



# **CODE OF BUSINESS PRINCIPLES**

**M/S KARIM CONTAINERS (PVT.) LTD**

Reviewed By

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MR / QA Manager

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Director



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## **CODE OF BUSINESS PRINCIPLES**

Karim Containers (Pvt) Ltd Code of Conduct establishes standards to ensure that working conditions in the industry supply chain are safe, that workers are treated with respect and dignity, and that business operations are environmentally responsible.

Also according to company policy, company must have to communicate all the below mentioned requirements and business principles which reflects the same requirements to be implemented by our suppliers and this is communicated to our suppliers.

Manager Finance along with Factory Manager are made responsible to communicate these regulations with workers as well as our suppliers and customers to maintain equal ethics, standards and business environment from supply to dispatch

### **1. LABOR**

Participants are committed to uphold the human rights of workers, and to treat them with dignity and respect as understood by the international community.

#### **1.1 Freely Chosen Employment**

Forced, bonded or indentured labor or involuntary prison labor shall not to be used. All work will be voluntary, and workers shall be free to leave upon reasonable Notice, moreover all the labor are working on regular and permanent basis and we are not engaged in contract and home working activity

#### **1.2 Child Labor Avoidance**

Child labor is not to be used in any stage of manufacturing. The term "child" refers to any person under the age of 15 (or 14 where the law of the country permits), or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest. Incase of find any child labor, remediation plan will be apply according to the law.

#### **1.3 Wages and Benefits**

Compensation paid to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. In compliance



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with local laws, workers shall be compensated for overtime at pay rates greater than regular hourly rates. The normal work week, not including overtime, shall not be exceed maximum numbers of hour by law.

**1.4 Non-Discrimination**

Participants should be committed to a workforce free of harassment and unlawful discrimination. Companies shall not engage in discrimination based on race, color, age, gender, sexual orientation, ethnicity, disability, pregnancy, religion, political affiliation, union membership or marital status in hiring and employment practices such as promotions, rewards, and access to training.

**1.5 Whistle Blowing**

Karim Containers has a policy for workers to report misconduct, policy breaches (whistle blowing) which includes protection for workers from retaliation. For the sake of it all workers are requested to report any misconduct directly to the director of KCL through special contact no. Also KCL management appreciates those workers who indicates and point outs any misconduct by dropping complaint in the complaint box within three days of misconduct to avoid retaliation. KCL has its policy to not to expose complainant name in front of management but investigate through investigation team.

Also KCL appreciates its suppliers to indicate any misconduct which is observed from KCL staff by dropping complaint in drop box or by logging complaint to the email ID which is only accessible to Director only. Both the complaint boxes are locked and their access is limited to director only.

**1.6 Sanctions**

At Karim Containers it is ensured that entities (managers, supervisors, workers, suppliers etc.) found in breach of policy or guilty of misconduct are subject to reprimand and sanction commiserate with the offense. Director investigates any complaint related to breach of policy and take immediate actions on complaints. Wrokers and suppliers are provided by the complaint no and for written complaints, complaint boxes are provided whose access is limited to only Directors.

**1.7 Freedom of Association**

Participants are to respect the rights of workers as established by local law to associate freely on a voluntary basis, seek representation, join or be represented by Works Councils,



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and join or not join labor unions and bargain collectively as they choose. As provided by law, employees who become worker representatives shall not be the subject of discrimination and shall have access to management and coworkers in order to carry out their representative functions. Workers shall be able to Communicate openly with management regarding working conditions without fear of reprisal, intimidation or harassment

**1.8 Disciplinary policy.**

The purpose of this policy is to provide employees and managers a fair, clear and useful tool for correcting performance problems, as well as to provide a process to assist management in handling cases of unacceptable personal conduct. All provisions of the performance management System, equal employment opportunity and other related policies shall be complied with in implementing and evaluating the fair and just delivery of appropriate disciplinary actions.

**2. HEALTH and SAFETY**

Participants recognize that in addition to minimizing the incidence of work-related injury and illness, a safe and healthy work environment enhances the quality of products and services, consistency of production and worker retention and morale. Participants also recognize that ongoing worker input and education is essential to identifying and solving health and safety issues in the workplace.

**2.1 Occupational Safety**

Worker exposure to potential safety hazards (e.g., electrical and other energy sources, fire, vehicles, and fall hazards) are to be controlled through proper design, engineering and administrative controls, preventative maintenance and safe work procedures (including lockout/tag out ), and ongoing safety training. Where hazards cannot be adequately controlled by these means, workers are to be provided with appropriate, well-maintained, personal protective equipment. Workers shall not be disciplined for raising safety concerns.

**2.2 Emergency Preparedness**

Emergency situations and events are to be identified and assessed, and their impact minimized by implementing emergency plans and response procedures, including: emergency reporting, employee notification and evacuation procedures, worker



training and drills, appropriate fire detection and suppression equipment, adequate exit facilities and recovery plans.

### **2.3 Occupational Injury and Illness**

Procedures and systems are to be in place to prevent, manage, track and report occupational injury and illness, including provisions to: a) encourage worker reporting; b) classify and record injury and illness cases; c) provide necessary medical treatment; d) investigate cases and implement corrective actions to eliminate their causes; and e) facilitate return of workers to work.

### **2.4 Sanitation, Food, and Housing**

Workers are to be provided with ready access to clean toilet facilities, potable water and sanitary for taking food, storage, and eating facilities.

## **3. ENVIRONMENTAL**

Participants recognize that environmental responsibility is integral to producing world class products. In manufacturing operations, adverse effects on the community, environment and natural resources are to be minimized while safeguarding the health and safety of the public

### **3.1 Wastewater and Solid Waste**

Wastewater and solid waste generated from operations, industrial processes and sanitation facilities are to be characterized, monitored, controlled and treated as required prior to discharge or disposal.

### **3.2 Pollution Prevention and Resource Reduction**

Waste of all types, including water and energy, are to be reduced or eliminated at the source or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials.

### **3.3 Hazardous Substances**

Chemical and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, use, recycling or reuse and disposal.



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#### **4. ETHICS**

According to company policy, company must have to communicate all the below mentioned requirements and business principles which reflects the same requirements to be implemented by our suppliers and this is communicated to our suppliers and to meet social responsibilities and to achieve success in the marketplace, Participants and their agents are to uphold the highest standards of ethics including:

##### **4.1 Business Integrity**

The highest standards of integrity are to be expected in all business interactions. Participants shall prohibit any and all forms of corruption, extortion and embezzlement. Monitoring and enforcement procedures shall be implemented to ensure conformance.

##### **4.2 No Improper Advantage**

Bribes or other means of obtaining undue or improper advantage are not to be offered or accepted.

##### **4.3 Disclosure of Information**

Information regarding business activities, structure, financial situation and performance is to be disclosed in accordance with applicable regulations and prevailing industry practices.

##### **4.4 Fair Business, Advertising and Competition**

Standards of fair business, advertising and competition are to be upheld. Appropriate means to safeguard customer information must be available.

##### **4.5 Conflicts of interest**

A conflict of interest occurs when a person advance a personal interest (or that of others with whom persons are connected) at the expense of the Company.  
Reference should be made to the Company's policy on declarations of interest.

##### **4.6 Giving gifts and hospitality**

Staff may not, directly or through others, offer or give any, money, gift, hospitality or other thing of value to an official, employee or representative of any supplier, customer or any other organization, if doing so could reasonably give the appearance of influencing the organization's relationship with the Company.

Staff may:

- give gifts of a nominal value (such as Company Brochures, Diary & Company made home appliances);



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- with management approval, provide meals and other entertainment at venues outside the Company, provided that the expenses are kept at a reasonable level. For the avoidance of doubt, the per capita cost of a meal should not exceed Rs. 3000 and would normally be much less;
- provide meals and overnight accommodation where these are reasonable and in the normal course of Company business or events.

### 4.7 Receiving gifts and hospitality

An employee or any member of their family should not, directly or through others, solicit or accept money, gifts, hospitality or anything else that could influence or reasonably give the appearance of influencing the relationship with that organization or individual.

Gifts or hospitality may not be accepted, irrespective of value, which might influence or be seen to influence such situations as the outcome to benefit personally or for the benefit of any person connected to that person.

Unless you have been informed otherwise you may accept:

- a gift of nominal value, such as an advertising novelty, when it is customarily offered to others having a similar relationship with that individual or organization;
- customary meals or entertainment provided that the expenses are kept at a reasonable level.
- For the avoidance of doubt, no cash payment of any cost is not allowed to accept. If an excessive gift or hospitality is found to have been accepted, then manager finance will discuss the circumstances with you and agree how to deal with it e.g. a gift can be returned or steps can be taken to ensure that the acceptance of hospitality does not influence a decision or situation in favour of the giver. If excessive gift(s) or hospitality are accepted on more than one occasion or are found to have influenced decisions inappropriately, against Company policy (or potentially illegally), then warning letter must be issued to particulars.

### 4.8 Protection of Identity

Programs that ensure the confidentiality and protection of supplier and employee  
Whistle blowers are to be maintained

### 4.9 Export Control Policy

It is the policy of the company to comply with Pakistan export control laws. Export control laws restrict certain types of information, technologies and commodities that can be transmitted overseas to entities and individuals, including Pakistani citizens, or made available to foreign nationals on Pakistani land. It is the responsibility of factory staff and workers to be aware of and comply with Pakistan's export control laws as well as with the



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Pakistan's written instructions and procedures before engaging in any activities that may raise compliance issues under Pakistan's export control laws or this policy.

#### **4.10 Anti-money laundering**

Company has a policy to restrict our personals from money laundering activities. For the sake of this company persons must have to follow the limits of money during travelling as per guidelines provided by the Govt. of Pakistan.

#### **4.11 Antitrust Policy**

Company has a Policy to control Antitrust activities and follow all rules and regulations regarding antitrust made by Govt. of Pakistan as well as the Country where company have to spread its business. It was thought that if a few companies were able to control the market share, or the percentage of the total amount of revenue generated from the sale of a product that is held by one single company, it would impact competition. Only a few companies would have the highest market share, leaving little to no room for others to enter into the market.

Company policy is to use and promote other ways of businesses which can alter competition are:

- Market allocation
- Bid rigging
- Price fixing

#### **1.9 Due Diligence to obtain FPIC:**

It is the policy of KARIM CONTAINERS (PVT.) LTD to make individual or team trained to deal with local communities and indigenous peoples on the principles of free, prior and informed consent,(FPIC) or there are individuals who are knowledgeable enough to seek outside consultation to ensure rights are acknowledged and protected and sufficient due diligence is carried out.

It is ensured by Karim Containers (Pvt.) Ltd that we follow free, prior and informed consent, (FPIC) and no land grabbing policy.