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## LABOR PRACTICE COMMITMENT & PROGRAMS

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## 1. Our Commitment

RAK Properties is fully committed to upholding internationally recognized labor rights and publicly reporting on our compliance. In addition to the existing Human Rights provisions related to freedom of association, the right to collective bargaining, elimination of forced and child labor, and non-discrimination, this policy reinforces our commitment to fair labor practices. These principles are embedded in our HR Manual and operational processes.

This policy outlines our efforts to ensure fair treatment, decent working conditions, and ethical employment practices across the organization.

## 2. Scope

This policy applies to all employees of RAK Properties, including permanent, temporary, and probationary staff.

## 3. Core Commitments

RAK Properties upholds the rights of workers to fair treatment in all aspects of employment. This includes the right to associate freely, engage in collective bargaining, be protected from discrimination, and be free from forced or child labor.

## 4. Detailed Policy Provisions

### 4.1 Living Wage

We ensure that all basic salaries and fixed allowances meet or exceed the UAE's living wage standards. These rates are reviewed annually to remain aligned with market conditions and national benchmarks.

### 4.2 Prohibition of Child Labor and Juvenile Employment

RAK Properties does not permit the employment of individuals under the age of 15 under any circumstances. For juvenile employees between 15 and 17 years of age, employment is only permitted under strict conditions:

- The juvenile's guardian or custodian must provide written consent.
- A medical certificate confirming the individual's fitness to work is required.
- Juvenile working hours must not exceed six hours per day and must include at least one hour of rest. They may not work more than four consecutive hours without a break.
- Employment is not permitted between 7:00 PM and 7:00 AM.
- Juveniles cannot be employed in roles that are dangerous, physically strenuous, or morally inappropriate.

- Overtime, weekend shifts, and public holiday work are strictly prohibited for juveniles.
- All such employment arrangements must comply with ministerial regulations and require proper documentation and justification.

#### **4.3 Avoiding Excessive Overtime and Setting Maximum Working Hours**

RAK Properties manages working hours in line with legal requirements to prevent employee fatigue and ensure productivity. The standard work week ranges from 40 to 48 hours, depending on the terms of each employment contract. Employees must not work more than eight hours per day (nine hours including breaks), except where otherwise provided by UAE law.

Overtime is discouraged unless essential to meet operational needs. When approved, overtime must not exceed two hours per day and require prior authorization from the appropriate administrative head. Overtime compensation is calculated as follows:

- 125% of the basic hourly rate for regular overtime
- 150% of the basic hourly rate for work between 10:00 PM and 4:00 AM or during official off-days

Employees above a certain grade level may be eligible for time off in place of financial compensation.

#### **4.4 Equal Remuneration for Men and Women**

RAK Properties enforces a policy of equal pay for equal work. Men and women performing the same role or equivalent duties are entitled to the same compensation, without discrimination. At RAK Properties, we follow a job function-based grading system that applies equally to all employees, regardless of gender.

#### **4.5 Paid Annual Leave**

Annual paid leave is granted based on the employee's work pattern and grade level. Employees working on a five-day week pattern are entitled to 22 to 30 working days of paid annual leave, while those on a six-day week pattern receive 26 working days of paid annual leave. Leave entitlements begin accruing from the date of joining and become accessible following successful completion of the probation period.

### **5. Separation, Notice, and End-of-Service Benefits**

#### **5.1 Causes of Termination**

Employment at RAK Properties may be terminated due to resignation, dismissal for cause, retirement, the expiry of a fixed-term contract, or in the event of the employee's death.

#### **5.2 Notice Period**

The standard notice period is a minimum of one calendar month. Employees are not permitted to take annual leave during their notice period, and any absences during this time are treated as unpaid

unless otherwise approved. Notice may not be issued while an employee is on approved leave. The Company reserves the right to waive or shorten the notice period by providing pay in lieu.

### 5.3 End of Service Gratuity

Upon termination of service, employees are entitled to end-of-service gratuity in accordance with the UAE Labour Law. For UAE Nationals, this benefit is provided by the General Pensions and Social Security Authority (GPSSA). For GCC Nationals, it is processed through their respective national pension bodies.

### 5.4 Repatriation for Expatriate Employees

Expatriate employees who leave the company are entitled to one-way economy airfare for themselves and eligible dependents back to their home country. This benefit must be claimed within 30 days of visa cancellation. If not claimed within this grace period, the benefit is forfeited.

## 6. Management of Fair Labor Practices

The Human Resources Department is responsible for maintaining and implementing this policy. The following section outlines the systems and programs in place to ensure fair and ethical labor practices across the organization. It covers compliance with labor laws, promotion of workplace equity, employee well-being, and mechanisms for monitoring and improving labor standards.

- **Equal Pay Practices** – A job grading system ensures equal remuneration for all genders.
- **Healthcare Coverage** – Medical insurance is provided for all employees, with extended coverage for their first-degree family members.
- **Annual leave Policy** – Clear policies regulate employees to use their annual leave within the year and specify the maximum number of leave days that may be carried forward to the following year.
- **Comprehensive Leave Policy**- In addition to the paid annual leave, employees are entitled to paid sick leave, emergency leave, Pilgrimage (Haj) leave, Medical escort leave (for Emiratis), Maternity leave, Breastfeeding leave, Paternity leave, Death leave, Iddah (mourning) Leave (for Emiratis), Study leave, National Services Leave (for Emiratis), and Unpaid leave in special circumstances.
- **Automated Attendance Tracking** – An automated attendance registering system is used to monitor employees' working hours.
- **Fair Compensation Reviews** – Salaries are regularly reviewed based on market conditions and cost-of-living assessments, and according to UAE labour laws.
- **Overtime Compensation** – Eligible overtime payments are calculated in line with the prevailing overtime policy and disbursed with the monthly salary.
- **Employee Voice & Engagement** – Staff provide feedback on workplace conditions through annual surveys and toolbox talks.
- **Travel assistance** – Eligible employees are entitled to one annual return flight ticket to their home country, in accordance with company policy

- **Continuous Learning** – All employees are given free access to an online learning platform to stay updated on the latest technologies, industry trends, and climate change topics.

## 7. Review Cycle

This policy is reviewed annually by the Human Resources Department to ensure alignment with changes in law and regulatory standards.