

# THE SPECIAL INTEGRATED LOGISTICS ZONE

## MANUAL

### (2021)

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## GENERAL PROVISIONS

### 1.1. Preamble

- 1.1.1. This Manual is issued pursuant to the powers vested in the Special Integrated Logistics Zone Governing Body (“**ILBZ Governing Body**”) in accordance with Article 20 of the ILBZ Law, issued pursuant to Royal Order No. A/17, dated 01/02/1440H (corresponding to October 12, 2018) and Article 4(1)(b) of the implementing rules (“**Zone Regulations**”) issued by GACA on 15/1/2020. The Special Integrated Logistics Zone (“**ILBZ**”) aims to attract quality investments that can contribute to the development of local competencies and the transfer of knowledge and expertise.
- 1.1.2. The purpose of this Manual is to set out the requirements for the establishment and operation of entities within the ILBZ.
- 1.1.3. The Manual will be published on the ILBZ website and will be subject to changes periodically.
- 1.1.4. The ILBZ Governing Body will issue and communicate to Established Entities and Authorized Entities any changes to the Manual as well as notices relevant to the operations in the ILBZ. Established Entities and Authorized Entities are required to comply with any new rules or policies that are issued and communicated by the ILBZ Governing Body.

### 1.2. Definitions

- 1.2.1. The following terms, as used herein, have the following respective meanings:

<b>Access Pass</b>	a physical or electronic certificate issued by SILZC.
<b>Assembly</b>	to combine separate component parts together in order to create a machine or other object.
<b>Authorized Entity</b>	an entity carrying out commercial activities or services (other than the Zone Activities) pursuant to paragraph 2.4.
<b>Authorized Person</b>	is: <ol style="list-style-type: none"> <li>any authorized Manager of SILZC.</li> <li>an authorized member of the SILZC Security and Operations Team;</li> <li>an authorized member of the Zakat, Tax and Customs Authority or the Ministry of Interior; or</li> <li>ILBZ Governing Body and SILZC employees carrying out their inspection duties pursuant to paragraphs 6.2 and 6.3.</li> </ol>
<b>Branch Office</b>	a Branch office of a company incorporated outside of the ILBZ.
<b>BUA</b>	Built Up Area.
<b>Building Completion Certificate</b>	a certificate issued by the SILCZ which confirms that a Premises construction or modification has been completed in accordance with the applicable rules, regulations and requirements.
<b>Building Permit</b>	a building permit issued by the SILCZ authorizing the Established Entity to start building works.

<b>Business Records</b>	all books, files and records (whether in paper or electronic format) to the extent that they relate to the Established Entity's business activities.
<b>CCTV</b>	Closed-Circuit Television;
<b>Common Customs Law and Regulations</b>	the Common Customs Law of the Gulf Cooperation Council States issued pursuant to a Royal Decree No. M/41, dated 03/11/1423H (corresponding to January 6, 2003); and its Executive Regulations issued pursuant to Ministerial Decision No. 2748, dated 25/11/1423H (corresponding to January 28, 2003).
<b>Commercial Registration Certificate</b>	a certificate issued to an Established Entity by the ILBZ Governing Body in order to carry out any of the Zone Activities.
<b>Companies Register</b>	a Register kept by the ILBZ Governing Body as detailed in Subsection 3.
<b>Emergency Response Plan</b>	has the meaning given to it in 12.2.2.
<b>Established Entity</b>	legal entity incorporated under the ILBZ Companies' Law to carry out Zone Activities.
<b>GACA</b>	the General Authority of Civil Aviation.
<b>GCC</b>	Gulf Cooperation Council.
<b>Goods</b>	products, commodities, parts, materials, devices, equipment and other items of different types and forms which are imported or brought into the zone, including items used in simple manufacturing processes, as well as in any repair, maintenance, modification, change, and development processes within the zone.
<b>HSE</b>	Health, Safety & Environment
<b>ILBZ</b>	the Special Integrated Logistics Zone located within the land of King Khalid International Airport in Riyadh, based on the geographical area specified on the map shown in Annex F.
<b>ILBZ Companies Law</b>	the companies Regulations issued by GACA dated 15 Jan 2020.
<b>ILBZ Governing Body</b>	the General Authority of Civil Aviation.
<b>ILBZ Law</b>	the Law issued pursuant to Royal Order No. A/17, dated 01/02/1440H (corresponding to October 12, 2018).
<b>ILBZ Review Committee</b>	an autonomous review committee to review and decide on appeals and objections made by Entities against decisions made by the ILBZ Governing Body.
<b>Laws and Regulations</b>	the laws and regulations that are applicable in the Kingdom of Saudi Arabia.
<b>Lease Agreement</b>	an agreement between SILZC and an Entity granting the right to use and enjoy the Premises, or a part thereof, for a specified period of time.
<b>Light Manufacturing Activities</b>	disassembling, assembling, washing, embossing, testing, design, turnery, mixing and any other minor manufacturing activities that do not alter the HS codes of the

	Goods on which such manufacturing activities were performed from the initial HS codes of such Goods upon its entry into the ILBZ.
<b>LLC</b>	a Limited Liability Company.
<b>Mainland</b>	the territory of the Kingdom of Saudi Arabia excluding the ILBZ.
<b>Manual</b>	the ILBZ Manual, as may be amended;
<b>Zone Regulation</b>	the ILBZ Implementing Regulations issued by the Governing Body dated 15 Jan 2020.
<b>One Stop Shop</b>	the business center offering various services to Entities as outlined in paragraphs 5.1.1 and 5.2.1.
<b>Operational Fitness Certificate</b>	a certificate confirming the operation of the Entity, as assessed during inspections, is acceptable from Operational, Environment, Health & Safety perspectives. It is mandatory for all Entities prior to commercial operations commencing.
<b>Other Goods</b>	goods which are produced by simple manufacturing processes, as well as goods which are processed, modified, changed, and developed within the ILBZ.
<b>Premises</b>	a building or property in the ILBZ, whether it is a whole unit or part thereof including space in a unit;
<b>Quad bike</b>	a four wheeled motorcycle.
<b>Right for Review</b>	the right of affected Entities to appeal decisions made by the ILBZ Governing Body pursuant to paragraph 1.7.2.
<b>Safety Occurrence Notice (SON)</b>	a formal notification in writing or by electronic means of a safety event that occurred, or is suspected of having occurred, in the ILBZ.
<b>SILZC</b>	the Special Integrated Logistics Zone Company.
<b>Tenant</b>	any Entity leasing, subleasing or otherwise occupying any portion of land or unit in the ILBZ under a Lease or other occupancy agreement with SILZC.
<b>Third-Party Investigation Form (TPIF)</b>	a formal request by the ILBZ Security and Operations Team for additional information in relation to a Safety Occurrence Notice (SON).
<b>Vehicle</b>	a motorized device used to transport people or cargo and includes motorcycles, scooters, golf carts, quad bikes, and other similar machines.
<b>Vehicle Access Pass (VAP)</b>	a device or permit issued by SILZC.
<b>Zone Activities</b>	the activities listed in Article 6 of the ILBZ Law.

### 1.3. Scope and Application

1.3.1. The provisions of this Manual apply to all Entities within the ILBZ.

1.3.2. The ILBZ is subject to the Laws and Regulations in force in the Kingdom of Saudi Arabia, unless expressly provided otherwise by the ILBZ Governing Body.

### 1.4. Powers of the ILBZ Governing Body

1.4.1. The ILBZ Governing Body has the exclusive powers to:

- a) Manage and regulate the ILBZ and all the Zone Activities.
- b) Incorporate Established Entities.
- c) Issue the necessary Commercial Registration Certificate and approvals for the investors that wish to carry out Zone Activities.
- d) Set and collect the registration fees.
- e) Monitor and inspect Established Entities.
- f) Carry out any activity that is necessary for the fulfilment of its responsibility in the ILBZ Law and regulations of the ILBZ; and
- g) Assign the role of administration, development and operation of the ILBZ and any other ILBZ functions as deemed necessary to third parties.

### 1.5. Authority granted to the Special Integrated Logistics Zone Company (SILZC)

1.5.1. Pursuant to sub-paragraph 1.4.1.g) above, SILZC has been delegated the following functions:

- a) Development and management of the ILBZ; and
- b) Operation of the ILBZ.

### 1.6. Waivers

1.6.1. The ILBZ Governing Body may waive any provision of the Manual in whole or in part as it applies to any Entity.

1.6.2. Any waiver granted must be in writing.

### 1.7. Right of Appeal

1.7.1. An Entity that was materially affected by a decision made by the ILBZ Governing Body shall have an opportunity to have the decision reviewed by the ILBZ Review Committee.

1.7.2. The review of decisions by the ILBZ Review Committee shall take into account the following provisions:

- a) In order to have a Right of Review, the affected Entity shall submit an application for review to the ILBZ Review Committee within no more than 10 days from the date the Entity has known, or should have known of, the decision.
- b) The ILBZ Review Committee shall give a written notice of the outcome of the review of the decision within 30 days, which shall include the reasons for the ILBZ Review Committee's decision. All decisions made by the Committee will be published in the ILBZ portal.



- c) The ILBZ Review Committee shall have the investigatory powers, which includes the power to inspect and compel disclosure of the relevant documents from the affected Entity or the ILBZ Governing Body.
  - d) The ILBZ Review Committee shall be autonomous in carrying out the review process, provided that they abide by the principles of lawfulness, impartiality, proportionality, fairness and transparency.
- 1.7.3. An affected Entity may appeal the decision made by the ILBZ Review Committee to arbitration in accordance with the arbitration laws and regulations applicable in Saudi Arabia. The affected Entity shall submit an application of appeal within no more than 10 days from the date the Entity has known, or should have known, of the decision made by the ILBZ Review Committee.
- 1.7.4. Entities are not released from complying with decisions made by the ILBZ Governing Body by reason of the ILBZ Review Committee or arbitration proceedings being instituted.

## 2. INCORPORATION OF A COMPANY IN THE ILBZ

### 2.1. Incorporation of Established Entities in the ILBZ

2.1.1. Incorporating a legal entity inside the ILBZ shall be only authorized by the ILBZ Governing Body and must take one of the following forms:

- a) ILBZ Limited Liability Company; or
- b) A Branch of a principal company.

2.1.2. All applications for incorporation in the ILBZ must:

- a) Be submitted through the ILBZ portal.
- b) Include the following documents:

1. For a Branch of a principal company

- Certificate of incorporation of the parent company.
- Board resolution to establish a new branch duly notarized and attested.
- Board resolution giving signatory authorization or power of attorney for third party.
- Supporting documentation (support copy passport of general manager).
- Specimen signature of the general manager duly attested.

2. For a Limited Liability Company - LLC

- Board resolution to establish a new company duly notarized and attested.
- Articles of Association form.
- Supporting documentation (passport copy of individual shareholders)
- Supporting documentation (passport copy of general manager)

- c) Submit any other document that the ILBZ Governing Body or SILZC deem necessary.

- d) Ensure that documents submitted pursuant to sub-paragraph b) be notarized and submitted in English and Arabic; and
- e) Specify, in the resolution outlined in sub-paragraph b), the types of activities that the applicant intends carrying out in the ILBZ, the type of Established Entity, and the proposed trade name.

### 2.2. Application Process

- 2.2.1. The ILBZ Governing Body will review the application within three business days and, if the application is approved, the applicant will be notified to complete the process of incorporation.
- 2.2.2. The ILBZ Governing Body will review all applications in light of the registration criteria set by the ILBZ Governing Body.

### 2.3. Deregistration of Established Entities in the ILBZ

- 2.3.1. Without prejudice to the penalties set forth in the ILBZ Companies Law or any other law, an Established Entity can be deregistered if it:
  - a) has violated any of the provisions herein, the terms and conditions of the Commercial Registration Certificate, or any provision of any applicable laws;
  - b) is found to have willfully provided false, inaccurate, or misleading information regarding its businesses or activities;
  - c) is found to not be carrying out any of the activities listed in its Commercial Registration Certificate;
  - d) has acted in any manner that is detrimental to the interests and objectives of the ILBZ; or
  - e) is not operating or otherwise carrying on any of the zone Activities.

### 2.4. Entities Incorporated in the Mainland

- 2.4.1. Entities that wish to carry out any commercial activities or services (other than the Zone Activities) need to be authorized by the ILBZ Governing Body or SILZC by applying for a permit through the ILBZ portal. In order for the permit request to be reviewed, the applicant must be registered and licensed to carry out such activities in the Mainland.
- 2.4.2. The review of the permit application will be based on the rules and procedures set out by the ILBZ Governing Body and SILZC.
- 2.4.3. Entities that have been authorized to carry out commercial activities or services shall sign a Lease Agreement with SILZC containing all terms and conditions related to the lease and the scope of authorized activities.

### 2.5. ILBZ Commercial Registration Certificate

- 2.5.1. An Established Entity can only carry out the activities listed in its ILBZ Commercial Registration Certificate issued by the ILBZ Governing Body.

### 2.6. Renewal of ILBZ Commercial Registration Certificate

- 2.6.1. The ILBZ Commercial Registration Certificate will be for a minimum of 12 months and must be renewed no later than 30 days prior to the date of expiry.

### 2.7. Modification of ILBZ Commercial Registration Certificate

- 2.7.1. The ILBZ Governing Body may make, upon an advance notice to the Established Entity, make reasonable variations to the terms and conditions of the Commercial Registration Certificate.
- 2.7.2. An Established Entity may amend any term of the ILBZ Commercial Registration Certificate or its activities by submitting a request through the ILBZ portal, provided that:
- a) the Established Entity's Commercial Registration Certificate is valid.
  - b) the Established Entity has a valid Lease Agreement for the duration of the Commercial Registration Certificate term.
  - c) the Established Entity has maintained compliance with National and Municipal legislation applicable in the ILBZ.
  - d) the Established Entity has not recorded any violations with applicable rules, regulations, notices, and practices of the ILBZ, including this Manual.
  - e) there are no outstanding dues toward the ILBZ Governing Body or SILZC; and
  - f) the Established Entity will provide the ILBZ Governing Body or SILZC with any additional documents as deemed necessary by them.
- 2.7.3. For requests to modify a Commercial Registration Certificate pursuant to paragraph 3.2.22.7.2, the Established Entity is required to pay the published Commercial Registration Certificate modification fee plus any additional fees within 15 days from the approval of the modification request.

### 2.8. Obligation of Established Entities

- 2.8.1. An Established Entity shall appoint and maintain a general manager who is a natural person and a resident in the Kingdom of Saudi Arabia. The general manager will be the primary representative of the Established Entity when dealing with the ILBZ Governing Body and SILZC.
- 2.8.2. The ILBZ Governing Body and SILZC shall be notified of any changes which may impact the accuracy of the Commercial Registration Certificate or information that were provided to the ILBZ Governing Body or SILZC by the Established Entity.
- 2.8.3. Unless otherwise agreed in writing by the ILBZ Governing Body, an Established Entity shall not transfer or assign to third parties any of its rights, duties or liabilities under the Commercial Registration Certificate.
- 2.8.4. Upon the expiry of Commercial Registration Certificate, the Established Entity shall settle all of its outstanding administrative issues, including outstanding dues, with the ILBZ Governing Body and SILZC.
- 2.8.5. The Established Entity is required to submit data, via electronic means when requested by SILZC, either for specific occasions or for ongoing operational needs. Such data will be treated as confidential unless otherwise agreed with the Established Entity and cannot be disclosed publicly without permission or unless aggregated to the point the Established Entity cannot reasonably be identified.

### 2.9. ILBZ Companies Register

- 2.9.1. The ILBZ Governing Body shall maintain a Companies Register, which should contain key information about the Established Entity's businesses and activities. The Companies Register shall include the names and addresses of the Established Entities, the names and contact information of the general managers,

the Established Entities' Zone Activities, and any restrictions, conditions, or additional information that the ILBZ Governing Body or SILZC may include.

### 3. LEASE MANAGEMENT

#### 3.1. Leasing Premises

3.1.1. An Established Entity shall lease Premises in the ILBZ within a period of no more than 30 days from the Commercial Registration Certificate issuance date, unless otherwise exempted by the ILBZ Governing Body. The types of Premises available for lease are:

- a) pre-built units;
- b) Vacant land; and
- c) Office space

#### 3.2. Leasing Pre-Built Units

3.2.1. Applications to lease Premises in the ILBZ shall be made through the ILBZ portal.

3.2.2. An Established Entity wishing to lease a pre-built unit shall request and select a unit based on the availability of units and their suitability for the activities the Established Entity plans to undertake.

3.2.3. An Established Entity shall begin carrying out its activities within a period not exceeding 12 months from the date on which the Lease Agreement was entered into.

3.2.4. An Established Entity who has leased a pre-built unit constructed a unit on vacant land shall obtain and hold an Operational Fitness Certificate before the Premises can be operational.

#### 3.3. Leasing Vacant Land

3.3.1. An Entity wishing to construct units on its leased vacant land to be in accordance with its requirements can do so by entering into an agreement subject to the approval of SILZC. The construction work must be carried out in accordance with the terms and conditions outlined in the agreement, the provisions outlined herein, any rules or conditions imposed by SILZC, and the Laws and Regulations of the Kingdom of Saudi Arabia.

3.3.2. An Established Entity shall submit an application for a Building Permit to begin the construction work within 90 days from the date on which the Lease Agreement was entered into, which can be extended subject to a prior written approval from SILZC.

3.3.3. The construction shall be completed, and the Premises shall be operational, within 24 months from the issuance date of the Building Permit, which may be extended for an additional period as approved by SILZC. Upon the completion of the construction work, the Entity shall request and obtain a Building Completion Certificate in order to be able to occupy the facility and receive services in the ILBZ.

3.3.4. An Established Entity who has constructed a unit on vacant land shall obtain and hold an Operational Fitness Certificate before the Premises can be operational.

#### 3.4. Sublease Unit/Land

- 3.4.1. Subject to the prior written approval of SILZC pursuant to the terms and conditions of their Lease Agreement, an Established Entity may assign/sublease the rights, interests and obligations of its Premises to a third party.
- 3.4.2. SILZC has the sole discretion to vary the terms and conditions of the Lease Agreement or reject the lease assignment or sublease request.

#### 4. TENANT SERVICES

##### 4.1. Types of Services Available

- 4.1.1. The ILBZ Governing Body and SILZC will utilize and operate a One Stop Shop to offer Entities services that include:
  - a) processing the registration applications of new Established Entities and investors who wish to do business in the ILBZ;
  - b) handling all labor related requests, such as the issuance of new work visas and permits for foreign employees;
  - c) providing services related to the management of Premises, which include processing leasing requests, Premises modifications, lease renewals, and termination;
  - d) providing facility maintenance services;
  - e) processing and issuing approvals, permits and certificates related to facility design and construction;
  - f) providing services relating to the enforcement of the applicable laws, regulations, rules and procedures, which includes performing inspection and facilitating payment of applicable fees and penalties;
  - g) providing services relating to responding to complaints and, when applicable, coordinating with the ILBZ Review Committee in the resolution of requests of administrative review;
  - h) providing general advisory assistance, which includes market research and insight into the market in the Kingdom of Saudi Arabia and the GCC region, providing local solutions to the unique business needs and coordinating with the Ministry of Investment to leverage on the programs and incentives offered by the Ministry;
  - i) access to Programs and Initiatives to support businesses in the ILBZ; and
  - j) providing any additional value-added support services

##### 4.2. Single Window for Accessing Government Services

- 4.2.1. The One Stop Shop will assist Established Entities in liaising with government entities, such as:
  - a) the Zakat, Tax and Customs Authority;
  - b) the Ministry of Human Resources and Social Development;
  - c) the Ministry of Justice;
  - d) the Chamber of Commerce;

- e) the Passport General Department; and
- f) any relevant government entity when applicable.

### 4.3. Payment for Services

- 4.3.1. Payment of services' fees shall be made in the manner prescribed by SILZC from time to time based on the fees published in the ILBZ portal:

## 5. INSPECTIONS AND INVESTIGATIONS

### 5.1. Inspection of Premises

- 5.1.1. The ILBZ Governing Body and SILZC may inspect the Tenant's Premises from time to time to monitor compliance with the ILBZ regulations and the terms of the ILBZ Commercial Registration Certificate and Lease Agreement, when applicable, and subject to an advance notification to the Tenant.

- 5.1.2. The inspection will include, but is not limited to, ensuring that:

- a) the Tenant's use of the Premises is within the scope of its approved activities;
- b) the HSE requirements are complied with and that there are adequate safety and emergency response safeguards and instructions; and
- c) the machinery, materials, equipment, and goods are stored, positioned, and used in a safe manner:

### 5.2. Governing Body and SILZC Authority to Enter Premises

- 5.2.1. Subject to the processes and controls prescribed by the applicable law and SILZC, an Authorized Person may enter a Tenants Premises at any time and without prior notice if:

- a) it is deemed by the Authorized Person that an emergency or immediate risk to life exists and that accessing the Premises is reasonably required in order to prevent, mitigate or resolve the emergency situation;
- b) the Authorized Person reasonably believes that:
  - i. the Tenant is in breach of the applicable Laws and Regulations or the terms and conditions of the ILBZ Commercial Registration Certificate or Lease Agreement, as applicable; or
  - ii. the Authorized Person reasonably believes that the entry is necessary and justified in order to protect the public or the interests of the ILBZ.

- 5.2.2. Tenants shall ensure that their employees and contractors provide the Authorized Person all the necessary support and assistance in order for the Authorized Person to conduct the inspection.

- 5.2.3. No employees or agents of the ILBZ Governing Body or SILZC conducting the inspection shall be liable for any damages resulting from the reasonable exercise of their duties.

### 5.3. Notice of Inspection

- 5.3.1. The Authorized Person will notify the Tenant by letter or email of the intention to conduct an inspection.

5.3.2. Unless subject to the provisions of paragraph 5.2.1, in order to minimize disruption to the Tenant's activities and operations, the Tenant will be notified by the Authorized Person in advance as soon as practicable in order to arrange any inspection at a time that is reasonably convenient to the Tenant.

### 5.4. Inspection Report

5.4.1. The ILBZ Governing Body and SILZC may share, at their discretion, the content of an inspection report with the Tenants in full or in part.

5.4.2. The ILBZ Governing Body and SILZC shall notify the Tenants of the actions it will take in relation to an inspection report.

5.4.3. The ILBZ Governing Body and SILZC may share the content of an inspection report with the relevant government authorities if they deem that a breach of the Laws and Regulations could have occurred.

### 5.5. Investigations

5.5.1. The ILBZ Governing Body and SILZC may initiate an investigation of the circumstances leading to a violation. The Tenants shall cooperate with the investigation to the fullest extent possible.

## 6. CODE OF ETHICS AND BUSINESS CONDUCT

### 6.1. General Rules

6.1.1. The Established Entities and Authorized Entities shall abide by the provisions of the ILBZ Governing Body's code of ethics and business conduct at all times.

6.1.2. The Established Entities and Authorized Entities have the obligation to provide true, accurate and complete Business Records and information required by the ILBZ Governing Body or SILZC.

### 6.2. Retention of Records and Audit Reports

6.2.1. A Established Entity shall develop and maintain appropriate document management system to ensure that:

- a) the process to retrieve, track, manage, store and produce Business Records is clearly outlined, implemented and monitored.
- b) the Business Records are reviewed and updated regularly.
- c) the Business Records are legible.
- d) when applicable, a log is provided to identify the previous changes made to the current version of the Business Records; and
- e) adequate information are included within the Business Records that are proportional to the level of operational complexity, purpose of the document and the potential risks and hazards to the Established Entity and the ILBZ.

6.2.2. Unless otherwise provided, documents related to an Established Entity's business shall be retained for a minimum period of 10 years.

6.2.3. Further document control requirements may be imposed by the ILBZ Governing Body or SILZC from time to time that are specific to a certain type of documents, business sectors or any other basis as deemed necessary by the ILBZ Governing Body or SILZC.

### 6.3. Requirement to Notify of Any Change of Information

6.3.1. Established Entities and Authorized Entities must immediately notify SILZC in writing upon becoming aware of any changes of information or circumstances that affect the honesty, truthfulness, accuracy and completeness of the information previously provided.

6.3.2. Established Entities must immediately notify SILZC in writing if there is an intention to make changes that will affect the accuracy of the Commercial Registration Certificate and may be required to obtain a modified Commercial Registration Certificate.

### 6.4. Trademarks and Trade Names

6.4.1. The ILBZ Governing Body may issue rules to govern the use of trade names and trademarks.

6.4.2. A trademark may include any word, name, symbol or designation, or any combination thereof, including any trademark, brand mark, trade name, brand name, logo or business symbol.

6.4.3. An Established Entity shall give advance written notice to the ILBZ Governing Body if it wishes to:

- a) change the trade name it uses in connection with its activities in the ILBZ; or
- b) use a different trade name from its registered name in the Commercial Registration Certificate.

### 6.5. Protection of Intellectual Property

6.5.1. Goods other than Prohibited Goods inside the ILBZ are not subject to any restrictions on private property, including restrictions on intellectual property rights, and shall not be confiscated without a court order.

## 7. PROHIBITED GOODS

7.1.1. The following goods are prohibited from entering the ILBZ:

- a) Flammable goods, except those necessary for the activities undertaken by Entities;
- b) Radioactive materials, except those necessary for the activities undertaken by Entities;
- c) Arms, ammunition, explosives and similar materials of any kind other than those exempted by the ICAO/IATA Dangerous Goods Regulations (DGR) or the IMO International Maritime Dangerous Goods (IMDG) Code;
- d) Goods infringing the laws relating to trademarks, patents, design rights, commercial and industrial property rights, and copyright protection in respect of which resolutions have been issued by the relevant government authorities; and
- e) All kinds of illegal narcotic drugs and derivatives thereof.

7.1.2. Established Entities and Authorized Entities can be subject to penalties and/or seizure of goods if they are found to:



- a) have transported in or stored Prohibited Goods or goods that have been brought into the ILBZ through concealment or in a manner that is not compliant with the approval requirements;
- b) be selling, handling, storing, or controlling Prohibited Goods; or
- c) be trading in counterfeited goods

## 8. HEALTH, SAFETY & ENVIRONMENT

### 8.1. General Provisions

- 8.1.1. All Entities must comply with all the applicable HSE laws in the Kingdom of Saudi Arabia and the rules issued by the ILBZ Governing Body and SILZC from time to time.
- 8.1.2. All Entities shall develop and maintain an HSE policy in accordance with the requirements prescribed in the ILBZ HSE policy.
- 8.1.3. Subject to the environmental impact assessment of the project or activities the HSE policy issued by Established Entities and Authorized Entities shall contain, among other requirements:
  - a) a statement of intent that sets out the commitment to managing health and safety.
  - b) the roles and responsibilities of stakeholders in the achievements of the objectives of their policy.
  - c) the programs and procedures to ensure compliance to their policy and this Manual.
- 8.1.4. All measures shall be taken by the Established Entities and Authorized Entities to conduct their operations in a safe and environmentally clean manner.
- 8.1.5. In the event of personnel suffering a contagious/serious illness or suffering from food poisoning, the Established Entities and Authorized Entities must, within 24 hours of the occurrence of the event, provide a written report to SILZC that includes:
  - a) the person's name, identity number, job title, address and nationality.
  - b) a brief account of the circumstances of the illness and the medical supporting documents.
- 8.1.6. Established Entities and Authorized Entities shall maintain a personnel and operational accidents log.

### 8.2. Edible, Health, or Medical Products

- 8.2.1. Persons directly involved in the preparation, storage and transport of foodstuffs are required to comply with the 'Food Hygiene Requirements' issued by the Saudi Food & Drug Authority ("SFDA") pursuant to Articles 4, 27, and 28 of the Saudi Food Act.
- 8.2.2. Entities involved in the following activities shall comply with the regulations, requirements and guidelines issued by SFDA:
  - a) manufacture of medicinal products.
  - b) handling, storage and transport of medical devices
  - c) importing pharmaceuticals products, chemicals, supplies for clinical studies or veterinary products;
  - d) exporting pharmaceutical, herbal and health products, items controlled by the drug sector.

### 8.3. Waste Management

- 8.3.1. The ILBZ is subject to the General Environmental Regulations, the Solid Waste Law, the National Environmental Standards (“**NES**”) and RCRC’s Comprehensive Waste Management Strategy (“**CWMS**”) which collectively set out the key principles for waste management and provide clear guidelines for managing waste in a manner, which protects human health and the environment.
- 8.3.2. A Tenant shall, at its own cost:
- a) comply with all the applicable laws, regulations and rules, including provisions of the Manual, in regard to the collection, sorting and separation of waste;
  - b) comply with the sewage, irrigation and water drainage requirements issued by SILZC; and
  - c) comply with the recycling policy of SILZC.
- 8.3.3. SILZC shall provide Tenants with waste management services, which include the collection and disposal of waste generated at the Tenants’ Premises directly or through an outsourced service provider.
- 8.3.4. Waste skips and pick-up services will be provided to Tenants and the charges for provision and collection of waste skips and pick-up services will be published from time to time.
- 8.3.5. tenants must follow the guidelines of the SILZC waste and e-waste management document.

### 8.4. Domestic Sewage

- 8.4.1. No new soak ways are permitted.
- 8.4.2. All Premises will be connected to the sewage system wherever it is operational in the ILBZ. Where no sewage connection is available, suitably sized septic/holding tanks shall be installed by the Tenant for regular disposal.
- 8.4.3. Annual charges for connection to the sewage network (excluding office buildings) or collection from septic/holding tanks will be as per Annex A.

### 8.5. E-Waste

- 8.5.1. E-Waste refers to electrical and electronic equipment, whole or in part discarded as waste by the Tenant, as well as rejects from manufacturing and repair processes.
- 8.5.2. All Tenants shall comply with the requirements set by SILZC for the collection, sorting and separation of e-Waste. SILZC shall coordinate the collection and delivery of e-Waste to the ILBZ waste stations and subsequently to an external specialist recycling facility.

### 8.6. Industrial Waste

- 8.6.1. Industrial waste refers to any solid, liquid or gaseous substance discharged, permitted to flow or escaping from a Tenant’s Premises and that has been classified by SILZC as industrial waste.
- 8.6.2. A Tenant shall handle, store and dispose of industrial waste in accordance with the requirements set by SILZC.
- 8.6.3. A Tenant who is producing or likely to produce industrial waste must notify SILZC in writing in advance.

- 8.6.4. A Tenant who is producing industrial waste must treat said waste to an approved and sufficient level that it can be safely discharged to the ILBZ sewerage system or collected by the waste management provider.
- 8.6.5. Tenants producing liquid industrial waste are to:
- install an approved holding tank of an appropriate size for the treatment of such waste prior to its discharge into the sewage system.
  - install approved control, metering and recording devices on the Tenant's discharge drainage line.
  - provide SILZC with access to the control, metering and recording devices whenever required including the provision of data via a remote connection.
- 8.6.6. The condition of effluents from holding tanks will be subject to continuous monitoring by SILZC. In the event of failure to meet the required standards, discharge into the ILBZ's main sewage system will be suspended immediately and the Tenant shall bear the costs associated with such stoppage.
- 8.6.7. In order to create a cost-effective and environmental friendly solid waste recycling system, Tenants shall explore all possibilities to recycle, re-use or recover waste prior to disposal of the same.

### 8.7. Hazardous Waste

- 8.7.1. Hazardous waste refers to any solid, liquid or gaseous substance discharged, permitted to flow or escaping from the Tenants' Premises and that has been classified by SILZC as hazardous waste.
- 8.7.2. Tenants producing hazardous waste are to:
- handle and store the hazardous waste in accordance with international standards and any additional requirements set by SILZC; and
  - separate the hazardous waste from ordinary or general waste prior to its collection or delivery to the ILBZ waste station.
- 8.7.3. A Tenant who is producing or likely to produce hazardous waste must notify SILZC in writing in advance.

### 8.8. Sustainability Requirements

- 8.8.1. All Tenants are required to comply with the Net Zero Carbon requirements issued by SILZC, which includes:
- efficient use of energy, water and other resources;
  - use of renewable energy, such as solar energy;
  - pollution and waste reduction measures, and the enabling of recycling;
  - good indoor environment air quality;
  - use of materials that are non-toxic, ethical and sustainable;
  - consideration of the environment in design, construction and operation;
  - consideration of the quality of life of occupants in design, construction and operation; and
  - a design that enables adaptation to changing environment.

## 8.9. HSE violations

8.9.1. The action taken in response to an HSE violation will be determined by the level of severity of the HSE violation:

HSE Violation	Action taken by the Authorized Person
Causes an immediate danger to people or the environment	A "Prohibition Notice" is issued which requires an immediate cessation of operations until such time as the required remedial action has been implemented to the satisfaction of SILZC.
Causes a potential danger to people or the environment	A "Correction Notice" is issued specifying the necessary corrective action and the required completion date to be determined by SILZC.
Causes a minor violation	A Notification is sent to the Entity that committed the violation. However, persistent violations or a failure to remedy previous violations will result in a "Warning Notice" being issued which will define the necessary corrective action and appropriate completion date.

8.9.2. Failure to comply with any of the notices in paragraph 8.9.1 may result in a sanction.

8.9.3. Any dumped material not cleared by the offending Entity will be cleared by SILZC which will subsequently charge the costs to the Entity.

## 9. SECURITY

### 9.1. General requirements and responsibilities

9.1.1. SILZC will provide security guards at designated areas throughout the ILBZ, but has no obligation to provide security guards to a Tenant in relation to security of its Premises. A Tenant may directly employ security guards or contract with a security services provider that is licensed by the Ministry of Interior and approved by SILZC. A Tenant must ensure the compliance of its security guards with the applicable Laws and Regulations and any other rules prescribed by the ILBZ Governing Body and SILZC.

9.1.2. Tenants with a self-built Unit or a modified pre-built Unit shall provide SILZC with a key to facilitate responding to any emergency at the Premises, such as fire or other security incidents.

9.1.3. All CCTV system installations must be carried out in accordance with the requirements specified by SILZC from time to time. Tenants may be required to provide recordings of the CCTV if it is reasonably deemed necessary by SILZC.

### 9.2. Security Reporting and Notifications

9.2.1. All security incidents or violations shall be reported to the SILZC Security and Operations Team.

9.2.2. Tenants are required to report any breaches of security within their Premises to the ILBZ Security and Operations Team within 24-hours from the occurrence of the event.

- 9.2.3. SILZC will publish security notices on the ILBZ community platform. Tenants are responsible for ensuring their personnel are aware of such notices.

## 10. TRAFFIC CONTROL AND ROAD SAFETY

### 10.1. Traffic Rules

- 10.1.1. Although roads in the ILBZ are classified as private, they will remain subject to the traffic rules of the Kingdom of Saudi Arabia
- 10.1.2. While the SILZC Security & Operations Team is responsible for enforcing the traffic rules inside the ILBZ, the General Department of Traffic (“GDT”) has access and approval to enforce the Mainland’s traffic rules.
- 10.1.3. The Traffic Control and Road Safety rules are intended to promote a safe-driving culture and provide governance to ensure the safety of all ILBZ workers and visitors.

### 10.2. General requirements and responsibilities

- 10.2.1. Members of the ILBZ community should report unsafe driving behavior or unsafe traffic conditions to SILZC Security and Operations Team.
- 10.2.2. Containers or trailers are not to be placed or parked outside of Premises when they are not actively loading or offloading goods.
- 10.2.3. All persons operating vehicles within the ILBZ:
- a) shall operate their vehicle responsibly, with strict attention to these traffic rules, road and traffic signs, road conditions, vehicle operating limits and the requirements of the security and HSE regulations as prescribed by the ILBZ Governing Body or SILZC from time to time; and
  - b) must have a valid driving license issued by the GDT or an equivalent and acceptable foreign driver’s license.
- 10.2.4. Owners of licensed vehicles assume all legal responsibilities associated with the operation of the vehicle, under the Laws and Regulations of the Kingdom of Saudi Arabia.
- 10.2.5. Valid vehicle liability insurance must be held by owners of motorized vehicles.
- 10.2.6. Entities shall ensure that workers, contractors and visitors under their sponsorship/supervision are aware of these rules; and shall be accountable for the actions of persons under their sponsorship.
- 10.2.7. Goods delivered to Premises must be unloaded and stored inside the Premises as soon as possible. No goods may be stored outside of a Premises without the advance written approval of SILZC. A Tenant is fully responsible for the goods in its warehouses.
- 10.2.8. An Entity shall be fully responsible for the transportation of goods to the warehouses, loading/unloading of vehicles, and securing their transport between offices, warehouses and inspection and storage sites, as applicable.

### 10.3. Incidents, accidents or events

- 10.3.1. All traffic control and road safety incidents, accidents or events suspected to result in a breach of policy or procedure by either an individual or Entity are to be reported to the SILZC Security and Operations Team at the earliest opportunity in order to immediately initiate an investigation of the incident

- 10.3.2. Reports of traffic control and road safety incidents, accidents and suspected breaches of this Manual will trigger attendance and investigation by an Authorized Person, a representative of Najm for Insurance Services Company (NAJM) and/or a member of GDT as appropriate and based on the severity of the event and its location.
- 10.3.3. An Authorized Person may record an occurrence, or suspicion, of a motor vehicle accident, road traffic collision, displaying unsafe driving behavior or having breached traffic rules, by issuing a formal 'Safety Occurrence Notice' (SON) to:
- a) The driver or operator of a vehicle or piece of equipment in the ILBZ suspected of having been involved; or
  - b) Where the driver or operator cannot be identified, the Entity accountable for the vehicle or piece of equipment in the ILBZ suspected of having been involved.
- 10.3.4. An investigation will be completed by the SILZC Security and Operations Team before any outcome is determined and any sanction is issued pursuant to Annex D – Traffic Control & Road Safety Investigations and Sanctions.
- 10.3.5. Drivers that violate the prescribed traffic and parking rules set by SILZC may be subject to penalties, including the towing of the vehicle, accumulation of penalty points and the imposing of fines on the Entity by whom the person is sponsored.
- 10.3.6. The number of traffic control and road safety infringements committed by Entities will be recorded by SILZC. Such information may be used to assess an Entity's performance and to assist in the analysis of the incident causes and effect.
- 10.3.7. All vehicles within the ILBZ shall be issued a valid Vehicle Access Pass ("VAP"), and where a physical pass has been issued, such physical pass is to be displayed at all times.

### 10.4. Oversized Vehicles

- 10.4.1. All oversized vehicles and trucks transporting heavy equipment, such as mechanized handling equipment or construction materials, will have their movement within the ILBZ limited to non-peak hours (which will be communicated by SILZC from time to time) in order to ensure the safety of persons and to reduce traffic congestion. Exceptions will require the approval of SILZC.
- 10.4.2. For the purpose of 10.4.1, oversized vehicles refer to a vehicle exceeding 6 meters in length, or 2 meters in width, or 2.5 meters in height.

### 10.5. Parking

- 10.5.1. Vehicles must only be parked in designated parking areas within the ILBZ and not on ILBZ roads.
- 10.5.2. A Tenant shall ensure their personnel and any visitors park within their leased area and if insufficient parking space is available within their leased area, the vehicle shall be parked at the visitors parking area outside the main gates.

### 10.6. Driver Authorization & Licensing

- 15.6.1 Operators of motorized vehicles must present their license for inspection when requested to do so.

10.6.1. Operators of mobile equipment or heavy vehicle types such as forklift trucks, cranes, construction trucks, buses and other heavy machinery must possess the necessary certificates and/or qualifications to specifically operate such equipment or vehicles.

10.6.2. No person under sixteen (16) years of age shall operate a motorized vehicle in the ILBZ.

### 10.7. Speed Limits

10.7.1. The maximum allowable speed limit, for all vehicles in the ILBZ is 50 km/h unless a posted sign provides for a lower speed limit. Drivers shall reduce their speed to suit the road and weather conditions.

### 10.8. Seat Belts

10.8.1. All occupants of motorized vehicles must wear a seat belt including children or infants.

### 10.9. Head Protection

10.9.1. Drivers and passengers of motorcycles and other similar vehicles (without fitted rollover protection) must wear a correctly fitted helmet that is US DOT FMVSS 218 Certified (or equivalent standard such as ECE 22.05).

10.9.2. Riders of bicycles must wear a correctly fitted helmet that is US CPSC CFR Part 1203 Certified (or equivalent standard such as EN1078).

### 10.10. Mobile Communication Devices

10.10.1. it is strictly prohibited, for the drivers or operators, to commit any of the below acts while driving a motorized vehicle or operating a bicycle:

- a) Hold a mobile phone or other communication devices in their hand;
- b) Use a mobile phone or other communication devices for video calls;
- c) Send or read messages on a mobile phone or other communication device.

### 10.11. Sidewalks/Footpaths

10.11.1. Vehicles including motorcycles and bicycles shall not be operated on sidewalks.

### 10.12. Maintenance

10.12.1. Motorized vehicles shall be properly maintained in a safe operating condition in accordance with the manufacturers service manual and all safety features of the vehicle shall be in working condition.

### 10.13. Security Gates

10.13.1. Drivers shall dim headlights and turn on interior lights when approaching security gates during the hours of darkness.

### 10.14. Driver Fitness

10.14.1. Drivers and operators of motorized vehicles must not be impaired by intoxicants or medications while operating the vehicle.

### 10.15. Cyclists (Bicycle & Motorcycle)

#### 10.15.1. Cyclists shall:

- a) Ride in the same direction as traffic and keep to the left of the road.
- b) Obey the posted traffic signs at intersections, and all other road markings and signage.
- c) Ensure their bicycle/motorcycle is equipped with appropriate front and rear lights and reflectors when cycling during periods of darkness.

### 10.16. Traffic Monitoring and Enforcement

10.16.1. The SILZC Security and Operations Team shall monitor traffic conditions and driver behaviors within the ILBZ and shall enforce compliance with these rules. Vehicle telematics, CCTV and other means will be used in the ILBZ for this purpose.

10.16.2. The relevant levels of fines and penalty points applicable for each breach of these rules is detailed in Annex D – Traffic Control & Road Safety Investigations and Sanctions.

### 10.17. Right of Appeal

10.17.1. Entities have the right to appeal against any violation, fine or driving privilege ban imposed by the SILZC Security and Operations Team. Any such appeal must be made in writing to the SILZC Security and Operations Standards Team within 21-days of the investigation outcome.

10.17.2. If a sponsor/supervisor does not support an individual's appeal, it is at the discretion of SILZC Security and Operations Management whether to hear the appeal. It is incumbent upon the sponsor/supervisor to articulate the reasons why they do not support an appeal.

10.17.3. Appeals will be heard at a formal meeting held between the individual/company involved, their sponsor/supervisor (if applicable) and a SILZC Security and Operations Manager. The individual, company or sponsor/supervisor must provide evidence of any mitigation(s) which may not have been considered in the original decision.

10.17.4. The case will be reviewed, and a decision made whether to uphold the original decision or overturn the original decision. The outcome of this review be notified to the individual, company or sponsor/supervisor within seven (7) days.

## 11. EMERGENCIES, INCIDENTS AND ACCIDENTS REPORTING

### 11.1. Incident Reporting

11.1.1. The following events must be immediately reported to the ILBZ Operations Control Center

- a) Fire or explosion.
- b) Emergency medical condition or contagious/serious illness.
- c) Industrial accident or incident.
- d) Motor vehicle accident, road traffic collision or unsafe driving act.

11.1.2. The ILBZ Operations Control Center shall then notify the relevant external emergency services.



## 12. EMERGENCY RESPONSE PLANNING

### 12.1. Emergency Response Plans

12.1.1. A Tenant shall have an Emergency Response Plan that protects personnel and property in the event of fire, earthquake, epidemic, accidents, act of terrorism or another emergency.

12.1.2. Emergency Response Plans shall be developed in coordination with SILZC and contain, as a minimum:

- a) the plan for each emergency scenario identified based on the Tenant's operations.
- b) a ranking system that identifies different levels of emergencies and identifies the procedure that should be followed for each level;
- c) the necessary actions that must be taken to evacuate persons safely in the event of an emergency;
- d) the necessary measures to be taken in order to control and minimize damage resulting from such events.
- e) the roles and responsibilities of various stakeholders in the implementation of the Emergency Response Plan, such as the roles of management, personnel and visitors on the Premises.
- f) the training program and procedures to assess, develop and monitor the competency of the stakeholders in fulfilling their responsibilities under the Emergency Response Plan, which includes practical training, such as conducting annual emergency drills in conjunction with SILZC.
- g) the procedure for communication with personnel and external stakeholders such as visitors, temporary workers and SILZC.
- h) a media communications plan and pre-prepared press releases to utilize in urgent situations.
- i) the procedure of the management of contractors and operations and ensuring the compliance of contractors to the regulations and rules prescribed by SILZC.

12.1.3. In the event of an emergency, the Established Entity shall ensure the compliance of its personnel, contractors, agents and visitors to any order or direction imposed through the competent government authorities, the ILBZ Governing Body or SILZC.

12.1.4. A Tenant shall develop contingency plans to be adopted in the event of an emergency that causes suspension of operations or shutdown of activities.

### 12.2. Communications and Incident Reporting

12.2.1. All Tenants shall provide SILZC with the contact details of the emergency contact person to be reached in the event of an emergency.

12.2.2. All accidents resulting in injury to persons that occur within the ILBZ shall be communicated within 24 hours to SILZC by the Tenant of the Premises where the accident occurred, or if it occurs in a public area then the Entity employing or sponsoring the injured person.

12.2.3. All Tenants shall develop and maintain an incident investigation process that details the investigation of incidents and near-misses identifying appropriate corrective measures, which shall be shared internally through the incident notification process and with SILZC within 7 calendar days of the incident or near-miss.

### 13. CONSOLIDATION CENTER

- 13.1.1. To improve security and reduce congestion, all deliveries to individual employees such as online purchases of goods or food must be through the consolidation centre where they will be security checked and delivered to the Premises.
- 13.1.2. The recipient Entity is responsible for payment of the published Fee for this service.
- 13.1.3. Business-related deliveries to Premises such as business documents and commercial deliveries/collections are exempt from this requirement on the condition that the delivery/collection vehicle is pre-booked through the ILBZ portal.
- 13.1.4. Employees found to be abusing this exemption will result in the Tenant being prevented from receiving future direct deliveries to its Premises.

### 14. SANCTIONS

- 14.1.1. The violations and sanctions prescribed in this Manual are specific to the ILBZ and do not supersede or otherwise affect those in force in the Mainland.
- 14.1.2. The listed sanctions are the minimum penalties which SILZC has the discretion to impose additional penalties or take any other action it may deem necessary or appropriate, including the termination of the License.
- 14.1.3. An Entity that is carrying out activities not within the scope of its approved activities shall be subject to a fine as specified in Annex D.
- 14.1.4. A Tenant who violates any of the rules under the Planning & Constructions Regulations shall be subject to fines as specified in Annex D.
- 14.1.5. An Entity who violates any of the rules under the HSE Regulations shall be subject to fines as specified in Annex D
- 14.1.6. Any Entity who violates any traffic rules shall be subject to the fines as prescribed and published by SILZ.

# Appendix

## Annex A – Manual Charter

Section No	Section	Owner
(2)	Incorporation of company	Governing body
(3)	Commercial registration	Governing body
(4)	Lease management	SILZC
(5)	Tenants Services	SILZC
(6)	Inspection and investigation	Governing body & SILZC
(7)	Code of ethics and business conduct	Governing body
(8)	Health, safety & environment	SILZC
(9)	Security	SILZC
(10)	Traffic control and road safety	SILZC
(11)	Emergencies incident and accident reporting	SILZC
(12)	Emergency Responses planning	SILZC
(13)	Consolidation center	SILZC

## Annex B References and SOPs

Document
Customs Procedures Manual
Tax Procedures Guideline
Tenants Pack: <ul style="list-style-type: none"> <li>• Masterplan Guidance</li> <li>• Building Design Guidelines</li> <li>• Engineering Guidelines</li> <li>• Sustainability Guidelines</li> <li>• Plot Development Plans</li> <li>• Construction Logistics Guidelines</li> </ul>
Incorporation and Registration Fees Table
Implementing Rules
IBZ Labor Rules
ILBZ Companies' Rules
ILBZ Taxation Rules

## Annex C Schedule of Sanctions and Violations

### C1 Schedule of Sanctions

- C1.1 The value of any sanction to be imposed is to be in accordance with the table below. To identify the correct band and corresponding value, refer to the Schedule of Violations in paragraph C2.

Band	Level of sanction
A	SR 100,000
B	SR 50,000
C	SR 20,000
D	SR 10,000
E	SR 5,000
*	plus, demolition or rectification costs (as appropriate)

- C1.2 The listed sanctions in paragraph C1.1 are for the first occasion the violation occurs. For the second and subsequent occasion(s), SILZC at its sole discretion may increase the Band to be applied up to and including the maximum Band A.
- C1.3 Continued violations would also be sufficient grounds for suspending or revoking a commercial register as provisioned for in Section 2.3 of this Manual.

### C2 Schedule of Violations

Item	Violation description	Band
Category 1: General		
	Unlicensed or unauthorized activity in the ILBZ	C
	Unauthorized use of public areas including pavements, sidewalks or roadway areas	E
	Use of premises or land for unauthorized purposes	B
	Write on or distort a building, fixture, equipment, Premises or public area	E
	Placing or distributing within the ILBZ any advertisements, banners, billboards, electronic signs, posters or leaflets without the approval of SILZC	E
	Unauthorized placement of plaques, monoliths, signs or other forms	E
	Failure to insure the rental unit or not to provide SILZC with a copy of the insurance policy or any modification to it	B
	Unauthorized sub-leasing of any facility, space or area within the ILBZ	A
	Failure to occupy the rental unit on the date of delivery	D
	Operating from a facility, building or area without a Building Completion Certificate	B
	Failure to maintain and keep clean a Premises	C
	Occupying a building without a license or building certificate	A
	Operating a service within the ILBZ without a license	B
	Use of threatening, obscene or offensive language	C

	Preventing or disrupting the work of an Authorized Person	E
	Preventing an Authorized Person from entering a facility during working hours	D
	Provision of incomplete, misleading or false information to an Authorized Person	B
	Failure to provide an Authorized Person with the requested information within three working days from the date of the request	E
	Provision of incomplete, misleading or false information to SILZC in a license application or amendment request	B
	Failure to notify SILZC of any change in the information referred to in the license, certificate of registration or license application within 10 days of the date of change	C
	Failure to notify SILZC of ceasing business or Zone Activities for a period of more than fifteen days	C
	Failure to obtain a license within 60-days for tenants of leased units or 12-months for tenants of land intended for construction	C
<b>Category 2: Construction, Repairs and Maintenance</b>		
	Undertake repairs without a permit	E
	Commence construction without a permit	B*
	Failure to complete construction work on leased land within 12-months of the lease date	D
	Exceeding maximum Built-Up-Area (BUA) specified in the building permit	E
	Exceeding maximum Floor-Area-Ratio (FAR) specified in the building permit	E
	Exceeding the maximum height limit specified in the building permit	C*
	Failure to renew the building permit	E
	Failure to comply with the time limit set in the building permit for commencing construction	E
	Failure to comply with the design guidelines specified in the Building Design Guidelines	E
	Construction on land that is not allocated to the contractor	C
	Failure to remove waste or equipment following maintenance or construction activity	C
	Failure to control dust caused by construction or maintenance activities	C
	Dumping of waste or equipment in third-party areas or public places	C
	Failure to use iron or aluminum scaffolding during construction at height	E
	Failure to properly connect, install or stabilize scaffolding	C
	Lack of general site safety signs or rules	E
	Lack of safety barriers, guidance boards, signs and lighting at excavation works areas	E
	Failure to prevent collapse of an excavation	C
	Failure to take all necessary precautions to prevent people, vehicles or materials from falling into excavations	C
	Unauthorized use of cranes	C
	Use of plant or equipment by unlicensed or inadequately trained operators	C
	Use of plant or equipment with safety equipment disabled or damaged	C
	Use of plant or equipment not equipped in accordance with the manufacturers' specifications	E
	Failure to adequately maintain plant or equipment	C
	Failure to fit sewers or water rooms with protective covers	E
	Failure to carry out construction works under the supervision of an authorized engineering office	E
	Failure of the authorized engineering office to adequately oversee construction works	D
	Use of unauthorized or inadequately trained contractors	C
	Failure to adhere to the approved design	C*

	Use of unauthorized hoarding around construction site(s)	E
	Failure to submit a pre-construction environmental impact assessment	D
	Failure to obtain necessary environmental approvals	B
	Unauthorized drilling or digging	E
	Failure to comply with conditions specified in a works permit	E
	Failure to return roads and sidewalks to original condition after the completion of work at the site	D*
	Blocking of roads and sidewalks without permission	E
	Damage to roads, sidewalks, kerbs, foundations, lamps, landscaping, distribution plates or any SILZC property	D*
	Unauthorized removal of cables from ducts, lamps or other street furniture	E*
	Mixing cement on roads or sidewalks	E
	Any other violation of building regulations not identified or otherwise mentioned in this schedule	E
<b>Category 3: Utilities</b>		
	Disable or damage water storage facilities or accessories	D*
	Disable or damage utility distribution networks, equipment or accessories	E*
	Disable or damage any utility connection to a customer's or service provider's facility	E*
	Disable or damage a fire extinguisher or tap pipe	E*
	Damage protective barriers designed to protect or hide utility network features	E*
	Tamper with or damage utility meters or accessories	D*
	Damage, conceal, or lock open any utility valves whether partially or completely	E
	Dump or place harmful substances whether solid, liquid or gaseous form in any water source, storage reservoir, plant or water distribution equipment	A*
	Unauthorized access to water sources including fire hydrants	C
	Bypassing the official water meter installed for each premises	D
	Use of potable water for industrial purposes	E
	Causing disruption to the supply of any utility	E
	Disable or damage treatment plant facilities/accessories or a sewage line/valve/connection	C*
	Damage, fill or hide main sanitation landmarks	D*
	Discharge of solids, residue, oil, grease, chemicals or any liquids that do not meet network specifications	C*
	Unauthorized pumping of groundwater, surface, wastewater or otherwise into the sewage system	B*
	Disable or damage purification plant, facilities, equipment or accessories	D*
	Disable or damage any manhole cover	E*
	Theft of or unauthorized removal of a manhole cover	D
	Unauthorized connection to a utility network, equipment or facilities	E
	Unauthorized connection of a utility network to third parties via fixed or temporary extensions	E
	Unauthorized consumption of a utility supply (power, water, irrigation or telecommunications including internet)	E per day
<b>Category 4: Storm water and drainage</b>		
	Disable or damage a storm water or drainage line, fitting, accessory or channel	E

	Dump solids, residue, oil, grease, sewage or chemicals in to storm water or drainage channels or vents	B*
	Damage flood defenses, closed concrete or stone layer of a dirt dam, a storm water drainage canal or closed storm water channel	C*
<b>Category 5: Fire and Life Safety</b>		
	Failure to appoint an accountable Fire Safety Manager	D
	Insufficient fire safety training for people working in a building	D
	Insufficient fire safety training records	E
	Insufficient number of Fire Wardens on site at any time during operating hours	D
	Lack of fire safety guidance and briefings for visitors to a building	D
	Failure to comply with any security and safety requirements not otherwise referred to in this schedule	E
	Lack of emergency response plans	E
	Insufficient incident response training	E
	Failure to co-ordinate contingency plans with SILZC	E
	Failure to display emergency phone numbers for elevator/lift maintenance provider	E
	Gas connection leaks	E
	Responsible for causing a fire	C
	Failure to provide sufficient number of emergency exits	B
	Lack of illuminated guides indicating routes to emergency exits	D
	Insufficient lighting or marking of emergency exits	D
	Blocking of emergency exits or escape routes	C
	Blocked window access above the ground floor that could hamper rescue work	D
	Not equipping the building with fire systems or fire detection and alarm systems	A
	Fire systems or fire detection and alarm systems not fully functional	B
	Lack of maintenance of fire systems or fire detection and alarm systems by a competent and accredited entity	D
	Fire systems shut down without provision of temporary firefighting services	D
	Fire extinguishers not suitable for the area	D
	Improperly installed or stored firefighting equipment	D
	Blocked access to firefighting equipment	D
	Storage of combustible materials inside the building or on the roof	C
	Use of gas stoves, firewood, coal or other cooking material inside a facility/building	C
<b>Category 6: Traffic, roads and vehicles</b>		
	Violation of traffic and vehicle safety rules	Refer to Annex E
	Use of roads in contravention of Ministry of Transportation regulations or this ILBZ Manual	C
	Operation of equipment or vehicles by unlicensed or untrained personnel	C
	Damage to or unauthorized removal of traffic signs and safety signs	D
	Exceeding the prescribed regular dimensions of a vehicle	D
	Failure to use banksmen when reversing commercial or construction vehicles	E
<b>Category 7: Security and Occupational Health &amp; Safety</b>		
	Facilitating the entry of an unauthorized person to the ILBZ or allowing them to remain	B
	Facilitating or allowing the entry of Prohibited Goods in to the ILBZ	B
	Failure to report the presence of Prohibited Goods in the ILBZ	D



Failure to secure a Premises or provide access control to such Premises	C
Failure to present an ID Pass when requested	E
Hiring of unauthorized or insufficiently trained security guards	C
Tampering with surveillance and monitoring devices	B
Failure to appoint an accountable Primary First Aider	D
Insufficient first-aid training for people working in a building	E
Insufficient first-aid training records	E
Insufficient number of trained first-aiders on site at any time during operating hours	E
Insufficient quantity of first-aid equipment or supplies	E
Lack of natural or mechanical ventilation	E
Failure to provide appropriate personal protective equipment and clothing	D
Failure to use or wear the provided personal protective equipment and clothing	E
Lack of ramp access or safe zones for people with reduced mobility	D
Barriers preventing access by emergency services to inside a facility or building	C
Exceeding the authorized number of occupants in a building	B
Insufficient safety information or warning signs visible on fuel tanks	E
Electrical extensions are not isolated or maintained	C
Failure to comply with standard specifications for electrical installations and extensions	D
Lack of grounding system for gas tanks, electrical equipment, metal parts or mobile buildings	E
Unauthorized handling or storage of chemicals, radioactive or explosive materials	B
Poor handling or storage of chemicals, radioactive or explosive materials	C
Failure to provide a temperature-controlled, well-lit and well-ventilated working environment	D
<b>Category 8: Environment and Public Health</b>	
<b>Environment</b>	
Dumping or storing non-hazardous waste in non-designated areas	D
Dumping or storing hazardous waste in non-designated areas	C
Storing equipment in areas other than a Premises	D
Abandoning equipment	D*
Disposing of any waste products into a natural water course	A
Dumping of harmful substances in water courses and water storage reservoirs	A
Unauthorized construction of installations in a natural water course	C*
Diversion of a natural water course	B*
Disposing of solids, residue, oil, grease, chemicals or any liquids into a natural water course	A*
Failure to properly treat and dispose of waste in a way that may cause environmental damage to other facilities or those associated with them	D
Failure to prevent water or sewage leaks from facilities and buildings	E
Failure to prevent leaking of contaminated or chemical water	C
Failure to prevent leakage of oil materials	D
Contamination of groundwater or surface water with hazardous substances or high concentrations of non-hazardous pollutants	B*
Release of pollutants without prior notice	D
Failure to report the emission of contaminated gases	E
Inadequately maintained pollution control, surveillance and monitoring devices	E

Failure to comply with procedures for treating emergency emissions and leakage	E
Producing harmful or excessive noise (equipment or vehicles)	E
Release of offensive odors or excessive fumes above the permitted limit	E
Inadequate dust prevention or control procedures	D
Causing environmental damage to others	D*
Disable, damage or obstruct irrigation systems	D*
Unauthorized storage of bulk waste	D
Storage of wooden pallets, plastic wrap and such waste outside of a building other than in a waste container	D
Storing of unit load devices outside of a building other than in purpose-built stillage designed for such a purpose	E
Unrepaired damages caused by a vehicle or container during loading/off-loading	E*
Damage to a Premises	E*
<b>Public Health</b>	
Use of raw materials that are prohibited or expired	C
Use of raw materials showing signs of damage or decay	D
Use of inappropriate food packaging	E
Violation of food storage conditions	E
Manufacturing or recycling food without complying with health requirements	D
Poor transport of food and temperature-affected products	E
Poor standard of cleanliness in food preparation areas	E
Failure to cover food waste containers	E
Accumulation of waste in facilities or buildings	E
Supply of food unfit for human consumption	D
Serving of food or beverages beyond their best-before date	E
Burning of food waste	E
Violations of environmental or public health regulations for which no specific penalty has been set	E
<b>Category 9: Labor and employment</b>	
Violation of visa conditions	C
A person found working at a Premises who is not meant to be working at that Premises whether due to not being sponsored, being sponsored by another Established Entity, or for any other reason	C
Employment of a Sponsored Employee outside the ILBZ or by third parties without the approval of SILZC	D
Housing workers within a construction site or Premises	D
<b>Category 10: Aviation standards and safety</b>	
Violation of civil aviation safety or security procedures	B
Violations of the licensing requirements granted by the aviation security sector	C
Violations of civil aviation security requirements in the recruitment of security operators	D
<b>Category 11: Regulatory standards and compliance</b>	
Provision of incomplete, misleading or false information to the Governing Body or any Government agency	D

## Annex D – Traffic Control & Road Safety Investigations and Sanctions

### D 1 Safety Occurrence Notices (SONs)

- D1.1 SONs may only be issued by a Manager of SILZC or a member of the ILBZ Security and Operations Team.
- D1.2 All SON will be recorded in an electronic system and each occurrence will be investigated.
- D1.3 SON investigations may require interviews, personal statements, evidence or records to be provided by the appropriate individual or company.
- D1.4 As part of the ILBZ Just Culture Model, the ILBZ Security and Operations Team may invite those involved to an interview so they may provide their version of events, to better understand what occurred and identify means for preventing reoccurrence. If those involved decline the opportunity to attend this interview, the ILBZ Security and Operations Team will utilize the available information.
- D1.5 In cases where additional information is required, a 'Third-Party Investigation Form' (TPIF) will be sent to the relevant sponsor/supervisor. The TPIF must be completed and returned within seven (7) days to the ILBZ Security and Operations Team.

### D2 Outcome of Investigations

- D2.1 On completion of an investigation any single or combination of the following outcomes are possible:
- No further action will be taken (NFA);
  - A written advisory issued to the individual and/or their sponsor/supervisor (WA);
  - A monetary fine in accordance with Annex D issued to the sponsor/supervisor (MF);
  - Penalty points issued to the individual involved (PP).
- D2.2 Where a driver has received nine (9) Penalty Points, the ILBZ Security and Operations Team will require an action plan from their Employer to understand what is being done to prevent the driver reaching twelve (12) points.
- D2.3 ILBZ Security and Operations Team will be responsible for issuing citations for traffic violations, and fines or penalty points will be given in accordance with the table below. Depending on the seriousness of the offence, a verbal warning may be issued in the first instance and recorded.
- D2.4 Penalty Points will be awarded as a numerical value between 3 and 12 per offence. Points will remain 'live' on the individual's record for a period of 36 months per offence at which point the specific value for that offence will be removed.
- D2.5 Penalty points are cumulative, and multiple infractions during a single incident (eg: failure to stop at a designated sign and failure to wear a seat belt) attract more than one set of penalty points.
- D2.6 Any driver who accrues 12 or more penalty points in a rolling 36-month period will have their vehicle access privileges suspended and shall not be permitted to drive any other vehicle in the ILBZ. Such suspension will be for a minimum period of 3 months.

D2.7 Drivers' who accrue 20 or more penalty points in a rolling 36-month period will be prohibited from operating vehicles in the ILBZ and from holding a Vehicle Access Pass for any personal vehicles. Such a prohibition will be for a period of 3 years.

D2.8 The Established Entity will be charged the fine for persons under their sponsorship or supervision. The Person will be issued the corresponding Penalty Points.

### D3 Schedule of Traffic & Road Safety Violations

Violations		Fine	Points
SON1.	Dangerous Driving (Poor behavior)	SR 2,000	12
SON2.	Dangerous Driving (Poor vehicle condition)	SR 1,000	12
SON3.	Reckless Driving (Combination of violations)	SR 1,000	12
SON4.	Unlicensed Driver	SR 500	10
SON5.	Driving under the influence of medication or intoxicants	SR 500	10
SON6.	Failing to stop when directed to do so by Safety/Security Staff	SR 500	10
SON7.	Failure to obey a designated traffic sign/signal, including failure to reach a full stop when required by a traffic sign/signal	SR 300	8
SON8.	Failure to give way to pedestrians or cyclists on crossings/intersections	SR 300	8
SON9.	Driving on the wrong side of a divided road	SR 300	8
SON10.	Passengers in the back of an open pickup vehicle	SR 300	8
SON11.	Use of a mobile communication device while driving	SR 200	6
SON12.	Failure to wear a seat belt (including children not in restraint seats)	SR 200	6
SON13.	Tailgating (Through Security Access locations)	SR 500	10
SON14.	Tailgating (Other than Security Access locations)	SR 200	6
SON15.	Failure to yield to right of way	SR 200	6
SON16.	Riding without a helmet	SR 200	6
SON17.	Overtaking or passing buses when they're disembarking passengers	SR 200	6
SON18.	Operating scooters & quad bikes in park areas, on sidewalks/footpaths or other pedestrian zones	SR 200	6
SON19.	Excessive passengers riding in or on a vehicle	SR 200	6
SON20.	Driving above the published speed limit by 10km/h or more	SR 500	10
SON21.	Driving above the published speed limit by less than 10km/h	SR 200	6
SON22.	Parking in an emergency services vehicle space	SR 100	3
SON23.	Parking against the flow of traffic direction	SR 100	3
SON24.	Parking in an unauthorized area	SR 200	6
SON25.	Failure to display a valid Vehicle Pass	SR 200	4
SON26.	Non-compliance with cycling rules	SR 100	3
SON27.	Unattended vehicle left with engine running	SR 200	4
SON28.	Creating an obstruction	SR 100	3
SON29.	Driving with vehicle doors open	SR 100	3
SON30.	Driving with a disabled or defective safety feature or device	SR 500	9
SON31.	Insecure load	SR 200	4
SON32.	Failure to produce a valid driving license when requested	SR 200	4

Annex E – Boundary of the ILBZ

