

Alujain Corporation

A Saudi Joint Stock Company



شركة اللجائن
شركة مساهمة سعودية

Competition Rules and Standards for Alujain Corporation

This regulation was issued pursuant to the resolution of the Ordinary General Assembly of the company's shareholders held on corresponding to



First: Purpose:

This regulation aims to define the concept of competitive activities and their controls, and to establish the principles and rules that govern competitive activities for members of the Board of Directors, members of the company's committees, and senior executives, in a manner that ensures the protection of the company's and shareholders' interests without violating the company's Articles of Association or any relevant regulations.

Second: Scope of Application:

This regulation applies to members of the Board of Directors, members of the company's committees, and senior executives of Alujain Company.

“Senior executives refer to the Chief Executive Officer and their deputies, and the Board of Directors has the right to add any other persons it deems appropriate”.

Third: Concept of Competitive Activities:

Competitive activities include participating in any business that may compete with the company or its affiliates in any of the business lines the company operates. This includes:

- 1) A Board member establishing a company or sole proprietorship, or owning a significant percentage of shares or stakes in another company or establishment engaged in a similar activity as the company or its group. A “significant percentage” is defined as ownership of 5% or more of the capital of the competing company, whether directly, indirectly, or jointly with related parties.
- 2) Accepting membership on the Board of Directors of a company or establishment that competes with the company or its group, or managing a competing sole proprietorship or company of any form, except for the company's subsidiaries.
- 3) Obtaining a commercial agency or an equivalent, whether apparent or hidden, for another company or establishment competing with the company or its group.

Fourth: Competition Controls for the Company's Activities:

With due regard to Article 27 of the Companies Law and the relevant provisions of the Corporate Governance Regulations, if a Board member or a member of a company committee wishes to participate in a business that may compete with the company, or its affiliates in any of the business lines it operates, the following must be observed:

- 1) Inform the Board of Directors of the competitive activity they intend to engage in, and ensure this notification is recorded in the minutes of the Board meeting.
- 2) The interested member must not participate in voting on any decision related to this matter by the Board, the company's committees, or the shareholders' assemblies.
- 3) The Chairman of the Board must inform the Ordinary General Assembly of the competitive activities undertaken by a Board member or committee member during its meeting, after the Board verifies that the member is indeed engaging in activities competing with the company or its affiliates in any of its business lines, in accordance with the standards set out in this regulation. The Board must review these activities annually.



- 4) Obtain a license from the company's Ordinary General Assembly or from the Board of Directors pursuant to a delegation from the Ordinary General Assembly, allowing the Board member or committee member to engage in competitive activities. The granted license for engaging in competitive activities shall be for a fixed term (one fiscal year, renewable) and shall include only the activities explicitly specified in the resolution of the General Assembly.

Fifth: Refusal to Grant a License for Competitive Activities

If the General Assembly or the Board, pursuant to a delegation from the Ordinary General Assembly, refuses to grant a license to a Board member to participate in an activity that may compete with the company or any of its subsidiaries, the Board member must submit their resignation within a period specified by the General Assembly or the Board (if the Board is delegated by the General Assembly). Otherwise, the Board membership shall be considered terminated, unless the member decides to cancel the contract, transaction, or competitive activities, or to rectify their situation in accordance with the Companies Law and its implementing regulations before the expiry of the specified period. In the event that a Board member's membership ends under the provisions of this article, the Board of Directors shall immediately notify the Capital Market Authority in accordance with the relevant regulations.

Sixth: The Company's Right to Compensation

If a member participates in any activity that competes with the company or its affiliates in any business line, the company has the right to claim appropriate compensation before the competent judicial authority, unless the member has obtained a license from the Ordinary General Assembly or from the Board pursuant to a delegation from the Ordinary General Assembly permitting such participation, and in accordance with the relevant regulations.

Seventh: Final Provisions

- 1) This regulation was prepared based on paragraph 3 of Article 44 of the Corporate Governance Regulations issued by the Capital Market Authority, as part of the overall corporate governance framework.
- 2) The Competition Rules and Standards shall be effective from the date of approval by the General Assembly, and no article may be amended without the approval of the Ordinary General Assembly.
- 3) Any matter not explicitly addressed in this regulation shall be subject to the relevant laws and regulations issued by the competent authorities.
- 4) This regulation shall be reviewed periodically as needed, and any proposed amendments shall be submitted to the Board of Directors, which shall study and review the proposals and recommend them to the General Assembly of shareholders for approval.
- 5) This regulation shall be reviewed at least every three (3) years, or whenever significant regulatory changes occur, by the Nomination and Remuneration Committee, which shall submit its recommendations to the Board of Directors for presentation to the General Assembly for approval.

Proposed Amendments to the Company's Competition Regulations and Standards

Before Amendment			After Amendment		
Article / Clause	Title	Article Text	Article / Clause	Title	Article Text
	Purpose	<p>The Code of Conduct and Ethics outlines the policies related to the legal and ethical standards of behavior expected from the members of the Board of Directors, executive officers, and employees of Alujain Corporation ("the Company") while performing duties and responsibilities on behalf of the Company.</p> <p>This Code aims to focus the Board of Directors ("the Board") on areas of ethical risk, provide guidance to employees to help them identify and address ethical issues, establish mechanisms for reporting unethical behavior, and support the promotion of a culture of honesty and accountability.</p> <p>No code or policy can anticipate every situation that may arise, and the Company expects each director and executive officer to act with honesty and integrity, exercise independent professional judgment, and refrain from misconduct in the performance of all duties and responsibilities on behalf of the Company.</p>	1	Purpose	<p>This Regulation aims to define the concept of Competitive Activities and their controls, and to establish the principles and rules governing Competitive Activities for members of the Board of Directors, members of the Company's committees, and Senior Executives, in a manner that ensures the protection of the Company's and its shareholders' interests, without prejudice to the Company's Articles of Association or any related regulations.</p>
	Company Competition and Conflict of Interest Regulations	<p>1. Conflict of Interest in Company Dealings —No member of the Board of Directors or senior executives shall have, directly or indirectly, any interest in the business or contracts conducted on behalf of the Company unless authorized by the Ordinary General Assembly (OGA) in accordance with the regulations set by the competent authority, and such authorization shall be renewed annually. However, transactions carried out through public tenders shall be exempt from this restriction if the director submits the best offer.</p> <p>2. Disclosure of Interests —A Board member or senior executive must notify the Board of any direct or indirect interest they have in the transactions or contracts concluded on behalf of the Company. Such disclosure must be recorded</p>	2	Scope of Application	<p>This Policy applies to the members of the Board of Directors, members of the Company's committees, and Senior Executives of Alujain Company.</p> <p>"Senior Executives" refers to the Chief Executive Officer (CEO) and their deputies, and the Board of Directors has the right to add any other individuals it deems appropriate.</p>

~~in the minutes of the Board meeting, and the concerned member shall not participate in voting on the resolution related to this matter, either in the Board or the General Assembly (GA).~~

~~3. Disclosure to Shareholders~~

~~—The Chairman of the Board shall inform the shareholders at the meeting of the General Assembly about any transactions or contracts in which a Board member or senior executive has a direct or indirect interest. This disclosure shall be accompanied by a special report prepared by the Independent External Auditor.~~

~~4. Failure to Disclose Interests~~

~~—If a Board member fails to disclose their interest as stated in paragraph (1) of this Article, the Company or any interested party may request the competent judicial authority to annul the contract or oblige the member to pay any profit or benefit gained therefrom.~~

~~5. Liability for Damages~~

~~—Responsibility for damages arising from the transactions and contracts mentioned in paragraph (1) of this Article shall lie with the interested member and also with the Board members if such transactions or contracts were carried out in violation of that paragraph, or if proven to be unfair, involve a conflict of interest, or cause harm to the shareholders.~~

~~6. Exemption from Liability~~

~~—Board members who opposed the decision shall be exempt from liability if they explicitly recorded their objection in the meeting minutes. Absence from the meeting at which the decision was made shall not be considered a reason for exemption from liability unless it is proven that the absent member was unaware of the decision or was unable to object after becoming aware of it.~~

~~7. Prohibition on Competition with the Company~~

		<p>—A Board member or senior executive may not participate in any activity that competes with the Company or engage in any business within the field of activity practiced by the Company. Otherwise, the Company shall have the right to demand appropriate compensation before the competent judicial authority, unless the member has obtained authorization from the Ordinary General Assembly (OGA) in accordance with the regulations set by the competent authority.</p> <p>8. Confidentiality Obligation —Directors are prohibited from disclosing to shareholders outside the General Assembly meeting, or to third parties, any confidential information of the Company that they may have obtained by virtue of their position. Otherwise, they shall be held liable for any resulting damages.</p> <p>9. Prohibition on Loans to Board Members —The Company shall not grant any cash loans to any of its Board members, nor provide any guarantee concerning a loan contracted by a Board member with third parties, except in the case of banks and other credit institutions.</p> <p>10. Disclosure of Related Party Transactions —The Company shall disclose any transaction concluded between the Company and any of its Board members, executive officers, or any Related Party (RP), and shall notify the Capital Market Authority (CMA), followed by publication on the Tadawul (Saudi Stock Exchange) website. This disclosure shall also be included in the annual Board of Directors' Report (BoD Report).</p>			
	<p>Corporate Opportunities</p>	<p>Directors, executive officers, and employees are prohibited from the following:</p> <ol style="list-style-type: none"> 1. Personally taking for themselves any opportunities discovered through the use of the Company's assets, information, or position. 2. Using the Company's assets, information, or position for personal benefit. 	<p>3</p>	<p>Concept of Competitive Activities</p>	<p>The concept of participation in any activity that may compete with the Company or its competitors in any of its business sectors includes the following:</p> <ol style="list-style-type: none"> 1. Establishing a Board Member's ownership or involvement in another company or sole proprietorship, or holding a significant share of the capital or equity in another company or entity

		3. Competing with the Company.			<p>engaged in an activity similar to that of the Company or its group. A “significant share” refers to owning 5% or more of the capital of the competing company, whether directly, indirectly, or jointly with related parties.</p> <p>2. Accepting membership on the Board of Directors of a company or entity that competes with the Company or its group, or managing a sole proprietorship or any form of competing company, except for subsidiaries of the Company.</p> <p>3. Obtaining a commercial agency or its equivalent, whether apparent or covert.</p>
	Confidential Information	Managers, executive employees, and workers shall maintain the confidentiality of information entrusted to them by the Company or its clients, unless disclosure is authorized or legally permitted. "Confidential Information" includes all non public information that could benefit competitors or cause harm to the Company or its clients if disclosed.	4	Regulations Governing the Company’s Competitive Activities	<p>In compliance with Article 27 of the Companies Law and the relevant provisions of the Corporate Governance Regulations, if a Board Member or a member of one of the Company’s Committees wishes to engage in any activity that may compete with the Company, or compete in any of the sectors in which the Company operates, the following must be observed:</p> <p>1. Notification of Competing Activities: The interested member must notify the Board of Directors of the competing activities they wish to engage in, and such notification shall be recorded in the Board of Directors’ meeting minutes.</p> <p>2. Recusal from Voting: The member with an interest shall not participate in the voting on any decision issued in this regard by the Board of Directors, the Company’s Committees, or the General Assembly of Shareholders.</p> <p>3. Disclosure to the Ordinary General Assembly: The Chairman of the Board of Directors shall inform the Ordinary General Assembly at its meeting of the competing activities being undertaken by the Board Member or Committee Member, after the Board verifies that such member is indeed competing with the Company or in one of its operational sectors, in accordance with the criteria set forth in these</p>

					<p>regulations. The Board shall conduct this verification annually.</p> <p>4. Authorization to Engage in Competing Activities: Authorization must be obtained from the Ordinary General Assembly of the Company, or from the Board of Directors pursuant to a delegation from the Ordinary General Assembly, permitting the Board Member or Committee Member to engage in competing activities. Such authorization shall be limited in duration (one fiscal year, renewable) and shall only cover the specific activities explicitly stated in the General Assembly's resolution.</p>
	Fair Dealing	Managers, executive employees, and workers shall strive to deal fairly with the Company, clients, suppliers, competitors, and employees. No one shall take advantage of any individual through manipulation, concealment, misuse of information, misrepresentation of material facts, or any other unfair practice.	5	Rejection of Licensing Requests to Engage in Competitive Activities	<p>If the General Assembly or the Board, pursuant to an authorization from the Ordinary General Assembly, refuses to grant a license to a Board member to engage in any activity that may compete with the Company or any of its subsidiaries, the Board member shall submit their resignation within a period determined by the General Assembly or the Board if the Board is authorized by the General Assembly. Otherwise, the Board membership shall be deemed terminated, unless the member decides to desist from the contract, dealing, or competitive activities, or regularize their position in accordance with the Companies Law and its executive regulations before the expiry of the period set by the General Assembly or the Board under authorization from the Ordinary General Assembly.</p> <p>In the event that a Board member's membership ends pursuant to the provisions of this article, the Board shall immediately notify the Capital Market Authority in accordance with the applicable regulations.</p>
	Protection and Use of Company Assets	1. Managers, executive staff, and employees shall protect the company's assets and ensure their efficient use, as theft or negligence has a direct impact on the company's profitability. 2. All company assets shall be used solely for legitimate and permissible business purposes.	6	Company's Right to Compensation	Participation of a board member in any business that could compete with the Company, or compete in any of its business sectors, entitles the Company to claim appropriate compensation before the competent judicial authority; unless the member has obtained a license from the Ordinary General Assembly or from the Board of Directors pursuant to an authorization from the Ordinary General Assembly permitting

					them to do so, in accordance with the relevant regulations.
	Accurate Recordkeeping and Reporting	1. Managers, executive staff, and employees shall accurately reflect the company's transactions in its books, records, accounts, and reports, and maintain an adequate system of internal controls and disclosure controls to ensure compliance with applicable laws, rules, and regulations. 2. Falsification of any company records is strictly prohibited. All authorized reports, documents, or legally mandated disclosures to the public shall be complete, accurate, and comprehensible. 3. The company shall retain all minutes, documents, reports, and other records at its premises for no less than ten years, including Board of Directors' reports and Audit Committee reports. Notwithstanding the foregoing, in the event of any pending or anticipated legal action, claim, or investigation related to such minutes, documents, reports, or records, the company shall retain them until the conclusion of such legal action, claim, or investigation.	7	Final Provisions	<p>1. This Policy has been prepared pursuant to Paragraph 3 of Article 44 of the Corporate Governance Regulations (CGR) issued by the Capital Market Authority (CMA), as a complement to the Company's general corporate governance framework.</p> <p>2. The Competition Rules and Standards Policy shall be effective from the date of its approval by the General Assembly, and no clause may be amended except with the approval of the Ordinary General Assembly.</p> <p>3. Any matter not addressed in this Policy shall be governed by the relevant laws and regulations issued by the competent authorities.</p> <p>4. This Competition Rules and Standards Policy shall be reviewed periodically as needed. Any proposed amendments shall be submitted to the Board of Directors, which will study and review the proposed amendments and recommend them to the General Assembly of Shareholders for approval.</p> <p>5. This Policy shall be reviewed at least every three (3) years, or upon any material regulatory changes, by the Nominations and Remuneration Committee (NRC). The Committee shall submit its recommendations to the Board of Directors to present them to the General Assembly for approval.</p>
8	Communications	The Company maintains a clear communication policy with its shareholders, employees, and other stakeholders. The Company is committed to openness, transparency, neutrality, and timely disclosure of information.			Deletion
9	Compliance with Laws, Rules, and Regulatory Requirements	Directors and executive employees shall comply with all laws, rules, and regulations applicable to the Company.			Deletion
10	Reporting of Illegal or	1. Directors, executive employees, and workers shall promote ethical behavior and are encouraged to speak with supervisors, managers, or other			Deletion

	<p>Unethical Conduct</p>	<p>employees whenever they are in doubt about the most appropriate course of action in a particular situation.</p> <p>2. Directors, executive employees, and workers shall report any violations of laws, rules, regulations, or these bylaws to the Corporate Affairs Officer or to the Chairman of the Board's Nomination and Remuneration Committee. Violations shall be investigated, and the necessary actions shall be taken by the employees or members of the Board.</p> <p>3. The Company shall not permit any retaliation against reports made in good faith.</p>			
<p>11</p>	<p>Insider Trading</p>	<p>1. Members of the Board of Directors, members of the Audit Committee, senior executives, or any person related to any of them shall not deal in any securities of the issuer during the following periods:</p> <p>a. During the fifteen (15) calendar days preceding the end of a financial quarter until the date of disclosure of the issuer's interim financial statements after review, as required for disclosure under Paragraph (a) of Article 81 of these Rules.</p> <p>b. Exempted from the restriction referred to in Paragraph (a) above is the exercise of subscription rights in rights issues and the sale thereof.</p> <p>c. Upon termination or dismissal of a Board member, termination of membership of an Audit Committee member, or resignation of a senior executive during any of the restricted periods referred to in Paragraph (a) of this Article, this paragraph (where applicable) shall apply to that member, senior executive, and any person related to any of them.</p> <p>d. During the thirty (30) calendar days preceding the end of the financial year until the date of disclosure of the audited annual financial statements or the interim financial statements for the fourth quarter, in</p>			<p>Deletion</p>

		the event the issuer discloses them after review and in compliance with the requirements of Article 81 of these Rules.			
12	Environmental Sustainability Protection	Directors, executive employees, and workers shall strive to preserve the environment for future generations by maintaining a balance between economic growth, continuous improvement of environmental performance, and social responsibility.			Deletion
13	Corporate Social Responsibility (CSR)	Directors, executive employees, and workers shall follow a clear policy addressing labor practices, occupational health and safety, community involvement, as well as customer and supplier relations.			Deletion
14	Gifts and Donations	1. Directors, executive employees, and workers are prohibited from offering, soliciting, or accepting gifts or donations related to the Company's business. However, entertainment and gifts of nominal monetary value arising from customary corporate hospitality are acceptable. 2. Donations for political or social purposes shall only be permitted within the limits of local laws and with full transparency.			Deletion
15	Amendments and Waivers				Deletion
16	Liability	No amendments to the Company's Corporate Governance Regulations may be adopted except by the Board of Directors and based on the recommendation of the Nomination and Remuneration Committee. 1. Every director, executive employee, and worker is responsible for being aware of the relevant laws and regulations, including this Code of Conduct and Ethics. 2. In all business situations where the requirements of the law or this Code of Conduct and Ethics appear			Deletion

~~incomplete or unclear, each director, executive employee, and worker shall exercise sound judgment and common sense, and, when necessary, seek advice from the Company's Legal Counsel or the Board of Directors.~~

~~3. All directors, executive employees, and workers are expected to comply with this Code of Conduct and Ethics both in letter and in spirit. Violations of this Code shall not be tolerated.~~

~~4. Non-compliance may result in disciplinary actions and consequences that could lead to termination of employment.~~