be recommended by the immediate supervisor and approved by functional / business head and issued by Human Resources. This transaction should be recorded in employee's personal file.

### 25.5.3. Severe Warning (2nd Warning)

- **Application:** Given for a repetition of the same offence or similar offence during a period when a recorded warning is still in effect, or for a first offence of a more serious nature.
- **Validity Period:** The employee must be informed that the warning will remain in force for a period of another six months.
- **Issued By:** The 2nd recorded warning will be approved by the functional / business head after being satisfied that employee qualifies for severe warning. HR will issue the warning letter for serving to the line manager. This transaction should be recorded in employee's personal file.

### 25.5.4. Final Warning

- **Application:** Given for a repetition of the same offence or a different offence during a period when a severe warning is still in effect or depending on the nature thereof, for a first offence of a serious nature. In the case of an employee being found guilty of an offence of a dissimilar nature within the prescribed period, the Head of HR may, at his discretion, issue a comprehensive final warning on the understanding that if any offence is committed within the next 12 months, it will render him liable for dismissal.
- **Validity Period:** A final warning is effective for a period of twelve months. The employee is advised in writing by the Head of HR the case of the period applicable and reminded that a repetition of the offence or the committing of any similar serious offence within the prescribed period will render him liable for dismissal. A copy of the notice shall be forwarded to the employee's personal file
- **Issued By:** The Final Warning will be issued by the Head of HR after being satisfied that employee qualifies for the final warning. This transaction should be recorded in employee's personal file also.



#### 25.5.5. Dismissal

- **Application:** Dismissal is the final sanction and should be used:
  - when other forms of disciplinary action have failed;
  - when an employee on a final warning commits a serious offence;
  - when the offence committed is of such a serious nature that it amounts to a serious breach or repudiation of the employee's contractual obligations;
  - in cases relating to dishonesty e.g. theft, fraud or corruption;
  - in the case of any employee who is absent from work without permission for a period of seven continuous working days or more. In this case the employee will be dismissed in absentia after the third day if no reason for such absence is received. Should the employee return to work after he has already been dismissed, he may request that the case be re-opened.
  - Only Head of HR will be issuing a termination / dismissal to the employee.

Once an employee has been dismissed in accordance with the procedure contained in this Code, under no circumstances will he be considered for re-employment should he re-apply at a later stage. If it is discovered that a dismissed employee has obtained re-employment with AKI either inadvertently or through deception, his services will be terminated immediately.

#### 25.5.6. Demotion

Demotion is not an acceptable corrective action and is therefore, not used as a punishment for a specific offence. It is used only where the employee is unable to meet the requirements of his present job but is suitable for continued employment in a lower capacity.

#### 25.5.7. Transfer

Transfer is not permitted as a tool for disciplining employees. A transfer shall only be effective in terms of AKI's Conditions of Employment and Service. Transfer, as the result of the outcome of a disciplinary action, will be considered in special circumstances.

#### 25.5.8. Alternative Penalty to Dismissal

A comprehensive final warning may be considered at the discretion of the Hearing Chairperson as an alternative penalty to dismissal in instances where an employee is found guilty of an offence of a dissimilar nature to a valid final warning on his personal record. The sanctioning of a comprehensive final warning will only be considered in circumstances warranting corrective action and liaison between the Hearing Chairperson and the Human Resources Officer is encouraged before such a penalty is imposed. A comprehensive final warning will be valid for twelve months from the date of the imposed penalty.

### 25.6. The Role of the HR Officer

The maintenance of workplace discipline is strictly a function of line management. Human Resources Officer should be available to assist line management where required. As far as possible, the Human Resources Officer should, in consultation with the official chairing hearing, ensure that disciplinary action taken is procedurally and substantively fair. The Human Resources Officer should be available to advise and assist all employees on all disciplinary matters. The Human Resources Officer must not impose penalties, nor hear appeals in respect of own subordinates or immediate Supervisors.

The Human Resources Officer is responsible for:

- Ensuring that the complaint form properly identifies the offence and is otherwise correctly completed

- Ensuring that the alleged offender is aware of the charges against him/her
- Interviewing and taking statements from the Complainant, accused and any witness
- Investigating the domestic circumstances of the alleged offender, when necessary
- Ensuring that all facts are collated marshalled and presented without bias.
- Advising the Complainant, accused, witness (as) and representative of their roles and rights
- Ensuring that documentation pertaining to the hearing is forwarded to the appropriate officials
- Advising the accused and his representatives of progress made for cases that are pending or in recess.

The Human Resources Officer may at his/her discretion recommend that a concluded disciplinary case be reopened in instances where gross non-compliance to the Disciplinary Code is evident.

## 25.7. The Role of the Representative

Any employee, against whom formal disciplinary proceedings are held may at his request, be accompanied at the initial and any subsequent hearing by a colleague from the same working section, or in the case of an employee who is represented by a properly constituted consultative committee, by a member of such a committee. An employee who is a Union member may be represented by the appropriate Part-time or Full-time Shop Steward, in accordance with the provisions of the Recognition and Procedural Agreement between AKI and Union. Legal representation or representation by non-Company persons during internal Company enquiries is not permitted.

The representative has no right to insist on the employee being accompanied if he does not wish it; that is, a representative will attend a disciplinary hearing only at the request of the employee. He will be invited to comment on the evidence.

The representative may ask question and cross-question during the disciplinary hearing, but may not give evidence during such hearings.

The representative may make submissions to the hearing official on the guilt or otherwise of the accused prior to the hearing official making his finding. He may also make submissions to the hearing officials on the mitigating factors to be considered and on the penalty to be imposed.

Should the representative's comments at the hearing be of such a nature as to warrant re-consideration of certain matters or further investigations, time should be allowed for this and, if necessary, the enquiry recessed.

## 25.8. Disciplinary Appeal Procedure

Every employee has the right of appeal against any decision which involves any entry on his/her disciplinary record and which may thus affect his future employment prospects. Any employee who wished to appeal against the outcome of any disciplinary hearing against him/he must notify the Human Resources Officer in writing within two days of being notified of the outcome of the disciplinary hearing. The right of appeal must be based on one or more of the following appeal grounds.

- Dispute of Guilt
- Severity of Penalty/Mitigating Factors
- Procedural Inconsistencies
- New Evidence

Appeals against Verbal, Recorded and Severe Warnings may be referred to the official at the level above the official who originally heard the case. The decision of the Appeal Hearing Official shall be final and no further appeal level shall be available.

Appeals against recommendations for Final Warnings and Dismissals shall be heard by the relevant Executive Committee member. If the sanction was originally imposed by a Manager, the accused may request the Disciplinary Review Committee to review the case.