



SHARJAH MEDIA CITY FREE ZONE CODE OF CONDUCT AND ETHICS POLICY



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1. Introduction

Sharjah Media City Free Zone (“**Shams**”) has a commitment towards moral conduct and ethical behavior and to operate within the spirit of the law. Therefore, Shams recognizes (and has subsequently implemented) a set of governance documents that aim to provide guidance and advice.

As a general policy, Shams expects all of its stakeholders (i.e., any individual or group of individuals having an interest, whether directly or indirectly, in Shams) to behave in an honest and integrous manner.

Establishing this Code of Conduct and Ethics Policy (“**Code**”) shall be considered one of the several useful instruments of an inclusive strategy and holistic policy aimed at ensuring the commercial well-being of all stakeholders. Moreover, the Code outlines the minimum standards of behavior expected from all stakeholders to support the vision and values of Shams. We require our stakeholders to familiarize themselves with this Code and apply the highest level of ethics, law, compliance and personal conduct.

Acknowledging the rule of law supremacy, the Code sets up the ethical and behavioral rules for Shams’ stakeholders. The ultimate goal of the Code is to assist stakeholders pursue a fair, transparent and legal business activity.

2. Vision, Mission & Values

Vision

The vision of the Code is to be valued, effective, and strive towards continuous improvement for the benefit of Shams. This vision will be achieved through

Mission

To serve as a guidance tool for all Shams stakeholders and to prescribe formal procedures which are designed to add value and improve the operations at Shams.

Values

- **Integrity** – to ensure stakeholders deal with one another in an honest, professional and ethical manner.
- **Accountability** – To be transparent and responsive while dealing with concerns, expectations and requirements of stakeholders.



- **Learning and Development** – To continually develop and strive towards improvements within the organization and implement value through knowledge and innovation.
- **Professionalism** – To remain in compliance with applicable industry standards and best practices.

3. Code Approach

In order for the Code to be effective, stakeholders should ensure and commit to the following:

- Senior officials support the code and lead by example.
- Shams' staff are involved in all stages of code development and implementation.
- Support mechanisms are in place to encourage use of the Code.
- Compliance with the Code may be taken into account in relation any relevant action points.
- Shams continually promotes its ethical culture.
- The Code is enforced through disciplinary action, as and when necessary.

4. Core Principals

Shams is fully committed to the principles of honesty, integrity and fair play in the delivery of services to all stakeholders. Therefore, it is imperative that all items relevant to Shams' services are dealt with in an open, fair and impartial manner.

This Code sets out the basic standard of conduct expected of Shams' stakeholders and Shams' policy on matters like acceptance of rewards and conflicts of interest.

Stakeholders are mandated to act and behave in a manner that is consistent with the standards of professionalism. Shams expects stakeholders to demonstrate the highest standards of decorum and general conduct, with a particular reference to:

- Diligence, honesty and ethics.
- Fulfill your commitments in a professional and competent manner whilst cooperating with other stakeholders.
- Refrain from using abusive or offensive language and inappropriate actions and behaviors.
- Ensure no possession or consumption of alcohol, drugs or other substances which may alter an individual's state of mind or any acts which are prohibited under the laws of the United Arab Emirates.
- Conduct your personal and professional life in a manner which does not pose any risk, whether directly or indirectly, to Shams' reputation.



- Exhibit courtesy and professional behavior.
- Remain, at all times, in compliance with applicable rules, regulations and laws of Shams and the United Arab Emirates.

Shams reserves the right to initiate legal proceedings against stakeholders who do not comply with the expected standards of conduct.

5. Risks

Shams' internal departments will operate in a manner to minimize three (3) main risks: Image Risk, Legal Risk, and Operational Risk.

Image Risk

Stakeholders must preserve Shams' public image and ensure to not partake in any activity, act, or omission which may damage Shams' public image.

It is vital to note that even a simple statement can cause irreparable damage to an organization's reputation. Therefore, stakeholders are obliged to be mindful when discussing Shams, its offerings, and the organization as a whole.

Legal Risk

Legal Risk occurs when stakeholders fail to comply with existing and applicable laws and regulations. Such non-compliance may lead to the organization being exposed to significant potential harm.

Operational Risk

This risk can be defined as the risk of potential losses, whether monetary or otherwise, caused by inadequate systems and controls. Operational Risk can be divided into several risks such as:

- Risk of Obsolescence.
- Risk to Equipment.
- Technological Risk.
- Risk in Electronic Markets.
- Risk of Unintentional Errors, also known as Human Errors.



- Risk of Fraud.
- Personnel Qualification Risk.
- Risk of Access.

6. Health & Safety

Shams is committed to providing a safe and injury-free facility that is operated in an environmentally sound manner, in compliance with all relevant laws and regulations of the United Arab Emirates.

7. Fair Competition

Shams' policies prohibit any practices which may be considered bounding, restraining or distorting competition, as well as any practices of unfair competition. Accordingly, our stakeholders cannot agree, whether formally or informally, to perform or compete in a manner which may be deemed unfair, unethical or immoral.

Our stakeholders are prohibited from performing any act of unfair competition manifested through, including without limitation:

- Misappropriation of funds; or
- Accepting rewards, gifts or other similar favors in exchange of performance.

8. Code of Ethics & Internal Policies

Pursuant to the goals and objectives of Shams, it is fundamental to emphasize that only on the basis of positive professional and personal conduct, is it possible to maintain Shams' image within the market.

Shams' Code of Ethics sets the minimum standard regarding ethical and behavioral principles and internal policies which must be observed by all stakeholders.

Shams' internal policies include, without limitation:

Personal Trades

Shams may impose restrictions on certain trades upon its stakeholders. Irrespective of any justifications, the end customer's interests will always remain a priority.



Money Laundering Prevention

Stakeholders must be well-informed regarding the compliance directives initiated by the government of the United Arab Emirates. Amongst many, one principle relates to Anti-Money Laundering.

Stakeholders involved in such criminal practices will result in direct reputational and legal harm to Shams. Therefore, all stakeholders must become familiarized with the principles of Anti-Money Laundering and relevant concepts.

Use of Technology

Stakeholders may be provided tools, equipment and software, for which Shams has obtained the necessary and relevant permits, approvals, and licenses. Subsequently, stakeholders must assume a duty of goodwill and professionalism when utilizing such facilities.

Gifts Policy

Shams maintains a strict approach towards stakeholders receiving business-related gifts. These gifts may be awarded either to expedite or conclude certain processes and applications. However, all stakeholders are required to maintain a conscientious approach towards such scenarios.

The general prohibitions regarding giving and/or receiving gifts are, without limitation:

- Stakeholders must not give or receive cash payments or equivalents.
- Stakeholders must not accept financial incentives or other forms of gifts as an inducement or reward for any particular act, related to or in connection with any business matter or transaction, either by or on behalf of Shams.
- Stakeholders must not offer, promise, or provide any forms of financial incentives, bribes, or other gifts in any form, to any person, either directly or indirectly.
- Stakeholders must not accept bribes, either directly or indirectly, from any third party.
- Stakeholders must not make political donations in the name of Shams or any of its related companies.



9. Recording System

For purposes of record-keeping, quality and training, Shams may, in its sole discretion, record conversations which have occurred between Shams and stakeholders. Such recorded content may be used to deal with matters concerning transactions and may be used as evidence to clarify issues related to such transactions.

The recordings will be archived in accordance with Shams' retention policy.

10. Ethical Concerns

This Code aims to create an environment where reporters feel secure and confident about reporting improper conduct by Shams. However, any lodged reports or claims must be based on true, accurate, and factual occurrences.

With a viewpoint to ensure privacy, Shams will endeavor to keep secret the identity of the report, insofar as the same is reasonable and possible. The concerned representative, who receives such a report, shall then pass the report to Shams' Compliance Department for further review and investigation.

11. Anti-Corruption

Shams curtails a zero-tolerance approach towards corruption. All stakeholders must agree to never offer to provide anything of value, whether directly or indirectly, to any government officials, business partners or other individuals to secure an undue advantage.

Shams prohibits payment, offers of payment, as well as anything of value, directly or indirectly, with the purpose of influencing or obtaining unethical personal or business advantages.

12. Financial Reporting

All transactions executed by stakeholders, and relevant to Shams, must be duly recorded so as to permit preparation of clear financial statements in conformity with generally accepted accounting principles.

No false or misleading entries may be made in the books and records and no stakeholder may enter into any arrangement that results in such a prohibited act.



No payment for, or on behalf of, Shams may be made without adequate supporting documentation or made with the intention that any part of such payment is to be used for any purpose other than as described by the documents supporting said payment.

From time to time, Shams may publish or inform of policies on financial reporting, disclosure and compliance to reinforce the financial reporting expectations in this Code. All stakeholders are expected to implement and strictly follow these policies.

13. Restrictive Agreements with Third Parties

Shams does not condone activities that seek to gain an unfair competitive advantage. No stakeholder may engage in any activity which violates any valid restrictive agreements entered into by such stakeholder for the benefit of a third party, and no individual may, whether directly or indirectly, use or disclose any confidential information or trade secrets of a third party.

14. Conflict of Interest

A conflict-of-interest situation arises when the '*personal interests*' of stakeholders compete or conflict with Shams' commercial interests. The term '*personal interests*' refers to both financial and personal interests if stakeholder.

Stakeholders have a duty to always act for the benefit of Shams and to avoid any conflicts of interest for personal advantage or gain, whether directly or indirectly. Should stakeholders engage in activities and attempt to bypass this provision, Shams reserves the right to implement legal action, as necessary.

15. Misuse of Position

Stakeholders who misuse their official position for personal gains or to favor their relatives or friends may be liable to disciplinary actions. An example of misuse of position includes a stakeholder granting access to particular sensitive information for personal gain or advantage.



16. Classified and Proprietary Information

Stakeholders, with access to such classified and proprietary information, shall not disclose such information without Shams' prior written authorization. Stakeholders who have received access to such information must, at all times, provide adequate safety measures to prevent its abuse or misuse.

17. Company Property

Stakeholders given access to any property owned by Shams should ensure that it is properly utilized for the purpose for which such property has been provided. Misappropriation of Shams' property or unauthorized use is strictly prohibited.

Stakeholders shall remain responsible for safeguarding common facilities, provided by Shams, against unauthorized access or use and making proper and efficient use of such property, assets and items (whether directly or indirectly under your control or possession).

Stakeholders must demonstrate their best practices in preventing Shams' property and assets from loss, damage, misuse, waste, theft, embezzlement or destructions. Any situations or incidents that may jeopardize or lead to loss should be reported to the relevant authorities immediately.

18. Compliance

It is the personal responsibility of each stakeholder to understand and comply with this Code.

19. Sanctions

Shams may take prompt and appropriate remedial action in response to any actual or purported violations of this Code. Any stakeholder who engages in conduct which is prohibited by this Code shall be subject to disciplinary actions and sanctions in accordance with this Code and relevant laws and regulations.

The sanction may be executed in the form of, including without limitation:

- Warning.
- Suspension.
- Financial Penalties; or
- Termination of Contract.



20. Reporting

In reference to Shams' Whistleblower Policy ("**Policy**"), stakeholders have a responsibility to promptly report to Shams any violations of the Code.

In line with the provisions of the Policy, Shams has enforced an appropriate mechanism to allow stakeholders to address communications to the concerned departments, with the highest degree of trust and confidentiality.

Stakeholders will not be disciplined in any way for reporting violations in good faith.