## CODE OF ETHICS AND BUSINESS CONDUCT Hiwa Rauf Investment & Development Co. Ltd (HRID)

Version (01), November 2024

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## **1. Introduction**

#### 1.1 Purpose

- Demonstrate the company's commitment to the highest standards of ethical behavior.
- Encourage proper ethical conduct and sanction misconduct within the company.
- Develop an ethical culture based on such standards and conduct, led by the company's shareholders, directors, and management, and followed by all employees.

#### **1.2 Commitment to Ethical Standards**

- This code goes beyond the legal and regulatory framework prevalent in Iraq today and embraces both national and internationally recognized principles and practices. By adopting, following, and regularly updating this code, HRID confirms its desire to lead and promote good ethical behavior and corporate governance. HRID ensures adherence to international standards, fostering the confidence of its shareholders, employees, investors, and the general public.
- The company's governing bodies and employees understand this code as their obligation and ensure its spirit and provisions are respected and acted upon throughout the company and its business partners. This code is reviewed and updated annually and published internally in booklet form, company shared folders.
- HRID is committed to maintaining the highest standards of professionalism, honesty, integrity, and fairness, ensuring a workplace free from discrimination and harassment. Employees must not engage in any activity that may be detrimental to the company's interests or bring discredit upon HRID.
- This policy sets out the standards and behaviors that define acceptable business conduct and the actions that may be taken if an employee engages in behavior that is not acceptable to the company. HRID strives to create an environment where honesty and accountability flourish, and compliance is a central focus. We expect our employees to have the courage to make the right decisions based on our ethical principles and to uphold them even under pressure.

#### 1.3 Scope

This Code applies to all employees, contractors, suppliers, service providers, and anyone representing or associated with HRID. It encompasses all aspects of business conduct related to or connected with employment at HRID or in connection with company-provided benefits and services.

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## 2. Objective

#### 2.1 Goals of the Document

- To set clear standards of acceptable conduct.
- To outline the consequences of failing to adhere to these standards.
- To promote an ethical culture based on integrity, respect, and excellence.
- To ensure all business operations are conducted with the highest ethical standards.

## 3. The Company's Values

- Integrity: Upholding the highest standards of honesty and ethical behavior.
- **Respect:** Treating everyone with dignity and fostering an inclusive environment.
- Excellence: Striving for the highest quality in everything we do.

## 4. Ethical Principles

- Honesty: Being truthful and transparent in all interactions.
- Integrity: Acting with integrity even in challenging situations.
- Fairness: Ensuring fair treatment and opportunities for all.
- Transparency: Maintaining openness in our practices and decisions.
- Respect for the Rule of Law: Complying with Iraqi laws and respecting human rights.
- **Business Integrity:** Conducting business fairly, avoiding bribery and corruption, and managing gifts and entertainment appropriately.
- Mutual Benefit: Building trust and fostering mutually beneficial relationships.
- **Community and Environmental Responsibility:** Respecting the communities we operate in and promoting environmental sustainability

## 5. Standards of Conduct

## **5.1 Employee Conduct**

#### A. Professionalism

Employees are expected to maintain a high level of professionalism in all aspects of their work. This includes demonstrating reliability, punctuality, and a strong work ethic. Employees should conduct themselves in a manner that reflects positively on HRID, both within and outside the workplace.

#### **B.** Confidentiality

Employees must protect the confidentiality of sensitive information. This includes proprietary information, trade secrets, and personal data of employees and customers. Unauthorized disclosure of confidential information is strictly prohibited.

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#### C. Conflicts of Interest

Employees should avoid any situations where personal interests might conflict with the interests of HRID. Any potential conflicts of interest must be disclosed to a supervisor or designated officer. Employees must not engage in activities that could compromise their impartiality or objectivity.

#### **D.** Equal Opportunity and Non-Discrimination

- HRID is committed to providing equal employment opportunities and a work environment free from discrimination. Employees must not engage in discriminatory practices based on race, gender, age, religion, nationality, or other protected characteristics.
- **Prohibition of Child Labor:** HRID has zero tolerance for the use of child labor in any of its operations. The company complies with all local and international laws regarding the minimum working age and ensures that no individuals under the legal working age are employed.

#### E. Harassment and Bullying

HRID has zero tolerance for harassment and bullying in any form. This includes verbal, physical, and psychological harassment. Employees are encouraged to report any incidents of harassment or bullying to their supervisor or HR department.

#### F. Health and Safety

HRID is dedicated to maintaining a safe and healthy work environment. Employees must adhere to all health and safety regulations and report any unsafe conditions or practices. The company provides regular training to ensure employees are aware of safety protocols.

#### G. Use of Company Property

Employees must use company property responsibly and for legitimate business purposes only. This includes office equipment, vehicles, and intellectual property. Any misuse or unauthorized use of company property may result in disciplinary action.

#### **5.2 Customer Relations**

#### A. Customer Satisfaction

HRID is committed to ensuring customer satisfaction by providing high-quality products and services. Employees are expected to engage with customers courteously and professionally, addressing their needs and concerns promptly.





#### **B.** Fair Pricing and Advertising

HRID adheres to fair pricing practices and ensures that all advertising is truthful and not misleading. Employees involved in pricing and marketing activities must comply with company policies and relevant laws and regulations.

#### **C. Product Safety and Quality**

The company prioritizes the safety and quality of its products. Employees must follow all safety and quality control procedures to ensure that products meet or exceed industry standards and customer expectations.

#### **5.3 Business Partner Relations**

#### A. Fair Dealing

HRID values fairness in all business dealings. Employees are expected to engage with business partners- including suppliers, contractors, and joint venture participants-honestly and respectfully. Fair competition and ethical negotiation practices are fundamental.

#### **B.** Anti-Corruption and Bribery

HRID has a zero-tolerance policy towards corruption and bribery. Employees must not offer, give, solicit, or accept any form of bribe or kickback. All interactions with business partners must adhere to anti-corruption laws and company policies.

#### **C. Anti-Money Laundering**

#### • Compliance with Anti-Money Laundering Laws

HRID has zero tolerance against money laundering and terrorist financing. Employees must comply with all relevant anti-money laundering (AML) laws and regulations. Any suspicious activities must be reported to the compliance department immediately.

#### • Training and Awareness

The company provides regular training to employees on AML regulations and best practices. This ensures that employees are equipped to recognize and report potential money laundering activities.

#### **D.** Procurement Practices

HRID ensures transparent and fair procurement practices. Employees involved in procurement must follow established procedures to ensure that all suppliers and







contractors are treated equitably. Decisions should be based on merit, quality, and cost-effectiveness.

### **5.4 Government Relations**

#### A. Compliance with Laws

HRID is committed to full compliance with all applicable local, national, and international laws and regulations. Employees must ensure their actions and the company's operations adhere to legal standards. Any legal concerns should be promptly reported to the legal department.

#### **B.** Political Contributions

HRID prohibits the use of company resources for political contributions or activities. Employees may engage in personal political activities but must ensure these do not conflict with their responsibilities to the company or imply HRID's endorsement.

#### C. Community and Environment

#### • Environmental Sustainability

HRID is dedicated to minimizing its environmental impact. Employees must adhere to environmental policies and practices aimed at reducing waste, conserving energy, and promoting sustainability in all company operations. For further details, please refer to the company's Environmental Policy.

#### • Community Engagement

HRID strives to be an active and responsible member of the communities in which it operates. Employees are encouraged to participate in community service and outreach programs that align with the company's values and goals.

#### • Charitable Contributions

HRID supports charitable activities that benefit the community. Any charitable contributions made on behalf of the company must be approved by management and align with HRID's commitment to ethical conduct and social responsibility.





## 6. Implementation and Compliance

#### **6.1 Responsibilities**

#### A. Individual Responsibilities

Each employee is responsible for understanding and adhering to the Code of Ethics and Business Conduct. Employees should act with integrity and report any violations or concerns to their supervisors or designated officers.

#### **B.** Management Responsibilities

Managers are responsible for promoting an ethical culture within their teams. They must ensure their team members understand the code and receive appropriate training. Managers should also handle reports of unethical behavior promptly and fairly.

#### 6.2 Reporting and Monitoring

#### A. Reporting Mechanisms

HRID provides a channel for employees to report unethical behavior or violations of the code. These include, and direct contact with supervisors/HR department. The contact email of the HR manager is <u>ranj.fikrat@hiwarauf.com</u> in critical cases employees can directly reach out to the CEO's office.

#### **B.** Whistleblower Protection

HRID is committed to protecting whistleblowers from retaliation. Employees who report unethical behavior in good faith will not face adverse consequences. The company ensures all reports are investigated thoroughly and impartially.

#### **6.3 Training and Awareness**

#### **A. Induction Programs**

HRID provides regular induction programs to ensure employees understand the Code of Ethics and Business Conduct. These programs cover key ethical principles and provide practical examples to help employees apply the code in their daily work.

#### **B.** Communication of Policies

The company ensures that all employees have access to the Code of Ethics and Business Conduct. Policies are communicated through the intranet, company meetings, and training sessions. Employees are encouraged to ask questions and seek clarification when needed.





#### **C.** Continuous Improvement

HRID is committed to continuously improving its ethical standards. Feedback from employees and stakeholders is used to update and enhance the code. Regular reviews ensure that the code remains relevant and effective in addressing emerging ethical challenges.

#### 6.4 Enforcement and Discipline

#### A. Consequences of Violations

Violations of the Code of Ethics and Business Conduct are taken seriously. Disciplinary actions may include reprimands, suspension, or termination of employment, depending on the severity of the violation, after it is reviewed and approved by the CEO.

#### **B.** Disciplinary Actions

HRID has a clear process for investigating and addressing violations of the code. This includes gathering evidence, conducting interviews, and ensuring that disciplinary actions are fair and consistent with company policies, and labour law.

#### **C. Appeal Processes**

Employees have the right to appeal disciplinary actions. The company provides a formal process for appeals to ensure that all cases are reviewed impartially and fairly.

## 7. Additional Provisions

#### 7.1 Data Protection and Privacy

#### **A. Handling Personal Data**

HRID is committed to protecting personal data and ensuring privacy. Employees must handle personal data responsibly and in compliance with data protection laws. Unauthorized access, use, or disclosure of personal data is strictly prohibited.

#### **B.** Data Security Measures

The company implements robust data security measures to protect against data breaches and cyber threats. Employees must follow all security protocols and report any security incidents immediately.





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## **7.2 Intellectual Property**

#### A. Respecting Intellectual Property Rights

Employees must respect intellectual property rights, including patents, trademarks, copyrights, and trade secrets. Unauthorized use or distribution of intellectual property is prohibited.

#### **B.** Company Intellectual Property Management

HRID manages its intellectual property diligently. Employees must ensure that any intellectual property created during their employment is properly documented and protected according to company policies.

#### 7.3 Social Media Conduct

#### A. Guidelines for Online Behavior

Employees must use social media responsibly and in a manner that reflects positively on HRID. Social media activities should not disclose confidential information or negatively impact the company's reputation.

#### **B.** Protecting Company Reputation

Employees should be mindful of how their online behavior can affect HRID's reputation. Negative or inappropriate posts about the company or its employees are not permitted.

#### 7.4 Use of IT Services

#### A. Acceptable Use Policies

HRID provides IT resources for business purposes. Employees must use these resources responsibly and in accordance with the company's acceptable use policies. Personal use should be minimal and not interfere with work responsibilities.

#### **B. IT Security**

Employees must follow IT security protocols to protect company systems and data. This includes using strong passwords, updating software regularly, and reporting any suspicious activities or security breaches.





## 8. Review and Updates

#### A. Frequency of Review

The Code of Ethics and Business Conduct will be reviewed annually to ensure its relevance and effectiveness. Any necessary revisions will be made to address emerging ethical challenges and changes in laws and regulations.

#### **B.** Employee Acknowledgement

All employees are required to acknowledge their understanding and acceptance of the Code of Ethics and Business Conduct upon joining the company and whenever significant updates are made. This acknowledgement ensures that employees are aware of their ethical obligations and the standards expected by HRID.

## 9. Frequently Asked Questions (FAQ)

#### 9.1 Conflict of Interest

Q: If my friend's company submits a proposal to HRID, is that a conflict of interest?

A: Yes, it can be considered a conflict of interest. You should disclose your relationship with your friend to your supervisor and avoid participating in the decision-making process regarding the proposal.

#### 9.2 Gifts and Hospitality

#### Q: If I receive a gift from a supplier, what should I do?

**A:** Report the gift to your line manager and the HR department. They will determine if the gift can be accepted, should be returned, or disposed of in another manner. Accepting gifts of significant value may be considered a conflict of interest.

#### 9.3 Confidential Information

#### Q: Can I share confidential company information with my family?

A: No, sharing confidential company information with anyone outside of the company, including family members, is prohibited unless authorized.

## 9.4 Reporting Unethical Behavior

#### Q: How can I report unethical behavior without facing retaliation?

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**A:** HRID provides confidential and anonymous reporting channels. Employees who report in good faith are protected from retaliation. Use the designated reporting systems.

#### **9.5** Use of social media

#### Q: Can I post about work-related issues on my personal social media accounts?

A: Do not post about work-related issues. Do not disclose confidential information or make negative comments about the company, colleagues, or business partners. Always represent HRID positively.

#### 9.6 Equal Opportunity and Non-Discrimination

#### Q: What should I do if I witness discrimination at work?

A: Report the incident to your supervisor or the HR department immediately. HRID is committed to a workplace free from discrimination and will take appropriate action to address any reported issues.

#### 9.7 Health and Safety

#### Q: What steps should I take if I identify a safety hazard at work?

A: Report the safety hazard to your supervisor or the health and safety officer immediately. Follow any safety protocols to prevent accidents and ensure a safe working environment.

#### **9.8 Use of Company Resources**

#### Q: Can I use company resources for personal projects?

A: Company resources should be used for business purposes only. Personal use of company resources is generally not allowed unless explicitly authorized by management.

## **Policy Version Control**

Issue Date	Version	Approvals
18.11.2024	1.0 First Version	Approved by the CEO Rebaz Hiwa Rauf