



Global Code of Conduct

May 2017. Version 2.0

Statement of our Vision and Core Values

Our Vision

To be the Leading Ceramics Lifestyle Solutions Provider

Our Values

1. Trust
2. Respect
3. Communication
4. Accountability
5. Commitment
6. Agility
7. Innovation
8. Passion

1. Introduction to & Purpose of the Global Code of Conduct

The Audit Committee of the Board of Directors of RAK Ceramics PJSC has adopted the following Code of Conduct to apply to RAK Ceramics officers, managers and employees. This Code is intended to direct officers, managers and employees on areas of ethical risk, provide guidance to help them recognize and deal with ethical issues, provide mechanisms to report unethical conduct, foster a culture of honesty and accountability, deter unethical behaviour and promote fair and accurate disclosure and financial reporting.

No code or policy can anticipate every situation that may arise. Accordingly, this Code is intended to serve as a source of guiding principles. RAK Ceramics reserves the right to make all decisions on a case-by-case basis.

There are existing Code of Conduct policy documents attuned to local environments that have already been promulgated at some subsidiaries of the company. For any gaps, the provisions in the Global Code of Conduct will prevail.

- 1.1. This Code of Conduct summarises RAK Ceramics PJSC standards of business conduct and ethics. It outlines key issues and ethical standards to which the Company subscribes and expects its employees to adhere to in course of meeting the shared vision and objectives. This Code specifies and assists in the continued implementation of the Corporate Business and Governance Principles by establishing certain non-negotiable minimum standards of behaviour in key areas. The nature of this code is not meant to cover all possible situations that may occur. It is designed to provide a frame of reference against which to measure any activities. Employee should seek guidance when they are in doubt about the proper course of action in a given situation, as it is the ultimate responsibility of each employee to "do the right thing", a responsibility that cannot be delegated.
- 1.2. This Code of Conduct applies to all employees of the Company, its subsidiaries and controlled entities. For the purposes of this Code, "Company" refers to the RAK Ceramics and all of its subsidiaries and divisions whereas "employees" refers to directors and employee on the rolls of the company including managers, executive, staff, skilled and unskilled employees. Company officers, managers and supervisors are charged with the responsibility of communicating this Code of Conduct to employees under their direct supervision and enforcing its provisions. Any employee who knows of, or suspects, a violation of this Code, or has any questions regarding this Code or its application to a particular situation, should discuss these concerns with his or her immediate supervisor, or with the Chief Human Resources Officer or to any other manager designated for handling such matters. This code may be amended from time to time by the Company.
- 1.3. Violation of any of the Code's provisions could result in disciplinary action, including termination. No individual is expected to be discriminated against or suffer other reprisals for reporting in good faith violations or suspected violations, of this Code or any other law or statute. In situations involving high level employees, the Chief Executive Officer or the Chairperson of the Audit Committee of the Board of Directors may be contacted directly, as appropriate.

2. Guiding Principles

- 2.1. As a responsible corporate citizen RAK Ceramics' business practices have been to foster Integrity, Honesty, Fair Dealing, respect for cultural diversity and compliance with applicable laws and regulations in its chosen spheres of operations with optimal efficiency and effectiveness to create sustainable value for its stakeholders. RAK Ceramics' employees worldwide are expected to uphold and demonstrate this commitment in their everyday responsibilities.
- 2.2. Employees of the Company are expected to be guided by the following basic principles;
 - 2.2.1. Responsibility
 - 2.2.2. Accountability
 - 2.2.3. Integrity
 - 2.2.4. Efficiency
 - 2.2.5. Impartiality and
 - 2.2.6. Discretion

These principles are in addition to the 8 core values and are relevant in the perspective of ethical prudence.

- 2.3. The Employees are expected to put the company's interest ahead of personal or other interests, act honestly and legally and avoid any conduct that could damage or risk the reputation or image of the Company.
- 2.4. The employees are always expected to discharge their workplace responsibilities within the scope of their engagement with due diligence and care.

3. Statutory Compliance, Rules and Regulations

- 3.1. All Employees of the Company are expected to be aware of and conduct themselves in accordance with the applicable laws, rules and regulations in the applicable jurisdictions/ countries in which they are resident and/ or operate and make best efforts not to willingly breach any provision of such laws.
- 3.2. The Employees of the Company are not authorized or permitted to achieve any Company objective by violating any Union, state, municipal, environmental, market or other governmental or regulatory body's laws, statutes, license requirements, regulations or generally accepted rules and standards in countries/ jurisdiction of their operation and/ or residence.
- 3.3. The employees are expected to prepare and file written reports wherever reports are required to be filed with statutory or governmental agencies within specified time periods. The employees entrusted with preparing information are expected to ensure that all scheduled filings are prepared with care and diligence and checked in time and submitted to their supervisors or appropriate authorities after receiving necessary Company approvals. They are also expected to maintain records as per policies of the Company.
- 3.4. In addition to the laws and regulations applied in the jurisdictions, the Employees are also expected to be fully aware of, know and follow workplace policies, procedures and rules of conduct issued by the Company from time to time in its various countries of operation or business locations.

4. Conflict of Interest

- 4.1. Each and every employee of the Company is expected to conduct his or her personal and business affairs in a manner such that neither a conflict, nor the appearance of a conflict, arises between those interests and the interests of the Company as detailed in the Conflict on Interest policy document.
- 4.2. The employees are also expected to ensure that they don't create actual, or the appearance of, conflicts of interest for others in their professional dealings.

5. Corporate Commitment

- 5.1. All Employees on the rolls of the Company are expected to be in the full time employment of the Company. This implies that the employees on the rolls of the Company cannot work for any other employer (either part or full time) unless specifically permitted or directed by the Company and approved.
- 5.2. Employees on rolls of the Company shall not compete with the Company. Nor shall they take personal advantage of business opportunities that they discover during the course of their employment, unless the Company expressly waives its interest in pursuing such opportunities.
- 5.3. If employees want to pursue business opportunities that might be of interest to the Company, they shall inform the Company to seek a management decision as to whether or not the Company wants to pursue the opportunity. While going forward with such opportunity, the employee is expected to abide by the terms and conditions of the employment contract and the provisions of the labour law applicable in the respective jurisdiction.

6. Customer Relations

- 6.1. It is an established policy of the Company to develop and foster fair, sustainable and mutually beneficial relationship with its customer's on an arm's length basis.
- 6.2. The Company expects its employees to respect its customers, their needs and contribute to satisfying these needs in efficient and effective manner such that the interest of the Company and shareholders are not compromised.

7. Suppliers, Sub-contractors and Business Associates Relations

- 7.1. The Company's policy is to deal with its suppliers, sub-contractors or business associates on an arm's length basis in a manner that creates and maintains long term trust based on objectivity, integrity fairness and honesty. The Company's procurement decisions are based on quality, service, price and reputation based on the needs of the Company and efficiency of the procurement. All employees are expected to adhere to the above principles.
- 7.2. An Employee is not expected to permit himself or herself (or members of his or her family) to be obligated (other than in the course of normal banking relationships) to any organization or individual with whom the Company does business. This precludes accepting any payment from any organization or

individual which has, or seeks to establish, a business relationship with the Company and which would otherwise unduly influence, or appear to unduly influence, that employee's actions toward the organization or individual that made such payment.

7.3. The Company encourages its regular suppliers, vendors and sub-contractors to provide a declaration of fair and ethical business practices adopted in their dealing with Company and expects the Employees engaged in counterparty relations to keep a record of such declarations.

7.4. The Company expects all employees to use only legitimate practices in commercial operations and in promoting the Company position on issues before governmental authorities. As stated below, "kickbacks" or "bribes" intended to induce or reward favourable buying decisions and governmental actions are unacceptable and prohibited.

7.5. No employee of the Company or any Controlled Affiliate acting on the Company's behalf shall, in violation of any applicable law, offer or make directly or indirectly through any other person or firm any payment or anything of value (in the form of compensation, gift, contribution or otherwise) to:

7.5.1. Any person or firm employed by or acting for or on behalf of any customer, whether private or governmental, for the purpose of inducing or rewarding any favourable action by the customer in any commercial transaction; or any governmental entity, for the purpose of inducing or rewarding action (or withholding of action) by a governmental entity in any governmental matter;

7.5.2. Any governmental official, political party or official of such party, or any candidate for political office, for the purpose of inducing or rewarding favourable action (or withholding of action) or the exercise of influence by such official, party or candidate in any commercial transaction or in any governmental matter.

8. Accounting and other records and controls

8.1. All employees are expected to adhere to the established Company policy to record its business operations, create and maintain financial and non-financial books and statements, records and accounts which, in reasonable detail, accurately and fairly reflect all transactions, acquisitions and dispositions of assets and other activities the Company is involved with in its day-to-day operations.

8.2. All employees engaged in or are responsible for maintaining such books and records are to be aware that all books, records and accounts should conform to generally accepted and applicable accounting principles, to all applicable laws and regulations and standard operating procedures of the Company. The preparation and maintenance of accurate and adequate records is the responsibility of each employee. This responsibility extends to all internal and external records, reports and correspondence. Employees are expected to sign only documents or records which they believe to be accurate and truthful. No employee is to withhold or conceal information requested by, or to furnish misleading information to, the

internal auditors, independent auditors, Directors of the Company or to any others authorized by Company to receive it.

9. Public Communications

9.1. The Company has a policy to adhere to communication and dissemination of information as required under applicable laws in a fair, diligent and transparent manner. All such communications shall be made public through authorised representatives of the Company. Unless authorised by the Company, an employee shall not disseminate information on behalf of the Company or interact with public media except to the extent authorised by the Company in the ordinary course of the business.

10. Confidential Information

10.1. The Company's continued success depends on the use of its proprietary confidential information and its nondisclosure to third parties. Confidential information comprises any information that is not or not yet public information. It includes trade secrets, business, marketing and service plans, consumer insights, engineering and manufacturing ideas, product recipes, designs, databases, records, salary information and any non-published financial or other data.

10.2. Unless required by law or authorized by the Company, employees shall have duty of care not to disclose confidential information of the Company or allow such disclosure. This obligation continues beyond the termination of employment. Furthermore, employees must use best efforts to avoid unintentional disclosure by applying special care when storing or transmitting confidential information.

10.3. The Company respects that third parties have a similar interest in protecting their confidential information. In case those third parties, such as joint venture partners, suppliers or customers, share with the Company confidential information, such information shall be treated with the same care as if it was the Company's confidential information. In that same spirit, employees shall protect confidential information that they have obtained in the course of their prior employment

11. Workplace conduct

11.1. The Employees of the company are expected to maintain high degree of professionalism, objectivity, fairness, courtesy and sensitivity in their dealings with peers, subordinates and superiors in order to meet the Company commitment to providing a safe and non-discriminatory working environment for all employees.

11.2. All employees are expected to be cognizant of safety and security needs, policies and regulations. The safety and security of employees, their fellow co-workers or any other persons on the Company's premises shall take precedence in discharging work related responsibilities by employees.

11.3. All employees of the Company are to make sure that they are fit and able to perform their assigned duties when they report for work. Employees who are taking legally prescribed drugs and who are concerned that such drugs may

impact their ability to carry out their normal work assignments must consult with their physician and inform their supervisors.

- 11.4. All employees are to understand that the use, sale, possession, manufacture, dispensing or distribution of alcohol, unauthorized drugs or controlled substances under applicable laws of the countries/ jurisdictions of residence by an employee on Company premises is strictly prohibited. The abuse of legal drugs on Company premises or during normal work hours is likewise prohibited. The Company retains the right to search any and all Company property, as well as the employee's person and personal possessions, at any time. Controlled, prohibited or illegal substances will be confiscated, and where appropriate, turned over to the authorities.
- 11.5. The possession of firearms or other weapons or any other dangerous or illegal articles (excluding articles/ chemicals or agents used in company operations) on Company premises or while on Company business is prohibited except to the extent permitted under applicable laws for reasons of maintaining security and safety services by employees in the security services. The employees are prohibited to use any fixture or article of company for unintended purposes.
- 11.6. The employees are not allowed to use Company resources, i.e., equipment, manpower, supplies, facilities, etc., for another organization, unless specifically allowed by the Company to do so.
- 11.7. Company resources, including time, materials, equipment and information, are provided for company business use. Nonetheless, occasional personal use is permissible as long as it does not affect job performance or cause a disruption to the workplace. Company email accounts should only be for used for personal matters when it is not practicable to use a personal email account.
- 11.8. Employees and those who represent RAK Ceramics are trusted to behave responsibly and use good judgment to conserve company resources. Managers are responsible for the resources assigned to their departments and are empowered to resolve issues concerning their proper use.
- 11.9. Employees are not allowed to use company equipment such as computers, copiers and fax machines in the conduct of an outside business or in support of any religious, political or other outside daily activity, except for company-requested support to non-profit organizations. The Company does not solicit contributions nor distribute non-work related materials during work hours.
- 11.10. In order to protect the interests of the RAK Ceramics Internet network and our fellow employees, RAK Ceramics reserves the right to monitor or review all data and information contained on an employee's company-issued computer or electronic device, the use of the company provided Internet or RAK Ceramics' intranet. The company does not tolerate the use of company resources to create, access, store, print, solicit or send any materials through any mediums including social media like Facebook, Twitter, LinkedIn, Snapchat, WhatsApp that are harassing, threatening, abusive, sexually explicit or otherwise offensive or inappropriate.
- 11.11. The Employees are expected not to engage in any bullying, threatening or intimidating harassment including sexual harassment of their co-workers. The unintended viewing, and any transmission of pornographic material or any other

material that could reputational damage to the Company is a very serious offence which risks summary dismissal.

11.12. The Company discourages workplace violence or inappropriate behaviour including physical assault, battery and any act which inflicts bodily harm by an employee on other co-worker or person inside the Company premises and facilities.

11.13. All employees of the Company are expected to treat their co-workers objectively fairly and courteously without regard to race, color, creed, religion, gender, national origin, age, sexual orientation, veteran status or disability.

12. Equal opportunities and fair treatment

12.1. Subject to overriding provisions/ requirements under applicable laws to provide preferential local employment, the Company strives to provide a workplace where all individuals have an equal opportunity to work, advance and contribute to the Company's success. To be successful in the global marketplace for skilled resources, the Company fosters a work environment that is inclusive of organizational, personal and cultural differences in all aspects of its business. Thereby the Company offers equal employment and advancement opportunity to all qualified individuals without distinction or discrimination on grounds of age, colour, national origin, race, religion, gender, disability. This principle applies to all employees and applicants for employment and to all aspects of the employment relationship.

13. Insider Trading

13.1. The Company prohibits the dealing (i.e. purchase and sale) of listed shares or securities of the Company or its subsidiaries by the employees on the basis of potentially share price relevant information which is not yet public. All the Employees are expected to be aware of the applicable laws and regulations and declarations required prior to dealing in shares or securities of the Company in the country / jurisdiction of listing of such securities and the rules and procedures of the Company.

14. Environmental Commitment

14.1. All employees are expected to be aware of the Company's commitment to contribute to sustainable business development with respect for environmental issues and requirements and its environmental policy statements issued from time to time.

14.2. The employees of the Company are expected to have knowledge of, monitor and adhere strictly to all applicable Federal, State Municipal and Local environmental laws and regulations that impact the Company operations and business including the requirements under environmental standards of the financial participants. Such rules and regulations may include, without limitations, laws and regulations with reference to emissions, environmental impacts and stipulated environmental characteristics of inputs and outputs and methods used in the business processes of the Company.

15. Contributions to Community and civil society

- 15.1. The Company has a longstanding commitment to be a good corporate citizen and responsible member of neighbour to the communities in which it operates, or where its operations subsidiaries or divisions are located.
- 15.2. Employees are encouraged to participate (on their own time) as contributing members of community, or civil or government or charitable or voluntary or professional organizations creating social value and contributing to community development. However, such participation may remain as an independent contributing member and not as a representative of the Company unless specifically unless authorized by the Company. Employees should also consider such participation in context of an explicit or implied conflict of interest.

16. Reports and Periodic Reviews

- 16.1. Any employee who is requested to make, authorize, or agree to any offer or payment which is, or may be, contrary to this Policy will promptly report such information to the employee's manager, the Chief Compliance Officer, the Chief Human Resources Officer, the Chief Legal Counsel or to the manager Incharge responsible for financial activity.
- 16.2. Any employee who acquires information (for example, newspaper reports, reports from customers, or statements of individuals involved) that gives the employee reason to believe that any employee is engaged in conduct forbidden by this Policy, or that any sales representative, distributor, buyer, or other person or firm representing the Company in any transaction is engaged in the type of conduct (whether or not in connection with a transaction involving the Company or its products) which, if engaged in by an employee of the Company, would violate this Policy, will promptly report such information to the employee's manager, the Chief Compliance Officer, the Chief Human Resources Officer, the Chief Legal Counsel or to the manager Incharge responsible for financial activity.
- 16.3. Any manager receiving a report as cited above will promptly consult with assigned Company's Legal Counsel and thereafter will, after appropriate investigation, take timely remedial or other action as warranted under the provisions of this Policy. Such manager will also promptly report the matter to higher management.

17. Violations of the Policy

- 17.1. Violations of the Policy are grounds for disciplinary action including and up to termination of employment, depending on the circumstances of the particular violation and having as a primary objective furtherance of the Company's interest in preventing violations and making clear that violations are neither tolerated nor condoned.

17.2. Disciplinary action will be taken, not only against individuals who authorize or participate directly in a violation of the Policy, but also against:

17.2.1. Any employee who may have deliberately failed to report a violation of the Policy;

17.2.2. Any employee who may have deliberately withheld relevant and material information concerning a violation of this Policy and

17.2.3. The violator's managerial superiors, to the extent that the circumstances of the violation reflect inadequate leadership and lack of diligence.

17.3. Where an employee is accused of violating the regional laws governing business, and the employee has relied in good faith on the advice of Company Legal Counsel after full disclosure of the material facts, no disciplinary action may be taken against the employee under this Policy; and the Company may, within the limits permitted by law, assist in the employee's defence.

Change Control

Issued/Revised	Effective Date	Key Changes
Revised	May 7 th , 2017	Revised issue after approval from the Audit Committee

Appendices

1. Conflict of Interest Policy
2. Whistle Blower Policy



Corporate Governance – Conflict of Interest Policy for RAK Ceramics

August 2016. Version 1.0

PREPARED BY
VIBHUTI BHUSHAN

1. Purpose & Objective

The purpose of this policy is to ensure compliance with internationally recognized and accepted business and ethical standards by RAK Ceramics and its employees and to enhance the confidence of outside entities in the integrity of the Company and its Employees by:

- Establishing rules of conduct with respect to Conflict of Interest and minimizing the possibility of Conflict of Interest arising between private interests of associates and their official duties
- Providing for the objective and fair resolution of such conflicts should they arise

2. Scope of Application

This Policy applies to all members of the Board of Directors, Officers and Employees including part time employees ("Associates") of RAK Ceramics PSC (the "Company") and its affiliates (the "Group").

3. Definitions

The following definitions apply for the purpose of this Policy:

"Conflict of Interest"	Conflict of interest exists when the official duties and responsibilities of an employee is compromised or could be potentially compromised by his or her personal and private interests. A conflict of interest may be real, apparent or perceived. "Real" conflict of interest exists when the employee has knowledge of a private interest economic or otherwise that could influence the exercise of his or her official duties and responsibilities. "Apparent" or "perceived" conflict of interest exists when the employee is in a situation in which a reasonably well-informed person could have a reasonable apprehension that a conflict of interest exists, even when there may not be a conflict.
"RAK Ceramics"	RAK Ceramics PSC and any of its affiliates (referred to as "Group")
"Family Member"	Immediate family members of an Associate, i.e. the Associate's spouse, parents, children, siblings, mother-, father-, brothers- and sisters-in-law.

4. Policy Principles

The policy is primarily based on section 4 of RAK Ceramics Code of Conduct which specifies that:

- ✓ Each and every employee of the Company is expected to conduct his or her personal and business affairs in a manner such that neither a conflict, nor the appearance of a conflict, arises between those interests and the interests of the Company.
- ✓ Employees are also expected to ensure that they don't create actual, or the appearance of, conflicts of interest for others in their business / professional dealings.

Associates should also recognize and be aware that;

- Conflict of interest; real, apparent or perceived undermines the confidence reposed in the associates and may adversely affect their reputation and personal standing.
- Granting or acceptance of improper benefits can constitute a criminal offence according to various international conventions and national laws.
- While discharging their official duties, due professional care and diligence has to be maintained, must be impartial and should not unduly benefit through their position with in RAK Ceramics Group.
- When a conflict of interest exists, the interests of the group supersede those of the associates.
- Having a conflict of interest does not necessarily indicate wrongful conduct and punitive actions will not be taken for reporting, discussing, or seeking information about conflict of interest.

In discharge of their official duties and responsibilities, the associates;

- Will not give preferential treatment or disclose confidential information to private or personal interests, or any person or organization intent on securing dealings with RAK Ceramics group.
- Will not knowingly take advantage of, nor benefit from, information that is obtained in the course of their official duties and not generally available to others.
- Will withdraw from activities or situations in which they believe there could be a conflict of interest and they will report in writing, to their Functional Head and Chief Compliance Officer, details of their actions and the perceived conflict.
- Will not solicit economic consideration nor accept gifts in lieu of payment.
- Will not directly or indirectly use or allow the use of, RAK Ceramics property of any kind, for any purposes other than those that are approved.

Notwithstanding the above, Associates can participate in, have membership in, and serve not-for-profit organizations. While participating in charitable or community based activities associates will avoid behaviors that could infer that they are participating in an 'official' capacity on behalf of RAK Ceramics Group unless these are undertaken by the Group itself.

Employees will ensure that these activities do not unduly interfere with their job related duties and will not use RAK Ceramics premises, equipment, or supplies, unless such use is otherwise authorized.

5. Conflict of Interest Scenarios

There are a number of situations where conflicts of interest are likely to arise. However, being too specific risks restricting the application of this Policy to the examples specifically mentioned. Please note that this list of potential conflicts of interest is not exhaustive. Even if a particular situation is not expressly mentioned herein, Associates are advised to disclose all situations which may result in a conflict of interest and, where appropriate, seek approval.

a) Outside Employment:

- While working for RAK Ceramics group, an associate should not work for any other entity either part time or full time, whether beyond official working hours or not and with or without pay or other form of consideration.

b) Interest in any Entity having current or prospective business relations with RAK Ceramics:

- Employees or their Families shall not have a direct or indirect Interest in any Entity having current or prospective business relations with the Company if known, irrespective of the activity of that Entity, be it a contractor, supplier, customer, landlord, sponsor, or otherwise. In the event such a conflict arises, the Associate should recuse from any process or activity relating to that entity and inform their functional heads and Chief Compliance officer in writing.

c) Paid or Unpaid positions outside the company:

- RAK Ceramics believes that it is desirable for Associates not to hold any paid or unpaid positions in external organizations to avoid any real or potential conflict of interest. However, RAK Ceramics also recognizes that there would be situations and circumstances where Associates would be holding paid / unpaid positions in external organizations. In these instances, it is important that prompt disclosures are made and approvals sought by the concerned Associates from RAK Ceramics management.
- To ensure that all such conflicts of interest are recognized, all Associates shall disclose and seek approval for any positions of responsibilities they are holding in external organizations such as membership in a board of directors, or similar positions in a supervisory body of an external organization. The disclosure shall be made to their functional head and Compliance Department. Depending on the level of the associate and particulars of the positions held, these shall be approved by the CEO or the Audit Committee.
- The Associate shall disengage from the external organization in case the approval is

refused. Any new position should only be accepted after prior approval from Ceramics Management, which shall grant the approval after Compliance Department's endorsement.

- Associate holding any position that enables him to act as advisor/officer of any governmental/statutory agency which has regulatory or supervisory power over RAK Ceramics should have prior approval from the Audit Committee of RAK Ceramics PSC.

d) Outside Business Activities/Private Interests:

- All Employees should disclose their business activities / other private interests/ stakes in any business activities outside the company. The provisions set forth in this Section shall apply irrespective of the nature of such business activities, whether that is beyond the official working hours and with or without pay or other form of consideration.
- Holding shares/debentures/other financial instruments/mutual funds listed on any recognized stock exchange will not be covered under this provision.

e) Direct or indirect interest in entities belonging to same business segment as that of RAK Ceramics:

- Associates are expected to disclose any direct or indirect position/stake including but not limited to ownership, shareholding, directorship, partnership, agency, consultancy, profit sharing or employment of self or family member in any entity belonging to the same business segment as that of RAK Ceramics. For the purpose of clarity, business segment will mean the "core business segment" of RAK Ceramics group as defined by the management from time to time, which currently is Tiles, Sanitary ware, Tableware and Faucets.

f) Speaking Engagements and Publications (outside of RAK Ceramics):

- Any lecture, speaking engagement or publication by an Associate to an external audience outside of RAK Ceramics on any subject that relates to RAK Ceramics or the business of RAK Ceramics is subject to approval from CEO, RAK Ceramics.

g) Employment of a Family member of an Associate:

The employment of a Family Member of an associate in the group is not allowed if;

- The Associate is involved in the hiring decision concerning the Family Member.
- The Associate is in a supervisory, subordinate or control relationship with a Family Member.
- Where the employment of a Family Member creates any actual, perceived or potential conflict of interest, the relationship must be disclosed. RAK Ceramics will make reasonable efforts to mitigate any such potential conflict of interest by transferring one or the other of the related Associates to another position

h) Bribery and Prohibited Benefits:

- Employees shall not accept a gift, entertainment or anything else of value

- from a contractor, supplier, customer, consultant, landlord, sponsor or any Entity with whom the Company has commercial dealings without the written consent of the Company, except where, in the case of a gift or entertainment, the value is within the limits prescribed by the Company from time to time, or is of a promotional nature and within commonly accepted industry practice and guidelines established by the Company.
- - Employees shall not accept loans from Entities doing business with the Company, except for normal personal loans from banks and recognized financial institutions.
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 - The Associate shall endeavor to avoid all such situations / circumstances that could lead to real or potential conflict of interest involving another person who is personally close to the Associate though is not a Family Member as defined for this policy. In case of any doubts, prompt disclosure should be made and approval sought – CEO RAK Ceramics would be the approving authority.

6. Disclosure and Approval

- The following are the conflicts that are prohibited, that require disclosure & approval and that require disclosure alone.
 - Prohibited Activities:
 - Outside Employment
 - Interest in any entity having current or prospective business relations with the company
 - Involvement in hiring decision of family member
 - Having superior-subordinate or control relationship with family member
 - Acceptance of loans from companies doing business with the company (except from banks and recognized financial institutions)
 - Disclosure and Approval:
 - Paid or unpaid positions outside the company
 - Speaking engagements outside company and on a subject relating to RAK Ceramics group
 - Publication of articles/books relating to RAK Ceramics group
 - Acceptance of gifts of value, above the predefined limit, from entities having commercial relationship with the company
 - Disclosure
 - Direct or indirect interest in entities belonging to the same business segment as that of the group.
 - Outside Business Activities/Private interests

- Disclosure of a conflict of interest shall be made to the Associate's functional head and the Chief Compliance Officer. All such conflicts shall be examined by the Internal Control Department and wherever approval is required; such approval shall be sought from the CEO and/or Audit Committee of RAK Ceramics. Any approval would need Compliance's endorsement before it is granted by the CEO, RAK Ceramics.
- The Internal Control Department shall be authorized to collect additional information, interview relevant personnel, conduct required data analytics, and seek additional clarifications from third parties to assess the correctness of the disclosure.
- The Chief Compliance Officer shall inform the final decision to the associate and the relevant functional head once necessary approvals are obtained and will communicate the resolution mechanisms as decided by the CEO or Audit Committee. Internal Control shall be authorized to monitor the implementation of resolution mechanisms and submit requisite reports as desired by the management.
- Disclosures, approvals and rejections shall be documented in writing and a copy shall be kept by the Associate as well as by his/her supervisor and the Compliance Department. A copy of the same would also be put in the personal file of the Associate. Any material changes to the disclosed/approved conflicts shall also be subject to renewed disclosure/approval.
- Should the Associate feel that an approval has been denied unfairly, he/she may contact the CEO directly.
- New hires are requested to disclose all actual or potential conflicts of interest at or before commencement of employment.
- All associates are required to disclose all such potential conflicts to the management as and when it arises. In addition to that, the Internal Control Department shall conduct an annual assessment exercise wherein associates would be required to submit signed declarations, disclosing their potential conflicts and interests. The onus would be on the employee to disclose and declare all such conflicts under this policy and an associate's obligation will not be limited to complete and submit the self-declaration under the Annual Potential Conflict of Interest exercise run by the Internal Control department.

7. Violations

Activities which violate or appear to violate this Policy shall be reported to the management and CEO, RAK Ceramics through Compliance Department. RAK Ceramics will regard any violation of this policy as a serious breach of an Associate's obligations and will take strong disciplinary action potentially including termination of employment.

Change Control

Issued/Revised	Effective Date	Key Changes
Initial Issue	Nov. 12, 2014	Initial issue after approval from the Audit Committee and the Board of RAK Ceramics
Revised Issue	Aug. 04, 2016	Revised issue after approval from the Audit Committee and the Board of RAK Ceramics



Corporate Governance – Whistleblower Policy for RAK Ceramics

February 2020, Version 1.1

PREPARED BY
GROUP INTERNAL CONTROL

1. Background

This Policy addresses the commitment of RAK Ceramics (the "Company") to integrity and ethical behavior by helping to foster and maintain an environment where employees can act appropriately, without fear of retaliation. To maintain these standards, RAK Ceramics encourages its employees who have concerns about suspected serious misconduct or any breach or suspected breach of law or regulation that may adversely impact the Company, to come forward and express these concerns without fear of punishment or unfair treatment.

RAK Ceramics conducts business based on the principles of fairness, honesty, openness, decency, integrity and respect. It is the Company's policy to support and encourage its employees to report and disclose improper or illegal activities, and to fully investigate such reports and disclosures. It is also the Company's policy to address any complaints that allege acts or attempted acts of interference, reprisal, retaliation, threats, coercion or intimidation against employees who report, disclose or investigate improper or illegal activities (the "Whistleblowers") and to protect those who come forward to report such activities. The Company assures that all reports will be treated strictly confidentially and promptly investigated and that reports can be made anonymously, if desired.

2. Objectives of the Policy

The intended objectives of this policy are:

- ✓ To provide avenues for employees to raise concerns and define a way to handle these concerns.
- ✓ To enable Management and or the Board to be informed at an early stage about acts of misconduct.
- ✓ To reassure employees that they will be protected from punishment or unfair treatment for disclosing concerns in good faith in accordance with this procedure.
- ✓ To help develop a culture of openness, accountability and integrity.

3. Scope of the policy

This whistleblowing policy is applicable to all group entities of RAK Ceramics. It governs the reporting and investigation of complaints as well as protections for the whistleblower. The complaints / concerns could be regarding, inter alia:

- ✓ Incorrect financial reporting;
- ✓ Fraud and bribery;
- ✓ Theft and misappropriation;
- ✓ Unlawful activity;
- ✓ Activities that are not in line with Company policy, including the Code of Business Conduct; or
- ✓ Activities, which otherwise amount to serious improper conduct.

4. Safeguards

Harassment or Victimization - Harassment or victimization for reporting concerns under this policy will not be tolerated. No employee who makes a report or raises genuinely held concerns will be dismissed or subject to any detriment or victimization. If employees believe that they are being victimized within the workplace as a result of having made the report or raised the concern, they should inform the Chief Legal Counsel immediately.

RAK Ceramics is committed to investigating any such reports or disclosures fully, fairly, quickly and confidentially where circumstances permit. So far as the Chief Legal Counsel considers it appropriate and practicable, the employee who made the report will be kept informed of the progress of the investigation.

Confidentiality - Every effort will be made to treat the complainant's identity with appropriate regard for confidentiality.

Anonymous Allegations - This policy encourages employees to put their names to allegations because appropriate follow-up questions and investigation may not be possible unless the source of the information is identified. Concerns expressed anonymously will be explored appropriately, but consideration will be given to:

- ✓ The seriousness of the issue raised;
- ✓ The credibility of the concern; and
- ✓ The likelihood of confirming the allegation from credible sources.

Bad Faith Allegations - Allegations in bad faith may result in disciplinary action.

5. Reporting and Handling of Whistle-blower Complaints

Reporting- The whistleblowing procedure is intended to be used for serious and sensitive issues. Such concerns, including those relating to financial reporting, unethical or illegal conduct, may be reported by email to whistleblowing@rakceramics.com. Whilst reporting by email to whistleblowing@rakceramics.com is the preferred option, if the whistleblower does not feel comfortable in reporting by email, he may directly make his report to any of the member of Whistleblower Committee. The Whistleblower Committee consists of following.

- a. Chief Legal Counsel, RAK Ceramics – Chairman
- b. Chief Compliance Officer, RAK Ceramics - Member

In the event that the whistleblower feels uncomfortable reporting the matter to any of these individuals they should report it directly to Chairman of the Audit Committee and / or to Expert to the Audit Committee.

Their contact details are provided in annexure 1.

Timing - The earlier a concern is expressed, the easier it is to take action.

Evidence - Although the employee is not expected to prove the truth of an allegation, the employee should be able to demonstrate to the person contacted that the report is being made in good faith.

The Whistleblower Committee shall investigate and complaints / concerns. Initial inquiries will be made to determine whether an investigation is appropriate, and the form that it should take. Some concerns may be resolved without the need for investigation. The Committee may involve other functions such as Internal Control, Legal, HR and Finance in their investigation. The Committee may also seek outside assistance including help from government / regulatory authorities if required. The action taken in response to a report of concern under this policy will depend on the nature of the concern. The Audit Committee of RAK Ceramics shall receive anonymised information on each report of concern and follow-up information on actions taken.

Further Information -The amount of contact between the complainant and the Whistleblower Committee investigating the concern will depend on the nature of the issue and the clarity of information provided. Further information may be sought from or provided to the person reporting the concern.

Change Control

Issued/Revised	Effective Date	Key Changes
Initial Issue	Feb 11, 2016	Initial issue after approval from the Audit Committee
Revised Issue	Feb 11, 2020	Revised issue after approval from the Audit Committee

Annexure 1: Whistleblower Committee Contact Details

George Rabahie – Chief Legal Counsel, RAK Ceramics
Email: george.rabahie@rakceramics.com
Phone: 00971 7 246 7600

Vibhuti Bhushan – Chief Compliance Officer, RAK Ceramics
Email: vibhuti.bhushan@rakceramics.com
Phone: 00971 7 246 7624

Philip Gore-Randall – Expert to the Audit Committee
Email: Philip@gore-randall.co.uk