



Competition Business Criterion Abdullah Al-Othaim Markets Company

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Competition Business Criterion

Abdullah Al-Othaim Markets Company



First: definitions:

- **The Company:** Abdullah Al-Othaim Markets Company, "a Saudi public joint stock company."
- **General Assembly:** General Assembly of Shareholders of Souks Abdullah Al-Othaim.
- **Board of Directors:** The Board of Directors of Abdullah Al-Othaim Markets Company.
- **Board member:** Is intended as an executive, non-executive, or independent board member in accordance with definitions related to the company's regulations, regulations, and policies.
- **Company activity:** wholesale and retail trade in food.
- **Competing business:** wholesale and retail trade and foodstuffs as a matter of professionalism.
- **Senior Executives:** CEO, Deputies and Chief Financial Officer.

Second: Application scope:

Competing business criteria apply to any business that would compete with the company's business for the benefit of the board member or for the benefit of senior executives directly or indirectly.

Third: Competitive Business Criteria:

a) Businesses competing with the Company's activity in the following cases:

- 1) When establishing a company or owns (30%) Or more shares or stakes in another company or institution that is active in the company.
- 2) When a board member or a senior executive is in an entity that engages in the company's activity.
- 3) When he obtains a commercial agency or what is in its judgment, it is apparent or hidden to another company or establishment that is engaged in the company's activity.

b) None of the following cases shall be considered a competing business:

- 1) Competition through public auctions or public competitions.
- 2) Carrying out an activity outside the countries in which the company operates.

Fourth: Competition business controls and procedures:

If any of the above criteria are met, the following will be taken into account:

- 1) Inform the Board of Directors of the competing work that it wishes to practice including the nature of the competing work, any names concerned with it, its duration, and place of practice - inside or outside the Kingdom - and to prove this report in the minutes of the board meeting.
- 2) Non-participation of a member of the Board of Directors - the stakeholder - in voting on the decision issued in this regard, whether at the meeting of the Board of Directors or the General Assembly.

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- 3) The Chairman of the Board of Directors shall inform the General Assembly when it convenes of the competition businesses of the Board member, to be verified on an annual basis.
- 4) Obtaining a license from the General Assembly allows the board member - the stakeholder - to practice competing business.
- 5) If the General Assembly refuses to grant the license under article (72) of the corporate system and article (46) of the governance regulations, the board member - the stakeholder - must submit his resignation within a specified period by the General Assembly or no more than (90) days from the date of the General Assembly meeting, otherwise his membership in the Board of Directors will be terminated, unless he decides to refrain from competing with the company before the expiry of the general assembly period.
- 6) The responsibility of Non informing by the practitioner of any competition business, and in the event of failure to report, he shall be responsible for any damages that the company may face as a result of this act.

Fifth: Policy of conflict of interest:

Compliance with the company's policy of conflict of interest shall be taken into account in the event of any action - actual or potential - in which there is a conflict of interest in the interest of the board member.

Sixth: Publishing and access:

It works according to these criteria and is adhered to as of the approval of the General Assembly of Shareholders and is published on the company's website.