

MA'ADEN SUPPLIERS CODE OF CONDUCT AND ETHICS

INTRODUCTION

This Ma'aden's Suppliers Code of Conduct and Ethics (the Code) applies to all providers of goods / services / work to Ma'aden, its subsidiaries and affiliates (Ma'aden).

1. **LEGAL COMPLIANCE:** Ma'aden's Suppliers (Suppliers) are obligated, in all of their business related activities, to comply with the applicable laws, rules and regulations in Saudi Arabia. Ma'aden's Suppliers will not seek competitive advantages through illegal or unethical business methods.
2. **RESPECT BASIC HUMAN RIGHTS OF ITS EMPLOYEES**

Supplier must uphold the human rights of its employees, treat them with dignity and respect and promote equal opportunities for and treatment of its employees. Basic Human Rights would cover:

A. Discrimination

Within the framework of Saudi Arabian Law, providers of goods and/or services (Suppliers) shall not discriminate against any worker based on race, color, age, gender, sexual orientation, ethnicity, disability, religion, political affiliation, union membership, national origin, or marital status in hiring and employment practices such as applications for employment, promotions, rewards, access to training, job assignments, wages, benefits, discipline, and termination.

B. Harassment

Suppliers should know that insulting, harassing or offensive conduct is unacceptable, whether verbal, physical or visual. Examples include derogatory comments based on racial or ethnic characteristics, sexual harassment, sexual abuse, corporal punishment, mental coercion, physical coercion, religious beliefs or deprecating remarks concerning a person's disability. Threats or acts of violence or physical intimidation are prohibited, as is retaliatory treatment in response to any complaint of harassment made in good faith.

C. Minimum Wages

Suppliers must compensate their workers in line with all applicable local wage laws and regulations, including those relating to minimum wages, if any, overtime hours and legally mandated benefits. Any disciplinary wage deductions are to conform to local law.

D. Prohibition of Child Labour

Suppliers should not employ workers under the age of 15.

3. SUBCONTRACTING

Ma'aden Suppliers shall not use subcontractors without making all commercially reasonable efforts to obtain Ma'aden's prior written consent and shall require the subcontractor to enter into a written commitment with the Supplier to comply with the Code. Ma'aden Suppliers must ensure that any subcontractor that may be used has ethical and business practices similar to Ma'aden's practices.

4. HEALTH, SAFETY, AND THE ENVIRONMENT

A. Health and Safety at Workplace

Suppliers must insure that they have a safe and healthy working environment to include appropriate controls, safe procedures, preventative maintenance and appropriate protective equipment in compliance with all applicable laws and regulations. This is especially important when dealing with hazardous materials. Suppliers should ensure that their employees are educated in health and safety issues and to set-up or use an occupational health and safety management system according to OHSAS 18001 or equivalent

B. Protection of the Environment

Ma'aden expects that its Suppliers will act in an environmentally responsible manner. As a minimum, this means Suppliers shall be in compliance with applicable local and international environmental laws and regulations, and be committed and have the ability to remediate any environmental problems they may cause. All waste materials and production by-products should be disposed of properly and in an environmentally responsible manner. Violation of the foregoing may result in cancellation by Ma'aden of any purchase orders, contracts or supply agreements without any liability to Ma'aden or its affiliates and subsidiaries.

C. Air Emissions

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products and the like generated from all aspects of supply operations are to be characterized, monitored, controlled and treated as required prior to discharge.

5. ETHICS

Suppliers are to uphold the highest standards of ethics including:

1. The highest standards of integrity are to be expected in all business interactions. Participants shall prohibit any and all forms of corruption, extortion and embezzlement. Monitoring and enforcement procedures shall be implemented to ensure conformance.

2. Bribes or other means of obtaining undue or improper advantage are not to be offered or accepted. No Supplier, or its representatives or employees, shall offer to any Ma'aden employee a kickback, favor, gratuity, entertainment or anything of value to obtain favorable treatment from Ma'aden. Ma'aden employees are similarly prohibited from soliciting or offering such items. This prohibition extends to first degree relatives (i.e. Father, Mother, Spouse and Children) of both Suppliers and Ma'aden employees. As long as a gift is not intended to obtain favorable treatment for the Suppliers and does not create the appearance of a bribe, kickback, payoff or irregular type of payment, Ma'aden employees are not prohibited from accepting the gift if it is SR 500 per year or less in value provided the name of the donor is clearly reflected on the item and the item is designed for use in the employee's office. (These gifts shall not include normal discounts or special treatment for all Ma'aden employees, such as hotel, air tickets and car rental discounts.).
3. Information regarding Ma'aden business activities, structure, financial situation and performance and/or any other information deemed confidential is not to be disclosed outside the normal course of business.
4. Intellectual property rights are to be respected; transfer of technology and know-how is to be done in a manner that protects intellectual property rights. Ma'aden's logos, marks and strap lines shall not be used by the Supplier without Ma'aden's written approval.
5. Standards of fair business, advertising and competition are to be upheld. Appropriate means to safeguard customer information must be available. Ma'aden's Suppliers shall not engage in collusive bidding, price fixing, price discrimination, or other unfair trade practices in violation of antitrust laws and regulations.

6. COMMUNICATION

Ma'aden Suppliers must communicate this Code and its provisions to their engaging employees and to their subcontractors used in supplies intended for Ma'aden.

7. MONITORING AND RECORD KEEPING

Suppliers must maintain necessary documentation to demonstrate their compliance with this Code of Conduct for Suppliers. Ma'aden and/or its affiliates and subsidiaries maintain the right to take certain actions, such as inspection of production facilities or review of the applicable documentation, to ensure compliance with the Code.

Ma'aden Suppliers are expected to take necessary corrective actions to promptly remedy any identified noncompliance. Ma'aden reserves the right to terminate its business relationship with any Ma'aden Supplier who is unwilling or unable to comply with the Code.

8. SAFEGUARDING GOOD FAITH REPORTS

In order to encourage persons to report any violations to Ma'aden, where persons find it difficult to make any reports by telephone or in person, reports of violations may be submitted anonymously.

9. SUPPLIER ACKNOWLEDGEMENT

The undersigned Supplier hereby acknowledges that it has received Ma'aden's Suppliers Code of Conduct (the "Code") and agrees that any and all of its facilities, subsidiaries, divisions, affiliates, operating entities and subcontractors doing business with Ma'aden and/or any of its subsidiaries, divisions, operating entities will receive the Code intact, inclusive of the paragraph above referring to good faith reports, and will abide by each and every term therein.

Kamal Aldin Hussain Bayouni _____

Name

General Manager _____

Title

Arabian East Energy Trading Est. _____

Company

Signature

13/3/2017 _____

Date