



Al-Adha Engineering

هندسة الأحمى للمقاولات العامة
والاستشارات الهندسية

INTEGRITY MANAGEMENT GUIDELINES

AL –ALDHA ENGINEERING

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AL-ADHA Engineering for General Contracting and Contracting and Engineering Consultation Limited (AAE), are commit to ethical business behavior in regard to both the internal conduct of our business and our engagement with external stake holders and the public.

The core values of Teamwork, Respect and Integrity will guide all our activities.

We will only seek professional services work and participate in business transactions under high standards of corporate and with complete integrity.

We will act in the best interests of the client and community at all times, undertaking our services with professional integrity. We will not conspire with any party to defraud a client or any other party or act in an improper manner in our operations. An approach of 'Zero Tolerance' applies towards any unethical business practices.

We foster an open environment in which our people can report any suspected, fraudulent or other improper practices without fear of reprisal. All reported incidents will be treated in confidence and investigated independently with appropriate follow-up.

We will cooperate fully with external agencies investigation corrupt practices within any legal parameters.

Arkan Abdul-Fatah Chassab. Managing Director



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1. Introduction

1.1 Purpose

In more than 15 years of existence, AAE has established a strong reputation for technical performance, quality, reliability, and client relationships. This performance has been built on the foundations of our core values of Teamwork, Respect, and Integrity. As an emerging global business, we face many challenges of operating in new markets and cultures.

AAE's Integrity Management System (IMS) is integrated within the Management System Framework of the AAE CO. governance model. The IMS consists of the following:

- **Integrity Management Policy:** AAE CO.'s commitment to ethical business conduct
- **Integrity Management Procedure (QP 1.05.01):** Administrative processes relating to monitoring of compliance, investigating possible breaches, and reporting to management and the Board
- **Integrity Management Guidelines:** Policy, principles and rules for our internal conduct and engagement with external stakeholders and public

The IMS is supported by other components of our Management System including:

- People Manual – behavior@ AAE CO.
- IS Code of Conduct
- Guide for Child Protection
- Guide for Workplace Harassment Management
- Guide for Grievance Handling
- Equal Employment Opportunity (EEO) Guide

1.2 Integrity management guidelines

These Integrity Management Guidelines apply to all our people (AAE CO. employees [permanent and casual] and personnel contracted to work for AAE CO. ["contract staff"]) with respect to both how we conduct our internal business and treat each other, and how we engage with external stakeholders (clients, subconsultants, subcontractors, suppliers, government agencies and other consultants) and the public.

AAE CO. expects all subconsultants, subcontractors and suppliers to embrace the principles espoused in these guidelines in their own internal business affairs. These guidelines are to be read in conjunction with the relevant contract agreements between the parties.

The guidelines have been developed based on international treaties relating to anti-corruption, human rights, and sustainability (as referenced in Appendix A). They are aimed at complementing our values-based culture by strengthening awareness of the law and moral standards which are integral to all elements of our business approach. The key message of these guidelines is zero tolerance towards any unethical or unacceptable business conduct.

2. Code of conduct

AAE CO.'s Code of Conduct establishes our behavior expectations and conduct requirements. AAE CO. will fully endeavor to comply with the laws of the countries in which we operate and promote ethical business and personal behavior consistent with our core values of Teamwork, Respect and Integrity.



Teamwork -----We are connected

We collaborate within our global community by helping and supporting each other to achieve personal, client and company goals. We aim to:

- Openly communicate and collaborate with all team members and perform all tasks in a timely manner.
- Engage in work practices that focus on cooperation and accomplishment and encourage all team members to participate and share knowledge.
- Recognize the skills, abilities and contributions of others and seek to bring the best out in other people.
- Understand the commercial nature of our business and add value to our clients' businesses by forming lasting relationships through the delivery of high-quality service.
- Identify and communicate opportunities for our business to the appropriate manager.

Respect -----We care.

We value each individual and nurture both internal and external relationships through listening and understanding. We aim to:

- Work with mutual respect and treat all people with dignity, fairness, and courtesy and appreciate individual and cultural differences.
- Uphold AAE CO.'s reputation.
- Maintain a workplace that is free from any form of inappropriate behavior, unlawful discrimination and harassment or bullying.
- Act in a professional manner at all times, demonstrate impartial judgment, be punctual, dress appropriately for clients and act with common sense.
- Use AAE CO. equipment, services and facilities with utmost care and for the purpose for which they were provided. Protect AAE CO. property, and where
- AAE CO. has responsibility for the property of clients, from theft, misappropriation and misuse.
- Take responsibility for working in a sustainable, healthy, and safe manner.

Integrity -----We keep our word.

We embrace honesty and trustworthiness through professional and ethical behavior with our clients, communities and ourselves. We aim to:

- Abide by applicable laws, regulations, and customs applicable at that time and in that location.
- Comply with **AAE CO.** policies, procedures, practice manuals, codes of conduct, guidelines and associated instructions.
- Act honestly and fairly in dealings with colleagues, clients and the general public and look after.



- **AAE CO.'s** business interests.
- Refuse to accept gifts, financial payments, favors or benefits that are intended to, or are likely to, cause you to act in a biased manner in the course of your duties.
- Never offer gifts, financial payments, favors or benefits either directly, or through a third party,
- which are intended to provide AAE CO. with an improper or illegitimate commercial advantage.
- Maintain the confidentiality of proprietary information, records or materials, during and beyond
- employment at AAE CO..
- Respect AAE CO.'s Intellectual Property rights and notify any breaches to the appropriate
- manager.
- Respect the privacy of individuals and the privacy laws in relation to the collection, use and
- handling of other people's personal information.
- Avoid any conflict of interest or potential conflict of interest or the appearance thereof and
- disclose any personal matter that may lead to an actual or perceived conflict of interest.
- Report, improper business conduct where discovered. Any breach of this Code is a serious
- matter that may result in disciplinary action and impact your ongoing employment with AAE
- CO..



3. Basic requirements of conduct

3.1 Compliance with law

Compliance with the law is fundamental to AAE CO. and as such, all AAE CO. people are expected to be aware of and conform with all relevant laws and regulations as applicable to their roles and responsibilities. Violations of the law must not occur.

Regardless of sanctions that could be imposed by laws on the company, any person guilty of a violation will be in breach of their employment duties and therefore subject to disciplinary consequences.

3.2 AAE CO. reputation

AAE CO.'s reputation is largely determined by the actions and behavior of all our people. Illegal activity or misconduct of individuals can seriously damage the whole company. Each person should be concerned with maintaining and promoting the proud reputation of the company.

3.3 Management responsibility

The culture of integrity and compliance starts with all leaders and managers across the organization. All managers are role models, performing their duties of supervision diligently, bearing responsibility for their people and earning respect through exemplary personal behavior.

Managers provide their people with appropriate latitude and leeway for individual responsibility while making the need for compliance very clear. They always remain accessible to assist with people who need to raise compliance concerns, ask questions, or discuss a professional or personal problem.

Managers remain responsible to ensure there are no violations of laws within the area of responsibility that proper supervision could prevent. They remain responsible even if they delegate the particular task.



4. ENGAGEMENT WITH EXTERNAL STAKEHOLDERS

4.1 General

AAE CO. is required to engage with a broad range of external stakeholders as part of our everyday business including clients, partners, sub consultants, contractors, and suppliers. We expect the same level of behavior and compliance from all external stakeholders as we do internally.

4.2 Fair competition and anti-trust laws

Fair competition is fundamental to allowing markets to develop freely and compete for market share. All our people must abide by rules for fair competition.

Anti-trust rules can differ from country to country and case by case. As a guide, the following behavior is likely to lead to a violation of anti-trust laws in most jurisdictions and therefore not acceptable to AAE CO.:

- Agreeing with our competitors to behave in the same way regarding prices, output, capacities, sales, bids, profits, profit margins, costs or any other parameter that otherwise provides a basis for fair competition.
- Entering into an agreement with a competitor not to compete, to restrict dealings with suppliers, to submit bogus offers for bidding or to divide up clients, markets, territories or service programs
- Obtaining competitive intelligence by using industrial espionage, bribery, theft or electronic surveillance or communicate knowingly false information about a competitor or its products or services.

4.3 Anti-corruption: Offering and granting advantages

We compete fairly for our commissions based on quality, price and innovative services, not by offering improper benefits to others. No-one may directly or indirectly offer, promise, grant or authorize the giving of money or anything else of value to client and government officials to influence official action or obtain improper advantage.

Friendly gifts considered for special occasions must comply with applicable laws.

In addition, our people are not to give money or anything of value directly or indirectly to a sub consultant, agent, intermediary, business partner or other third party if there is a possibility that it may be passed directly or indirectly to a government official or client to influence official action or obtain improper advantage in any business transaction.

People who are responsible for engaging contract staff, sub consultants, project partners and agents must take appropriate action to:

- Ensure that all external parties understand and will abide by AAE CO.'s anticorruption policies.
- Complete a thorough due diligence on all external parties including qualifications, experience, financial status and reputation.
- Include appropriate provisions in agreements and contracts designed to protect AAE CO.

4.4 ANTI-CORRUPTION: DEMANDING AND ACCEPTING ADVANTAGES

Our people must not use their jobs to solicit, demand, accept, obtain or be promised advantages. This does not apply to gifts of symbolic value or meals or entertainment reasonable in value that are consistent with applicable laws, local customs and AAE's policies.

4.5 Political contributions



AAE CO. does not make direct political contributions including donations to politicians, political parties or political candidates.

This policy does not preclude, however, attendance at political lunches or dinners, and other activities in the general course of conducting business provided the cost is an appropriate commercial rate.

AAE CO. people contributing donations or payments will not be reimbursed by AAE CO..

Where government guidelines exist for the attendance at political lunches, dinners and other activities, they must be strictly adhered to.

4.6 Charitable donations

As a responsible community member, AAE CO. makes monetary donations and provides pro bono services to selected and worthy community causes through the AAE CO. in the Community initiative.

Donations that are not considered include payment to:

- Individuals and for-profit organizations
- Private accounts
- Payment to organizations whose goals and values are incompatible with AAE CO.
- Paid to organizations that by association could damage AAE CO.'s reputation.

All donations must be transparent and clearly documented including the recipient's identity and confirmation that it was used for the intended purpose.

4.7 Sponsorship

Sponsoring of events organized by a third party in return for the opportunity to advertise at an event and or participate as a speaker and receive entry tickets is acceptable subject to the following conditions:

- A transparent process
- Written agreement
- Legitimate business purposes
- Commensurate value offered by host.

Contributions may not be promised, offered, or made to secure competitive advantages or other improper purposes. Also, they may not be made to organizations that have incompatible goals with AAE CO. and by association may damage AAE CO.'s reputation.

4.8 Government agencies

AAE CO. competes for contracts with government agencies and government-owned businesses around the world. In all dealings and interactions, we act in a transparent, honest and accurate way. We comply with applicable laws and regulations relating to procurement including laws prohibiting improper influence of government officials.

The payment of a facilitation fee to foreign officials to secure the performance of routine government activities contravenes the law in several countries. Our people must not initiate or participate in the payment of facilitation fees to foreign officials either directly or indirectly through a third party.



4.9 Working with suppliers and sub consultants

AAE CO. expects suppliers and sub consultants to act in accordance with the following principles:

- Prevent corruption.
- Respect basic human rights of employees
- Comply with laws prohibiting child labor.
- Take responsibility for the health and safety of their employees!
- Conform to applicable statutory and international standards regarding environmental protection.
- In turn, promote compliance amongst their suppliers of the principles in AAE CO.'s.

Integrity Management Guidelines by applying these principles to their supplier agreements.

4.10 Client Relationship Management

Developing and maintaining client relationships are fundamental to a sustainable business. By nature, these processes often include opportunities for entertainment and gifts. AAE CO. acknowledges that small gifts and entertainment may be offered and accepted but only for acknowledging important social and business milestones and events intended to foster good relationships with care taken to avoid any impression of a reward or encouragement for a favor or for preferential treatment.

It is also important to recognize and respect that most clients, particularly government sectors in most jurisdictions, will have their own strict guidelines for accepting gifts and entertainment.

Gifts and entertainment are to be modest and comply with applicable laws and recognized local customs. Compliance with the law is paramount.

Acceptable activities as part of a client relationship management program include:

- Travel and accommodation for study tours to improve understanding of projects and AAE CO.'s capability.
- Inclusion of client's staff in AAE CO. training
- Secondment opportunities
- Dinners and lunches
- Entertainment such as sporting or cultural events

The giving or receiving of gifts of money is not permissible.



5. Conflicts of interest

5.1 General

It is expected that our people make business decisions in the best interests of AAE CO. and not based on their personal interests. Everyone must inform their manager of any possible personal interest in connection with the execution of their professional duties.

This is particularly applicable to those people who exercise a direct or indirect influence upon whether an entity, in which they have a vested interest, receives AAE CO. contract.

5.2 Competitor organization

Our people must not operate or assist a company or any enterprise that competes with AAE CO. An employee must not engage in any competing activities.

5.3 Sideline work

Our people are to seek in writing permission to engage in sideline work with other organizations. Permission will not be granted if it is considered detrimental to AAE CO.'s interests. It is expected that approved sideline work will be conducted totally during the individual's own time and not at AAE CO. workplace.

5.4 Interests in third companies

Our people must disclose to the company Secretary, at the earliest possible opportunity, any stake they have or intend to acquire with a client organization, competitor company or business partner organization at a level where it is possible to exert real influence on the company's management. Our people involved directly in project procurement work must also disclose any significant shareholding or vested interest in a third-party stakeholder (e.g., a construction contractor) seeking contracts for projects over which the individual has influence. Disclosure is to be made at the earliest possible time to the individual's immediate manager to avoid potential conflicts of interest. Once an interest in a third company has been disclosed, AAE CO. will take appropriate measures to avoid a conflict of interest.



6. Company property

AAE CO. utilizes a wide range of devices and equipment across the business such as telephones, copying machines, computers, software, internet/intranet, and other technology which is only to be used for official company business. The use of company property must not:

- Relate to illegal activity.
- Cause an actual or perceived conflict of interest
- Lead to significant added costs, disruption of normal business or other adverse effects for the company

Information cannot be retrieved, received or transmitted if it is culturally, racially or sexually offensive, is of a violent or criminal nature, includes offensive or derogatory words, images and videos or includes viruses. No-one is permitted without approval to make records, files, video, audio recordings or reproductions using AAE CO. equipment or facilities if the activity is not directly related to company business.



7. HANDLING OF INFORMATION

7.1 Records and financial integrity

AAE CO.'s reputation with clients and stakeholders is enhanced through open and effective communication based upon accurate and truthful reporting. We maintain sound processes and controls, so our transactions are executed according to recognized accounting and business practices. All people are required to ensure all inputs to these systems are:

- Complete
- Accurate
- Honestly reflect each transaction or actual expenditure
- Are timely and in accordance with applicable accounting rules and standards.

7.2 Confidentiality

Confidentiality must be maintained for all AAE CO.'s internal confidential or proprietary information. Non-public information obtained from or concerning suppliers, clients, employees, agents, sub consultants and other third parties must be protected in accordance with legal and contractual requirements.

There is an obligation to maintain confidentiality beyond the termination of a particular relationship as future disclosure can still cause damage to AAE CO.'s business or the client's business at that time.

7.3 Data protection and data security

The use of the Intranet and Internet, and worldwide information exchange and dialogue is fundamental to our daily business. However, this form of communication exposes us to risks related to personal privacy and data security. Acknowledgement of these risks is an important component of IT management, leadership, and behavior of everyone.

Personal data may only be collected, processed, or utilized for pre-determined, clear, and legitimate, work-related purposes. Personal data must also be maintained in a secure manner with appropriate precautions being taken during transmittal. High standards must be maintained regarding data quality and protection against unauthorized access. The use of data must be transparent for those concerned and rights safeguarded in relation to correctness and if applicable, to blocking or deletion of information. All our people must comply with the laws and regulations relating to the collection and use of personal data in jurisdictions within which they operate.



8. HEALTH, SAFETY AND ENVIRONMENT

8.1 Work safety

Protecting the health and safety of our people in the workplace is a high priority for AAE CO.. It is the responsibility of all our people to conduct workplace activities in a safe manner recognizing the best possible accident prevention measure applicable to:

- The technical planning of workplaces, equipment and processes
- Safety management
- Personal behavior in the everyday workplace
- The work environment must conform to the requirements of health-orientated design

8.2 Environment

Through the leadership and commitment of our people, AAE CO. strives to conduct its operations in an environmentally responsible manner. All our people are expected to contribute to these goals through their own demonstrated behavior.

8.3 Working environment

AAE CO. maintains a working environment in all its workplaces that is consistent with AAE CO. Core Values and legislative requirements. It is the responsibility of all our people to conduct workplace activities in a manner consistent with these principles.



9. REPORTING AND INVESTIGATING

9.1 Improper business practices

- Improper business practice includes, but is not confined to any actual or suspected:
- Questionable accounting, internal financial controls and auditing matters
- Conduct or practices which are illegal or breach any law, regulation, contract or AAE CO. policies
- Fraudulent behavior
- Abuse of authority
- Substantial mismanagement of AAE CO. resources
- Unfair or unethical dealings with a client, supplier or partner of AAE CO.
- Dishonest activity that causes actual or potential financial loss, or unjust advantage to AAE CO. or any person or associate involved

☒ Behavior which contravenes any part of these guidelines.

Conduct involving substantial risk to public health or safety or environment; or misuse of sensitive or confidential information.

9.2 Making a report

We expect our people to report any suspected improper business practices.

Reports relating to inappropriate behavior detailed in the AAE CO. People Manual (e.g. harassment) are to be referred directly to the local people manager. In the first instance, our people are encouraged to raise concerns with their manager as part of the regular communication between staff and their managers that address questions, concerns, suggestions, or complaints. If this is not considered appropriate the matter should be elevated to the OCM, or regional General Manager

However, if the matter is sensitive, the individual can choose to contact the company Secretary directly.

Any report of improper business conduct must be factual and made in good faith.

The report should contain as much detailed information as possible.

9.3 Investigation

All serious allegations will be investigated in accordance with the Integrity.

Management Procedure. Investigations will be impartial, fair and adhere to the principles of natural justice and procedural fairness and any legal requirements of the local jurisdiction. All our people are to cooperate with the investigation team and maintain confidentiality and respect personal privacy as required.

9.4 Findings and action

Where the investigation finds wrongdoings, AAE CO. is committed to take action in relation to the staff involved and make changes to inadequate processes as necessary. Where illegal conduct has occurred, it will be reported to relevant legal authorities.



APPENDIX – 1

MAJOR LEGISLATION, CONVENTIONS AND GUIDELINES

OECD Guidelines for Multinational Enterprises (2000)
UN Global Compact 10 Principles for Sustainable Business
UN Convention Against Corruption
Universal Declaration for Human Rights (1948)
Republic of Iraq – Criminal Law