



نيوم NEOM

SUPPLIER CODE OF CONDUCT

June 2022

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CONTENTS

- Contents..... 2**
- INTRODUCTION 3**
 - CEO message 3
 - Scope 3
 - How to use our Supplier Code of Conduct 4
 - Speaking up 4
- 1. OUR VALUES 5**
- 2. OUR PEOPLE 6**
 - Promoting safety 6
 - Protection of migrant workers 6
 - Living standards on site 7
 - Bullying, harassment, and sexual harassment 7
 - Diversity, equality, and inclusion 7
- 3. OUR WORLD 8**
 - Human Rights and Labor Standards..... 8
 - Environment..... 9
 - Communities 9
 - Ethical sourcing..... 9
- 4. OUR TECHNOLOGY 10**
 - Responsible innovation and use of technology 10
 - Cybersecurity..... 10
 - Data privacy 11
- 5. OUR RESPONSIBLE BUSINESS PRACTICES 11**
 - Anti-bribery and corruption 11
 - Conflicts of interest..... 12
 - Gifts and hospitality 12
 - Countering fraud 12
 - Fair competition..... 13
 - Accurate books and records..... 13
 - Confidential information..... 13
 - Money laundering, counter-terrorist financing, and sanctions 13
- FURTHER INFORMATION AND RESOURCES 14**



INTRODUCTION



Nadhmi Al-Nasr
CEO, NEOM

CEO MESSAGE

At NEOM, we are attempting to do something that has never been done before. We are building a destination and a home for people who want to dream big and participate in a new model of sustainable living.

But we can't do this alone. We will rely on a network of talented suppliers from all over the world who share our dream and want to help make our ambitions a reality. Partnerships with so much potential must not be taken lightly. They must be based on trusted relationships, shared values, and clear expectations to help us achieve our bold vision.

The Supplier Code of Conduct you are reading was created with exactly this aim in mind.

It sets out the ethical issues most important to NEOM, and what we expect of you to help us uphold them. I am counting on all NEOM suppliers to ensure they are familiar with this document so that whatever we achieve together, we achieve it in the right way.

SCOPE

This Supplier Code of Conduct sets out what we expect from you, as a supplier to NEOM, to help us uphold our commitments to our Values, our people, our world, our technology, and our responsible business practices.

These commitments are set out in full in our Code of Conduct, which can be used as a source of further guidance on the issues below, how we define them, and why they matter to us.

Our Supplier Code of Conduct applies to all current suppliers of the NEOM Company, and any other entity established in connection with the NEOM project, such as our subsidiaries and any joint ventures in which we hold a 50% interest or more.

This includes vendors, partners, consultants, manufacturers, contractors, and sub-contractors who are registered with NEOM and have an agreement to work with us (we'll just use 'NEOM suppliers' from now on!).



HOW TO USE OUR SUPPLIER CODE OF CONDUCT

Our Supplier Code of Conduct will equip you with the guidance you need to become a trusted NEOM supplier, and we will provide you with all the support we can to help ensure that this guidance is clear and understood.

As a supplier, you'll be responsible for upholding the expectations set out in this Supplier Code of Conduct, for example by conducting periodic internal reviews to ensure our standards are being maintained and ensuring these expectations are understood by any representatives of your organization working on, or contributing to, our shared projects. In particular, you are expected to impose the same or similar, but not lesser, standards with those third parties with whom you do business.

Throughout this document, you will find 'TOP TIPS' designed to provide you with practical examples of how our expectations can be implemented.

Our Supplier Code of Conduct isn't intended to replace any code of conduct you may already have – but, where there are conflicts between your own code of conduct and our Supplier Code of Conduct, we expect you to uphold the standards set out in this document.

Serious failures to meet these expectations could result us ending our relationship with you or taking other steps according to our contract with you.

If you are a supplier based in the Kingdom of Saudi Arabia, you may have extra legal obligations that apply to you, which we expect you to be aware of, and abide by.



This document won't provide you with the answer to every question. So, we're counting on you to talk to us if you're ever unsure how to uphold our expectations. You can do this by using the '[Further information and resources](#)' section or by getting in touch with your NEOM point of contact.

SPEAKING UP

We know we cannot build a great working environment unless all of those working alongside us feel safe to raise concerns when something doesn't seem right. We are therefore committed to ensuring that anyone who speaks up is protected from retaliation.

As a NEOM supplier, we expect you to:

- Speak up as soon as possible, if you have concerns about potential breaches of the law, this Supplier Code of Conduct, our policies, or NEOM's Values
- Have in place processes and systems designed to ensure that those speaking up about their concerns are protected from any form of retaliation
- Have in place processes to investigate any concerns that are reported to you, and cooperate with NEOM as we seek to investigate the concerns reported to us
- Communicate to us without delay any reports you may receive internally of incidents that concern us



In most cases, the best way for your employees to speak up will be for them to talk to their manager, your point of contact at NEOM, or through your own speak-up channels.

1. OUR VALUES

At NEOM, we are proud of our Values. They underpin the behaviors we expect from all those working with or for us and we want to ensure that you are able to uphold them.

If, after reading our Supplier Code of Conduct, you are still in doubt about a decision, you can always ask yourself if that decision aligns with the following Values:



CATALYST

Make a difference.
Create a legacy.



CARE

Leave the environment in a better place. Value all forms of life.



CURIOUS

Challenge the norm.
Stay restless. Always look for better ways.



PASSIONATE

Be Accountable. Finish what you start.



RESPECT

Be authentic.
Be true. Be fair.



DIVERSITY

Embrace cultural differences. Encourage debate. Seek to understand.



2. OUR PEOPLE

When we say 'our people', we don't just mean ourselves. Our ambitions rely on a complex network of individuals working both within and alongside NEOM to make them a reality.

The skill-sets and backgrounds these individuals bring to our projects will vary significantly. However, our commitment to keep them safe, protect the most vulnerable, and ensure every individual is free to be themselves remains a constant.

As a NEOM supplier, we therefore require you to meet the following expectations.

PROMOTING SAFETY

- Adhere to all applicable health and safety laws, standards, and regulations
- Work safely and in a way that does not put yourselves or your co-workers at risk
- Provide appropriate safety training, protective equipment, and work procedures
- Regularly test, monitor, and keep records of your safety performance, such as the number of incidents or your rates of safety training completion
- Foster a culture of openness and transparency, in which employees feel able to report health and safety issues or concerns immediately



TOP TIP:

Appoint safety 'champions' from across your organisation, by training selected employees to take responsibility for promoting your safety standards and encouraging others to speak up

- Recognize the right of all employees to put a stop to any work they feel is unsafe
- Report to NEOM any safety risks, accidents, or questions concerning our project sites by contacting safety@neom.com as soon as possible. For urgent queries or incident reporting, please dial 911 from any NEOM landline or +966 (0)14 434 8911 from any mobile
- Talk to us, if you feel that any aspect of our work could be made safer for those involved

PROTECTION OF MIGRANT WORKERS

- Understand our commitment to protect the rights of vulnerable groups working with us, and for us, including those set out in our Code of Conduct, and act at all times in a manner that is compatible with these commitments
- Show in practice that your processes are designed to protect the rights of migrant workers in particular, and ensure, at a minimum, that all employees:



- Have a contract of employment in line with basic international standards and receive all the benefits to which they are entitled
- Fully understand their terms and conditions before consenting to work
- Are not required to pay deposits or recruitment fees before starting work
- Do not have official documentation, such as identity or travel documents, withheld
- Are free to change employer at any time, in line with local laws and regulations

LIVING STANDARDS ON SITE

- Understand and help uphold our commitment to preserve the right to a safe, clean, healthy, and sustainable environment for all those living and working with us
- Have in place processes to ensure accommodation or communal services provided to workers as part of their employment with you are safe, clean, healthy, sustainable, and compliant with all applicable laws on employer-provided accommodation
- Notify us of any supplier accommodation provided by NEOM, for example in relation to construction contractors, which does not meet the high standards we expect

BULLYING, HARASSMENT, AND SEXUAL HARASSMENT

- Show commitment to prohibiting bullying, harassment, and sexual harassment
- Ensure employees have access to internal channels for the reporting of bullying, harassment, and sexual harassment



TOP TIP:

Ensure that internal speak-up channels are confidential and include an option for employees to report anonymously

- Have processes in place to handle cases of bullying, harassment, or sexual harassment

DIVERSITY, EQUALITY, AND INCLUSION

- Create a working environment and a culture that supports, develops, and promotes equality and diversity
- Prohibit discrimination against anyone based on protected characteristics, such as race, color, religion, gender, or political beliefs
- Ensure all recruitment, training, and promotion opportunities are based solely on merit, talent and suitability, and periodically review hiring and promotion practices to ensure fair treatment



3. OUR WORLD

Our commitments to preserve the planet for future generations, as set out in our Code of Conduct and our Values, are ambitious.

We therefore need to work with your support and engagement as suppliers to help us achieve them. We also need to work together to care for the basic rights of those who are affected by our ambitious projects, or who are working to help make them a reality.

As a NEOM supplier, we therefore require you to meet the following expectations.

LABOR RIGHTS AND STANDARDS

- Ensure that all employees are treated with dignity, respect, and fairness
- Comply with all applicable laws and regulations on human rights and labor standards, maintaining appropriate labor and immigration permits where required
- Follow limits on working hours established by local law and regulations, ensuring that any overtime is limited and voluntary
- Ensure any labor agencies used to provide workers for our projects understand and uphold the expectations on human rights and labor standards set out in this document and those in relation to migrant workers and living standards on site
- Ensure that all employees meet the relevant minimum age of employment and that processes are in place to prevent any form of child labor
- Have processes in place to prevent modern slavery and human trafficking from taking place in any form across your own business operations and supply chains, such as in the form of prison labor or debt bondage
- Never subject workers to physical or psychological abuse, violence, threats of violence, or other forms of physical or mental coercion
- Pay at least the legal minimum wage, or a wage that meets local industry standards where there is no legal minimum, and follow all applicable laws on overtime pay
- Have processes in place to ensure that employees receive their full pay entitlement in a regular and timely manner according to their contractual rights and their basic needs, as a minimum
- Provide all sick leave, annual leave and holidays required by applicable laws
- Not to use, or allow, any subcontractors or agents to use, forced, bonded or involuntary labor
- To inform us immediately upon becoming aware of any actual or potential human rights violations including incidents of modern slavery or child labor
- Facilitate regular worker welfare forums with management and Labor representatives within your organization to ensure that the right to worker representation is respected
- Review NEOM Worker Welfare Standards as published from time to time. These list the requirements for employment practices, working and living conditions, and how you should manage your obligations



ENVIRONMENT

- Understand NEOM's environmental commitments and share our goals
- Have processes and commitments in place to reduce any direct or indirect negative impacts on the environment, and go beyond this requirement where possible by establishing a comprehensive environmental management system



TOP TIP:

Incentivize employees by including respect for the environment among appraisal criteria

- Ensure you comply with all applicable environmental laws and regulations, for example in relation to environmental permits, waste, and handling of hazardous materials
- Maintain documentation allowing you to respond to requests for information on your environmental performance, e.g. in relation to resource consumption, emissions, waste, and other sustainability matrices
- Strive to achieve carbon neutrality, and go beyond this where possible, by achieving carbon negativity and removing from the atmosphere more carbon than you produce
- Pass on our environmental requirements to your own supply chain
- Notify us of any behaviors, by NEOM staff members or other suppliers, which go against our environmental commitments, by speaking to your NEOM point of contact

COMMUNITIES

- Act with honesty, integrity, fairness, and respect in your interactions with communities
- Ensure that your operations do not result in any negative impacts on the communities around you, such as noise, air pollution or reduced water quality
- Be sensitive to the views of the communities around you as you carry out projects on our behalf, escalating any concerns to an appropriate NEOM staff member
- Integrate local community members, by creating employment and upskilling opportunities for workers local to the NEOM region wherever possible

ETHICAL SOURCING

- Have processes and systems in place to prevent the use of any illegally or unethically sourced materials as part of your work with us
- Conduct adequate due diligence in relation to the sourcing, extraction, and handling of tantalum, tin, tungsten, and gold in particular, following OECD Due Diligence Guidelines for Minerals from Conflict-Affected Areas or other relevant frameworks of best practice



- Uphold high standards of responsible mineral sourcing, including a commitment to ensure that all materials are sourced with respect for human rights
- Know the origins and authenticity of all parts and materials used in your projects with us, and respond to requests for information on the source of these parts and materials
- Have processes and systems in place to prevent any counterfeit parts or materials from being used on your projects with us

4. OUR TECHNOLOGY

NEOM is being designed as a hub where new technologies and enterprises can be researched, incubated, and commercialized in ground-breaking ways. With this unprecedented technological potential comes a duty to ensure that all our innovations are achieved responsibly.

This is a responsibility that we share. We'll rely on the commitment and cooperation of our suppliers to maintain the robust research, transparency, security, and trust on which our life-changing technologies depend.

As a NEOM supplier, we therefore require you to meet the following expectations.

RESPONSIBLE INNOVATION AND USE OF TECHNOLOGY

- Maintain the highest standards of integrity, robustness, objectivity, and transparency in all innovations you deliver as part of your work with us
- Ensure that any projects you deliver with us in the area of artificial intelligence (AI) are developed responsibly and used to generate positive human-centered outcomes
- Never speak publicly about developing innovations or technologies which have not yet been approved for external communication
- Follow all applicable laws and regulations with regard to intellectual property, respect NEOM's intellectual property rights and notify us immediately if you become aware that these rights have been violated

CYBERSECURITY

- Work with us to ensure you understand and can uphold our cybersecurity standards
- Have commitments and processes in place to maintain compliance with all applicable national and international standards and sector-specific cyber security legislation
- Regularly share cybersecurity updates with us and inform your NEOM point of contact immediately if you encounter or suspect a cyber security breach that could affect NEOM's data or data related to our shared projects
- Notify us immediately if you become aware of any security incident or data breach and respond without delay to all queries and requests for information from NEOM about any such incident or data breach

**TOP TIP:**

Be aware of 'phishing' emails designed to trick you into making cyber security mistakes by clicking on links or opening attachments from seemingly legitimate sources

DATA PRIVACY

- Recognize that privacy is a fundamental human right
- Act as responsible steward of NEOMs personal data, maintaining trust and transparency with those whose data you handle
- Ensure you understand and help to uphold our high data privacy standards, especially if you are handling personal data on our behalf, for example by signing a data processing agreement
- Maintain the highest standards of data privacy in your own organization, ensuring at a minimum that all personal data is collated and processed in compliance with applicable data privacy laws and regulations
- Cascade these standards to your own suppliers if sharing NEOM's personal data outside your own organization
- Have in place appropriate measures to protect against personal data breaches
- Contact us immediately (as specified below) if you have any questions or concerns regarding our approach to protecting personal data

5. OUR RESPONSIBLE BUSINESS PRACTICES

Our commitments to upholding the highest standards of ethics and compliance are reflected in our Code of Conduct and woven into our bold vision – but it's not enough for us to make these commitments alone. As suppliers, we need you to understand our commitments on issues such as bribery, corruption, fraud, and anti-competitive practices, and we require you work to uphold the same standards of good judgment and integrity in your own organization.

As a NEOM supplier, we therefore require you to meet the following expectations.

ANTI-BRIBERY AND CORRUPTION

- Comply with applicable anti-bribery and corruption laws and regulations
- Never give, offer, or accept a bribe or corrupt payment of any kind
- Have processes and systems in place to prevent, detect, and respond appropriately to all cases of bribery and corruption



- Monitor your relationships with public officials in particular, to ensure that these interactions remain free from facilitation payments as well as any inappropriate gifts, hospitality, or influence
- Always inform your NEOM point of contact about any attempt to bribe you, or solicit bribes from you, in the course of your work for us

CONFLICTS OF INTEREST

- Have processes in place for employees to declare conflicts of interest, so that these can be managed, and any risk of undue influence can be mitigated



TOP TIP:

Include screening for potential conflicts of interest in your recruitment processes and ask existing employees to declare any conflicts of interest on a regular basis

- Notify NEOM of any situation where your own interests conflict with your responsibilities towards NEOM or our shared projects by disclosing such a conflict on our dedicated NEOM disclosures platform or as otherwise directed by NEOM from time to time
- Attend training conducted by NEOM and/or its training service providers as necessary on issues relating to this Supplier Code of Conduct, including training relating to conflicts of interest

GIFTS AND HOSPITALITY

- Have in place processes and systems to ensure that any exchange of gifts or hospitality is not excessive or conducted with the intention of receiving or providing an unfair advantage



TOP TIP:

Establish a register so that any exchange of gifts or hospitality can be recorded, approved and monitored

COUNTERING FRAUD

- Share our zero-tolerance stance against fraud and fraudulent activities such as embezzlement, theft, falsification of documents, and misuse of assets
- Adhere to all applicable fraud laws and regulations and ensure that systems and processes are in place to mitigate the risk of fraud occurring within your organization



FAIR COMPETITION

- Conduct your business in line with the principle of fair competition and in accordance with all applicable anti-trust laws
- Never engage in collusive bidding, price discrimination, anti-competitive behavior, improper exchange of competitive information or other unfair trade practices

ACCURATE BOOKS AND RECORDS

- Ensure all transactions are clearly and accurately recorded, with no off-the-book or falsified accounts or transactions, in accordance with applicable laws and regulations
- Maintain complete and accurate books and records in connection with our shared projects and provide us with access to these books and records on request

CONFIDENTIAL INFORMATION

- Maintain processes to ensure all confidential information is handled appropriately
- Take reasonable steps to ensure that confidential information is protected throughout your own supply chain
- Take responsibility for the protection of any confidential information available to you and ensure it is not disclosed to any unauthorized person including, but not limited to, classifying data as confidential
- Return NEOM's confidential information, or certify that it has been destroyed, at our request or at the end of your relationship with us

MONEY LAUNDERING, COUNTER-TERRORIST FINANCING, AND SANCTIONS

- Adhere to all applicable national and international laws and regulations related to money laundering, terrorist financing, and economic sanctions
- Implement effective processes and systems to identify and manage your exposure to money laundering, terrorist financing, and economic sanctions risks
- Cooperate with NEOM's due diligence processes and remain transparent about all beneficial owners with whom NEOM is conducting business
- Have in place commitments and processes to ensure that you meet your obligations under all applicable national and international economic sanctions regimes



FURTHER INFORMATION AND RESOURCES

If you have a concern or question in relation to the issues covered in this Supplier Code of Conduct, we want to hear from you.

There are various ways you can contact us, depending on the nature of your concern:

- If you have a concern or query related to the Supplier Code of Conduct, or to make a whistleblowing report, contact supplier.speakup@neom.com (All reports will be treated with the strictest confidence)
- If your concern relates to our health and safety standards, you can contact safety@neom.com
- If you are simply unsure, or have a general question regarding the issues covered in this Supplier Code of Conduct, you can get in touch with your NEOM point of contact or you can contact srm@neom.com



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