



Red Sea  
Global

# Supplier Code of Conduct

Red Sea Global



## Purpose

This Supplier Code of Conduct (hereinafter referred to as the **"Code of Conduct"** or the **"Code"**) establishes a Code for all current and potential Red Sea Global (**"RSG"**) suppliers (hereinafter referred to as **"Suppliers"**). Suppliers include vendors, manufacturers, contractors, sub-contractors, and any other service providers who are registered with RSG and are seeking to provide goods, services, and personnel to RSG, or which are currently parties to agreement for such purposes with RSG or one of its contractors. This Code applies to RSG and all of its subsidiaries.

The Code of Conduct contains the policies that relate to the legal and ethical standards of conduct that Suppliers are expected to comply with while carrying out their fiduciary duties and responsibilities to RSG.

Furthermore, this Code is intended to help Suppliers focus on areas of ethical risk, provide guidance to recognize and deal with ethical issues, provide mechanisms to report unethical conduct, and to help foster a culture of honesty and accountability.

All Suppliers contribute to RSG's success by participating in a culture of compliance and understanding the policies that apply to the business, by embracing RSG's commitment to integrity, and by acting to enforce applicable international standards, avoiding violations, and safeguarding the reputation of RSG.

Suppliers have a duty and personal commitment to RSG to uphold its common ideals, as set out in this Code, which will enable RSG to continue to prosper while keeping its reputation of a high standard of integrity and ethics.



## 1. Code Acknowledgement

Each Supplier shall sign the attached herein acknowledgement form, upon entering into any contractual agreement with RSG, affirming that the Supplier has:

- Received a copy of this Code;
- Read and understood this Code; and
- Agreed to comply with this Code.

## 2. Compliance with Laws, Codes and Regulations

RSG expects the Suppliers to be governed by and subject to the laws of their countries, in which they are headquartered and with all applicable laws, rules and regulations of the Kingdom of Saudi Arabia (hereinafter referred to as the "Kingdom").

RSG expects its Suppliers to adhere to internationally recognized Environmental, Social, and Governance Standards and expects its Suppliers to use their best efforts to implement such standards with their suppliers and subcontractors.

RSG encourages the Suppliers to support, embrace and enact relevant Environmental, Social, and Governance Standards where applicable. The details of specific requirements per category will be set out in tender documents.



## 3. Social

### 3.1 Human Rights

Suppliers must adhere to the human rights law of the Kingdom, the country in which they are operating in and all other applicable standards. RSG complies with all applicable laws regarding the treatment of our employees and other stakeholders. We insist that our Suppliers also uphold these principles, and we are committed to working with all Suppliers and other partners as they undertake similar assessments of their own business and develop their own approach to respecting human rights.

### 3.2 No Forced or Child Labor

Suppliers that do business with RSG are prohibited from using slave or involuntary labor, of any kind including prison labor, debt bondage or forced labor by governments. Suppliers must not engage in human trafficking and must not use physical or psychological abuse, threats of violence, forms of violence, or other forms of physical or mental coercion.

Suppliers who undertake business with RSG must comply with all applicable child labor laws, including those related to hiring, wages, hours worked, overtime and working conditions. Only workers who meet the applicable minimum legal age requirement in the country where they are working may be hired by a Supplier.

### 3.3 Diversity and Inclusion

RSG believes in recognizing and valuing our differences to deliver superior results. Bringing together people of different races, gender, education, language, skill sets, and experience, enables ideas and innovation to flourish.

RSG expects its Suppliers to be inclusive and to ensure that their employees and other stakeholders are always treated with dignity and respect. RSG expects its Suppliers to prohibit discrimination or harassment against anyone based on an individual's: ethnic descent or national origin, race or color, gender, age, disability.

To best meet these expectations, Suppliers should have formal policies that prohibit harassment and discrimination and should periodically review hiring and promotion practices to ensure fair treatment.

### 3.4 Anti-harassment

RSG is committed to a working environment which is free from harassment, including discrimination, victimization, and bullying, and in which dignity of the individual is paramount. As such, all Suppliers are responsible for helping to ensure that individuals do not suffer any form of harassment.

### 3.5 Recruitment, Wages and Hours

Suppliers must follow all applicable laws regarding recruitment, working hours, wages and overtime pay. Workers must be paid at least the minimum legal wage or wage that meets local industry standards. Suppliers should conduct operations in ways that limit overtime to a level that ensures humane and productive working conditions.

Suppliers must pay overtime and any incentive rates required to meet standards. Workers should receive necessary time off, paid annual leave and holidays, as required by local laws.



## 4. Environmental, Health, Safety and Security Practices

It is the responsibility of the Supplier to assure that its facilities are designed and safely operated in compliance with: (1) the established government and industry environment protection policies; and (2) RSG's high standard environmental, health and safety practices to ensure that they do not present unnecessary risks to the environment or public. RSG is zero tolerant to any lasting environmental, or any health or safety related incidents. Suppliers are expected to safeguard and comply with the relevant security controls. RSG will not tolerate any event that may present a risk to its physical, cyber or information security.

### 4.1 Environment

It is important that Suppliers manage compliance, minimize environmental impact, and drive continual improvement of environmental compliance. Suppliers must maintain documentation to be able to respond to requests for information including but not limited to resource consumption, emissions, compliance, environmental risks and liabilities and any other environmental sustainability matrices. The details of specific environmental requirements will be set out in the respective tender documentation.



### 4.2 Health and Safety

Suppliers must comply with all applicable laws regarding working conditions. This includes worker health and safety, hygiene and sanitation, driving safety, food safety, risk protection and electrical, mechanical and structural safety. Suppliers may be subject to periodic supplier audits to ensure their facilities and practices meet RSG's expectations for health, safety, and worker welfare. RSG expects suppliers to support a precautionary approach to health and safety affairs such as –

- Conduct appropriate employee safety training and provide adequate safety equipment.
- Maintain records of safety training and monitor safety performance.
- Take all reasonable steps to make sure that Suppliers' employees comply with applicable health and safety rules and regulations and perform their duties and work in a manner which will not endanger themselves or others.
- Providing training required to promote sound public health and hygiene practices.
- Working to set Key Performance Indicators to monitor compliance of environmental, health and safety practices.

### 4.3 Corporate Social Responsibility

Suppliers shall be committed to work ethically considering the social, economic, and environmental impacts, and to ensure that all of their business undertakings are conducted in accordance with high standards of Corporate Social Responsibility ("CSR") by respecting the terms and conditions of company policies, and by actively participating and promoting social, economic, and environmental practices that positively affect the society as whole.



## 5. Ethical Business Practices

To meet social responsibilities, Suppliers are expected to conduct their business in an ethical manner and to act with integrity at all times. Ethical requirements include the following:



### 5.1 Business Integrity

RSG strictly prohibits all bribery and corrupt payments, and all of its Suppliers must comply with the applicable laws and RSG's policy that prohibits giving anything of value to any person or entity where the purpose is to obtain an improper business advantage. This prohibition is applicable to first degree relatives (i.e., father, mother, spouse and children) of both Suppliers and RSG employees.

In-addition to financial benefits, bribery includes the transfer of anything of value including lavish entertainment or travel expenses, political or charitable donations. RSG does not tolerate bribery in any form and is committed to conducting its business with integrity. RSG also reserves the right to refer such matters to public authorities, for possible criminal prosecution.



### 5.2 Fraud

RSG is committed to promoting honesty, and integrity and operates a zero-tolerance approach to fraud. All Suppliers are expected to share this commitment and lead by example in ensuring adherence to appropriate regulations, procedures, practices, and the Code.



### 5.3 Fair Competition Laws

Suppliers will conduct their business in line with fair competition and in accordance with all applicable anti-trust laws. Suppliers shall not engage in collusive bidding, price discrimination, anti-competitive, antitrust, or other unfair trade practices.



### 5.4 Ethical and Anticounterfeit Sourcing

Suppliers shall source goods or services from third parties that meet, as a minimum, country of origin standards for health and safety, working hours, pay, employment conditions and environmental protection. Suppliers have a responsibility to know the origins of all parts and materials and to ensure that authenticity. Suppliers must respond to requests for information, regarding the source of any parts or materials.



## 5.5 Conflict of Interest

Suppliers must do business in a way that is open, transparent and with the highest integrity. There is the potential for a conflict of interest if a Supplier's employee or his or her family member has a close relationship with a RSG employee, who can make decisions that will affect the relationship and dealings between the Supplier and RSG. For that reason, the Supplier must disclose these types of relationships to RSG before entering into negotiations and whenever they arise. RSG has certain policies in place, which may prohibit certain transactions with Suppliers from proceeding or continuing.

The Supplier should notify RSG if any of its employees' family members work for RSG, have a financial interest in RSG, or have any kind of past or present business relationship with RSG. To better ensure that such notifications occur, Suppliers should have policies regarding conflicts arising from personal relationships and the giving and receiving of gifts and other business courtesies.



## 5.6 Gifts & Business Courtesies

Suppliers must comply with the Anti-Bribery Law issued pursuant to Royal Decree No. M/36 dated 29/12/1412H. RSG also has strict rules relating to gifts in its corporate governance's policy, which limits the giving and receiving of gifts and business courtesies. Whilst the exchange of the courtesies such as meals, entertainment, and nominal gifts is a widespread practice, these exchanges must be occasional, causal, and token.

Low value gifts (e.g., giveaways or token gifts such as branded pens, coffee mugs, small boxes of confectionery or small fruit baskets etc.) as well as larger items (e.g., large boxes of confectionery or larger gift hampers, etc.) may be accepted on behalf of a whole Division/Department of RSG. However, gifts from providers or tenderers must never be accepted during a tendering process. Cash and gifts or hospitalities that are cash equivalent (e.g., shopping coupons) must also never be given or accepted.

## 5.7 Intellectual Property

Each Supplier must ensure that its own supply network respects the intellectual property of others. Suppliers must take reasonable steps to ensure that their suppliers, through all tiers, safeguard sensitive information. Suppliers must avoid transmitting information from other customers to RSG without written permission. To the extent that contractual obligations agreed between RSG, and its Suppliers differ from this section, the provisions of the contract shall prevail.

## 5.8 Confidentiality

Suppliers shall preserve all confidential information in trust and confidence, and shall not under any circumstance use, disclose, communicate or convey, or conveyed, directly or indirectly, any such information, except as may be necessary in the performance of their duties, considering that any such exceptions should be governed by a signed Non-Disclosure Agreement by the receiving party of the information. Moreover, Suppliers shall not misuse or misappropriate confidential information whether directly or indirectly, or use them in any way, except as required under applicable laws.





## 6. Monitoring and Compliance

Suppliers shall be responsible for complying with the requirements set forth in this Code of Conduct and shall conduct periodic internal reviews, inspections, and audits to ensure their compliance with the Code. Suppliers shall raise awareness among its employees to ensure adherence to this Code. No code or policy can anticipate every situation that may arise. However, RSG expects its Suppliers to exercise independent professional judgment and to deter wrongdoing in the conduct of all duties and responsibilities on behalf of RSG.

Suppliers have a responsibility to understand and follow this Code. In addition, all Suppliers are expected to perform their work with honesty and integrity in any areas not specifically addressed by the Code.

Suppliers are required to immediately notify, and promptly disclose to RSG as soon as they become aware of any actual or potential violation of the Code, via the following link: <https://blowthewhistle.redseaglobal.com/#/>

Suppliers shall maintain appropriate records to substantiate compliance with the requirements of the Code and provide such proof to RSG upon request; and shall support RSG in any inquiries or investigations pertaining to violations or apparent violations in relation to RSG business activities. Furthermore, Suppliers are expected to take necessary corrective actions to promptly remedy any identified noncompliance.



## 7. Review and Amendments

This Code shall be periodically reviewed and assessed for effectiveness and adequacy. Any amendments to or waiver of this Code shall be made only by RSG's Board of Directors, upon the recommendation of RSG's Audit Committee. If an amendment to or waiver of this Code is made or granted, appropriate disclosure will be made as required.

## Acknowledgement Form

Red Sea Global and its subsidiaries (hereinafter referred to as **“RSG”** or **“Group”**) is committed to the highest ethical and legal standards in the conducts of its business. RSG requires all registered vendors, manufacturers, contractors, sub-contractors and any other service providers, with whom RSG conducts business (**“Suppliers”** or **“we”**) to acknowledge and agree to abide by the policies and principles set forth in the attached RSG Supplier Code of Conduct (**“Code of Conduct”**).

RSG’s Code of Conduct shall be acknowledged by Suppliers at the time of registration or, if previously and currently registered, at the time of submitting a request for registration renewal or submitting bids and proposals in response to RSG’s invitations and solicitations to bid.

The Acknowledgement to RSG’s Supplier Code of Conduct must be signed by an authorized representative of the Supplier or individuals acting as an attorney on behalf of the Supplier via an appropriate power of attorney that is consistent with the legal requirements of the Kingdom of Saudi Arabia.

We hereby acknowledge and agree to abide by RSG’s Code of Conduct and to take all reasonable steps to make sure that employees, officers, directors, and agents of the Group are aware of and shall, at all material times, abide by the Supplier Code of Conduct when preparing and submitting bids and proposals for RSG related work, when providing goods and services to RSG, and during the performance and administration of all agreements entered into with RSG.

<b>Company Name</b>	
<b>Name</b>	
<b>Signature</b>	
<b>Date</b>	





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