



**BCI**

**CODE OF  
CONDUCT  
2021/09**

[www.bci.com.sa](http://www.bci.com.sa)



# Table of Contents

03	How we conduct ourselves: A Message from Ala' Al-Shaikh, Group CEO	20	Transacting Business Across Borders
04	Committing to the Highest Ethical and Legal Standards	21	Competing Fairly
08	Fostering a Respectful Workplace	23	Avoiding Insider Trading
11	Promoting Safety, Health and a Sustainable Environment	24	Protecting and Properly Using BCI Assets and Property
13	Acting in the Interests of BCI	27	Ensuring Data Privacy and Data Security
15	Giving and Receiving Gifts, Entertainment and Hospitality	28	Communicating with the Public, Investors and Media
16	Preventing Bribery and Corruption	29	Keeping Accurate Financial and Business Records
18	Doing Business with the Government	31	Questions or Concerns: Finding BCI Resources

# How We Conduct Ourselves

Dear Colleagues:

Every day, as we grow BCI together, we remain focused on what we need to do — win new customers, retain and grow existing accounts, innovate new products and services and provide exceptional customer service.

How we work is as important as what we do. Our actions must align with BCI's values and adhere to our Code of Conduct and BCI policies. "How we work" means that we act with integrity. That we continuously behave in ways that earn the trust of associates, customers, communities and others. Much is at stake in how we work: our relationships, our reputation and even our ability to continue to do business.

As we win new customers and markets, welcome new associates and expand geographically, our values guide us:

**We work safely:** We protect ourselves, our colleagues and customers, and the environment around us.

**We set goals and reach them:** We plan, execute and hold ourselves and others accountable to our targets and results.

**We challenge ourselves:** We continually improve our processes and systems.

**We collaborate:** We work together in teams. We share knowledge and support each other across the organization. We promote diversity and encourage different opinions.

**We do the right thing:** We are honest. We are reliable. We act with integrity.

The daily actions of all BCI associates ultimately define who we are, so each of us must take responsibility for complying with the BCI Code of Conduct. Our Code of Conduct, backed by our policies, procedures and manuals, sets forth guiding principles for how we are to behave and how we are to interact with our customers, colleagues, suppliers, competitors and communities. All BCI associates, officers and directors are required to comply with the Code of Conduct.

I urge you to become familiar with our "Code," and if you find that our Code does not address a particular issue, question or concern, please consult your manager or the BCI Internal Audit Department.

I count on you to protect and strengthen our reputation by living our values and committing to the Code's high standards. I count on you to do what's right, what's fair and what's honest.

A Message from  
**Ala' Al-Shaikh,**  
Group CEO

# Committing to the Highest Ethical & Legal Standards

BCI Group and affiliates committed to upholding the highest legal and ethical standards, regardless of when and where we conduct our business. Our Code of Conduct (Code) provides basic guidelines to assist us in making good decisions on behalf of the BCI, in doing our jobs ethically and in compliance with BCI policies and the applicable laws.

As a BCI employee or an employee of a BCI subsidiary or affiliate, you are required to read, understand and abide by the Code – and you are encouraged to refer to it when you have a concern or face a difficult ethical dilemma. You also are obligated to be familiar with and abide by the Group's policies and procedures, some of which are referenced in the Code.

The Code and our policies provide guidance in many situations. However, no set of guidelines can anticipate every concern or question. Thus, BCI relies on you to use good judgment in all actions – and to seek guidance when you face issues not addressed in the Code.



## Upholding the Code & Following the Law

No matter where you work or what your position is, as an employee of BCI, you are obligated to:

**Follow the tenets of the Code.** The Code applies Group-wide and to all BCI employees in all locations, officers and directors, as well as to employees of our majority-owned subsidiaries and joint ventures. In addition, we expect our agents, independent contractors, consultants and employees of minority-owned joint ventures to act in a manner consistent with applicable Code tenets.

**Comply with the laws and regulations of the countries in which we do business.** You are expected to meet the ethical and legal standards that apply in the countries where we do business. If you are concerned that the laws or regulations in your location appear stricter than, or seem to differ from, our Code, you should seek guidance from your supervisor or the BCI Internal Audit Department. When two standards are in place—for instance, the Code and the law—you should follow the stricter standard. Any failure to comply with the law will be considered a Code violation.

**Become familiar with and abide by all of the BCI's policies, procedures and manuals that apply to your job.**

## Good-Faith Reporting & Asking Questions

You are required to report promptly, and in good faith, any conduct of any employee or third-party agent (that is, a supplier or business partner) that could constitute a violation of the Code. If you deliberately fail to report a potential violation, or withhold relevant and material information concerning a violation, you may be subject to discipline, up to and including termination of employment.

If you have questions regarding the appropriateness of a particular action, discuss it with your supervisor, Human Resources or the Law Department. You also may make a good-faith report of suspected violations or seek guidance by contacting the Internal Audit Department. A comprehensive list of reporting options may be found in the [Questions and Concerns: Finding BCI Resources](#) section of our Code.

### Ethical Roadmap

Our Code is a set of guidelines to assist you in making decisions on behalf of BCI. Because no guidelines can be all-inclusive, we are all ultimately responsible for acting ethically and in compliance with the law.

When you are faced with a difficult situation, consider these questions:

- Is my action or decision the right thing to do?
- Could my action or decision withstand public review?
- Will my action or decision protect BCI's reputation as an ethical BCI?

If the answer to any of these questions is “no,” stop and carefully consider the situation. Refer to the Code or BCI policies, or consult a compliance resource so you can be sure you take the correct course of action.

## Non-Retaliation & Confidentiality Policy

We are committed to protecting employees who, in good faith, make reports, seek advice or ask questions. Our anti-retaliation policy aims to ensure that no employee will suffer undue harm because he or she raises an issue, reports a Code violation or cooperates with an investigation. It is designed to protect you from unwarranted actions by a fellow BCI employee or a manager or supervisor. If you believe you are the victim of retaliatory action, you should contact your manager or supervisor or the Internal Audit Department as appropriate.

When you make a good-faith report or seek help in addressing an issue or concern, BCI will promptly respond. We will also strive to ensure that your concern is handled with sensitivity and confidentiality, to the fullest extent possible. In return, we expect you to help protect the confidentiality of the report, as well as any subsequent investigation processes, by not discussing the matter with co-workers.

## We Must Remember

Disciplinary action could be taken against any BCI employee who:

- Authorizes or participates directly in actions which are a violation of the Code.
- Deliberately fails to report a violation, or deliberately withholds relevant and material information, concerning a violation of the Code.
- As a supervisor, inadequately supervises his or her direct reports.
- Retaliates directly or indirectly, or encourages others to do so, against the person who reports a violation, or potential violation, of the Code.

## Failure to Comply with the Code

Any failure to comply with the standards contained in the Code will result in appropriate discipline, up to and including termination of employment, referral for criminal prosecution and restitution for any losses or damages resulting from the violation. The extent of the discipline will be based on factors such as the severity and frequency of the offense.

In very rare instances, BCI may allow certain provisions of the Code to be waived by BCI employees, officers or directors. A waiver to an executive officer or member of the Board of Directors may only be made by the Board (or a committee of the Board) and, in that case, the BCI will promptly and publicly disclose the waiver granted and explain the reason for allowing it.

## Manager's Responsibilities

As a BCI supervisor or manager, you are responsible for understanding and complying with the Code, applying it daily and being aware of the ethical standard of your business behavior. In addition, you are responsible for enforcing the Code within your areas of responsibility. If you have direct reports, ensure that they read and abide by the Code, as well as the policies, procedures and manuals referred to in the Code.

You also are obligated to direct any questions, concerns or issues that require additional guidance to other BCI resources, such as Human Resources and the Internal Audit Department.

## Updates

BCI regularly reviews the content of our Code, as well as related corporate policies. We will make modifications to the Code as required by changes in law, policy or other significant developments.

## Fostering a Respectful Workplace

At BCI, we aspire to create an inclusive and respectful work environment; one in which employees recognize one another's worth and dignity. Any conduct that detracts from the worth and dignity of our employees is contrary to our values and has no place in our culture.

We also are committed to showing respect to people and cultures in the countries where we do business. As a representative of the BCI, you should strive to be sensitive to the cultures and customs of those with whom you work

### We Must Remember

In order to maintain a work environment that is free from discrimination, all employment-related decisions must be made without regard to:

- Gender
- Race
- Ethnic origin
- Nationality
- Religion
- Age
- Disability
- Marital status
- And any other personal characteristics or conditions protected by law

## Diversity & Equal Employment Opportunities

BCI is committed to maintaining a diverse workforce, a culture of mutual respect and an appreciation for the differences of others. Providing equal employment opportunities is the right thing to do – and it is important to our success.

To ensure that we comply with applicable labor and employment law and never discriminate, BCI's recruitment, hiring, compensation, promotion, transferring, training, corrective action and termination practices are based exclusively on an individual's qualifications and ability to perform the job. Only criteria which are relevant to the job are considered. BCI has in place a proactive set of programs to ensure that we provide equal employment opportunities. You should consult your manager, Human Resources or the Law Department if you have questions or concerns related to diversity or discrimination.

## Harassment & Workplace Respect

Respect for one another is basic to BCI's culture. Disrespect can disrupt the productivity of our employees and threaten BCI's success. To help ensure an environment of mutual respect, BCI will not tolerate any form of harassment or other intimidating behavior, including physical, emotional or verbal abuse. We prohibit any form of harassment, whether by an employee, a temporary employee or an external vendor, in which:



- Submission to the harassment or abusive conduct is an explicit or implicit term or condition of employment;
- Submission to, or rejection of, the harassment or abusive conduct is used as the basis for an employment decision; or
- The harassment or abusive conduct has the purpose or effect of interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Violating this policy will subject an individual to disciplinary action, up to and including termination of employment. If you have questions or concerns regarding harassment, your Human Resources representative can provide you with guidance and support.

## Workplace Violence

All BCI employees have the right to perform their jobs in an environment that is free from violence, bullying, threats or intimidation. Whether at work on BCI property or in work-related relationships, no BCI employee should cause others to reasonably fear for their personal safety or the safety of their families, friends or property. If you encounter a situation of violence, bullying or threats, you should speak to your manager or a Human Resources representative or, if necessary, call the appropriate emergency authorities.

BCI prohibits the possession or use of weapons of all kinds on BCI property or while conducting BCI business.

## Corporate Social Responsibility

BCI takes seriously our responsibility to the communities we serve. We believe in compensating our employees fairly and in compliance with the applicable laws. We promote the well-being of our employees and our customers by contributing to programs and initiatives that enhance the quality of life in the communities in which they work and live. We respect the rights of all people and hold our suppliers to the same high standard of social responsibility. BCI does not engage in the use of forced or child labor, nor do we condone the mistreatment of any individuals who conduct business with, or on behalf of, BCI.

## QUESTION & ANSWER

Q: I occasionally overhear my colleagues telling sexually suggestive jokes or making racial slurs or other inappropriate remarks about BCI employees. What should I do?

A: It doesn't matter if your colleagues are "just joking". The impact of what they say is more important than their intent. If you are uncomfortable discussing your concerns directly with your colleagues, you should speak with your supervisor or a representative from Human Resources. In addition, you may contact the Internal Audit Department.

Q: I often overhear the manager next door yelling aggressively at his employees for job related matters using abusive and intimidating words. Since it is not my department, I tell myself "it's none of my business". Am I right in my way of thinking?

A: At BCI we strive to foster and maintain a respectful and collaborative work culture. Intimidating and abusive means of communication damages morale, team efforts and destroys employee's confidence. If you believe the conduct is clearly against our values, you should bring the matter to the attention of a Human Resources representative.

# Promoting Safety, Health & a Sustainable Environment

## Commitment to a Safe & Healthy Workplace

BCI places the highest value on the safety and well-being of our employees, as well as the safety and well-being of the communities and environments in which we operate. Each of us is responsible for complying fully with applicable health and safety laws and knowing, understanding and following BCI's safety policies, practices and procedures. Each of us has a personal responsibility to maintain a safe workplace and to use BCI's equipment and materials in a safe manner, always exercising good judgment in our daily work life.

As an employee, if you observe or learn about conditions or practices at your work location that could threaten your health and safety or that of your colleagues, please report your concerns immediately to your supervisor, your Safety, Health and Environment representative, a Human Resources representative, or if necessary, the appropriate emergency authorities.

### We Must Remember

Safety at BCI is never optional. All of us have an obligation to:

- Work safely at all times
- Wear appropriate protective equipment for the job or task
- Avoid distractions while working or driving
- Report all injury incidents promptly
- Cooperate with safety-related investigations

## Drugs & Alcohol

Consumption of alcohol and drugs can threaten the health and safety of our employees and have adverse effects on job performance and BCI reputation. Whether working on BCI property or performing BCI business off-site, you are prohibited from manufacturing, selling, distributing, possessing or using controlled substances.

BCI will not tolerate employees consuming or being under the influence of alcohol or drugs while performing their jobs, including driving on business.

If you suspect that an employee may be under the influence of alcohol or a controlled substance in violation of BCI policy, you should report it immediately to your supervisor. Employees who violate our drug and alcohol policy may be subject to potential criminal liability as well as appropriate disciplinary action, up to, and including termination of employment. If you have questions or concerns regarding BCI's policy on drugs or alcohol, or if you would like more information, please talk with your Human Resources representative.

## Product Quality & Safety

BCI complies with all laws and regulations concerning product quality and safety. We are committed to product safety, from concept and manufacture through customer use and disposal, recycle or reuse. By complying with the laws, regulations and BCI policies that govern the development, manufacturing, testing, inspection, storage, transportation, use and disposal of our products, we help ensure the integrity of the BCI brand. No employee should take any action that could jeopardize our customers' confidence or trust in the quality and safety of our products. If you have any concerns or notice anything out of the ordinary that could adversely affect the quality and safety of our products or services, contact your manager or the Internal Audit Department immediately.

## Commitment to Sustainability & Protecting the Environment

At BCI, we are committed to providing and protecting healthy environments. We refrain from actions from practices that pollute the environment and don't provide a sustainable renewable usage of natural resources.

### QUESTION & ANSWER

**Q:** I work closely with the site operator at a customer's worksite. He is always in a hurry and takes a lot of risks when working with equipment and chemicals, such as not wearing gloves or goggles and handling chemical transfers carelessly. Whenever I make suggestions or question his judgment, he brushes me off and says I need to keep up the pace in order to get the work done. What should I do?

**A:** You are right to address the safety concerns raised by this individual's actions. Our precautions are intended to safeguard the well-being of our co-workers, customers and communities. If mentioning your concerns to the site operator does not cause him to be more mindful of safe operations while working, you should immediately speak with your supervisor or your Safety, Health and Environment or Human Resources representatives. This fulfills your obligations under the Code and also helps us ensure a healthy and safe work environment for all.

**Q:** As part of my responsibility in the finance department, I received a request for chemical disposal write-off. Upon discussions with the warehouse in charge, I understood that we used a non-approved contractor for the disposal and we are not sure how our chemicals will be disposed of. Is this something I need to discuss with someone?

**A:** At BCI we all share the responsibility of protecting the environment. Country Laws govern the disposal processes of chemicals and BCI can be found liable for wrong doing if those directives are not followed. If you suspect that our chemicals are stored or disposed of inappropriately, you should bring this to the attention of the Health and Safety and Environment in charge or the Internal Audit Department representative.

**Q:** My Sales Manager asked me to accompany him in his vehicle and visit a customer. I remembered him telling me earlier about him taking medication for seasonal allergies. I suspect he should not drive under the influence of the medication. What should I do?

**A:** Our employees are our greatest and most important assets. We protect ourselves as well as our colleagues. If you suspect the your colleague, manager or subordinate should not operate a machine, drive a vehicle or be in a certain area in the plant due to medications, you must discuss the matter with the individual with urgency and bring the matter to the Health and Safety representative if you believe the employee can cause harm to him or herself or others.

# Acting in the Interests of BCI

BCI expects employees to avoid situations that could create conflicts between their personal interests and the interests of the BCI.

## Conflicts of Interest

Conflicts of interest arise when your personal activity or interest interferes with the business interests of BCI. In many cases, even the appearance of a conflict of interest can have serious consequences for you and BCI.

Conflicts of interest can arise in many different situations, both direct (you are involved) and indirect (someone with whom you have a personal relationship is involved). You should take care to properly address any conflicts of interest. For instance:

- **Outside Employment or Commercial Activities:** You should not engage in employment or commercial activities outside of BCI if that employment (i) interferes with your duties to BCI or breaches clauses of your contract or is against labor laws, (ii) causes you to compete with, or work with an organization that competes with BCI, or (iii) leads you to provide services or assistance to a BCI competitor. Outside employment that requires you to use BCI time, facilities or property to perform the job would be considered a conflict of interest.

To assess whether a second job will create a conflict of interest, employees are required to obtain written approval from their supervisors and the Human Resource Department before accepting additional employment or commercial activities outside BCI. This would aid in determining if any of the above conditions are to be breached should you engage in employment or commercial activities outside BCI.

- **Directorships:** If you wish to serve as a director of any BCI affiliate or non-profit organization, you should disclose your plans to your supervisor for prior approval. Approval from BCI's Chief Executive Officer is required before taking a position as a board member for a public company. As part of the approval process, BCI will determine if your involvement creates a conflict of interest. Of course, you should never serve as a director, officer, or consultant to a competitor of BCI.

- **Investments:** If you or a member of your immediate family who lives with you owns more than one percent (1%) of the outstanding stock of any BCI competitor, supplier or customer, you must disclose that ownership to BCI in writing. Even a minority ownership in a BCI competitor, supplier, or customer can be a conflict of interest. Under BCI policy, the business or financial interests of family members living with you are considered your financial interests as well.

- **Corporate Opportunities:** As an employee, you should never take personal advantage of any business opportunities in which BCI would have an interest. You also should not make those opportunities available to others when you know BCI has an interest in the opportunity. For example, employees should avoid purchasing real estate or financial interests in firms that BCI has a known interest in acquiring.

- **Family Members:** If members of your family or other close personal relations work at BCI or provide services to BCI or a competitor, supplier or customer, you should immediately disclose those relationships to your supervisor and the Human Resources Department to avoid actual or

BCI expects employees to avoid situations that could create conflicts between their personal interests and the interests of the BCI.

## Conflicts of Interest

Conflicts of interest arise when your personal activity or interest interferes with the business interests of BCI. In many cases, even the appearance of a conflict of interest can have serious consequences for you and BCI.

Conflicts of interest can arise in many different situations, both direct (you are involved) and indirect (someone with whom you have a personal relationship is involved). You should take care to properly address any conflicts of interest. For instance:

- **Outside Employment or Commercial Activities:** You should not engage in employment or commercial activities outside of BCI if that employment (i) interferes with your duties to BCI or breaches clauses of your contract or is against labor laws, (ii) causes you to compete with, or work with an organization that competes with BCI, or (iii) leads you to provide services or assistance to a BCI competitor. Outside employment that requires you to use BCI time, facilities or property to perform the job would be considered a conflict of interest.

## QUESTION & ANSWER

**Q:** My wife works for a local company that often provides goods and services to our plant. Given that I am now involved in purchasing supplies for BCI, could selecting my wife's company as our vendor create a conflict of interest?

**A:** Yes. You need to let your manager and the Internal Audit Department know about your wife's affiliation with a BCI supplier and receive approval to order from that company. If you don't, it might appear that your decisions to purchase supplies from your wife's company show bias or favoritism. By disclosing your wife's role with our supplier, you ensure that the BCI's reputation for fairness and objectivity remains intact.

**Q:** I work in the finance department. Came to my knowledge that one of our employees owns a company that sells goods and services to BCI however I'm not aware of the details. Should I discuss this with someone?

**A:** Yes, you should bring this case to the Internal Audit Department attention. We all are responsible for acting in the interest of our company. This includes any information that comes to our attention and is against the Code. Dealing with companies owned by employees of BCI can create preferential treatment which might deprive BCI from getting best services and prices as well as create personal issues between employees.

# Giving & Receiving Gifts, Entertainment & Hospitality

The exchange of gifts, entertainment and other favors may be customary and appropriate in certain circumstances, locations or cultures. However, to safeguard the reputation of BCI, we must be sure that gift exchange is consistent with applicable laws, our customer contracts, and good business practices and custom. Follow these guidelines whenever offering or accepting anything of value.

- If it is a gift, it should be of only nominal value.
- If it is entertainment or hospitality, it should be reasonable in cost, amount, quantity and frequency.
- It should not be offered or given in an effort to influence a business decision.
- It should not violate the normal and accepted business ethics.
- It should not violate BCI policy or the laws of the Kingdom of Saudi Arabia or the country in which it is provided.
- It should not reasonably be construed as a bribe, payoff or kickback.
- It should involve no element of concealment (i.e. you should be ok if others knew about it).
- Its public disclosure should not embarrass BCI or damage its reputation.

Under no circumstances may you, as an employee, provide or accept cash, cash equivalents or personal loans in conjunction with BCI business.

## We Must Remember

Whenever giving or receiving any gift, entertainment or other favor in connection with BCI business, certain guidelines must be followed:

**Customers:** Purchasing decisions must be based on the merit of our offering and the quality and value of BCI's products and services. You may not attempt to influence a customer's or potential customer's decision by giving or furnishing gifts, favors or entertainment.

**Suppliers:** To foster strong relationships with our suppliers and potential suppliers, you should never claim or suggest that BCI will purchase from a supplier if the supplier purchases from BCI. Likewise, under no circumstances may a personal benefit influence the purchasing decision.

**Government Representatives:** When dealing with any government customer, contractor or employee, you must never directly or indirectly authorize, provide or offer to provide anything of value to a government official for purposes of influencing the award, renewal or modification of a contract or to secure or reward favorable treatment in connection with procurement activities.

It can be sometimes difficult to determine when gifts and entertainment are appropriate or inappropriate.

Consider these examples:

Giving a BCI-branded marketing item (bags, mugs, pens ..etc) to a supplier is clearly acceptable.

Giving a BCI-branded bag containing several expensive/luxury items to a current customer is not acceptable.

Giving a customer an all-expenses-paid trip for two to an expensive resort where no business will be conducted is not acceptable.

# Preventing Bribery & Corruption

BCI strives to do business through proper means and actions. Therefore, we must avoid any behavior that could be perceived as a form of bribery or corruption. Bribery arises when one party, directly or indirectly, offers something of value to another party in order to improperly gain business or obtain favorable treatment. The laws of the Kingdom of Saudi Arabia and countries where BCI operates in, as well as BCI policy, prohibit you from engaging in bribery. Violating this policy not only could result in significant disciplinary action from the BCI, but also could result in serious criminal penalties for both BCI and you (including imprisonment and monetary fines). To help ensure that BCI's assets and resources are not used for purposes of bribery or corruption, BCI must maintain accurate books and records that fairly reflect our transactions and dispositions of assets.

## Bribery of Government Officials

Our relationships with government entities are critical to the success of our operations. That is why BCI complies with the anti-bribery laws of the Kingdom of Saudi Arabia and all countries in which we do business. These laws aim to prevent payments of anything of value to government officials in order to gain an improper business advantage. "Government officials" includes people acting in official capacities for governments, enterprises or public international organizations. It is important to be aware that anyone who has the ability to influence a government decision can be considered a "government official."

BCI's anti-bribery policies also prohibit "facilitating" payments to government officials to expedite or secure the performance of routine government action. These payments, also known as "speed money" or "grease payments," are small, infrequent payments that are made to expedite routine, non-discretionary governmental actions, such as work permits and visas, customs clearance, product registration or inspections.

BCI's anti-bribery policy also applies to any agents, representatives, distributors or intermediaries who do business on our behalf. BCI and its employees could be liable for corrupt payments made to government officials by third parties with whom we work.

## We Must Remember

BCI employees, and anyone acting on behalf of BCI, are prohibited from directly or indirectly providing, offering or authorizing the giving of anything of value to a government official for the purpose of obtaining or keeping business or otherwise obtaining an improper business advantage. Below are some examples of items of value that could violate BCI policy or even the law:

- Gifts.
- Money (including cash equivalents).
- Stocks, bonds or other securities.
- Entertainment.
- Meals or lodging.
- Transportation.
- Offers of employment for a government official or a relative of a government official.
- Payment or reimbursement of travel expenses.
- Discounts on BCI products not otherwise generally available.
- Assumption or forgiveness of debt.
- Charitable contributions.
- Personal favors.

If you have concerns about behavior that may not comply with our policy or anti-corruption laws by anyone at BCI or any third party working on behalf of BCI, you should contact the Internal Audit Department.

The term “government official” means any person acting in an official capacity for, or on behalf of, the government, a public international organization or any government-related department, agency or instrumentality, including:

- Any entity hired to review and accept bids for a government agency.
- An officer or employee of a state-owned company.

If someone has the ability to influence a government decision, that person is most likely a government official. You should consult the Internal Audit Department any time you have a question as to whether someone is a “government official.”

## Commercial Bribery

In addition to prohibiting bribery of government officials, BCI also prohibits bribery and corruption in our commercial dealings. Employees should never offer anything of value to, or accept anything of value from, existing or potential customers, suppliers or other third parties in order to improperly obtain business or an unfair advantage for BCI. Our reputation for integrity is more important than the potential gains to be made in dealing inappropriately with other individuals and organizations.

## QUESTION & ANSWER

**Q:** As part of my job, I often work with an agent in another country to help navigate the government contracting process. I suspect that he may be providing bribes to government officials in order to expedite things. What should I do?

**A:** If you believe an agent is acting improperly by paying bribes while working on behalf of BCI, you must cease further payments to the agent and immediately report the matter to the Internal Audit Department.

**Q:** I work in Administration, and a government official hinted that his office requires renovation and BCI could contribute by buying new furniture. He said he will not personally benefit from this and it's ultimately for the government. What should I do?

**A:** Contributions should be scrutinized and approved by Senior Management of BCI. Dealing with Government requires more examination and vetting before approving. You must consult with the Internal Audit Department before committing to or approving any contribution or aid to government officials or bodies.

**Q:** I work with 3rd party customs clearance agents. Our agent informed me that an official promised to clear one of our shipments and he should be rewarded with a new cell phone for doing so. The agent said BCI doesn't have to do that directly and he –the agent– would do it on our behalf and invoice the company. Would this be considered as facilitating money?

**A:** Yes. Any mutual agreement or expectations from government officials for speeding of transactions or providing out of the norm service either directly or indirectly through middle men is prohibited under country laws as well as our Code.

A good rule of thumb when wanting to know the answer to such situation is simply by asking yourself the following question: “What would the reaction of the government official management, our management, or our BCI shareholders be if this information goes out and become publically known ?”



# Doing Business with the Government

As a supplier to the government, BCI operates in a highly regulated environment. To help ensure the best value for money, and that all procurements are made in accordance with current public policy, the government imposes strict requirements on its contractors and subcontractors.

In doing business with the government, BCI must maintain strict compliance with all applicable statutes, regulations and contractual requirements, whether we are a prime contractor or a subcontractor. It is crucial that we meet all contract terms and that we do not deviate from those terms without timely notice to, or approval of, the applicable government officials, as required.

## Contract Negotiation & Pricing

When BCI contracts with the government, we always must submit complete, current and accurate pricing and other factual information. As part of our contract negotiations, we must not knowingly make any false or misleading representation or statement in connection with a government contract or subcontract. During the negotiation process, we should be prepared to explain the significance of all important facts concerning a contract proposal and be able to certify the accuracy of the information we provide. Extra care is required in preparing submissions to the government. And any changes affecting pricing data must be reported immediately to our Sales Department. All invoices to the government must accurately reflect the correct product or service, quantity and price for the order. Discrepancies in our pricing or information could lead to serious consequences, including financial penalties and possible criminal charges, for BCI and employees.

## Product Specifications & Testing

In fulfilling the provisions of our government contracts, our products, materials and processes always must conform to the specifications called for in the contract. Before there can be any change in the contract's requirements, you must obtain advance written approval from an authorized government official.

## No Gifts, Meals or Gratuities

Something that is considered a normal business courtesy in the commercial marketplace can, in the government marketplace, be construed as an attempt to improperly influence. Therefore, you must not provide anything of value to a government employee or contractor, or their immediate family members. Permissible exceptions are limited to the following: (a) providing BCI-branded promotional items of nominal value, such as a coffee mug, calendar or similar item displaying the BCI name or logo, (b) providing modest refreshments such as soft drinks, coffee or sweets on an occasional basis in connection with legitimate business activity, and (c) engaging in other activities that have been approved in advance and in writing by the Internal Audit Department. In addition, you must not offer, provide, solicit or accept anything of value from anyone in return for favorable consideration on a government contract or subcontract.

## QUESTION & ANSWER

**Q:** Although our contract with the government requires that we use a specific supplier for one of our components, we found another supplier that can provide the component for less money and in faster time. May we use this new supplier?

**A:** No, not without prior written approval from an authorized government official. As a government contractor, we must abide by the terms of our contracts and use the components as specified under those contracts. Making changes without first getting prior written approval from an authorized government official could lead to serious consequences for you and for BCI, including fines and potential criminal charges.

## Procurement Integrity

BCI employees must not seek bid or proposal information or source selection information from any source prior to the award of any government contract or subcontract to which that information pertains. If you believe that you have received this type of information or other improper, confidential or proprietary information, you must refrain from using it for any purpose and from disclosing it to others. You also should contact the Internal Audit Department immediately.

## Audits & Investigations

It is our policy to cooperate fully with any investigations or audits under the applicable laws. Therefore, you must never alter, destroy or conceal any documents relating to a government audit or investigation. Likewise, you must not take any action that could obstruct a government audit or investigation.

If you have any questions or concerns regarding BCI's policy on working with the government, you should contact the Sales Department or the Internal Audit Department.

# Transacting Business Across Borders

## Export Compliance

It is BCI's policy to comply with the export laws and regulations of the countries in which we do business. These laws and regulations include documentation requirements for export shipments as well as regulations that restrict the export or re-export of certain commodities, technology and software. Export control regulations may restrict – or require prior government authorization or licensing of certain exports, depending upon what is being exported, where it is being exported, who will receive the exported item and for what purpose the exported item will be used.

## Trade Sanctions & Embargos

It is BCI's policy to comply with government economic sanctions and trade embargos, and to comply with similar laws of other countries, to the extent they are not inconsistent with Saudi law. Economic sanctions and trade embargos serve to promote foreign policy and national security interests and may target designated individuals, entities or countries. For example, the Kingdom of Saudi Arabia maintains broad sanctions against specific countries that have been identified as supporters of terrorism, as well as designated persons and entities who are associated with those countries or who are sanctioned for other foreign policy or national security reasons.

## Import Compliance

BCI imports a variety of items in various countries, and we are required to comply with the customs laws and regulations of each country into which those items are imported. These laws and regulations require complete and accurate documentation of the country of origin, tariff classification and value of imported items. Additional requirements may apply to the import of highly regulated items, such as biocides, drugs and medical devices. Special marking or labeling requirements may apply, and chemical imports must conform to applicable chemical inventory laws in the Kingdom of Saudi Arabia and elsewhere.

As employees, we must adhere to BCI policies and procedures which apply to transacting business across borders. If you are involved in the exporting or importing process, you must be aware of and follow our trade compliance policies and procedures. For further information or if you have questions, contact the Supply Chain Department or the Internal Audit Department.

# Competing Fairly

## Fair Competition

At BCI, we believe in free competition and strive to outdo our competitors through honest and fair business practices. In our relationships with customers, distributors, suppliers and competitors, we should never seek any unfair advantages or misrepresent facts about our business or our products. Likewise, we should avoid making false or misleading statements about our competitors or their products. BCI's reputation for fairness and honesty is too valuable to risk by behaving otherwise.

It is our policy that employees have no inappropriate contact with our competitors. Any business activity which involves repeated or unusual contact with competitors – whether at meetings (such as trade association meetings), in telephone calls or by correspondence – must be approved by your supervisor and the Internal Audit Department.

To help ensure a competitive and fair marketplace, many countries have laws that preserve the free enterprise system and make competition the primary regulator of the economy. These laws prohibit business practices that could hinder or interfere with free competition.

At BCI, we must comply fully with these laws, including Saudi Arabian antitrust laws, and keep them in mind while doing our jobs. Regardless of whether you work in sales or simply have a friend who works for a competitor, you should remember that certain business-related discussions between competitors are improper.

The laws of some countries impose harsh criminal penalties on individuals who violate antitrust or competition laws. Antitrust or competition law violations also can result in substantial fines for both the BCI and employees.

Before acting, and especially before hiring former or current employees of our competitors, consult the Internal Audit Department.

If you ever have a question about a particular activity or practice, you should speak with your supervisor or the Internal Audit Department.

## We Must Remember

BCI employees should never engage in anti-competitive actions or activities with competitors, including:

- Equipment tampering
- Wrongful interference with existing contractual relationships
- Bid rigging
- Price discrimination
- Boycotts of territories
- Allocation of customers or markets
- Price fixing
- Production limits or quotas
- Unfair pricing practices
- Attempts to monopolize certain markets

## Gathering Competitor Information

Keeping up with competitive developments and reviewing publicly available information about our competitors are important. There are a variety of legitimate sources of information about competitors that can help us evaluate their products, services and marketing methods. Proper sources could include information from customers, information published or in the public domain, and information or product samples lawfully received from the owner or an authorized third party. However, in staying abreast of competitive developments, you must respect the trade secrets of others and avoid any inappropriate or illegal means of gathering information about competitors or customers. You must understand what is ethical and unethical or legal and illegal in gathering and using trade information. Espionage, burglary, wiretapping and stealing are wrong and prohibited. Likewise, interviewing or hiring a competitor's employees to get confidential information or gaining unauthorized access to electronic mail or other confidential competitor communications is not permitted. If you gain possession of competitor information that is marked confidential, or which is believed to be confidential, consult with the Internal Audit Department immediately.

A common means of gathering information about competitors and customers is through trade associations.

BCI encourages participation in trade associations for the legitimate purposes of setting industry standards as long as discussions remain limited to appropriate topics. In particular, you should not belong to any association that disseminates current or future pricing or statistical information, attempts to stabilize an industry through improper coordination among competitors or encourages price uniformity or the reduction of competition. For more information about participation in trade associations, contact the Internal Audit Department.

## QUESTION & ANSWER

**Q:** I work in the commercial department and interact with customers and prospective customers on a regular basis. To better understand the tactics of our competitors, am I permitted to pose as a potential customer and collect information from BCI's competitors?

**A:** No. You must never use illegal or unethical means to gather information about our competitors, including posing as a prospective customer. Instead, you should always compete fairly and that includes not misrepresenting yourself. You should consult the Internal Audit Department immediately if you learn of any improper means of intelligence gathering.

**Q:** I will be attending a trade association meeting next month and I know that many of our competitors are also planning to attend. Would it be appropriate for me to ask our competitors about their new products?

**A:** Probably not. While trade association meetings and conferences do serve an important function in promoting information sharing and the discussion of new developments, they also raise serious competition law and antitrust concerns. As an attendee on behalf of the BCI, you should avoid any discussion of prices, discounts, terms or conditions of sale, product specifications or warranties. If you become aware of such discussions, excuse yourself immediately and contact the Internal Audit Department.

**Q:** I have a personal friend who works for a competitor. He offered we collaborate by sharing information about a non-government bid where we split the territories and by doing so, BCI would protect some of its sales to that account. I think this is good for BCI is it not?

**A:** Price territory fixing with competitors is strictly prohibited and is against both our code and government antitrust laws. Such conduct is unethical and would not only jeopardize BCI's business but make it face criminal investigations and probably severe violations and penalties.

# Avoiding Insider Trading

During the course of your job, you may become aware of information that is not yet publicly available that could be important enough to influence someone's decision to buy or sell BCI stock. Information of this type is often referred to as "material inside information."

As an employee, you must never buy or sell BCI stock while possessing material inside information about BCI. Similarly, if during the course of your job you become aware of material, non-public information about companies with whom we do business, you should not trade in those companies' securities until the information has been made public. Failure to observe this prohibition could expose you and the BCI to civil and criminal penalties.

You also are prohibited from passing along inside information to others (including other employees, relatives or friends) who have no work-related reason to know. If you have material, non-public information that could influence an employee or any other individual to purchase or sell the BCI's stock, you should not disclose it.

If you have any questions about whether a particular course of action might violate the policy, contact the Internal Audit Department.

## MATERIAL INSIDE INFORMATION CHECKLIST

In determining whether information is material, non-public information, you should ask yourself the following questions:

- Has the information been disclosed to the public by press release or by other means?
- Does information I have learned about BCI (or another company) make me want to buy or sell BCI's stocks?
- If the newspaper published what I know, would it cause the value of the stocks of the BCI (or another company) to rise or fall?
- How would the proposed trade appear to government prosecutors if it became the subject of an investigation?

## We Must Remember

Inside information can take many forms. As BCI employees, we must never make decisions to buy or sell stock on the basis of material inside information. Below are some common examples of material inside information:

- Significant curtailment or expansion of operations
- Financial results or information that indicate whether financial results will exceed or fall short of expectations
- Important new products or services
- Significant or potential acquisitions or dispositions (e.g., mergers, tender offers or joint venture proposals)
- Major changes in management or control
- Pending sales of debt or equity securities
- Gain or loss of significant supplier, customer or contract
- Initiation or settlement of litigation
- Impending bankruptcy or receivership
- Significant environmental issues

# Protecting & Properly Using BCI Assets & Properties

## Physical Assets

Each of us is responsible for conserving and protecting BCI's assets, including financial assets, trade secrets and other proprietary information as well as its physical property. Resources such as raw materials, equipment, office supplies and technology are intended exclusively for business purposes and their theft, loss, abuse or misuse must be prevented. It is up to each of us to help identify when the use of our physical assets is not in accordance with BCI's policies. BCI managers have a heightened obligation to maintain good controls and protect our physical assets.

## QUESTION & ANSWER

**Q:** I recently noticed that a colleague in my department spends a lot of work time on social networking sites, despite a backlog of incomplete work. Is this permissible under BCI policy?

**A:** No. Personal use of BCI resources (including Internet and email) should be limited and should never interfere with job responsibilities. In the case of your colleague, his or her use of social networking sites is likely excessive and could even lead to damaging computer viruses. You should report the issue to your supervisor or to a Human Resources representative.

## Communication Systems

For many of us, the use of the BCI's Internet, phone and email systems is critical to our jobs. Employees who have access to BCI's communication systems and networks are responsible for adhering to the highest standards of behavior at all times. These systems are intended for business purposes. While limited personal use may be acceptable, it should never be inappropriate or interfere with your ability to perform your job.

To ensure that our communication systems and networks are being used for legitimate business purposes, BCI reserves the right to regularly access, monitor or suspend their use. These monitoring practices will be conducted only in accordance with BCI policy and to the extent permitted by law. Any BCI employee who regularly misuses our systems or networks is subject to discipline, up to and including termination of employment.

## QUESTION & ANSWER

**Q:** In addition to my role at BCI, I volunteer for a committee at my daughter's school. May I print out materials and flyers for school-related events while at work?

**A:** No. While BCI may permit employees to maintain certain roles outside of their positions with the BCI, you should not use BCI resources such as printers or printer paper for non-work use unless you have the prior approval of your supervisor.

## Confidential & Proprietary Information

Information to which we have access may be proprietary or confidential in nature. BCI places great value on its confidential and proprietary information. As employees, we must protect and guard against its unauthorized use or disclosure. Examples of BCI's confidential and proprietary information could include our:

- Long-term strategies
- Product development plans
- Personnel records and information
- Sales plans
- Marketing plans
- Communications plans
- Financial information
- Competitive intelligence
- Customer buying habits
- Acquisition or divestiture plans
- Manufacturing methods



As an employee, you should never use the BCI's confidential or proprietary information for personal gain either during your employment with BCI or after you leave the BCI. Unauthorized disclosure of confidential or proprietary information could destroy its value and/or give unfair advantage to others. Thus, it is your responsibility to make sure the necessary confidentiality/non-disclosure agreements are in place and limit disclosure of proprietary information only to those who have a business need to know. You also are obligated to respect and protect the confidences of our suppliers and customers by not divulging their proprietary or confidential business information. If you become aware of a situation in which BCI's proprietary information has or may have been compromised, you should report it immediately to the Internal Audit Department.

## Intellectual Property

BCI's product plans, patents, trademarks, copyrights, trade secrets and know-how — its intellectual property — are valuable assets that we must safeguard. All BCI employees have an obligation to comply with applicable laws and regulations that help us protect our intellectual property. By following the law, we help protect BCI's research, ideas, processes and products from theft or misuse and in doing so, we help ensure that they are available to us for future innovation.

As an employee, you also are obligated to respect the intellectual property rights of others. It is our policy never to knowingly violate another company's intellectual property and always to obtain the necessary licenses and permissions before copying, using or distributing the intellectual property of others.

Violations of intellectual property laws can be costly to BCI. You should check with a supervisor or the Internal Audit Department if any questions or concerns arise about how to safeguard and use BCI's intellectual property.

## QUESTION & ANSWER

**Q:** As part of my job, I save certain sensitive information belonging to our customers and suppliers on my laptop. During a recent business trip, I mistakenly left my laptop in a taxi, and I'm afraid that certain confidential information may now be accessible to outside parties. What should I do?

**A:** You should immediately contact BCI's IT department and inform your manager or the Internal Audit Department that your laptop has been lost. You are correct in believing that sensitive information saved on your laptop may be lost, stolen or misappropriated. When saving sensitive information to your laptop, always take appropriate measures to safeguard it. Such measures include using strong passwords and encryption.

# Ensuring Data Privacy & Data Security

## Information & Data Security

BCI maintains sensitive data and other information that is valuable to the BCI. It is imperative that this data not end up in the wrong hands. BCI has strict policies and procedures to help protect sensitive or confidential information, including electronic data stored in our systems.

All employees are responsible for complying with BCI's data privacy and security policies. Only employees who have a need to use confidential data or sensitive information as part of their jobs will be granted access to it. Whenever BCI receives requests to disclose or share potentially sensitive or confidential information stored on our systems, any disclosure must be both appropriate and legally necessary.

## Customer & Supplier Information

We have an obligation to protect the privacy of data that our customers and suppliers share with us. In accordance with BCI policy and data protection laws, only BCI employees who have a business need should access or use customer or supplier information. When you need to access or use customer or supplier information as part of your job, you should do so only within the limited scope of your business need, taking great care to never jeopardize the security or sensitivity of the information we maintain. This policy also applies to the limited number of vendors and other third parties to whom BCI authorizes access to supplier or customer information.

## Employee Privacy

To conduct our operations effectively, BCI may collect, maintain and appropriately share certain personal information about you. We will respect and protect your personal information to the fullest extent required under applicable data protection laws. We understand that any loss or improper use of sensitive information belonging to you could lead to unwanted consequences, including identity theft and disclosure of harmful or embarrassing information.

Just as the BCI respects and protects your personal information, it is your responsibility to handle the personal information of co-workers with utmost care in order to protect their privacy.

## QUESTION & ANSWER

**Q:** As I work in Human Resources Department, I got the promotion paperwork for one of my friends working in the Sales team on my desk. I was so excited for him so I broke the good news to our common friend in the Finance Department. Would this be considered an unauthorized disclosure of personal information?

**A:** Yes. While we encourage healthy friendships between employees, those relationships should never be an excuse to disclose personnel information, even if done in good faith. This includes salaries and benefits, promotions, performance reviews and many other information related to BCI employees.

**Q:** I process employee payroll files. A colleague asked me how comparable her pay is to other employees in her department. I refused to disclose this information and now my colleague is not talking to me. I sometimes regret that I lost my colleague because of my decision.

**A:** You did the right and ethical thing. Sharing employee information is prohibited in our code, even if by drawing comparisons with others. This includes information of departed employees.

# Communicating with the Public, Investors & Media

To help protect and build the BCI's reputation, it is critical that we communicate accurately and consistently with external audiences, including the news media, investors and members of the general public.

You always should be cautious when discussing BCI matters in public forums or with anyone outside of BCI. As discussed elsewhere in the Code, you should never share confidential information with outsiders unless authorized to do so.

With the rise of social media and social networking sites, it is important to understand that any information you share online about BCI becomes public. Thus, you always should use discretion and never disclose confidential or proprietary information without prior authorization.

If you have access to, or knowledge of, confidential or non-public information concerning BCI, you must use that information for proper business purposes only.

As a publicly-traded company, BCI must comply with government requirements regarding information disclosure. If you receive questions or requests for information from securities analysts, BCI investors or shareholders or other interested parties, you should refer them to the Investor Relations Person in-charge.

If you receive requests for information about BCI from the media or any other outside party, you should direct the inquiries to the Investor Relations Person in-charge. Only individuals who are authorized to comment publicly on BCI's behalf may do so.

## QUESTION & ANSWER

**Q:** I received a phone call from a reporter seeking information about a new BCI product that is expected to hit the market next year. Am I allowed to talk to him about it?

**A:** No. Unless you have prior authorization from the investor relations person in-charge to speak on BCI's behalf, you should refrain from commenting and direct the media request to the investor relations person in-charge. Talking to a member of the media without knowing all the facts could be harmful to BCI and could mislead the public.

# Keeping Accurate Financial & Business Records

## Fair, Full & Accurate Financial Accounting & Recordkeeping

BCI's accounting records and financial statements should always accurately reflect the nature and purpose of our transactions. You should never make false or misleading entries in our accounting records or financial statements.

We must maintain our accounting records and financial statements in reasonable detail and ensure that they conform to applicable legal requirements and the International Financial Reporting Standards (IFRS) Standards and Principles. BCI must not maintain unrecorded or "off the books" funds or assets.

BCI uses its accounting records to produce reports to management, shareholders, creditors, governmental entities, the investment community and others. All accounting records, and reports produced from these records, must be kept and presented in accordance with applicable laws. They must accurately and fairly reflect, in reasonable detail, BCI's income, cash flow, assets and liabilities and financial condition. Accounting estimates, including accruals, will be based on good faith judgment and on any applicable BCI policy.

## Financial Reporting & Disclosure

Shares of our stock are publicly traded on the Saudi Arabia's Tadawul Index ("TASI"). As a publicly-traded company, BCI is subject to Saudi Arabia's securities laws administered by The Capital Market Authority of Saudi Arabia ("CMA"), and we all must comply with these laws and rules.

If any disclosures made by BCI in financial statements, communications or filings with TASI or CMA are false or misleading, both the BCI and employees who are involved could face civil and criminal penalties. Accordingly, disclosures to the investing public, including periodic reports, press releases and analyst and stockholder communications, must be accurate and timely. We should never make willful or knowingly false or misleading statements or omissions in any BCI disclosures, reports or registration statements filed with the TASI or CMA. In addition, each of us is obligated to cooperate if internal or external auditors ask questions or request information.

BCI's senior officers and finance and accounting professionals, led by our Chief Financial Officer, play an important role in ensuring that our financial records and disclosures are always fair, full, complete, accurate, objective, relevant, timely and understandable. In addition to adhering to all provisions of this Code and those of any related policies, procedures and manuals, our senior officers and finance and accounting employees must act in good faith, responsibly, with due care, competence and diligence, without misrepresenting material facts or allowing their independent judgment to be subordinated.

## QUESTION & ANSWER

Q: When it comes to expense reporting, what should I keep in mind?

A: Here are some things to keep in mind:

If you send a gift basket to a customer, your reimbursement request must specify the purpose of the expenditure with particular detail to ensure accurate expense recording.

If you make a withdrawal from petty cash for valid business purposes, it must be supported by appropriate documentation so that accounting entries can be accurately recorded.

## Managing BCI Records

BCI records — ranging from the emails we send to the contracts we sign — capture the data and information that drive our business and protect our legal rights as an organization. Our records include all forms of media on which information may be stored, including paper, electronic, photographic, video and audio.

BCI records must be accurate and never include false or misleading information. It is your responsibility to follow our Records Management Policy and Guidelines when creating, maintaining or destroying any business records or communications. All records generated in connection with BCI business are, and will remain, the property of BCI.

In the event of litigation or an investigation, BCI may notify you that certain records are under a “legal hold.” Generally, this requires you to save all records associated with a certain project or topic, and to avoid altering, editing, or disposing of them. If you are under a legal hold, you should consult the Internal Audit Department before taking any action with the associated records

# Questions or Concerns: Finding BCI Resources

## BCI's Compliance & Ethics Resources

BCI encourages a work environment in which our employees feel free to ask questions and raise concerns. If you observe something that seems questionable or if you have any doubt as to whether certain activity or behavior complies with the Code of Conduct, you should consult one or more of the resources listed below.

### Whom You Should Contact...

- Your immediate supervisor or manager,
- Human Resources,
- Internal Audit Department.

### Locating BCI Policies

Policies referenced in this Code of Conduct, as well as other BCI policies, can be found on the Inside BCI web portal for employees.





**BCI**

**CODE OF  
CONDUCT**

[www.bci.com.sa](http://www.bci.com.sa)









