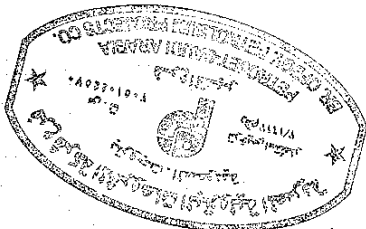


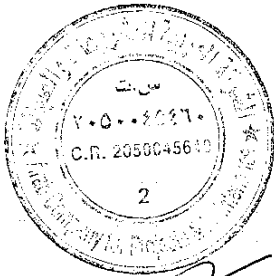
# Arab Company for Projects & Maintenance (APM)

## Business Conduct & Ethics Code

March 2016



M.H.



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## Message from CEO

To assist each of us in fulfilling this responsibility, we have designed the following Business Conduct and Ethics Code, which sets the standards of behaviour for how we should work and act in different workplace situations.

The Business Conduct & Ethics Code documents our core values and principles. These values determine how we conduct our internal and external activities, and provide a basis for fair and equal treatment of all our employees. While looking to maximizing capability and performance, we strive to maintain trust in all our individual and business dealings and establish strong relationships based on mutual respect, which is essential to building a strong reputation.

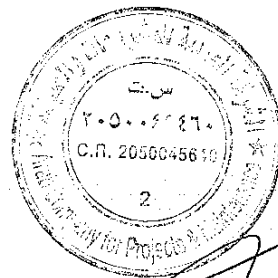
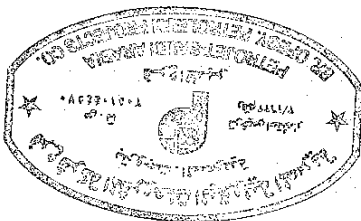
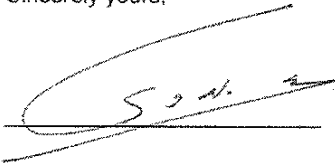
Each employee will receive a copy of the Business Conduct & Ethics Code upon commencement of their employment and the Code will form part of their employment terms. Every employee is required to comply with the contents of this Code as this would help them avoid activities that involve or might appear to involve unethical behaviour.

During the course of your employment, you will no doubt encounter a number of ethical dilemmas and make difficult choices, or be confronted with a situation where you suspect a possible violation of the Codes and policies discussed in this document. In such a situation, you will need to pause defer your decision until after you have consulted with your direct supervisor, manager or HR Manager.

Please read this document thoroughly and familiarize yourself with the contents of the Codes and related corporate Policies. Your managers and supervisors are expected to offer guidance and support to you and promote compliance by example.

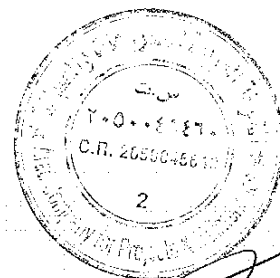
I hope that you will find this document useful as a personal primer on ethical business conduct, now and in the future.

Sincerely yours,



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## Summary of the Code

*This Code is your guide to ethical and lawful conduct and serves as a reminder of the policies, roles and laws that affect your performance*

Business Ethics define how organizations conduct their activities in the word of commerce. Encouraging good business ethics in an organization involves implementing policies and procedures that ensure that the actions of individuals or the organization do not adversely affect others.

This Code of Business Conduct covers a range of business practices and procedures. It does not cover every issue that may arise, but it sets out basic principles to guide all employees and officers of APM. In addition, the Company's policies and procedures apply to all aspects of Company's operations and all of our employees and officers are obligated to and must conduct themselves accordingly.

The organization and its employees should never consider adhering to a code of ethics as a hindrance to their work; an unethical course of action may give the company or the employee short-term benefits, but the benefits will not be sustainable and eventually valuable time and money will be wasted to fix the problems resulting from unethical behaviour. Senior Management is responsible for stressing the importance of good business ethics; shady business dealings do not foster a positive environment for growth in the organisation.

### *About this Code*

APM ("the Company") 'Business Conduct and Ethics Code' ("the Code") is founded on our core values and principles that define everything we do. However, it is essential to understand that the Code cannot address every conceivable workplace situation. The principles contained in this Code will help you decide when a situation requires further thought or reference to a higher level of management.

### *Using this Code*

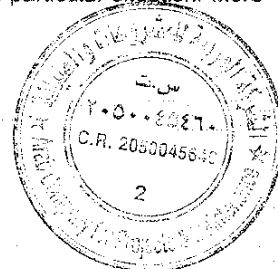
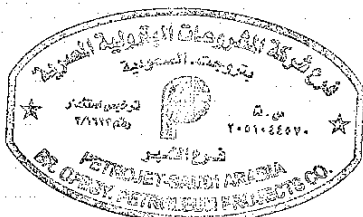
- Read through the entire Code.
- Think about how the Code applies to your job, and consider how you might handle situations to avoid improper, illegal or unethical actions.
- Use the questions and answers to help clarify situations that you may encounter.
- If you have questions, ask your supervisor, manager, human resources or as appropriate.

### *Violation of the Code*

Those who violate the standards in this Code will be subject to disciplinary action, including possible dismissal. Furthermore, violations of this Code may also be violations of the law and may result in civil or criminal penalties for you, your supervisors and/or the Company.

### *Reporting violation of Ethics Code*

All staff are encouraged to talk to supervisors, managers or other appropriate personnel about observed behavior, which they believe may be illegal or a violation of this Code of Conduct or Company policy or when in doubt about the best course of action in a particular situation. More guidance is provided in the company's whistle blowing policy.



## APM Mission, Vision and Quality Objectives

*The actions of all employees contribute to APM reputation; therefore, all our employees must adhere to ethical guidelines during their attempts to achieve our mission, vision and Quality objectives.*

### *Our Vision*

Our vision is "to be one of the recognized and admired project builders in Saudi Arabia and GCC". We will achieve this by relying on the safest, most accurate, most time and cost effective techniques and on a team of experienced, skilled and committed professionals. Our motto is "to build a win-win relationship with our customers and secure safe, professional business relationships".

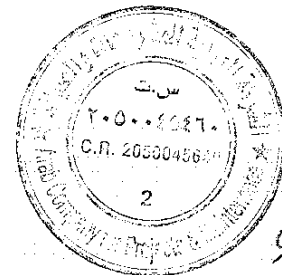
### *Our Mission*

We are a diversified projects company carrying out onshore & offshore construction, as well as O&M activities for industrial, infrastructure, transportation and civil projects. Committed to protect the environment in which we operate. Deliver services that meet the clients' requirements and ensure high quality. Our profitability is directed to company continues growth and providing satisfactory returns to shareholders.

### *Our Quality Objectives*

The Company expects its employees to meet customer satisfaction by:

- providing high-quality projects that meet or exceed equipment specifications and consumer needs under all reasonable circumstances;
- furnishing services that reliably meet responsible standards of performance, efficiency, and courtesy; and
- furnishing accurate and sufficient information about its services, including details of guarantees and warranties.



## APM Values

*Our business and individual relationships are built on trust and respect*

Our foundation is built on our values, which differentiate us and guide our individual and collective actions. We conduct our business in a socially responsible and ethical manner. We respect the law, support universal rights, protect the environment and benefit the communities within which we work.

1. **Long-term Partnerships** – We believe in forming strong, mutually beneficial and long-term relationships with our suppliers, customers, business partners and the community.
2. **Creativity** – We use our creativity to find practical ways to overcome challenges. Our experience, technological capability and the collective technical expertise of our qualified technicians enable us to overcome challenges and deliver value.
3. **High Performance** – We strive to excel in everything we do; we always aim to exceed our customers' expectations through disciplined application of our quality assurance standards.
4. **Diversity** – We recognize the uniqueness of all individuals and the different perspectives and competencies they bring to the company. We are proud of our diverse workforce and the inclusive environment that encourages all members of staff to participate in and contribute to the success of the company.
5. **Protecting People and the Environment** – We are conscious of our responsibility towards the health and safety of our workforce and the protection of our assets and the environment. People are our most valuable asset.



## Ethical Decision-Making

Ethical decision-making is essential to the success of our Company. Some decisions are obvious and easy to make; others are not. When faced with a difficult situation, asking ourselves the questions below can help us to make the right ethical decisions.

Four "yes" answers are required to qualify an action as ethical and in line with APM Values.

1. Is it legal?

If you believe an action may violate the laws and regulations, you should stop it immediately. You may speak to your supervisor, unit manager or HR manager if you require information on which laws apply to a given situation

2. Is it consistent with Company policy?

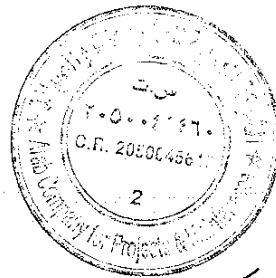
If the proposed action does not comply with company policy, you should not do it. and in certain cases, you might also need to report it to your supervisor, unit manager or HR manager

3. Is it consistent with the APM Way?

Consider whether the action would be consistent with our Company's core Values.

4. If it were made public, would I be comfortable?

Ask yourself if you would make the same decision if you knew that it would be reported on the front page of tomorrow's newspaper.



## Operational Excellence

*APM strives to maintain a safe and healthy work environment and to prevent all possible workplace injuries.*

The Company strives to provide each employee and officer with a safe and healthy work environment. Each employee and officer has the responsibility for maintaining a safe and healthy workplace for all employees and officers by following environmental, safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions immediately. Violence and threatening behaviours are strictly not permitted. Employees and officers are expected to perform their Company related work in a safe manner, free of the influences of alcohol, illegal drugs or other controlled substances.

The Company expects its employees and officers to follow all applicable environmental laws and regulations. If you are uncertain about your responsibility or obligation you should check with your supervisor, unit manager or HR manager for guidance.

Question: "I have been advised to follow a procedure that I believe will have a negative impact on the environment? What should I do?"

Answer: Don't make assumptions about the environmental procedures. Always check with your supervisor/ manager to ensure you have fully understood the procedure you've been asked to perform. If you suspect the procedure violates environmental regulations, report your concern to senior management

Question: "While working on a task, I discovered that working conditions are unsafe and different from what was expected when the job was planned. I believe that it would be unsafe to continue to work in those conditions. What should I do?"

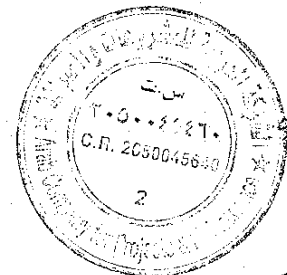
Answer: You have the right to stop or not begin working, if you believe the work to be unsafe. You must report your concerns to your supervisor, who will investigate and resolve the issue promptly.

Question: "There is a program in place to identify and investigate injuries at workplace. However, I believe that that some accidents that have resulted in injuries were not reported, as safety performance is a part of management's performance appraisal. What should I do?"

Answer: It's imperative that all injuries are reported and investigated to ensure preventive measures are taken. You must notify your supervisor of any accident that occurs in the workplace. If your colleague does not report an accident, encourage him to do so or report it yourself to your supervisor/manager.



*M.H.*



*[Signature]*



## Compliance with Laws, Rules and Regulations

*No matter what your position is, you must obey the Law and uphold our Company Values*

Compliance with laws and regulations means obeying the letters and the spirit of the Law, and carrying out all business dealings such that we earn the highest respect among our customers, suppliers, the government and the community at large.

Obeying the law is the foundation on which this Company's ethical standards are built. All employees and officers must respect and obey the laws, rules and regulations of the country in which we operate at all times. Although employees and officers are not expected to know the details of each of these laws, rules and regulations, it is important to know enough to determine when to seek advice from supervisors, managers or other appropriate management personnel.

### *Our Responsibilities (DOs):*

- Familiarize yourselves with the laws and regulations that apply to your day to day business activities and responsibilities.
- Comply with all applicable laws and regulations and communicate them to other members of the team.
- Understand the level of authority included in your job and ensure that you do not act outside those limits.
- Ensure that you act in accordance with contractual agreements or conditions that apply.
- Seek guidance, advice and assistance from your direct supervisor, manager, or Legal Advisor where necessary.
- Speak up if you suspect anyone in APM is breaching, or is about to breach the Company's policies or local laws, or is engaging in activities that could harm the Company's reputation.
- Follow the procedures illustrated in the APM Whistle-Blowing Policy to report any concerns with regards to violation of laws and regulations.

### *Matters to be avoided (DON'Ts):*

- Violate, neglect or disregard any applicable laws or regulations, even if the intentions are good.
- Find loopholes or other creative means to circumvent any law or regulation.
- Contract on behalf of the company verbally or in writing if you do not have the authority to do so.
- Take matters into your own hands if you suspect someone of breaking any law or regulation, or fail to inform management.

**Question:** "If I become aware of any unethical and illegal activity, should I report it to senior management or talk to my supervisor?"

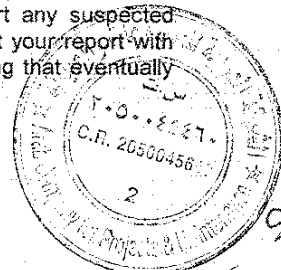
**Answer:** In accordance with APM Whistle-blowing Policy, it is not necessary for you to report your concerns to the Senior Management if the situation can be resolved through discussions with your supervisor/manager. However if you feel uncomfortable discussing the matter with your supervisor/manager, you may report your concerns to the Senior Management.

**Question:** "If I suspect a violation of our guidelines, should I report it even if I am not entirely sure that there is a problem?"

**Answer:** As per APM Whistle-blowing policy, you are required to report any suspected wrongdoing or violations, and your supervisor/manager is required to treat your report with urgency and seriousness. It is preferable to report a suspected wrongdoing that eventually turns out not to be an issue than to ignore a possible violation.



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## Personal Conduct

Your conduct both at work and outside work should be in accordance with the Policies and Procedures detailed in this Code.

Our employees are our most valuable resource. Their creativity, professional conduct and persuasiveness are crucial to the success of the company and to its reputation in the market place. Management and line managers have responsibilities towards their staff. The staff, in turn, also has a responsibility to ensure their actions and behavior does not violate Company policies regarding personal conduct. The reputation of the Company rests upon the integrity and good conduct of our employees.

### Human Rights

The Company understands the basic rights of its employees. The Company seeks to conduct its activities while respecting the employees' and officers' human rights. There are two broad categories of human rights. The first category concerns civil and political rights and includes such rights as the right to life and liberty, equality before the law and freedom of expression. The second category concerns economic, social and cultural rights and includes such rights as the right to work, the right to food, the right to health, the right to education and the right to social security.

### Diversity, Discrimination and Harassment

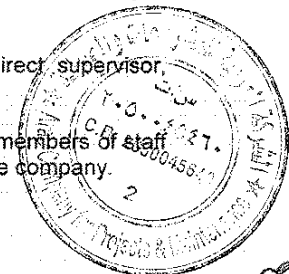
As part of Company's ethical values, employees should learn from and admire the cultures in which they work. The diversity of the Company's employees is a tremendous asset. We are firmly committed to providing equal opportunity, fair treatment and a harassment free work environment to all employees, consultants, suppliers and business associates and will not tolerate any discrimination based on race, color, creed, religion, sex, national origin or any other legally protected class.

### Our Responsibilities (DOs):

Our responsibility to ensure that our actions do not violate Company policies regarding personal conduct are not limited to the 'Dos' & 'Don'ts' below. These are merely guidelines for our benefit.

- Be honest, open, fair and professional in all your dealings with customers, suppliers, colleagues and other parties
- Follow the appropriate dress code and office timings during work hours
- Conduct business so it is clear to customers, suppliers and lenders that you are not seeking personal favours
- Familiarize yourself with the staff regulations relating to your department/position and adhere to them without fail.
- Be aware of any travel restrictions, political or military disturbances in areas you plan to visit on business
- Report any unethical behaviour or violations of policies to your direct supervisor, manager, human resources or legal advisor.
- Report any threats of violence or harassment at the workplace to direct supervisor, manager, human resources or legal advisor.

Create an inclusive environment that provides equal opportunities to all members of staff and encourages them to participate in and contribute to the success of the company.



*Matters to be avoided (DON'Ts):*

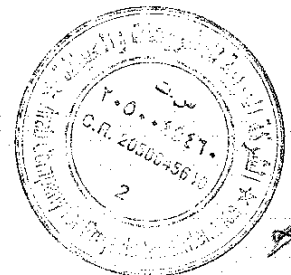
- Engage in violence or harassment at workplace against co-workers or any individuals you have contact with during the course of your work.
- Put yourself or your colleagues at risk of injury.
- Reveal confidential, classified or sensitive information to a third party without prior approval and authorization (See Proper use of Company Assets & Data).
- Personally lend or borrow money from other employees, suppliers or other individuals you come in contact with during the course of your job.
- Use your position as APM employees to influence others for personal benefit.
- Accept or offer gifts to influence decisions of third parties (See Gifts & Entertainment).
- Consume alcohol or drugs. It is to be noted that Saudi Arabia has strict laws prohibiting the use of, purchase of, and the trafficking of alcohol and drugs. The penalty for drug trafficking in Saudi Arabia is death. APM will report any violations to the relevant official authorities.

Question: "I had an argument with a colleague that nearly turned into a physical confrontation. I believe he may try to meet me outside. What should I do?"

Answer: "Speak immediately to your supervisor / manager. You may also notify security or the local police department if the threat is serious.



*M.T.*



*[Signature]*

## Company Records, Internal Controls & Reporting

*Fair and accurate books and records are essential for managing APM's business*

The Company's records are a vital part of its operation and as such they must be kept for a set period. This is detailed in the company's policies and procedures. No document, other than that which qualifies as company records, must be retained past the time they serve a business purpose.

### *Record-Keeping, Financial Controls and Disclosures*

The Company requires honest, accurate and timely recording and reporting of information in order to make responsible business decisions. All business expense accounts must be documented and recorded accurately in a timely manner. If you are not sure whether a certain expense is legitimate, ask your supervisor or controller. All of the Company's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect the Company's transactions, must be promptly disclosed to the relevant authorities in accordance with any applicable laws or regulations and must conform both to applicable local legal requirements and to the Company's system of internal controls.

Business records and communications often become public. The Company employee and officers must avoid exaggeration, derogatory remarks, guesswork, or inappropriate characterizations of people and companies that may be misunderstood. This applies equally to email, internal memos, and formal reports. Records should always be retained or destroyed according to the Company's policies and procedures. In accordance with those policies, in the event of litigation or governmental investigation, please consult your direct manager, Human Resource Manager or the Operations Manager or the CEO.

### *Internal Controls*

Reliable internal controls are critical for proper, complete and accurate business conduct. The company expects its employees to understand the internal controls relevant to their position, and follow the policies and procedures related to those controls. The Company encourages all employees to talk to their supervisors or manager immediately if they ever suspect that a control is not available or does not adequately detect or prevent inaccuracy, waste or fraud.

### *Improper Influence on Conduct of Auditors*

Company Management and employees are prohibited from directly or indirectly taking any action to coerce, manipulate, mislead or fraudulently influence the Company's independent auditors for the purpose of rendering the financial statements of the Company materially misleading. Prohibited actions include but are not limited to those actions taken to coerce, manipulate, mislead or fraudulently influence an auditor: (1) to issue or reissue a report on the Company's financial statements that is not warranted in the circumstances (due to material violations of generally accepted accounting principles, international financial reporting standards, accepted auditing standards or other professional or regulatory standards); (2) not to perform audit, review or other procedures required by generally accepted auditing standards or other professional standards; (3) not to withdraw an issued report; or (4) not to communicate matters to the Board of Directors.

### *Financial Reporting*

The Company's policy is to comply with all financial reporting and accounting regulations applicable to the Company. If any employee or officer has concerns or complaints regarding accounting or auditing matters of the Company, he or she must report any/all concerns to the Finance Manager or the Head of the Audit Committee immediately. The Company expects



employees and officers to take this responsibility very seriously and provide prompt and accurate answers to internal inquiries.

### *Customer Billing*

It is important that we ensure the accuracy of invoices issued. The invoices should represent the actual time and resources (manpower and / or equipment) delivered to the client. Employees must accurately prepare customers' invoices without under or over-billing. Similarly, it is equally important to ensure the accuracy of invoices received from suppliers.

### *Accounting Fraud*

Business dealings should be open and honest, and transactions should be recorded promptly and accurately. In line with the applicable accounting principles, all accounting entries made in the Company's books must be true, complete, accurate and consistent.

All employees must adhere to the following guidelines when making an entry in the Company books:

- When reviewing or preparing financial information, ensure that the entries you make are true and not misleading, and that you have not omitted important information.
- Do not violate Company Accounting policies and procedures,
- Ensure that every transaction is represented fairly and truthfully.
- Never use creative accounting methods or ignore accounting principles.

As with all provisions for the Business Conduct and Ethics Code, if an employee believes that an improper accounting or financial practice or procedure exists, he must report such practice or procedure immediately. An improper financial practice or procedure may include, but is not limited to:

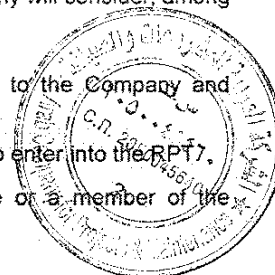
- Over/understatement of revenue.
- Over/understatement of assets and liabilities.
- Intentionally miscalculating depreciation expense, or changing depreciation methods and rates.
- Unreasonable revaluation of fixed assets.
- Creating fictitious sales/purchases.
- Understating or Overstating provisions.
- Manipulation of accounts receivable/payable balances.

### *Accounting Fraud - Related Party Transactions*

Related party transactions (RPT) can present high levels of fraud risk to our business, if not conducted and recorded at arm's length.

In determining the eligibility of Related Party Transactions, the Company will consider, among other factors, the following:

- Whether the RPT is being conducted in a manner that is fair to the Company and consistent with Company Values.
- Whether there are justifiable business reasons for the Company to enter into the RPT.
- Whether there are conflicts of interest involving any employee or a member of the Executive Management in relation to RPT.



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## Maintaining confidentiality

*Failure to properly secure and protect confidential business information can lead to the loss of business or clients and might materially damage our reputation.*

### Maintaining Confidentiality

All non-public information about the Company should be considered confidential information. Employees and officers who have access to confidential information about the Company or any other entity are not permitted to use or share that information with outside third parties for personal or third party gains.

Do not pass on any confidential and/or inside Company information unless legally required for conducting the business of the Company. Never provide any inside or confidential information to any third party, especially if you suspect that such information may be used for an improper purpose by the receiving third party.

### Confidentiality of information Relating to Customers and Suppliers

Employees and officers must maintain the confidentiality of proprietary information entrusted to them by the Company or its customers or suppliers, except when disclosure is authorized in writing by the Finance Manager or required by laws or regulations. Proprietary information includes all non-public information that might be of use to competitors or harmful to the Company or its customers or suppliers if disclosed. It includes information that suppliers and customers have entrusted to us. The obligation to preserve proprietary information continues even after employment ends.



## Conflicts of Interest

*Any activity that has the appearance of a conflict of interest, whether or not an actual conflict exists, must be avoided.*

A "conflict of interest" exists when a person's private interest interferes in any way with the interests of the Company. We always expect all employees and officers to act in the best interest of the Company. A conflict situation can arise when an employee or officer takes actions or has interests that may make it difficult to perform his or her Company work objectively and effectively.

Conflicts of interest may also arise when an employee or officer, or a member of his or her family, receives improper personal benefits as a result of his or her position in the Company. Loans to or guarantees of obligations of employees and officers and their family members by the Company may create conflicts of interest and in certain instances are prohibited by law. It is a conflict of interest for a Company employee or officer to work for a competitor, customer or supplier. You should avoid any direct or indirect business connection with our customers, suppliers or competitors, except as required on the Company's behalf. Conflicts of interest are prohibited as a matter of Company policy, except as approved by the Board of Directors.

Conflicts of interest may not always be clear, so if you have a question, you should consult with your supervisor. Any employee or officer who becomes aware of a conflict or potential conflict should immediately bring it to the attention of a supervisor, manager or other appropriate personnel.

### *Sources of Conflicts of Interest*

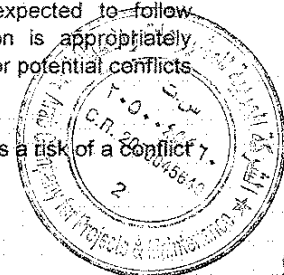
Potential conflicts of interests usually arise in four situations:

- i) *Interest of Associate* – When an employee or a member of his family has a significant interest (direct or indirect) in a joint venture partner, actual or potential competitor, supplier, lender, service provider or client of the company.
- ii) *Interest of relative* – When an employee carries out a business activity with a joint venture partner, supplier or customer of whom the employee's relative is the owner, partner, shareholder, officer or employee.
- iii) *Gifts*: When an employee or a relative accepts gifts, payments or services of more than nominal value from a potential or actual joint interest partner, competitor, supplier, lender, service provider or customer.
- iv) *Misuse of information* – When an employee misuses information obtained in the course of employment.

### *Managing Conflicts of Interests*

Even if employees take all necessary measures to avoid conflicts of interest, some situations leading to COI are inevitable. In such situations, employees are expected to follow transparency in their actions and ensure that all relevant information is appropriately disclosed. The following guidelines should be followed to manage actual or potential conflicts of interest and address related disputes:

Appropriately disclose all relevant information if you believe that there is a risk of a conflict of interest involved in a decision or transaction.



- ii. If you are involved in the decision making process, do not make a decision regarding a business transaction if you believe there might a conflict of interest.
- iii. If you are responsible for administering a transaction and believe there may a conflict of interest, obtain appropriate approvals before processing the transaction.
- iv. Promptly report any breach of conflicts of interest policy to your direct supervisor, manager, human resources or legal advisor.

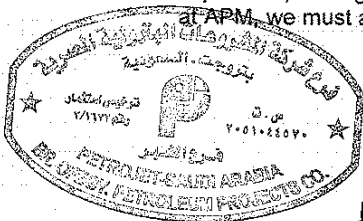
***Our responsibilities (Dos):***

- Thoroughly read and familiarize yourself with the Company policies regarding conflicts of interests detailed in this Code.
- Always place the Company's wider interests ahead of any personal objectives in any discussions or meetings, when acting on behalf of the company.
- Formally declare any interests you may have in the transactions carried out by the company.
- Declare all interests in a joint venture partner, actual or potential customer, supplier, lender, service provider or a client of the company, either held by you or a relative (either by blood or marriage).
- Proactively anticipate and guard against any situations in which a conflict of interest might arise.
- If a potential conflict of interest arises, discuss the transaction with the Company's management before entering into the transaction.
- Managers and Internal Auditors must carry out periodic reviews of transactions and business practices to identify any existing or potential conflicts of interests.
- While recruiting an employee, adequate and appropriate background checks must be carried out.
- All individuals should disclose their relationships, up to Third Degree, with the Company's employees to their manager and HR manager. The recruitment of staff having Third Degree relationship would be subject to the Owner's approval.

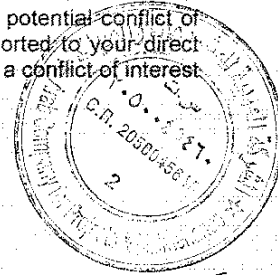
***Matters to be avoided (Don'ts):***

- Take advantage of inside information or use company's assets and resources for your personal gain or the improper benefit of others.
- Use your position within the company in a manner that an actual or potential conflict of interest arises between your direct or indirect interests and the Company's interests.
- Participate in any business that competes with the Company or engage in any activity that might be seen as competing with the company.
- Accept gifts or entertainment from clients, suppliers or other third parties above the nominal value defined in this Code (see Gifts & Entertainment).

Any activity that has the appearance of a conflict of interest — whether or not an actual conflict exists — must be avoided. If you are in a situation that could lead to a potential conflict of interest or can be perceived as a conflict, it should immediately be reported to your direct supervisor, manager, human resources or legal advisor, if any of us sees a conflict of interest at APM, we must also report it.



*M.H.*



*J.F.*



**Question:** "I was recently hired in the purchases department and have the authority to contract with suppliers to supply materials to APM. My father owns a significant interest in a company that has been supplying materials to APM for a number of years. Am I looking at a potential conflict of interest?"

**Answer:** "Despite the fact that APM has been purchasing from the vendor for a long time, an appearance of a conflict of interest has now been created since you are part of the decision making process relating to the selection of suppliers. You are required to disclose your potential conflict of interest to your manager. The situation can then easily be resolved if an independent decision maker (e.g. your manager) acts instead of you."



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## Gifts and Entertainment

*Make business decisions impartially and purely on the basis of appropriate factors such as price and quality of service*

APM's policy on Gifts & Entertainment is designed to avoid situations where a customer, supplier or any third party may try and gain influence over a member of staff, and to prevent staff from seeking unfair influence over a customer or supplier.

APM employees or managers should not give or receive expensive gifts or entertainment to or from people or companies doing business with APM.

Unless authorised by Senior Management, most of the Company's staff are not authorized to offer hospitality to Company's suppliers and customers, and should not accept hospitality if offered. Any exception to this rule may only be authorized by the senior management (provided that any such expenses are acceptable within the business norms).

### *Client entertainment & accepting hospitality*

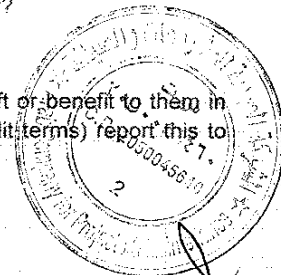
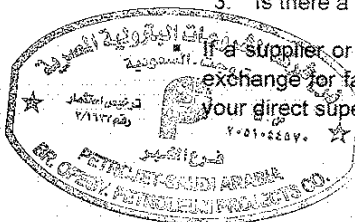
For some employees, offering and accepting client hospitality is an essential part of their job; in such situations, the employees are allowed to accept hospitality from clients or suppliers, as long as:

- It is in the Company's interests.
- It is in line with the value of hospitality offered by APM and should not exceed SR 1000.
- The hospitality does not develop into a personal relationship, or cause the employee to alter their decisions.
- The manager is informed about the social aspect of the business relationship and his approval is obtained prior to accepting the hospitality.

### *Our responsibilities (DOs):*

- Make business decisions impartially and purely on the basis of appropriate factors (price, quality of service, etc.)
- Only accept gifts, meals, entertainment or other forms of hospitality if they are of nominal value, do not exceed SR 300 and does not influence you to give special considerations or to alter your decision.
- Evaluate appropriateness of accepting or offering Gifts & Entertainment based on total benefit offered or received, not just the single or individual benefit.
- Before accepting a gift or hospitality, consider:
  1. Would accepting the gift appear to affect your ability to make an impartial decision?
  2. Would APM offer similar personal benefit or business courtesies?
  3. Is there a valid business purpose that benefits the Company?

If a supplier or customer employee requests that you provide a gift or benefit to them in exchange for favorable treatment (e.g. discounts or favorable credit terms) report this to your direct supervisor or manager immediately.



- If you are being offered an inappropriate gift, explain to the client or supplier that you are bound by APM Code on accepting gifts, to avoid causing offence.
- Keep accurate and detailed records of all gifts you have been offered or accepted and gifts you have offered to third parties.
- Formally declare all gifts and other benefits you have received as an individual worth more than SR 300, or the value of all gifts received from one business contact in one year – if they exceed SR 300, in the Annual Compliance Declaration Form in Annexure I.

*Matters to be avoided (DON'Ts):*

- Offer or accept any privilege, benefit, gift or entertainment if it could be viewed by others as unfairly influencing the recipient.
- Accept gifts that are of inappropriate, excessive or frequent.
- Accept or offer cash and cash convertible gifts, favours or inducements that might influence business transactions.
- Accept any requests for gifts and/or other benefits from an employee of a client or supplier.



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## Working with Government Entities

*Any violations of laws and regulations relating to government interactions may put the reputation of the Company at serious risk.*

The Company and all employees will follow all regulations applicable and associated with government contracts and transactions. The Company and all employees will be truthful and honest in all aspects of their dealings with government agencies and companies. The Company will not do business with suppliers that do not follow the Company's policy of dealing with the government or are prohibited from doing business with the government.

### *Our Responsibilities (DOs):*

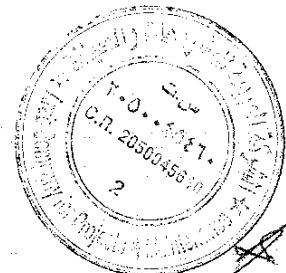
- Familiarize yourselves with the laws and regulations before engaging in discussions with the government official or agency.
- Comply with all laws and regulations, and practices that apply to sales of services to government bodies.
- Comply with all applicable laws and regulations regarding recruitment of contracting with government officials.
- Ensure that you adhere to the highest standards of honesty and integrity when dealing with government officials or bodies.
- Ensure that all communications and submissions to government officials or agencies are accurate and complete.
- Ensure that the person dealing with the government official or agency has the authority to do so.

### *Matters to be avoided (DON'Ts):*

- Offers gifts or entertainment to government officials to influence their decision.
- Breach any government contracting requirements or clauses, or make any contract substitutions or amendments without a written approval from the government officials.
- Ignore or disregard any laws or practices that apply to dealings with government officials.
- In some cases, there may be a conflict between laws and regulations of two or more government bodies. In such cases, ensure that you do not compromise on the interests of either party. Consult with the Senior Management and/ or Legal Advisor to understand how to resolve the conflict properly.



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## Combating Fraud, Bribery & Corruption

*APM has committed to creating an environment that deters all individuals from indulging in fraudulent activities*

Fraud, bribery and corruption are serious threats to a company and its reputation, and must be a concern to all employees. APM does not tolerate any fraudulent actions and is committed to preventing, detecting and investigating all forms of fraud. Committing such actions will result in severe disciplinary action, including dismissals and, in most cases, criminal prosecution.

### Preventing Fraud

The Company relies on its internal control and personal integrity of employees and officers to protect Company assets against damage and unauthorized use.

Employees and officers should not engage in any scheme to de-fraud anyone or the Company in violation of the Company's policy. Consequences will apply to any dishonest or fraudulent activities, including misusing or stealing Company assets or cheating on travel and entertainment expense reports, among other violations.

### Anti-Bribery and Corruption

Bribery occurs when you offer pay or seek to accept a payment to influence a business outcome improperly. No personal payment should be offered, paid, sought or accepted for favorable treatment or to gain an unfair business advantage. Employees and officers must follow the applicable international and local anti-bribery and anti-corruption laws.

### Our responsibilities (DOs):

#### Staff

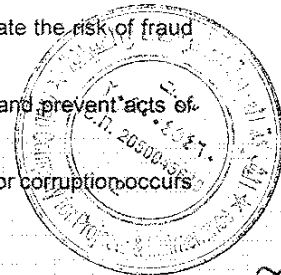
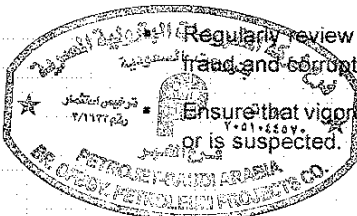
- Read and fully understand the rules, codes and procedures in connection with preventing fraud and corruption.
- Cooperate fully with whoever is carrying out internal checks, reviews and fraud investigations.
- Use Company's funds, assets and other resources carefully and exercise caution when handling cash payments, receipts or when dealing with suppliers.
- Be alert when dealing with unusual events and transactions as these may indicate fraud.
- Report your concerns immediately in accordance with the Whistle Blowing Policy; if you suspect that a fraud or act of corruption has been committed or if you see any suspicious events.

#### Executive Management/ Line Managers:

- Conduct regular review of the Fraud & Corruption risks faced by the Company and develop a Fraud & Corruption risk profile.
- Implement effectively adequate controls designed to prevent or mitigate the risk of fraud and corruption within their areas of responsibility.

Regularly review and test controls to ensure they are able to detect and prevent acts of fraud and corruption.

- Ensure that vigorous and prompt investigations are conducted if fraud or corruption occurs or is suspected.



- Ensure that their employees are aware of the Company's policies and procedures regarding fraud and corruption and their responsibilities in relation to safeguarding company resources and promptly reporting any suspicions.
- Strive to create an environment in which their staff feels comfortable in approaching you with any concerns or suspicions they may have.
- Ensure that appropriate Anti-Fraud and Corruption training is provided to staff.
- Take appropriate disciplinary action against employees who fail to report fraud or other violations of the Code.
- Take appropriate legal actions against individuals involved in fraud and corruption.

*Matters to be avoided (DON'Ts):*

Staff:

- Fail to report any concerns or suspicions of fraud or corruption for fear of being wrong. It is better to report a suspected wrongdoing that eventually turns out not to be an issue than to ignore a possible violation.
- Fail to report a concern or suspicion if the perpetrator in question is your supervisor or manager.
- Accept gifts, hospitality or benefits from third party which could appear to compromise your integrity.

Executive Management/ Line managers:

- Fail to review the risks associated with fraud and corruption and evaluate the corresponding controls on a regular basis.
- Create an environment where your staff does not feel comfortable in approaching you with any concerns or suspicions they may have, if you are a manager.
- Fail to implement the recommendations presented by the Internal and External auditors with regards to preventing and detecting fraud in the workplace.

*Performing the services*

It is everyone's duty to commit to the agreed upon scope of work with the client. APM employees should ensure that the agreed upon scopes are performed and should not engage in additional work or additional assignments without APM prior written approval.

Any violations will be investigated and if they prove to be fraudulently committed to achieve personal gains / benefits will be lead to immediate termination and prosecution.



M. I. A



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## Preventing Money Laundering

*Failure to detect relationships and transactions that place us at risk of being associated with money laundering activity can severely damage our reputation*

Money laundering is the process of laundering the proceeds of criminal activities (narcotics, terrorism, bribery and financial fraud) to hide them or make them appear legitimate. Money laundering is a serious crime, punishable by Law in the Kingdom.

APM is fully committed to ensuring that the Company complies with local and international Anti-Money Laundering laws and regulations. Each of our departments is required to conduct due diligence on any third party (supplier, customer, lender) they conduct business dealings with, and to take reasonable steps to prevent and detect suspicious forms of payment.

Failure to detect relationships and transactions that place us at risk of being associated with money laundering can severely damage our reputation and may result in criminal prosecution.

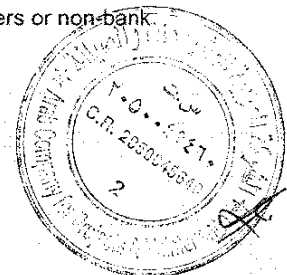
### *Our responsibilities (DOs):*

- Comply with all Anti-Money Laundering and terrorist financing laws and regulations.
- Implement 'Know your Customer' procedures. Conduct a thorough due diligence and background checks on suppliers, clients and business partners with whom the company may have material transactions
- Report any suspicious transactions or warning signs of suspicious activities to Senior Management and the Internal Auditor
- Understand the types of payment that are associated with money laundering (e.g. multiple money orders, third party checks, batch payments of very high amounts)

### *Matters to be avoided (DON'Ts):*

- Deal with a customer, supplier, agent or business partner who provides insufficient, false or suspicious information, or is looking to circumvent reporting or recording keeping.
- Sell company services to a client who refuses to let us visit his site or base of operations
- Accept payments made through instruments that have no identifiable link to the customer/supplier
- Carry out transactions in locations of known terrorist activities, narcotics trafficking or money laundering activities.
- Accept payments that are unusual in type or amount, and orders and purchases that are inconsistent with a supplier's trade.
- Engage in transactions involving offshore banks, unlicensed money remitters or non-bank financial institutions, or those involving unknown bank accounts

Carry out transactions which have been structured to avoid reporting



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## Proper Use of Company Assets & Data

*We all have a responsibility to protect the Company's assets against theft, mis-handling, damage and unauthorized access.*

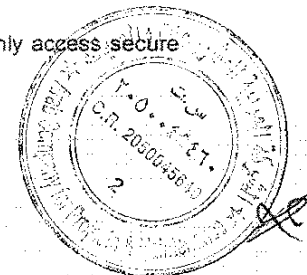
All employees and officers must protect the Company's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the Company's profitability. All Company assets are to be used for legitimate Company purposes only. Any suspected incident of fraud or theft should be reported immediately for investigation.

It is the obligation of all employees and officers to protect the Company's assets which includes the Company's proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks, and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information and any unpublished financial data and reports. Unauthorized use or distribution of this information is a violation of Company policy. It could also be illegal and result in civil or criminal penalties. Each employee must take prior internal approval before discussing proprietary information with third party outsiders or permit third parties to use the Company's proprietary information. All employees must respect the validity of trademarks, patents, copyrights and other protected intellectual property rights of others at all times and seek authorized licenses for the use of such rights prior to using such materials.

### *Our responsibilities (DOs):*

- Use company assets only for business, legal and ethical activities. Occasional personal use is acceptable as long as you do not violate APM's standards of acceptable behaviour. Any occasion personal use should be with prior knowledge and approval of your direct supervisor or manager.
- Protect assets against damage, unauthorised access, modifications, disclosure, misuse and theft.
- Dispose of assets only after prior approval and in accordance with the Company's policy for the disposal of assets.
- Only share classified, confidential or sensitive information with authorised individuals and with external parties that have signed confidentiality agreements.
- Remain vigilant when sensitive data has been left in your care, and ensure it remains safe at all times, as this would protect us from potential liability.
- Hold the company's trade secrets, IP and other information in confidence, and consult the Legal department before signing agreements relating to intellectual property
- Promptly report any violations of the Code to your supervisor, manager, or the CEO.
- Even if you have been asked by your direct supervisor or manager, only access secure information if you have the authority to do so.

Revoke the access rights of employees who have been terminated



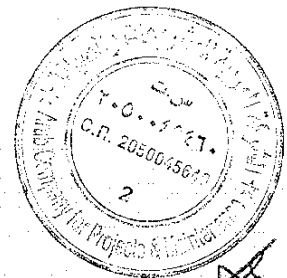


*Matters to be avoided (DONT's)*

- Install, remove or tamper with company's assets without approval and authorisation
- Excessively use Company's computers, telephones, emails, fax and copy machines for personal use
- Accept confidential information from a third party without consulting with the Legal Advisor.
- Discuss confidential information when communicating with the client without the benefit of a signed confidentiality or NDA agreement
- Sign a confidentiality agreement with a third party without prior review by the Legal Advisor.
- Misuse or manhandle personal data relating to our stakeholders (employees, customers, business partners, contractors, suppliers)
- Dispose data relating to our stakeholders without prior approval
- Issue reports or other information to the client without prior authorisation
- Share access codes and passwords with unauthorised individuals
- Violate any laws in relation to patents, copyrights and trade secrets and intellectual property rights of external parties
- Use, view, copy, distribute, remove or alter information with authorization
- Fail to immediately revoke the access rights of employees after they have been terminated



M.A.



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## Competition and Fair Dealing

*"Being good is good business." - Anita Roddick, British founder of The Body Shop*

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance, never through unethical or illegal business practices. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited. Each employee and officer should endeavor to respect the rights of and deal fairly with the Company's customers, suppliers, competitors and employees.

No employee or officer should take unfair advantage of any co-worker, supplier, contractor or agent through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other illegal trade practice.

The Company and all of its employees will never propose to or enter into any agreement or understanding with a competitor to fix prices, rig bids or other terms of business, profit margins or other aspects of competition for sales of the Company's services.

To maintain the Company's valuable reputation built over the past 10 years, compliance with our quality processes and safety requirements is essential. All inspection and testing documents must be handled in accordance with all applicable specifications and requirements.

## Personal use of social networking and third party websites

*Information placed on the web can easily be misperceived and cause serious damage to the company's reputation.*

Employees and officers are not authorized to represent the company on web platforms. If an employee chooses to identify himself as a Company employee or to discuss matters related to the Company in a social Web space, some readers may view him as an actual spokesperson for the company, even though his web activity is a personal project and personal expression. Before an employee identifies him / herself as a Company employee on a web platform, he/she must refer to and follow the Code of Conduct, applicable policies, and IT guidelines will help him/her avoid miscommunication. Employees should ensure that their profile and related web platform content are consistent with how they want to present themselves to colleagues and customers.



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## Ethical Conduct for Executive Management

*Senior Management is entrusted with the task of ensuring that all relevant stakeholders' interests are recognized, protected and promoted*

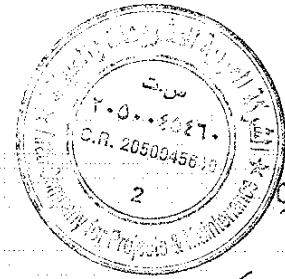
Senior Management fulfills a crucial role in the corporate governance and the overall success and growth of the company. They are entrusted with the task of ensuring that all relevant stakeholders' interests are recognized, protected and promoted.

Members of the Group's Senior Management include:

- Chief Executive Officer
- Operations Manager.
- Purchases Manager
- HR and Admin Manager
- Finance Manager

All members of senior management must ensure that the following principles and guidelines are followed:

- Maintain honesty and integrity in all individual and business dealings, and take all necessary steps to avoid conflicts of interests
- Avoid violating any laws, rules and regulations, policies and procedures
- Exercise due care and act responsibly when recording and disclosing financial information. Provide fair, timely and accurate disclosures in reports and documents submitted to government bodies (e.g. SAGIA and Industry & DZIT)
- Avoid violating your confidentiality agreements with third parties and protect all confidential and sensitive data from unauthorized access and disclosure
- Promote compliance and ethical business practices by example, and report any suspected wrongdoing or violation of the laws and Company policies to the relevant party(s), in accordance with APM Whistle-blowing policy
- Ensure that any individual who has reported his concerns or suspected violations in good faith does not face retaliation from fellow colleagues and respect the whistleblower's anonymity



## Administration of this code

### *Distribution*

Each employee will receive a copy of the Business Conduct & Ethics Code upon commencement of their employment and the Code will form part of their employment terms. Updates or changes to the Code will be distributed to all managers and employees.

### *Role of supervisors and managers*

Supervisors and managers play a crucial role in ensuring compliance with the Company policies and codes at their workplace. They are expected to lead by example and create a workplace environment that encourages compliance and ensure that employees under their supervision undertake the necessary compliance training programs.

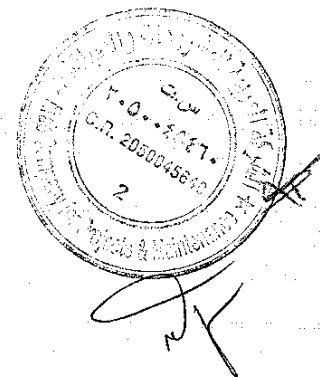
## Helpful contact information

The following are the relevant officers contact details

<i>Name</i>	<i>Email address</i>	<i>Title</i>	<i>Phone number</i>
Amr Badawy	amrbadawy@apmse.com	CEO	0507333437
Ayman Elbossiry	ayman.elbossiry@apmse.com	Operations Manager	0559599311
Hussain Al Mousa	hr@apmse.com	HR Manager	0590949790



M.H



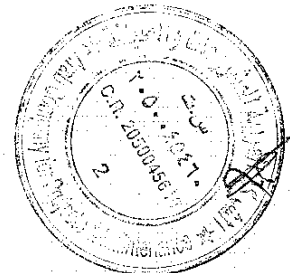
## Closing Note

Our responsibilities to fulfil our legal and ethical obligations go beyond the contents of this Business Conduct and Ethics Code. We must all ensure that we do not breach any applicable laws and regulations. If questions arise about matters of compliance and ethics, we should seek guidance from our supervisors and managers, or the HR Manager at the earliest opportunity.

It is to be noted, however, that no set of written policies and procedures could fully define our responsibilities to uphold our core values and fulfil our legal and ethical obligations. At times, we will all be faced with ethical dilemmas; in such a situation the best course of action would be to ensure that our actions are in line with Company values and ethics.

As a part of APM, you must be driven by a passion for excellence in everything you do, but results must be achieved the right away – according to the ethical principles in our Code and in a manner consistent with our values and principles

Ultimately, our confidence must rest in our own judgement, our honesty, integrity and the good sense within each of us.



Appendix 1 - Annual Compliance Declaration Form

**The Human Resources Manager**  
Arab Company for Projects & maintenance (APM)  
Al-Khobar – Kingdom of Saudi Arabia

Respected Sir,

I, being an employee of APM ("the Company") hereby acknowledge, confirm and certify that:

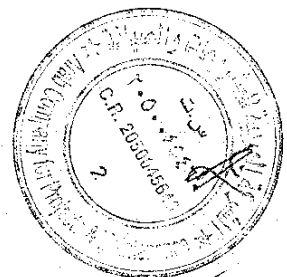
- i. I have received, read and understood the Business Conduct & Ethics Code of the Company;
- ii. I am bound by the Code to the extent applicable to my functions as an employee of the Company;
- iii. During the year ended \_\_\_\_\_, I have complied with all provisions of the Business Conduct & Ethics Code;
- iv. I am not aware of nor am I a party to any non-compliance with the Code.
- v. I have not received any gifts of excessive value or inappropriate nature, or offered any gifts to influence the decision of an external party in my favor, or in the favor of the Company

*(If you have received gifts more than the limits defined as per this Code, please disclose the details separately)*

Signed: \_\_\_\_\_  
Name: \_\_\_\_\_  
Position/Job title: \_\_\_\_\_  
Department: \_\_\_\_\_  
Date: \_\_\_\_/\_\_\_\_/\_\_\_\_



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