



Professional Conduct and Ethical Values Policy
Abdullah Al Othaim Markets Company

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First: Definitions:

- **Company:** Abdullah Al Othaim Markets Company, “a Saudi public joint stock company.”
- **Authority:** Capital Market Authority.
- **Market:** Saudi Capital Market.
- **Depository Center:** Securities Depository Center Company.
- **Shareholders:** Anyone who owns shares in Abdullah Al Othaim Markets Company.
- **Major shareholders:** Anyone who owns (%5) or more of the shares of Abdullah Al Othaim Markets Company.
- **Board of Directors/Board:** Board of Directors of Abdullah Al Othaim Markets Company.
- **Audit Committee:** The audit committee formed by the Board of Directors of Abdullah Al Othaim Markets Company.
- **Executive management or senior executives:** Persons entrusted with managing the daily operations of Abdullah Al Othaim Markets Company and proposing and implementing strategic decisions, such as the CEO, his deputies, and the financial director.
- **General Assembly:** An association formed by the shareholders of Abdullah Al Othaim Markets Company in accordance with the provisions of the Companies Law and the Company’s Bylaws.
- **Relatives:**
 - ✓ Fathers, mothers, grandfathers, and grandmothers, even if ascending.
 - ✓ Children, and their children, even if descending.
 - ✓ Full siblings, half-siblings on the father's side, or half-siblings on the mother's side.
 - ✓ Husbands and wives.
- **Person:** Any natural or corporate person to whom the laws of the Kingdom of Saudi Arabia recognize this character.
- **Related person:**
 - a) The spouse, wife and minor children (collectively referred to as the “individual’s family”).
 - b) Any company in which the individual or any member of his family, or more than one of them together, has an interest in its capital, whether directly or indirectly, in a manner that enables them to:
 - Vote or control votes in a proportion of (%30) or more in the General Assembly of Shareholders in relation to all or most matters.
 - Or appoint or remove members of the Board of Directors who own the majority of voting rights in Board of Directors meetings in relation to all or most of the matters.
- **Bribery:** Giving or offering, whether directly or indirectly, anything of value to obtain or maintain a benefit, or to secure an interest of any kind.
- **Subsidiary Company:** Any other company that is controlled by Abdullah Al Othaim Markets Company.
- **Inside Information:** specifically means information that fulfils the following:
 - 1) Information that relates to security, or to orders entered or to be entered for it.
 - 2) It must not have been announced to the public, nor made available to them in any other form.
 - 3) That a normal person would realise that, in view of its nature and content, that its announcement or provision to the public would have a material effect on the price or value of the security.

- **Material Incident:** It is any information related to a security that, if the investor knew about it, would have fundamentally affected the price or value of the security that he bought or sold.

Second: Introduction:

Based on the company's methodology and within its vision, mission and ethical values that it adopts, protecting information and ensuring its confidentiality, this policy aims to apply the principles of professional conduct to the persons concerned in accordance with the best professional practices to raise the efficiency and effectiveness of the company's work, enhance its position and maintain its reputation.

Third: Scope of Application of the Policy:

This policy applies to every "concerned" person who works for the company, including board members, committee members, senior executives, and all his employees.

Fourth: Basic principles of professional conduct:

- a) Honest behavior and virtuous morals.
- b) Compliance with laws and regulations.
- c) Act with integrity and impartiality.
- d) Not to abuse power.
- e) Justice and equality.
- f) Responsibility and accountability.
- g) Teamwork.

Fifth: Preserving the Company's Assets and Resources:

The company owns a variety of assets, and each person concerned with this policy is responsible for protecting the company's property. The employee should not use the assets except for the purposes and objectives of the company. These assets are divided according to the following:

a) Physical assets:

It must be ensured that any assets or tangible property provided by the company and intended for use by the employee to carry out his work are fully preserved and not used for his personal purposes or to support external activities, including protecting the company's property from being exposed to loss, damage, theft, or violation, and making every effort to Necessary care for her safety.

b) Intangible assets:

Care must be taken to protect resources, financial or non-financial information, intellectual rights, patents, copyrights, innovation, ideas, business plans, strategies, and the like, and not to use the company's name, identity, trademark, and relationships with others for personal purposes, and not to enter any illegal transactions that affect the company's reputation.

Sixth: Protection Intellectual Property:

Every person concerned must not violate intellectual property rights or benefit from them without the company's consent. Intellectual property includes the company's identity, trademarks, copyrighted documents, and a variety of characteristics, including the company's systems, programs, brochures, bulletins, reports, and all new programs that it develops to facilitate and organize its work. And other company property, including what is done or developed by the employee himself when he is at the helm of the company or by external parties, and the intellectual property that the employee made during his job is transferred to the company according to the system, and in return, the company is committed to Not to use the intellectual property of other companies for its own purposes without obtaining prior approval from those companies or the person who developed this intellectual property. Accordingly, it is the responsibility of every person concerned with this policy:

- Not to copy, reproduce or transmit materials protected by intellectual property rights unless authorized or licensed and not to disclose them even after leaving work with the company.
- Do not ask or encourage anyone to disclose any information related to intellectual property rights.
- Not to provide any advice, opinion, or instruction to another person to enter into any transactions that may lead to a violation of the company's intellectual property rights.
- Inquire from the company's relevant units if you have doubts or questions about the company's intellectual property rights.
- Report to the company's concerned party in good faith any cases suspected of violating the company's intellectual property rights, including but not limited to "copyrights, patents, trademarks, designs...etc".

Seventh: Preserving Information and Documents:

a) Confidentiality of information and documents:

Every person involved in this policy must:

- 1) Maintaining the confidentiality of all information or documents that any person concerned with the company sees or receives from unauthorized use and disclosure, and not revealing any confidential information to any user, agent, or any third party or employee whose work nature does not require obtaining such information.
- 2) The direct manager must be notified immediately upon becoming aware of any incorrect use or dealing with information not made public, and full cooperation must be expressed to protect such information from publication.
- 3) The following is prohibited:
 - ✓ Disclosing any confidential information other than what is required by the business interest, or using it for any unauthorized purpose, or in any manner that constitutes a violation of laws, regulations, and policies.
 - ✓ Storing information on storage media not permitted by the company.
 - ✓ Using access permissions to information for purposes other than those for which those permissions were granted, or sharing the password and similar information to people who are not intended to use it.
 - ✓ Using the company's information and data (such as the results of its current performance, the decisions that will be issued, or the future business and strategy plan) and the like for his own benefit, directly or indirectly.

- 4) Confidential information is disclosed by the authorized person at the request of official authorities, or as required by relevant laws and regulations, or at General Assembly meetings.

For the purposes of adhering to the confidentiality of information, those familiar with the inside information include the following:

- a) Members of the company's board of directors and its committees and any of their relatives.
- b) Senior management managers (senior executives, general managers), their administrative assistants and any of their relatives.
- c) All employees of the company's Public Relations Department, Investor Relations Department, Board Affairs Affairs Department, Legal Department, and Financial Affairs Department.

b) Information security:

Commitment must be made to protect the company's information and data from threats, unauthorized access, and hacks in order to fully continue the company's business and reduce the damage of business disruption. Accordingly, the person concerned with this policy must adhere to the following:

- 1) Ensure that hardware and software are protected, and that the necessary steps are taken to prevent unauthorized access.
- 2) Do not share passwords with unauthorized people.
- 3) Do not install any software or connect any device without prior authorization from the company.
- 4) It is prohibited to open electronic links sent from unknown external parties.
- 5) Do not upload or download files from unreliable sources.
- 6) Report any problems related to information security. If he knows or suspects the existence of security vulnerabilities or any violation of any of the company's policies, he must immediately inform his direct manager or the concerned party.
- 7) Do not use credentials on any unofficial websites and social media networks in their various forms.
- 8) Commitment to implementing the relevant company policies, the employment acceptance policy, and any circulars issued by it.

Eighth: Trading in the Company's Securities:

An insider is prohibited from disclosing any inside information to any other person while he knows or should know that this other person may trade in the company's securities related to the inside information. It is also prohibited for any uninformed person to disclose it to any other person. For any inside information he obtained by any means, and he knew or should have known that the other person to whom the disclosure was made could trade in the company's securities related to the company's internal information.

Accordingly, the insiders who are prohibited from trading in the company's securities based on inside information are:

Category One: members of the Board of Directors or members of its committees.

Category Two: the CEO, his deputies, the CFO, and the company's employees.

Category Three: A person who obtains information based on a family relationship, including from anyone who obtains the information directly or indirectly.

Category Four: A person who obtains information through a business or contractual relationship, including any person who obtains the information directly or indirectly.

Ninth: External Communication:

- a) Those charged with external communication tasks must maintain the confidentiality of essential information and data (related to the company's conditions, financial performance, and any information affecting the company's reputation) when communicating externally and not disclose it or expose it to the possibility of leakage. The person or entity concerned with disclosing that information must ensure that verify the truth and accuracy of the information before disclosing it.
- b) It is not permissible for any person other than an authorized person to make any public statements about the company's strategies and plans and any fundamental matters that affect the company, and their disclosure is prohibited except through the official channels designated for that purpose.
- c) Any concerned person other than those authorized to speak on behalf of the company must refer all inquiries received from stakeholders and various media outlets directly to the authorized person.
- d) It is known that employees who are not authorized to speak about the company may deal with the public for some purposes such as (representing the company at trade fairs, conferences, product launches, employment fairs...etc.), so such employees must receive appropriate training about the restrictions imposed by this policy.
- e) It is prohibited for any concerned person to make, verbally or in writing, an incorrect statement related to a material fact that affects the company or its securities and that violates the company's applicable regulations and policies.
- f) It is prohibited for any concerned person to spread rumours, and he must inquire about any information about the company before publishing it from those concerned with the matter.
- g) Every concerned person must avoid publishing information from unreliable sources on social media sites.
- h) Every concerned person must provide advice and guidance to those who publish company information without carefully checking its source or accuracy.
- i) In the event that the person in charge of external communication resigns or leaves work, he is obligated to hand over all data registered with external parties to the relevant department of the company to ensure business continuity and non-interruption.

Tenth: Accepting Gifts, Benefits, and Invitations to Hospitality:

- a) Every concerned person is prohibited from accepting gifts or hospitality, whatever they may be (financial or service), while performing his work from the company's clients or any related parties, which would influence his decision-making with regard to the company's interest. Only symbolic gifts or accepting an invitation may be accepted. (which does not affect the recipient's decisions in a way that harms the company's interest), after informing the direct manager of them.
- b) It is prohibited for any concerned person to provide any gifts, benefits or compensation to any person or entity on behalf of the company or to achieve some interest for any person or entity related to the company before obtaining the approval of the direct manager or the concerned department.

Eleventh: Hiring Relatives:

Relatives must not be employed in the same department or in one of the departments or sectors that are likely to create some kind of alliances or groupings that may harm the interest of the company. Any exception will be granted in accordance with the policies and standards determined by the company.

Twelfth: Conflict of Interests:

Each person concerned must avoid cases of conflict of interest, whether actual or potential conflict, and it is prohibited to engage in any activity outside his work, which may affect the objectivity of his decisions or his ability to perform his work for the company in any way, and cases of conflict of interest must be dealt with in accordance with policies. Applied and approved by the company.

Thirteenth: Business Environment:

a) Employees relations:

In order to provide a positive work environment, the company seeks to achieve the following goals:

- 1) Fair treatment and respect for all its employees regardless of race, color, sex, religion, age, nationality, marital status or physical disability.
- 2) Providing opportunities that help its employees develop their abilities and knowledge by holding training courses or workshops.
- 3) Providing a positive work environment by encouraging and motivating the spirit of initiative and innovation, appreciating efforts, and enhancing communication and transparency.
- 4) Respect the privacy of personal data, protect it from unauthorized access, and use personal data for the company's business needs in accordance with approved policies.
- 5) Providing programs for rewards, benefits, and allowances, and objective standards for appointments, promotions, and job increments, and to be based on clear and fair policies aimed at attracting, rewarding, and retaining distinguished employees.
- 6) Creating a suitable work environment for working women in accordance with the controls issued by the relevant authorities and in accordance with the provisions of Islamic Sharia.
- 7) Providing the appropriate environment for employees with special needs and providing training services to them.

b) Harassment and abuse:

- 1) Every person concerned must commit to following public morals and not violating the dignity of any individual or creating a hostile or abusive environment, and to contribute to avoiding any actions or behaviors that lead to any type of harassment and to ensure that the work environment is free from harassment, discrimination, persecution or abuse. And others, according to any of the regulations that regulate this.
- 2) Any physical, verbal, or visual offers that aim to expose reputation or dignity to disparagement, or harassment are considered types of harassment, including but not limited to: gossip, slander, sexual harassment, threats, exploitation,

insulting comments in the form of words or gestures, slander, and any Behavior or other conduct that is harassing or causes humiliation, intimidation or embarrassment.

Fourteenth: Customer Relationship Management:

When dealing with customers, the following should be taken into considerations:

- a) Dealing with customers according to the principle of equality and high professionalism, in a manner that is appropriate and preserves the customer's dignity and achieves the company's benefit without harm or harm.
- b) Commitment to applying quality standards in the services provided to them to meet their desires and raise their confidence.
- c) Respond to inquiries and provide the required information immediately, provided that this information is transparent and clear in a way that does not cause harm to the company.
- d) Handling complaints as quickly as possible and ensuring that all information on how to submit complaints is clear through the company's approved communication channels.
- e) Full disclosure of the prices, terms and conditions of the transaction requested from the client within the limits permitted by the company's management and not concealing any information that constitutes a basis for forming a decision in a manner that removes the client's ignorance.
- f) Protect customer data and not disclose it to anyone other than those concerned, to avoid any harm to the company and its customers

Fifteenth: Combating Corruption and Fraud:

- a) It is prohibited for every person concerned to engage in corruption activities of any kind, whether directly or indirectly, for example: exploiting the position to achieve private purposes that harm the company and society, extortion, embezzlement, and theft.
- b) It is prohibited for every person concerned in the company to receive bribes, carry out extortion operations, pay sums of money illegally, attempt to participate in any such activity, exploit his influence and authority, or defraud any interested party with the company to achieve Personal gain, or cause loss to any party the company deals with.
- c) Anyone who commits corruption and fraudulent activities will be subject to strict disciplinary procedures that may lead to the termination of his services, or any penalties determined by the relevant laws, regulations or policies. The company also reserves the right to refer these matters to the public authorities for judicial prosecution and to deal with them as a criminal offence.
- d) Every concerned person must not take any action that would influence, defraud, manipulate, or mislead the auditors and the company's internal audit department. This includes types of behavior that constitute unacceptable or inappropriate influence, but not limited to:
 - Providing or paying bribes or other financial incentives or any illegal facilities or assistance, including providing a job opportunity, future contracts, or services other than audit work.
 - Providing the auditor with inaccurate or misleading information or advice, including legal fraud.

- Threatening to cancel current or related contracts for audit work or audit contracts if auditor's express observations or reservations about any person, department, or procedure.
- Seeking to remove any member of the audit team because he expressed observations or reservations about the accounts and management of the company's audit department.

Sixteenth: Practicing Competitive Business:

The company is committed to fair competition and takes into consideration any regulations related to protecting competition and preventing monopoly in all its commercial activities. The company takes precautionary measures to avoid the risks of not implementing them. Therefore, every person concerned must follow the relevant laws and regulations and the company's policies and procedures, and he is prohibited from doing any act that constitutes unfair competition, or it leads to monopoly, and the company urges and emphasizes that everyone who works for it or deals with it submits a report (or seek advice) about anti-competitive practices to those concerned with the company in accordance with the company's relevant policies in competing businesses.

Seventeenth: Principles of Advertising and Marketing:

As an extension of the company's commitment in the field of ethical behavior, every person concerned must observe the following principles, which are based on ensuring credibility, efficiency, and fairness in the company's advertising and marketing activities. These principles are as follows:

- a) **Transparency:** The advertisement must be clear and honest and show important facts, the omission of which may lead to misleading the public.
- b) **Providing proof:** The advertisement's claims must be proven before publishing such claims.
- c) **Making comparisons:** The advertisement must not include claims about a competitor or its products or services.
- d) **Biased advertising:** The advertisement must display products or services for sale for the purpose of actually selling these advertised products or services, and not merely as a means to divert consumers' attention to other goods or services that are usually higher in price.
- e) **Guarantees:** The announcement of guarantees and guarantees must be clear with sufficient information to inform consumers of the basic conditions and their limits, or a clear statement of how to verify the full text of the guarantee or guarantee before purchasing in the event that there is a time period or conditions that prevent this.
- f) **Price claims:** The advertisement must be free from claiming unreal or misleading prices or claiming unreal discounts.
- g) **Respect for taste:** The advertisement must be free of statements, images or gestures that offend morals or public taste, and the advertisement must be particularly committed to the Islamic values prevailing in society.
- h) **Racist advertisements:** The advertisement must not contain any racist overtones or expressions, whether explicit or implicit, or contain expressions whose purpose is to belittle people, tribes, or any group in society, or to discriminate against any person.

Eighteenth: Ethical Conduct in Procurement:

Every person concerned must commit to the following:

- a) Exercising integrity and honesty, carrying out purchases with all honesty and sincerity, and striving to achieve the maximum possible benefit from what is spent, with a commitment to completing commercial procedures in a manner consistent with prevailing custom and professional ethics.
- b) Fulfilling our obligations and pushing others to fulfill their obligations. Procurement requirements must also be subject to competitive evaluation on a regular basis.
- c) Dealing with high ethics and a distinguished manner with representatives of the selling party.
- d) Maintaining complete confidentiality regarding purchase price offers and other confidential information related to the company, suppliers, and competitors' transactions.
- e) Settle disputes and claims on a fair basis based on facts.
- f) Rejecting any form of bribery at work, preventing this from happening, not offering or accepting any gifts of value whether from the company's suppliers or customers, and prohibiting offering or accepting any gifts whatsoever from suppliers or customers in government contracts, whether they are major contracts. Or from subcontractors.
- g) Avoid a conflict of private interests and the company's business.
- h) Ensure to acquire the greatest amount of knowledge and experience about purchasing methods and purchasing materials.
- i) Taking advice from the direct manager or the management of the company concerned if necessary.

Nineteenth: Ethical Conduct in Sales:

Every person concerned must commit to the following:

- a) Sales offers must be clear to customers, and their content must include a clear description of the product or commodity purchased, its quantity, unit price, and total price, as well as the method and terms of payment, in addition to any other costs or services.
- b) Sales contracts and forms for receiving messages used by companies in sales operations must comply with the laws and regulations in force in the Kingdom of Saudi Arabia.
- c) The description of after-sales services must be clear.
- d) The sales contract and the form for receiving letters must include the name and address of the sales representative and the name of the company whose product or commodity was sold.
- e) The concerned person must introduce himself, the company, its brands, and the benefits it offers to potential customers. He must also indicate the reasons for choosing them over other customers.
- f) Do not create confusion in the client's mind due to his trust or exploit his lack of experience and knowledge.
- g) The appropriate time must be chosen for customers to make contacts or meetings with them, and they must be provided with the company's contact numbers and address.
- h) All sales documents and references must be certified, verifiable, and easy to match and authenticate.
- i) When making product comparisons, these comparisons must be fair and based on facts.

- j) Not urging the customer to cancel his contract that he signed with another competing company.

Twentieth: Principles of Health, Safety and Security:

The company believes in the importance of providing a system that enhances the health and safety of its work environment and seeks to raise awareness of the culture of the importance of environment, health and safety even outside the boundaries of work. Therefore, the company promotes the following practices, for example but not limited to:

- a) It must be realized that preserving the individual's personal safety and preserving the safety of others who may be affected by the results of his actions and negligence is an individual responsibility.
- b) It must be realized that most occupational accidents and deaths can be prevented from occurring, and that if any accident or death is reported, the causes of its occurrence must be investigated, as this is an essential part of the protection strategy.
- c) Any job or operation must not be initiated or initiated unless the necessary safety requirements are confirmed before and after the completion of this operation through careful planning, establishing procedures and risk assessments.
- d) The sources of danger must be identified, and the necessary plans must be put in place to ward off potential risks. To this end, mechanisms must be followed to receive complaints and reports related to the environment, health and occupational safety and respond to them quickly.
- e) It is strictly prohibited to use any alcoholic materials or those that are prohibited by law or under the company's policies and circulars or that are inconsistent with Islamic values. The company may conduct any special checks within the work system to avoid any potential risks.
- f) Work to educate all those concerned with the company and its subsidiaries about the importance of health, safety and security and the means that must be applied to protect them.
- g) The level of performance of the company's machines, materials and equipment must be reviewed and maintained periodically and must always be in conformity with and meet all safety requirements. It is prohibited to operate equipment or vehicles and the like without following security and safety procedures, or to operate them in circumstances and situations that lack professional safety requirements, or may it involves potential risks or security threats, whether targeting employees, company facilities, or anyone within it.
- h) Care must be taken to treat, store, and dispose of hazardous materials and toxic waste.
- i) Machines, materials and equipment must be selected upon purchase that meet the best safety and quality standards and ensure that the purchase and installation process is carried out in accordance with the procedures established by the manufacturer.
- j) The use of improved operational methods must be adopted at work to reduce the risk of injury and its health consequences.
- k) An integrated risk management system must be implemented, and safety and security systems must be reviewed and developed periodically.
- l) The availability of safety and protection tools and clothing must be investigated, and the extent of commitment to using them.
- m) Safety and security information signs must be developed and distributed at work sites.

- n) Appropriate training must be provided for the worker and the necessary guidance must be provided by highly qualified and experienced trainers in operating methods and following safety requirements so that he can understand the use of the tools and equipment he handles with great skill and professionalism without exposing him to any risks.
- o) It must be ensured that any work carried out by contractors or others and those associated with activities with the company is consistent with and fulfills the safety and security systems followed by the company.

Twenty-first: Business Sustainability:

The company is keen to apply the highest standards for the development of environmental, social, and governance sustainability. Therefore, the company gives priority to providing a suitable work environment for its employees, contributing to community development, and striving to provide an effective role in integrating sustainability within its core business, maintaining the optimal use of energy and water sources and rationalizing them, and mitigating damage. With the environment.

Twenty-second: Implementing Company Policies:

Every concerned person must review and understand all of the company's stated policies and adhere to all of its principles and regulations, as well as review other special manuals that are developed from time to time.

Twenty-third: Reporting Violations and non-compliant Practices:

The company encourages all its employees and everyone who works for it to report in good faith any unethical behavior or behavior that violates the rules, regulations and laws or any suspicious activities, or matters that may lead to deviation in the course of work and threaten the interest of the company and harm it, by communicating with their direct managers. These behaviors include, for example, "theft, embezzlement, money laundering, bribery, forgery, strikes, gatherings for illegal reasons, incitement, and similar events that may disturb and harm the company's interests." In the event that the manager does not accept or does not understand any Notification from his employee. The employee must inform his senior manager and bear the responsibility of providing the evidence and data required to prove these behaviors that violate the regulations without a doubt. Suppliers and customers can report any suspicious operations that may harm the company's interests, through the reporting channels specified by the company.

Twenty-fourth: Concluding Provisions:

1) Implementing and application of this policy:

This policy is made available by the Human Resources Department to all concerned with the company, and the provisions of this policy and the relevant documents and adherence to them shall be implemented from the date of their approval by the Board of Directors.

2) Amendments:

Any amendment to this policy must be approved by the Board of Directors.