

Sports Club Company

Conflict of Interest and Related Party Transactions Policy Version: 1/2024

This policy was approved by the Board of Directors of the Sports Club Company, in its meeting held on 28/07/2024.

DISCLAIMER This English version of this document is a translation of the original Arabic document and has been made for the purpose of informing non-Arabic speakers of the said document. In case of any discrepancy or misinterpretation of any clause or article, the original Arabic document shall prevail.

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1. Definitions:

In alignment with the definitions outlined in the Glossary of Defined Terms used in the Regulations of the Capital Market Authority, the Corporate Governance Regulations, and other regulations issued by the Capital Market Authority, the following terms and expressions shall have the meaning they bear as follows unless the contrary intention appears:

- **Company:** Sports Club Company.
- **Board of Directors or Board:** The Board of Directors of the Company.
- **Policy:** Conflict of Interest Policy.
- **Affiliate:** An individual who holds control over another entity, is controlled by another entity, or shares control with a third party. Control may be exercised either directly or indirectly in any of these scenarios.
- **Authority:** The Capital Market Authority.
- **Tadawul or Market:** The Saudi Stock Exchange.
- **Companies Law:** The Companies Law enacted by Royal Decree No. (M/132) dated 1/12/1443H (corresponding to 30/6/2022), as amended.
- **Corporate Governance Regulations:** The regulations promulgated by the Authority under Resolution No. 8-16-2017 dated 16/5/1438H (corresponding to 13/2/2017), as amended by Resolution No. 8-5-2023 dated 25/6/1444H (corresponding to 18/1/2023), as amended.
- **Executive Management or Senior Executives:** Persons responsible for managing the daily operations of the Company, and proposing and executing strategic decisions, such as the Chief Executive Officer (CEO) and his/her delegates and the Chief Financial Officer (CFO).
- **Relatives or Family Members:** Fathers, mothers, grandfathers, and grandmothers (and their ancestors). - children and grandchildren and their descendants. - siblings, maternal and paternal half-siblings. - Husbands and wives.
- **Related Parties:**
 1. Affiliates of the Company except for wholly owned companies.
 2. Major shareholders of the Company.
 3. Directors and senior executives of the Company.

4. Directors of affiliates of the Company.
5. Directors and senior executives of substantial shareholders of the Company.
6. Any relatives of persons described at (1), (2), (3) or (5) above.
7. Any company controlled by any person described at (1), (2), (3), (5) or (6) above.

For the purposes of paragraph (6) of this definition, the term "relatives" shall mean a parent, spouse, and children.

- **Related Person:** A "Related Person," in relation to senior executives, a Board Member, or a shareholder with a substantial equity stake, refers to any of the following:
 - A. Spouse, Minor children, (collectively referred to as the "Immediate Family").
 - B. Any company in which the individual, any member of their Immediate Family, or multiple members thereof collectively hold an interest in the capital, whether directly or indirectly, that affords them the ability to:
 - Vote or exert control over votes equal to or exceeding 30% at general meetings concerning all or the majority of matters.
 - Appoint or remove Board Members holding a majority of voting rights at Board meetings regarding all or the majority of matters.
- **Major Shareholders:** Individuals or entities that hold five percent (5%) or more of the Company's shares.
- **Controlling Interest:** The ability to influence actions or decisions of another person directly, indirectly, individually, or collectively with a relative or an affiliate through: (A) owning %30 or more of the voting rights in a company, (B) having the right to appoint %30 or more of the administrative team members.
- **Administrative Team:** A group of individuals who make strategic decisions of the person. The Board is the Company's Administrative Team.
- **Internal Audit Department:** Department assesses and monitors the implementation of the internal control system and verifies that the Company and its employees comply with the applicable laws, regulations and instructions, and the Company's policies and procedures.

- **External Auditor:** The certified public accounting firm contracted to conduct the auditing and review of the Company's accounting and financial statements. It must be registered with the Authority in accordance with the Rules for Registration of External Auditors of Entities Subject to the Authority's Supervision.
- **General Assembly:** The Shareholders Assembly of the Company.

2. Introduction:

1. In accordance with the stipulations set forth in the Corporate Governance Regulations, the Board holds the responsibility of formulating a comprehensive written policy aimed at addressing both actual and potential conflicts of interest that may influence the performance of Board members, committee members, executive management, or other employees of the Company in their interactions with the Company or its stakeholders.
2. This policy shall include the requirements outlined in the Corporate Governance Regulations, as well as the Companies Law and its implementing. Consequently, this policy has been developed to effectively manage conflicts of interest and transactions involving related parties, in accordance with the Companies Law, and the Authority regulations, the Company's bylaws, and all pertinent laws and instructions.

3. Purpose of the Policy

The objectives of this policy are to:

- Inform the Board members, members of its committees, major shareholders, senior executives, employees, auditors, consultants, and other stakeholders, as needed (each party is referred to as a ("Concerned Person") and emphasize the importance of avoiding situations that could lead to a conflict of interest with the Company's interests, and dealing with them in accordance with the governance provisions and regulatory requirements.
- Creating controls and provisions for dealing with actual or potential conflicts of interest, as well as outlining the Company's conflict of interest policies and procedures for shareholders, the Board members, Committee members, senior executives, employees, auditors, consultants, and other stakeholders.

- Supporting the concerned parties in effectively managing conflicts in accordance with regulatory requirements while fostering transparency in the Company's operations.
- Adhering to all applicable legal regulations in the Kingdom of Saudi Arabia.
- Consistently disclose any circumstances that may result in a conflict of interest, as well as to acknowledge when such conflicts occur.
- Refraining from voting or engaging in decision-making processes when a conflict of interest is present.
- To Implement appropriate business practices and ethical standards.
- Outlining clear procedure for the disclosure of conflicts of interest, along with the process for securing the necessary authorizations and approvals prior to undertaking any work that could potentially lead to such conflicts.
- Presenting relevant examples of conflict-of-interest scenarios that pertain to the company's operations.

4. Definition of Conflict of Interest and Illustrative Examples of Situations That Constitute or May Give Rise to Conflicts of Interest:

A **conflict of interest occurs** when a "concerned person" possesses or may possess a direct or indirect interest or relationship so that this interest or relationship prevents his decision from being made independently and impartially and without taking into account this interest or relationship.

The following are illustrative examples but not exhaustive of situations that may constitute or give rise to conflicts of interest, which should be diligently avoided:

1. The exploitation of one's position and authority within an organization for personal gain.
2. The unauthorized use of company resources, facilities, and property, irrespective of the organization's intended applications for these assets.
3. Leveraging of company information or opportunities for personal benefit or to advantage an external entity, even when the organization does not plan to utilize such information.
4. Failure to protect confidential information and its subsequent disclosure or use for personal profit.
5. Receiving payment for consulting services provided to a competing company.

6. Engaging in or participating, whether directly or indirectly, in a business that operates in a manner similar to or in competition with the company is strictly prohibited unless the necessary authorization from the relevant business authorities or, if applicable, a license from the General Assembly has been obtained.
7. Engaging in decision-making, conducting transactions or purchase entered into that benefits a Company in which an individual has a vested interest, without the appropriate disclosure of this interest in compliance with applicable statutory regulatory requirements.
8. Acceptance by Board members, committee members, and senior executives any gifts or courtesies from individuals or entities engaged in business with the company if such acceptance could result in a conflict of interest. As a general rule, the acceptance of such gifts is not permitted.
9. A Board member, together with committee members and senior executives, who steps down from their roles to explore investment prospects -whether directly or indirectly- that the Company expects will be profitable, and which they learned about during their tenure on the Board or in executive management, is deemed to be in a conflict-of-interest situation.
10. Failing to adhere to established accounting principles and procedures in relation to entries that should always reflect correct and appropriate bookkeeping, assets, claims, and revenues.

5. Policy Implementation:

This policy applies to the stakeholders listed below:

1. Major Shareholders who own 5% or more of the Company's capital.
2. Members of the Board, committee members, and members of the board of any of its subsidiaries, along with their relatives.
3. Senior executives within the Company or any of its subsidiaries, including their relatives.
4. Board members and senior executives associated with major shareholders of the Company.
5. Sole proprietorships owned by a Board member, senior executive, or their relatives.
6. Companies in which any board member, senior executive, or their relatives hold a partnership interest.
7. Companies where any board member, senior executive, or their relatives serve as board members or senior executives.

8. Joint stock companies in which any board member, senior executive, or their relatives own 5% or more.
9. Individuals whose advice and guidance significantly influence the decisions of the company, its board members, and senior executives. This does not include professional advice offered by licensed individuals.
10. Company Employees.
11. The Company's external auditors and consultants. The Board shall consider independence requirements and potential conflicts of interest in compliance with the regulations issued by the Authority when appointing financial and legal advisors and auditors.

6. Guidelines for Conflict of Interest:

A. Conflicts of Interest Related to Major Shareholders:

1. All transactions and contracts involving significant shareholders and their family members, possessing 5% or more, ownership of the Company's shares, whether held directly or indirectly, shall be governed by the same stipulations that apply to transactions with external parties.
2. It is imperative that all transactions with the major shareholders and their relatives, who hold 5% or more of the Company's shares, whether directly or indirectly, shall be disclosed in compliance with relevant regulations.

B. Conflicts of Interest Related to the Board of Directors:

Board members are required to:

- Perform their duties with integrity and honesty, ensuring that personal interests do not take precedence over the interests of the company and its shareholders, and refraining from using their positions for achieving personal interests.
- Avoid situations of conflicts of interest and notify the Board of situations of conflict which may affect his neutrality when looking into matters presented before the Board. The Board



shall not allow such member to be involved in deliberations and shall not count his vote when voting on such matters in the Board and the Shareholders Assemblies meetings.

- Protect the confidentiality of the information related to the Company and its activities, and not disclose any of such information to any person.
- Each Board member is prohibited from misusing or benefitting, directly or indirectly, from any of the Company's assets, information or investment opportunities presented to the Company or to him in his capacity as a member of the Board. This includes investment opportunities which are within the activities of the Company, or which the Company wishes to make use of. Such prohibition shall extend to Board member who resigns to, directly or indirectly, use investment opportunities that the Company wishes to use, which came to his knowledge during his membership in the Board.

C. Interests in Business Transactions and Contracts Executed on Behalf of the Company:

- No Board member shall have any interest (whether direct or indirect) in business transactions or contracts executed for the benefit of the Company without prior authorization from the General Assembly (or from delegated Board in accordance with the guidelines established by the relevant regulatory authority).
- Board members and committees' members shall disclose any personal interests they hold in the Company's activities and contracts. Such disclosures are to be recorded in the minutes of the meeting, and the member with the interest is prohibited from participating in the voting process concerning decisions made by the board, its committees, or the general assembly related to those interests.
- The Board shall notify the Ordinary General Assembly when convened of the businesses and contracts in which any Board member has a direct or indirect interest; the notification shall include the information provided by the member of the Board and shall be accompanied by a special report of the Company's external auditor in accordance with the established auditing standards in the Kingdom.
- Any member of the Board shall not be allowed to vote on the resolution taken by the Board, its committees, or the General Assembly concerning business transactions or

contracts executed for the benefit of the Company, if they have a direct or indirect interest in those transactions.

- In the event that a Board member violates the aforementioned provisions, the Company serves the authority to pursue judicially legal annulment of the contract and to request the return of any profits or advantages gained from such transactions.
- The businesses and contracts that are executed for personal needs shall not be deemed as a direct or indirect interest that require an authorization from the Ordinary General Assembly, provided that such businesses and contracts are carried out in the same conditions and terms applied by the Company with all contractors and dealers, and that such businesses and contracts must be within the normal course of the Company's activities.
- The Ordinary General Assembly shall have the right to delegate the authorization powers stipulated in paragraph (1) of Article (27) of the Companies Law to the Company's Board, provided that the delegation is in accordance with the following conditions:
 1. The total amount of business or contract -or the total of the businesses and contracts during the fiscal year- is less than (1%) of the Company's revenues according to the latest audited financial statements and less than 10 million Saudi Riyals.
 2. The business or contract falls within the normal course of the Company's business.
 3. The business or contract shall not include preferential terms to the Board members and shall be in accordance with the same terms and conditions followed by the Company with all contractors and dealers.
 4. The business or contract shall not be part of the consultation businesses and contracts which a Board member carries out by a professional license for the Company.
- The delegation of authority shall be valid for a maximum period of one year from the date of approval by the Ordinary General Assembly to delegate its powers outlined in Paragraph 1 of Article 27 of the Companies Law to the Board of Directors, or until the conclusion of the current term of the delegated Board, whichever comes first.

- No member of the Board of Directors is permitted to vote on the items concerning the delegation or revocation of the delegation during the Ordinary General Assembly.
- The Ordinary General Assembly reserves the right to impose any additional conditions beyond those specified in Article 64 of the Executive Regulations of the Companies Law pertaining to listed joint-stock companies issued by the Authority, and such conditions must be incorporated into this policy.
- The period for the delegation shall be a maximum of one year from the date of approval by the General Assembly to delegate its powers, stipulated in paragraph (1) of Article (27) of the Companies Law, to the Company's Board, or until the end of the term of the delegated Board, whichever is earlier.
- Any member of the Board shall not be allowed to vote on the items of delegation and the revocation in the Ordinary General Assembly.
- The Ordinary General Assembly shall have the right to add additional terms to this policy in addition to the terms stated in Article (64) of the Implementing Regulation of the Companies Law for Listed Joint Stock Companies.
- An interest shall be considered indirect if the business and contract executed for the Company's account may result in financial or non-financial benefits to, but not limited to, the following categories:
 1. The relatives of the Board member.
 2. A partnership, limited partnership, or limited liability company where any Board member or any of his relatives is a partner in it or among its managers.
 3. A joint stock company or simplified joint-stock company in which a Board member or any of his relatives, individually or collectively, own (5%) or more of its total ordinary shares.
 4. An entity - other than companies - in which a Board member or any of his relatives has ownership or is managing it.
 5. An entity or a company where a Board member or any of his relatives is a member of its board of directors or a senior executive, except for the Company's affiliates.
- If the delegated Board rejects granting the authorization, the member of the Board shall resign within a period specified by the Board; otherwise, his membership in the Board

shall be deemed terminated, unless he decides to withdraw from such contract, or amend his situation in accordance with the Companies Law and its implementing regulations prior to the end of the period set by the Board.

- If the General Assembly rejects granting the authorization, the member of the Board shall resign within a period specified by the General Assembly; otherwise, his membership in the Board shall be deemed terminated, unless he decides to withdraw from such contract or amend his situation in accordance with the Companies Law and its implementing regulations prior to the end of the period set by the General Assembly.
- In the event that the Ordinary General Assembly does not assign the approval authority specified in this policy to the Board, or if the criteria for issuing the license outlined in this policy are not met accordingly, the approval shall be granted by the Ordinary General Assembly.
- If a member of the Board fails to disclose their interest as previously mentioned, the Company or any affected party may seek recourse through the appropriate judicial authority to invalidate the contract or demand that the member reimburse any profits or benefits accrued from it.
- The liability for damages arising from the aforementioned transactions and contracts shall be attributed to the member who has an interest in the transaction or contract, as well as to the members of the Board of Directors if they fail to meet their obligations as stipulated in the Companies Law regarding the disclosure of interests. This liability will also apply if it is demonstrated that such transactions and contracts are unjust or present a conflict of interest that adversely affected shareholders.
- Board Members of Directors who express disagreement regarding a resolution will not incur liability, as long as they explicitly document their opposition in the minutes of the meeting. Additionally, a member's failure to attend the meeting during which the resolution is adopted will not constitute a legitimate reason for exemption from liability, unless it can be proven that the absent member was not informed of the resolution or was unable to express their disagreement upon learning of it.

D. Provision of Loans and Guarantees:

- The Company is prohibited from extending any type of loan to its Board members.

- The Company will refrain from providing any guarantees or entering into any agreements related to loans taken by any of the Board member from external parties. This stipulation extends to any loans, guarantees, or warranties offered to the relatives of the Board members. Any agreements made in contravention of this policy shall be deemed null and void. Furthermore, the Company reserves the right to seek compensation for any damages incurred as a result of such actions through the competent judicial authorities.
- The aforementioned provisions shall not apply to loans and guarantees provided by the Company as part of employee incentive programs that have received approval in accordance with the Company's bylaws or through a resolution passed by the General Assembly.

E. Competition with the Company:

1. A member of the Board or any of its committees, is expressly prohibited, without prior authorization from the General Assembly and in accordance with the competition standards and approved by the General Assembly, from engaging in any activities that may compete with the company or conducting business in respect of any of the Company activities.
2. If a member of the Board or any of its committees wishes to engage in activities that may compete with the Company or conducting business in respect of any of its activities, the following procedures shall be observed:
 - The member shall inform the Board about the competitive activities they intend to pursue, where such notification shall be documented and recorded into the Board minutes of meeting.
 - The (Concerned Person) member who has an actual conflict of interest is prohibited from participating in the vote regarding the decision related to this matter in the Board, its committees, or the General Assembly meetings.
 - The Board shall notify the General Assembly when convened of any competitive activities undertaken by a Board member or a member of its committees. This notification will be issued following the Board's confirmation of the competition and its evaluation of how it corresponds with the company's operations or any of its sectors, in line with the competition standards and regulations set forth by the General Assembly

- based on the Board's recommendations. These standards will be made available on the company's website, and the assessment of these activities will occur on an annual basis.
- An authorization shall be obtained from either the General Assembly or the delegated Board, permitting the member to engage in competitive activities.
3. The following shall be deemed a participation in any business that may compete with the Company or any of its activities:
- The Board members' establishing a company or a sole proprietorship or the ownership of a controlling percentage of shares or stakes in a company or any other entity engages in business activities that are similar to the activities of the Company or its group.
 - Accepting membership in the Board of a Company, an entity that competing with the Company or its group or managing the affairs of a competing sole proprietorship or any competing company of any form, except the company's affiliates.
 - The Board member's acting as an overt or covert commercial agent for another company or entity competing with the Company or its group.
4. The ordinary general assembly may delegate the power to approve competitive activities to the Board. The resolution passed by the general assembly must explicitly designate the competitive activities and operations for which the Board is authorized to grant approval during the delegation period.
5. The period for the delegation shall be a maximum of one year from the date of approval by the General Assembly to delegate this power to the Board, or until the end of the term of the delegated Board, whichever is earlier.
- Any member of the Board shall not be allowed to vote on the items of delegation and the revocation in the Ordinary General Assembly.
 - If the delegated Board rejects granting the authorization, the member of the Board shall resign within a period specified by the Board; otherwise, his membership in the Board shall be deemed terminated, unless he decides to withdraw from such contract, or amend his situation in accordance with the Companies Law and its implementing regulations prior to the end of the period set by the Board.
 - If the General Assembly rejects granting the authorization, according to article 27 of Companies law, the member of the Board shall resign within a period specified by the

General Assembly; otherwise, his membership in the Board shall be deemed terminated, unless he decides to withdraw from such contract or amend his situation in accordance with the Companies Law and its implementing regulations prior to the end of the period set by the General Assembly.

F. Restriction Periods:

Board members, members of the Audit Committee, and any of their relatives shall not deal in any securities of the Company during the following periods:

- 1) During the (15) calendar days preceding the end of the financial quarter and until the date of the disclosure of the reviewed interim financial statement of the Company.
- 2) During the (30) calendar days preceding the end of the financial year and until the date of disclosing the Company audited annual financial statements. or the preliminary financial statements for the fourth quarter.
- 3) The aforementioned trading restriction periods shall also apply to any member who resigns during a restriction period and to any of his associates.

G. Conflicts of Interest Related to Executive Management and Employees:

1. Employees must declare any conflicts of interest they may have when they first join the company, as well as any interests they may later acquire in transactions or agreements carried out for the company's advantage. The employees are also required to report if they become aware of any information that could compromise the interests of an employee of the Company and have not yet done so. Other examples of such circumstances include knowing that a relative works for the Company or is supervised by them, or that a member of their family is employed by the Company, has a stake in business dealings or contracts that are signed on the Company's behalf, or act as supplier or customer.
2. Any external business endeavors engaged in by an executive are required to be reported to the Board of Directors, receive their approval, and be disclosed in compliance with applicable regulations.
3. Should a member of the executive management or an employee wish to pursue such activities, they must present the issue to the CEO for assessment and evaluation, who will

then make a recommendation to the Board of Directors to facilitate an informed decision on the matter.

4. Employees are obligated to inform their direct manager if they become aware that a relative is employed under their supervision or direction. It is imperative that the employee refrains from making unilateral decisions regarding the appointment, performance evaluation, or promotion of that relative.

H. Regarding Senior Executives:

- Senior executives shall not have any direct or indirect interest in transactions or contracts executed on behalf of the company, unless prior approval is obtained from the Board through a resolution issued upon the recommendation of the Audit Committee.
- They are prohibited from engaging in any activities that may compete with the company or competing in any area of business in which the company operates, unless such engagement is approved by the Board through a resolution issued based on the Audit Committee's recommendation.
- They must not exploit the company's assets, information, or any investment opportunities presented to them in their capacity as executives or those offered to the company for personal gain, whether direct or indirect.

I. In General, Company Employees Must Avoid:

- Engaging in activities with competing companies, whether directly or indirectly through any associated party.
- Entering into any transactions with the Company without prior approval from the Board or any authorized department by the Board.

J. Senior executives and any individuals associated with them are prohibited from engaging in transactions involving the Company's securities during the following periods:

- During the (15) calendar days preceding the end of the financial quarter and until the date of the disclosure of the reviewed interim financial statement of the Company.

- During the (30) calendar days preceding the end of the financial year and until the date of disclosing the Company audited annual financial statements. or the preliminary financial statements for the fourth quarter.
- These restrictions also apply (where applicable) to any resigning executive member (during the prohibition period) and any individuals associated with them.

K. Conflicts of Interest Related to External and Internal Auditors and Consultants:

1. External auditors for the Company must maintain independence.
2. The independence of the internal auditor must be maintained, sufficient support should be provided to the internal auditor to carry out the internal audit functions, provided that the internal auditor is functionally reported to the Audit Committee.
3. The Board should adhere to the requirements for independence and manage potential conflicts of interest as set by the regulations and guidelines issued by the relevant regulatory authorities when appointing financial and legal consultants, as well as auditors.

L. Conflicts of Interest Related to Candidates for Board Membership:

A person who desires to nominate himself for the membership of the Board shall disclose to the Board or the General Assembly any cases of conflicts of interest, according to procedures set forth by the authority, including:

- 1) Having direct or indirect interest in the contracts and businesses entered into for the benefit of the Company.
- 2) Engaging in business that may compete with the Company or any of its activities.

7. Disclosure of Conflicts of Interest:

1. The concerned person who has an actual or potential conflict of interest, or who is unsure whether he has an actual or potential conflict of interest, shall disclose in writing to the Board, or the Secretary of the Board, the nature and degree of his actual or potential conflict of interest.

2. The disclosure must be made promptly after the person becomes aware that he has an actual or potential conflict of interest and must be made in a detailed manner with appropriate facts.
3. The Board, through the Audit Committee, will review all disclosed conflicts of interest as outlined in paragraph (1) above, or those identified via a specialized conflict of interest questionnaire. The Board will assess whether each case warrants the acquisition of additional information. Should such information be requested, the concerned individual must provide it without delay.
4. Upon verifying the existence of an actual or potential conflict of interest, the Board or the Board Secretary shall promptly issue explicit written directives that the concerned person is required to follow.
5. The Company shall disclose to the Authority and the public, any transaction between the Company and a related party or any arrangement through which the Company and a related party invest in any project or asset or provide financing therefore if this transaction or arrangement is equal to or greater than (1%) of the gross revenues of the Company according to the latest audited annual financial statements; In cases where a Board member has a vested interest, Board approval and the consent of the General Assembly are required in accordance with the provisions of the Companies Law.
6. The Company shall disclose in the annual Board report the following:
 - Description of any transaction between the Company and any Related Party.
 - Information relating to any business or contract to which the Company is a party and in which a director of the Company, a Senior Executive or any person related to any of them is or was interested, including the names of persons in relation, the nature, conditions, durations and the amount of the business or contract. If there are no such businesses or contracts, the Company must submit a statement thereof.
8. **Oversight of Implementation and Instances of Policy Violation:**
 - The Board is responsible for interpreting this policy, overseeing its enforcement, ensuring compliance, and making any necessary amendments.

- The Audit Committee shall review proposed transactions that the Company plans to undertake with related parties and provide its insights to the Board.
- A conflict of interest is identified when a proposed transaction aligns with the criteria for direct or indirect conflicts, or when the Board concludes that a situation constitutes a conflict of interest, especially concerning the Company's dealings with external entities or transactions involving board members and senior management. The Chief Executive Officer has the authority to make determinations regarding the company's employees.
- The Company retains the right to impose fines on employees who breach this policy, in line with the applicable Disciplinary action policy. Furthermore, it may refer all offenders—whether employees or others—to the relevant authorities for claims of compensation for damages that may result from their non-compliance with this policy.

9. Review and Implementation of this Policy:

This policy shall take effect as of its approval by the Board.

The provisions and requirements hereof that are in relation to the disclosure of conflicts of interest to the public and regulatory authority, as well as the stipulated restriction periods, shall apply to the Company as of the date of listing the Company's shares on the Saudi stock exchange.

The Board shall periodically review this policy as part of its ongoing assessment of corporate governance effectiveness or when new directives or regulations concerning the policy are issued.

This policy supersedes and replaces any procedures, decisions, or internal regulations of the Company that may be in conflict with it. It is intended to complement all applicable laws and regulations in the Kingdom of Saudi Arabia governing conflicts of interest, in addition to the Company's bylaws.

10. Publication:

This policy will be circulated among the members of the Board, the executive management, and the Company's employees to ensure their acknowledgment and comprehension of all provisions stipulated herein.