



Supplier Code of Conduct

INTRODUCTION

Zain is committed to integrity, respect for the law and going beyond the law to advance social and environmental responsibility. The purpose of this Supplier Code of Conduct ('Code') is to ensure that our local and international suppliers share Zain's commitment to responsible business practices and adhere to Zain's values.

The Code contains general requirements applicable to all suppliers to Zain Group, its operating companies, other subsidiaries and divisions ('Zain'). Suppliers are defined as all those businesses that sell products and/or services to Zain, including any contractors and sub-contractors.

Zain will seek to identify and engage suppliers which conduct their business based on a set of ethical standards and best practices and are aligned to Zain's ethical approach to business. Zain will not knowingly do business with suppliers which do not meet the requirements set out in this Code, which forms an integral part of Zain's overall Environmental and Social Management Plan ('ESMP'). A copy of the ESMP will be provided to all Zain suppliers in order that they can understand and implement Zain's vision on environmental and social management matters in their daily activities.

COMPLIANCE

Zain's suppliers must comply with all relevant legislation and regulations, international conventions, whether domestic or foreign, which govern the conduct of their business.

ENVIRONMENT

Where applicable to the particular products and services, our suppliers shall adhere to environmental practices which comply with applicable local, national and international standards and regulations. Where relevant, this must include the following:

- Ensuring continued improvement in environmental and social performance, both internally and within the local communities in which Zain operates;
- Implementing preventive measures that mitigate environmental impacts and are aligned to Zain's ESMP;
- Saving natural resources through the integration of environmental concerns into design and planning processes as indicated in the ESMP;



- Ensuring the implementation of appropriate waste management and pollution control procedures in line with the local regulations and as per the ESMP;
- Ensuring adherence to the ESMP and not using toxic substances such as polychlorinated biphenyls (PCBs) and instead adopting and promoting eco-efficiency and the use of renewable energy;
- Ensuring that substances with low to zero global warming potential (GWP) and with zero ozone depleting potential (ODP) are used;
- Obtaining and retaining ISO14001:2015 certification for its environmental management and complying with such certification requirements at all times;
- Exercising due diligence in the traceability of products through its supply chain to avoid the purchase of conflict minerals. For example, to ensure that any tin, tungsten or gold in the products it manufactures or sources, where applicable, does not directly or indirectly finance organised crime and/or human rights abuses.

CONSTRUCTION AND OPERATION

Where applicable, construction and operations contracts may contain specific provisions addressing environmental, health and safety (EHS) conditions. Zain's "BTS & TRM" Safety Procedures are attached for reference. Suppliers of construction and operations services to Zain are required to use the templates embedded in the "BTS & TRM" Safety Procedures as one of the evidences of adherence to Zain safety standards for construction and operation of its sites.

LABOUR STANDARDS

- Our suppliers are expected to abide by internationally recognized labour practices. All our suppliers must conduct business ethically and have in place labour and workplace policies that abide by the ILO convention and are also in line with the local laws and regulations..

These include:

Labour terms

All labour terms must include minimum wage, working hours including overtime, health and safety conditions, health insurance and related pension (if applicable) and all other legally and mandated employment terms in relation to their respective workforce. Employees must have a legible contract that stipulates their respective rights as employees. The contract should be in line with the local laws and regulations and as per best practice.

Forced labour

Forced labour is not tolerated by Zain. All our suppliers must adhere and ensure that forced and compulsory labour is not practiced by them nor their subcontractors and intermediaries.



Our suppliers must also guarantee that their employees have the freedom to leave as per the local laws and regulations, and employees that wish to leave are not retained against their will.

Suppliers' employees that wish to leave their term of employment must be given any end of service benefit which is payable, and duly released as per the local laws and regulations.

Child Labour

Zain will not enter into a business relationship nor hire contractors or suppliers that engage in child labour, as defined under the Minimum Age Convention 1973 (ILO-MAC 1973). All persons employed by suppliers must be above the legal age limit of 16 years of age, unless the minimum age limit defined by the host country is lower, in which case the lower age limit will apply.

ANTI-CORRUPTION

- Suppliers acting on behalf of Zain must comply with all local laws dealing with bribery of government officials and must not engage in any acts of bribery/corruption at any time.
- If a supplier's employee is a family relation (spouse, parent, sibling, grandparent, child, grandchild, mother-or father-in-law, or domestic partner) to an employee of Zain, or if a supplier has any other relationship with an employee of Zain that might represent a conflict of interest, the supplier must disclose this fact to Zain, and also ensure that the Zain employee does so, by contacting Zain HR at askhr@zain.com.
- Zain adheres to stringent procurement procedures and guarantees transparent and equal opportunities for our suppliers, fostering competition wherever possible.

GIFT & HOSPITALITY POLICY

Any gifts or hospitality offered or given by suppliers must comply with the below.

- Suppliers may only offer business-related meals, legal entertainment and gifts to Zain employees, subject to the following conditions:
 - the value is less than KD100;
 - it is not intended to affect the independence and objectivity of the employee;
 - the relevant Zain employee did not request or solicit any gift or hospitality; and
 - gifts may not be in the form of currency or other forms of negotiable instruments.



COMMUNICATIONS

- Suppliers must ensure that they and their staff and other representatives act professionally when communicating with third parties regarding Zain, its requirements and any of its confidential information.
- Suppliers must strictly comply with the confidentiality provisions of any NDA or agreement in place with Zain.
- No public statements may be made regarding Zain via any medium (including the internet and social media) without prior written approval.
- Any statements which misrepresent Zain or could bring Zain and its brand into disrepute will be regarded as a material breach by the supplier of any agreements in place.

APPLICATION

- Zain will develop regular communications with its suppliers to enable them to implement the policies and understand any issues that arise. This will include developing a formal procedure for dealing with claims of misconduct made against Zain employees.
- Zain expects suppliers to develop and implement appropriate internal business processes, including a self-assessment regime, to ensure compliance with the Code, and to demonstrate compliance with the Code at the request and satisfaction of Zain.
- Any illegal conduct or suspected breaches of this Code must be reported to Zain by email at whistleblowing@zain.com.
- Suppliers shall be solely responsible for any and all losses or damages resulting from the failure of Supplier to comply with the Code, including any penalties attributable to such failure imposed on Zain by any regulatory or state authorities.

ZERO TOLERANCE POLICY

- Zain reserves the right to suspend an agreement with any supplier that cannot demonstrate that they are upholding the requirements of this Code, without any liability to the relevant supplier.



- Zain reserves the right to immediately ban those suppliers that commit, are party and/or complicit to human rights abuses including violence, exploitation, trafficking, torture and abuse of children as well as those that are found to discriminate against any minority group, gender, ethnic origin, religious beliefs or perform other derogatory practices.
- Any supplier which fails to achieve and continually maintain compliance with this Code shall be deemed to be in material breach of any agreements between Zain and such supplier.
- Without prejudice to any other rights in the relevant agreement, Zain may terminate the agreement if the supplier fails to cure the material breach within fifteen (15) days of giving a notice in writing specifying the material breach and requiring its remedy. The applicable number of years for those suppliers that are terminated and banned is set at 3 years minimum.
- For the avoidance of doubt, and without prejudice to any remedies available to Zain under any agreement, Zain shall be entitled to claim its direct and indirect losses, damages, costs and all expenses arising from or relating to any breach of this Code by suppliers, including in respect of loss of profits, loss of goodwill and loss of reputation.
- Those suppliers found to be party to discrimination of any form and/or found to be party to human rights abuses and are banned as a consequences of their actions, will be required to provide proof of remedial actions taken by them including documentary evidence of how they have remediated the situation.
- This Code is available to the general public and will be reviewed on a regular basis and as deemed necessary.

End of Zain Group Supplier Code of Conduct.