



Competition Standards and Regulations
for
Arab Sea Information Systems

2026





Introduction:

As part of the responsibilities and duties of the Board of Directors, which stipulate that the Board shall propose competition standards to the General Assembly for approval, these standards have been prepared taking into consideration the relevant laws and regulations as well as best practices.

These standards aim to ensure compliance with the provisions of the Companies Law, its implementing regulations, and the Capital Market Authority regulations relating to competing businesses that may be conducted by a member of the Board of Directors of Arab Sea Information Systems, with the objective of regulating such activities and addressing them in accordance with the relevant laws and regulations.

Definitions:

The words and terms used in this policy shall have the meanings assigned to them in the Corporate Governance Regulations issued by the Capital Market Authority of the Kingdom of Saudi Arabia. The following words and terms, wherever mentioned in this policy, shall have the meanings set forth below unless the context requires otherwise:

Authority: The Capital Market Authority of the Kingdom of Saudi Arabia.

General Assembly: The General Assembly of Arab Sea Information Systems.

Company: Arab Sea Information Systems.

Board: The Board of Directors of Arab Sea Information Systems.

Member: A member of the Board of Directors of Arab Sea Information Systems or a member of any Board committee.

Competition Standards: Standards proposed by the Board and approved by the General Assembly of the Company, aimed at regulating competing businesses conducted by members of the Board of Directors of Arab Sea Information Systems.

Competition Standards:

The concept of participating in any activity that would compete with the Company or compete with it in any of its lines of business includes the following:

- 1.The establishment by a Board member of a company or sole proprietorship, or his ownership of a significant percentage of shares or stakes in another company or establishment that carries out activities of the same nature as the Company or its group.
- 2.Acceptance of membership in the board of directors of a company or entity competing with the Company or its group, or assuming management of a competing sole





proprietorship or any competing company, regardless of its legal form, excluding the Company's subsidiaries.

3. Obtaining by the member of a commercial agency or similar arrangement, whether disclosed or undisclosed, for another company or entity competing with the Company or its group.

Company Competition Controls:

Subject to Article Twenty-Seven of the Companies Law and the relevant provisions of the Corporate Governance Regulations, if a member (whether a Board member or a member of one of its committees) wishes to engage in any activity that would compete with the Company or compete with it in any of its lines of business, the following must be observed:

1. The member shall notify the Board of Directors of the competing activities he/she intends to undertake, and such notification shall be recorded in the minutes of the Board meeting.
2. The member with a conflict of interest shall not participate in voting on any resolution issued in this regard by the Board of Directors, its committees, or the General Assembly of Shareholders.
3. The Board of Directors shall inform the Ordinary General Assembly, when convened, of the competing activities carried out by any Board member or member of its committees, after verifying that such activities constitute competition with the Company's business or any of its lines of activity in accordance with the standards proposed by the Board and approved by the General Assembly, as published on the Company's website. The Board shall also verify such activities on an annual basis.
4. Obtaining approval from the Ordinary General Assembly of the Company, or from the Board of Directors under an authorization granted by the Ordinary General Assembly, permitting the Board member to carry out the competing activities.





Refusal to Grant Authorization:

If the General Assembly (or the Board of Directors pursuant to a delegation from the General Assembly) refuses to grant authorization to a member to participate in any activity that would compete with the Company or any of its lines of business, the member shall submit his/her resignation within a period determined by the General Assembly or the Board of Directors—as applicable. Otherwise, his/her membership on the Board shall be considered terminated, unless the member decides to withdraw from the contract, transaction, or competing activities, or regularizes his/her status in accordance with the Companies Law and its implementing regulations before the expiry of the specified period.

References:

1. Companies Law.
2. Corporate Governance Regulations issued by the Capital Market Authority.
3. Executive Regulations of the Companies Law for listed companies issued by the Board of the Capital Market Authority.

