



BUILDING THE NATION

ALDAR Properties PJSC

CODE OF BUSINESS CONDUCT

2006



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INTRODUCTION

The reputation and good standing of ALDAR Properties PJSC depends on how the Company's business is conducted and how the public perceives that conduct. Unethical actions, or the appearance of unethical actions, are not acceptable. Each employee is expected to adhere to a high standard of ethical conduct.

This Code is intended to promote ethical conduct and compliance with laws and regulations, to provide guidance with respect to the handling of ethical issues, to implement mechanisms to report unethical conduct, to foster a culture of honesty and accountability, to deter wrongdoing and to ensure fair and accurate financial reporting.

The Company realizes that no code or policy can anticipate every situation that may arise. Accordingly, this Code is intended to serve as a source of guiding principles and the Compliance Officer can be consulted whenever necessary.

Ahmed Ali Al Sayegh
Chairman



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1. PURPOSE

- 1.1 To outline ALDAR Properties PJSC and all subsidiaries (collectively, “ALDAR” or the “Company”) policy concerning ethical business conduct.
- 1.2 To prevent improper payments, gifts and gratuities, kickbacks and bribes to or from any employee and any person with whom ALDAR conducts business.
- 1.3 To provide guidelines for the implementation and enforcement of ALDAR’s Code of Business Conduct (“CBC”).
- 1.4 The Board of Directors will approve this policy and any future amendments/ deletions/ additions to it.

2. APPLIES TO

- 2.1 ALDAR, its Board of Directors (collectively, the “Directors”), as well as the Company’s officers and employees (collectively, “Employees”).

Compliance with the Code of Business Conduct is required of all Directors and Employees. The Code of Business Conduct should also be followed by the Company’s agents and representatives, including consultants and contractors/ suppliers/ vendors.

The Company’s senior management is charged by the Board of Directors with ensuring that this Code of Business Conduct and the Company’s policies will govern, without exception, all business activities of the Company. The Audit Committee is responsible for ensuring that appropriate ethics and compliance policies and procedures are maintained.

3. POLICY STATEMENT

- 3.1 ALDAR follows world-class standards in all areas of its operations and considers professionalism and integrity as core values.
- 3.2 The success of ALDAR depends on its reputation for enterprise, fair dealing and professionalism.
- 3.3 ALDAR is committed to the highest standards of legal and ethical conduct in its business dealings and complies with all applicable laws, regulations and codes wherever it conducts business.
- 3.4 The Company’s assets, such as office equipment, production equipment, and products, must not be used for personal reasons, except as may be specifically authorized by Company policies. These assets should not be taken out of Company facilities unless necessary and authorized in connection with Company



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work. ALDAR will not utilize anyone's intellectual property (e.g. copyright, patent or software) without the prior agreement of the owner.

4. POLICY IMPLEMENTATION

- 4.1 The Compliance Officer assumes responsibility for ALDAR's Code of Business Conduct.
- 4.2 The Compliance Officer will monitor implementation and adherence to the Code of Business Conduct which include staff training and communications.
- 4.3 The Company will take all reasonable steps to keep confidential the identity of any Employee reporting a suspected violation. No Employee shall be subject to retaliation because of any report made in good faith.
- 4.4 Each Director and Employee is responsible for supporting fully the Company's policy of compliance with applicable laws, rules, regulations, and Company policies regarding health, safety, process risk management, and environmental protection.

5. CONFLICT OF INTEREST

- 5.1 In performing his/her duties and responsibilities for ALDAR, each Employee, Company's agents and representatives, including consultants and contractors/ suppliers/ vendors will avoid any Conflict of Interest.
- 5.2 In the context of this policy, "Conflict of Interest" or "Conflict" means, with respect to the Employee involved, any activity, agreement, business investment, interest, role or other situation that could be construed as divergent to or in competition with the company's business or as an interference with such Employee's primary duty to serve ALDAR at all times to the best of their ability.
- 5.3 No Employee will for personal or other person's gain, deprive the Company of any opportunity or benefit that could be construed as related to any existing or reasonably anticipated future activity of the Company, including without limitation:
 - Taking for personal gain opportunities that are discovered through the use of company property
 - Using company property, information or position for personal gain
 - Competing with the Company
- 5.4 An Employee must not knowingly conduct business on behalf of the Company with, or provide an improper personal benefit for their spouse, children, parents, grandparents, grandchildren, siblings or in-laws (collectively, "relative") or an organization which they or any relative has an interest or is associated with.



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- 5.5 No Employee may serve as an advisor or agent to, or as a director, officer, or part-time officer or Employee of a business enterprise that is a competitor or has current or known business dealings with the Company where such relationship constitutes a Conflict of Interest.
- 5.6 Any waivers of the provisions of this policy can be made to the Compliance Officer by the Employee in writing. Waivers related to the Compliance Officer will be made to the Audit Committee.

6. INTEGRITY & INSIDER TRADING

- 6.1 ALDAR selects its suppliers based on the price, quality and performance of products or services provided. In order to avoid any conflict of interest, the Company will not conduct business with vendors or suppliers in which company Employees or close family members have vested interests.
- 6.2 Employees may only trade in the Company's securities as permitted by the Company's established insider trading policies.
- 6.3 Generally, it is both illegal and against Company policy for any individual to profit from undisclosed information relating to the Company or any other company. Anyone who is aware of material nonpublic information relating to the Company may not purchase or sell any of the Company's securities.
- 6.4 It is against Company policy for any employee, who may have inside or unpublished knowledge about any of our clients or any other company, to purchase or sell the securities of those companies.
- 6.5 Anyone who is uncertain about the legal rules involving a purchase or sale of any Company securities or any securities in companies that they are familiar with by virtue of their work for the Company should consult with Legal department before making any such purchase or sale.



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7. GIFTS

- 7.1 The offering, giving, soliciting or receiving of any form of bribe or kickback or offering or giving anything of value to any person is prohibited. To ensure that business is conducted in accordance with all applicable laws and high ethical standards, prior written approvals are required for certain contracts, agreements, arrangements, payments, gifts and entertainment as set forth below.
- 7.2 Under no circumstances should any gift or entertainment be offered, given, provided or accepted by any Employee, immediate family member of an Employee or agent of ALDAR unless such gift or entertainment:
- Is not a cash gift
 - Is consistent with customary business practices
 - Is not excessive in value (less than AED 500 per year)
 - Can not be construed as a bribe or payoff
 - Does not violate any applicable laws or regulations
 - Does not represent unusual Discounts given in an arm length transaction
- 7.3 Gifts offered or received by Employees that do not meet the criteria set forth in Section 7.2 must be returned, or if return is not practical or appropriate under the circumstances, given to the Compliance Officer who will donate the gift to a charitable organization, obtain appropriate receipts, inform the giver of its disposition (if appropriate) and maintain a written record of such donations.

8. BUSINESS ENTERTAINMENT

- 8.1 Reasonable business related entertainment expenses (less than AED 500 per person / per event) that are infrequent and arise out of the usual course of doing business are permissible. Entertainment would be in the context of conducting business discussions or advancing business relationships. Entertainment expenses must be documented and approved by the appropriate Line Manager.

9. APPLICABLE LAWS

- 9.1 No contract, agreement, arrangement, payment, gift or entertainment will be entered into, offered, promised, agreed, paid or received which would violate any applicable law wherever ALDAR conducts business.



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10. CONFIDENTIALITY

- 10.1 Employees must consider all information (oral and written), documents and reports obtained in conducting company business as strictly confidential and not to disclose such information to any other parties unless previously authorized or required in the performance of their duties. This obligation will extend beyond the Employee's end of employment with ALDAR.

11. GENERAL CONDITIONS

- 11.1 All vendors and contractors with single or cumulative commitments or potential yearly business with ALDAR exceeding AED 100,000 will receive a copy of ALDAR's Code of Business Conduct Policy and acknowledge compliance in writing. They will be notified when policy updates occur.
- 11.2 Full compliance with this policy is a condition of entering into business with ALDAR. Violations, depending on the case and severity, will be regarded as a material breach of agreement.
- 11.3 Employees have an obligation to report any breaches or suspected breaches of this policy to the Compliance Officer.
- 11.4 When ending employment, Employees must return all property belonging to ALDAR.
- 11.5 Employees will be asked to sign on an annual basis a *Professional Conduct Declaration* confirming understanding of their responsibilities.

12. RESPONSIBILITIES

12.1 Employee

- Comply with ALDAR's Code of Business Conduct.
- Practice high standards of professional conduct and integrity when conducting business on behalf of ALDAR.
- Consider all information, documents and reports obtained in conducting company business as strictly confidential and not to disclose such information to any other parties unless previously authorized or required in the performance of their duties.
- Notify the Compliance Officer when a violation of this policy is suspected. Neither the Line Manager nor Employees will investigate or adjudicate an



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alleged violation of this policy as such involvement could compromise the investigation.

12.2 **Line Manager**

- Ensures Employees practice good business standards and practices in the performance of their duties and responsibilities.
- Discusses this policy with Employees and ensures awareness of its content and intent.

12.3 **Human Resources Department:**

- Ensure that new Employees are aware of ALDAR's Code of Business Conduct policy upon joining the Company.
- Request Employees to complete on an annual basis their *Professional Conduct Declaration* confirming understanding of their responsibilities.
- Establish and conduct CBC staff training.

12.4 **Contract & Procurements Department**

- Ensure that all vendors and contractors with single or cumulative commitments or potential yearly business with ALDAR exceeding AED 100,000 will receive a copy of ALDAR's Code of Business Conduct Policy and acknowledge compliance in writing. They will be notified when policy updates occur.

12.5 **Compliance Officer**

- Act as the Company focal point for CBC issues.
- Provide advice and assistance in interpreting and complying with the Code of Business Conduct.
- Approve and document all deviations from policy and refer significant deviations to the CEO and/or the Audit Committee.
- Investigate alleged violations of this policy.
- Report to the CEO, Audit Committee and Board of Directors on issues concerning CBC compliance, including without limitation a written report summarizing all grants of waivers or approvals under this policy and any allegations or investigations of any Conflict of Interest or other violation.