

SOCIAL COMPLIANCE POLICY AND PROCEDURES MANUAL



Tel: +971-4-4281590, 4281591, Fax: +971-4-4281592

E-mail: info@alfujairahsteel.com

P.O. Box No. 490002,

Dubai Industrial City,

Dubai, U.A.E.

Table of Contents

1. Introduction – Social Compliance & Responsibility.....	3
2. Policy	4
3. Employment – Recruitment and Selection	4
4. Discrimination, Harassment and Retaliation	5
5. Terms and Conditions of Employment and Wages and Benefits	5
6. Working Hours	5
7. Child Labour	6
8. Health and Safety.....	6
9. Bribery and Corruption	7
10. Supply Chain Management	7
11. Environmental Management	8
12. Remediation, Corrective and Preventive Actions.....	8
13. Performance and Evaluation.....	9
14. Responsibilities of Employer / Managers/ Supervisors / Employees in effective implementation of Social Compliance Policy:	10

1. Introduction – Social Compliance & Responsibility

Al Fujairah Steel Barrels & Drums LLC as a company and its directors are absolutely committed to ethical practices consistent with the UAE Laws and also operating in a safe and healthy manner, with consideration for the environmental impacts of our activities and of course the performance of the business in meeting customer requirements. Ethical business practices are also implemented including prohibited activities related to bribery and corruption. Given the above Al Fujairah Steel Barrels & Drums LCC (the ‘Company’) has adopted a Code of Conduct which applies to our own business but also those who work with us, including suppliers. This Code of Conduct is summarized as:

- Prohibiting any form of forced labour or trafficking (referred to as modern slavery)
- Prohibiting the use of child labour
- Prohibiting charging of recruitment fees to workers
- Prohibiting the with-holding of worker identity or immigration documents
- Requiring that workers are provided with a safe and healthy working environment
- Workers are engaged in compliance with applicable employment laws and codes of practice including working hours
- Permitting freedom of association and the right to collective bargaining
- Prohibition of bribery and corruption

Additionally, we are committed to developing and maintaining an Environmental Management System which identifies our environmental impacts and promotes control where appropriate, compliance and continual improvement.

This manual document sets out the related procedures which are intended deliver and ensure compliance to the above commitments but within Al Fujairah Steel Barrels & Drums LLC but also our supply chain.

Ultimate responsibility for our related Policies, Procedures and their implementation rests with the Directors and specifically the Managing Director.

2. Policy

Al Fujairah Steel Barrels & Drums LLC has developed, maintained and implemented a wide range of relevant policies which include:

- Modern Slavery, Human Trafficking and Labour Policy
- Anti-bribery and Corruption Policy

The above policies are approved by the Directors and subject annual review to ensure their continued relevance and adequacy.

Additionally, the company has developed a detailed Employee Company Handbook for employees which details all other procedures and policies that employees need to be aware of which includes details of their statutory rights.

All policies are made available to staff internally where appropriate in their first language. Additionally, the Modern Slavery, Human Trafficking and Labour Policy is made publicly available to interested parties on request and via the company website.

3. Employment – Recruitment and Selection

Recruitment and selection processes will be conducted in a fair and equitable manner consistent with the UAE Laws.

Children of compulsory school age will not ever be employed by Al Fujairah Steel Barrels & Drums LLC either direct or through any third party or agency. The age and Right to Work in the UAE will be verified during the recruitment process and records retained as evidence.

Al Fujairah Steel Barrels & Drums LLC will ensure that it ensures compliance with its own Code of Conduct and policies for those it employs. Bonds and deposits will not be sought from employees and originals of passports or right to work in the UAE evidence shall not be retained by the company.

The use of agency staff will be avoided and if ever used, the agency provider is treated as high risk and subject to specific requests for information including through Supplier Questionnaire and potentially site audits to review agency procedure and adherence to the Code of Conduct and UAE law.

Induction will include communications of policies and procedures related to environmental, health & safety and other social compliance policies as well as

the content with the Employee Company Handbook all of which are accessible during employment.

HR are responsible for ensuring compliance of all recruitment, selection and induction processes as well as on-going compliance to UAE laws during employment.

4. Discrimination, Harassment and Retaliation

Al Fujairah Steel Barrels & Drums LLC is opposed to discrimination of any kind the basis of (but not limited to) race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership, ethnic/national origin, military status or political affiliation. Policy and procedures along with grievance processes are clearly defined in the company's Employee Company Handbook.

5. Terms and Conditions of Employment and Wages and Benefits

All terms and conditions of employment will be defined within the employment contract which will be provided in writing to all employees and which will meet the requirements of UAE laws including working hours and wages (including details of any lawful deductions). Other than for changes in salary, variations to the terms and conditions of employment will also be confirmed in writing. Employees will be provided with written wage statements/slips.

HR are responsible for ensuring the effective issue of all statements of terms and conditions.

6. Working Hours

Employees working hours will not exceed those defined by UAE law. Employees who are 18 and over do have the option to opt out of the 48 hour working week (averaged over 17 weeks) however this is not obligatory on any employee and the decision to opt out may be revoked subject to the appropriate notice period of 3 months. Under 18's will not be permitted to opt out and their working hours instead limited to not more than 40 hours per week and 8 hours per day.

Additionally, working hours shall not exceed those specified by the UAE law or other applicable requirements.

All overtime is voluntary and paid at the prevailing rate which is compliant with UAE law.

The Accounts Department is responsible for monitoring working hours for all employees as per UAE laws. The daily working hours may be reduced by resolution of the Minister of Labour and Special Affairs, in the case of arduous or health-hazardous work. Two during the month of Ramadan shall reduce the normal working hours. The periods spent by a worker in travelling between his home and place of work shall not be included in his working hours.

7. Child Labour

Al Fujairah Steel Barrels & Drums LLC is totally opposed to the exploitation of children and use of child labour. Minimum age of employment according to UAE laws is verified as part of the recruitment and selection process.

No child shall be employed on any job that is hazardous or detrimental to health, as defined in a resolution by the Minister of Labour and Social Affairs, after consulting the concerned authorities. The maximum working hours for children shall be six a day, intercepted by one or more breaks for rest, food or prayer, which shall amount in aggregate to not less than a full hour. Such break(s) shall be so arranged that no child shall work for more than four successive hours. No child shall remain at the workplace for more than seven successive hours. All employees under 18 shall be subject to a specific health & safety risk assessment which will consider aspects such as their maturity and awareness of workplace risks and strictly in compliance to the UAE Labour Law.

Those who work with us including suppliers are required to comply with our Code of Conduct and Modern Slavery, Human Trafficking and Labour Policy which included prohibition of child labour as per UAE Labour law. In the event of any identified breach, timely remediation and corrective action will be taken as detailed below. Such actions must include the child attending schooling where they are of compulsory school age.

HR and all managers are responsible for implementation of this procedure for employees/workers of Al Fujairah Steel Barrels & Drums LLC. Supply chain compliance is the responsibility of the Managing Director and Accounts Department.

8. Health and Safety

Al Fujairah Steel Barrels & Drums LLC will identify applicable Occupational Health & Safety (OH & S) laws applicable in the UAE and ensure compliance to these laws. In practical terms this will translate into risk identification, risk assessment, elimination of risk and or workplace procedures and controls including safe systems of work. All aspects of the company's OH & S shall be subject to periodic planned review but also when changes occur for example in equipment, processes, materials or substances used.

Employees and those working with us onsite and offsite will be provided with appropriate guidance, training, resources and equipment to ensure a safe and healthy working environment for all.

9. Bribery and Corruption

Bribery or corruption is not tolerated within Al Fujairah Steel Barrels & Drums LLC and in our supply chain. An appropriate Policy is published internally any breaches being investigated through company Disciplinary Procedures.

Should any issues be identified within the Supply Chain, corrective action will be taken as appropriate as detailed below.

10. Supply Chain Management

Based upon risk, those who work with Al Fujairah Steel Barrels & Drums LLC including suppliers will be required to confirm their commitment to our Code of Conduct and Modern Slavery, Human Trafficking and Labour Policy and also required to provide evidence of implementation including within their own supply chain.

Suppliers will be subject to review and may periodically be asked to complete again the Supplier Questionnaire and declaration to comply with our Code of Conduct.

Depending upon risk and information provided by suppliers, we may implement additional screening including supplier visits and reviews of the suppliers own control systems and actions to prevent prohibited activities.

Should a breach relative to our policies and Code of Conduct be identified as part of this screening process or at any stage, remediation and corrective action will be taken as detailed below.

The Accounts Department is responsible for implementation of this procedure.

11. Environmental Management

Al Fujairah Steel Barrels & Drums LLC recognizes its activities have an environmental impact and therefore maintains an Environmental Management System (EMS), the core of which is based on an Environmental Aspects and Impacts Assessment which in turn leads to the development of controls and procedures to minimize and reduce those impacts during normal, abnormal and emergency situations.

The Managing Director will be responsible for ensuring that the EMS is established and adequately implemented.

12. Remediation, Corrective and Preventive Actions

In the event that any non-conformities (including Social Compliance, Environmental or OH & S) or breaches are identified whether within Al Fujairah Steel Barrels & Drums LLC or the supply chain, remediation or other corrective action will be taken. All such non-conformity will be recorded within the management system and root cause analysis completed where appropriate to establish any preventive actions. However, in all cases timely corrective action will be taken to prevent further non-conformity and/or reduce the impact of that non-conformity.

In the cases of breached relative to the Code of Conduct including within the supply chain, actions may as appropriate include:

- a. Remediation, providing guidance to the supplier in how best to resolve the matter with a positive outcome for those who may be affected. For child labour breaches this must include establishment of schooling where the child is of compulsory school age. We will seek to achieve acceptable performance and compliance of the supplier
- b. Where acceptable performance and compliance cannot be achieved or where the risk and impact on affected people is too great as a result of the breach, we may decide to cease using that supplier until such time as they achieve performance to the Code of Conduct.

c. Employees within Al Fujairah Steel Barrels & Drums LLC may be subject to guidance and refresher training however where this is a clear conduct issue, managed through the company disciplinary and performance procedures.

d. In all instances, further monitoring will be implemented to ensure the effectiveness of actions taken.

e. Where appropriate the appropriate authorities may be informed of breaches in legislation.

The Managing Director is ultimately responsible for ensuring implementation of this policy including the effectiveness of corrective & preventive actions.

13. Performance and Evaluation

So as to promote continual improvement we will as part of our management systems, establish objectives and targets in respect of Social compliance, environmental and OH & S performance. Objectives will be set as and when opportunities are identified and at management review. A plan for the achievement of objectives will be established and review of the extent to which they have been achieved also monitored.

As appropriate monitoring of key performance indicators will also be established which may include:

- Non-conformities relative to the Code of Conduct
- Health & Safety incidents including ‘accidents’
- Supply chain performance

Additionally, a Management Review will be conducted annually to review performance of the management systems including Social Compliance, Policies, non-conformity and opportunities for improvement including on the Code of Conduct and its implementation.

Further in the Management Review any concerned fails to fulfill its obligation under this Company’s Social Compliance Policy, the Managing Director is ultimately responsible for ensuring implementation of this Policy may issue an order specifying the violation committed and instructing the concerned to remedy it within a specific period starting from the date of notification. If the violation is not remedied within the specified period, the said department shall carry out the required remedial work as per UAE laws.

14. Responsibilities of Employer / Managers/ Supervisors / Employees in effective implementation of Social Compliance Policy:

a) The Employer shall have the following responsibilities;

- Implement Social Compliance Policy and familiarize the contents to the employees/labours in their understood language and also communicate to all suppliers and/or subcontractors.
- Resolve any complaints or concerns about safety and health at work
- Provide training to all its employees as specified in Social Compliance Policy.
- Provide personal protective clothing and equipment without any cost to its employees; and
- Rights to workers' compensation.

b) The Managers/Supervisors shall have the following responsibilities;

- The Manager shall ensure implementation of Social Compliance and clearly indicate legal work timings;
- The Manager shall notify Emergency Response Plan to all the employees & labours
- The Manager shall notify the names and telephone numbers of designated responsible persons and Emergency coordinators.
- The Manager shall also notify the telephone number of Dubai Civil Defense - local Fire Department.
- The Plant Manager shall provide and maintain workplace, plant and systems of work so that you and other workers are not exposed to hazards;
- The Plant Manager/Safety Officer shall provide information about the hazards and risks from your job;
- The Safety Officer shall ensure that labours are made aware of hazards and inflammable chemicals.

c) All employees shall have the following responsibilities;

- Shall comply with Social Compliance Policy and relevant laws and protect their own safety and health, as well as the safety and health of co-worker who may be affected by their acts or omissions at work.

- Shall ensure that they are not under the influence of any intoxicant to the extent that they could be a danger to themselves or co-workers at work.
- Shall cooperate with their co-worker with regard to safety, health and welfare at work.
- Shall participate in safety and health training offered by the Employer.
- Shall make use of all machinery, tools, substances etc., and all Personal Protective Equipment provided for use at work.
- Shall report any facts in the place of work, equipment etc., which might endanger safety and health.