



## Competition Controls and Standards Policy Saudi Cable Company



This policy was issued pursuant to the resolution of the General Assembly of Shareholders of the Company held on ..... corresponding to.....



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### First: The Objective:

This policy aims to establish clear criteria for regulating the participation of any person to whom this policy applies in any activities that compete with the Company, and to clarify the concept and rules of competitive activities. It is based on the provisions of Companies Law, its implementing regulations, and the Corporate Governance Regulations issued by the Capital Market Authority. The policy seeks to prevent any practices that may create a conflict of interest or negatively impact the Company's performance or reputation, to achieve the highest standards of transparency and integrity, and to safeguard the rights and interests of the Company.

### Second: Scope of application:

This policy applies to the members of the Company's Board of Directors and the members of the committees formed by the Board. They must comply with its provisions without prejudice to the Company's Articles of Association and any relevant instructions issued by the regulatory authorities.

### Third: Policy Officer:

The General Assembly of the Company shall be the body responsible for approving this policy.

### Fourth: Definition:

For applying these rules, the words and phrases below shall have the meanings shown opposite each of them unless the context requires otherwise:

**Authority:** The Capital Market Authority.

**Company:** Saudi Cable Company.

**Subsidiaries:** Any other company controlled by the Company.

**Board:** The Board of Directors of Saudi Cable Company.

**Member:** A member of the Board of Directors or a member of any of the Board's committees.

**Nature of the Company's Business:** The company's objectives stipulated in the articles of association of the Saudi Cable Company.

**Annual Report:** Board of Directors' Report.



**Senior Executives:** Any natural person assigned—individually or jointly with others—by the administrative body of the entity, or by a member of the administrative body of the entity, with supervisory and management tasks, and who reports to any of the following:

1. The administrative body directly.
2. A member of the administrative body.
3. The Chief Executive Officer.

#### **Fifth: Competition business concept:**

Including within the concept of engaging in any activity that would compete with the Company, or competing with it in any branch of the activity it conducts, are the following:

1. The establishment by a Board member or committee member of a company or sole proprietorship, or their ownership of a significant shareholding or interest in a company or other entity engaged in activities of the same nature as those of the Company or its subsidiaries.
2. Accepting membership on the board of directors of a company or entity that competes with the Company or its subsidiaries, or assuming the management of a competing sole proprietorship or a competing company of any form, except for the Company's subsidiaries.
3. Obtaining a commercial agency, or the equivalent thereof— whether apparent or hidden, for a company or other entity that competes with the Company or its subsidiaries.

#### **Sixth: Disclosure by the candidate for board membership of the company's competition:**

**Anyone wishing to nominate themselves for membership on the Board must disclose to the Board and the General Assembly any activity that may compete with the Company or its subsidiaries in any branch of the business they conduct.**

#### **Seventh: Regulations on Competing with the Company:**

Subject to the provisions of the Companies Law and its implementing regulations, if a Board member or a member of one of its committees wishes to engage in any activity that may compete with the Company or its subsidiaries, or compete with them in any branch of the business they conduct, the following must be observed:



1. Inform the Board of any competing businesses it wishes to engage in and record this notification in the minutes of the Board of Directors meeting.
2. The interested members shall not participate in voting on any resolution issued in this regard by the Board of Directors, its committees, or the Shareholders' Assembly.
3. The Board of Directors shall inform the Ordinary General Assembly, upon its convening, of any competing activities carried out by a Board member or a member of one of its committees, after the Board verifies that the member competes with the Company or its subsidiaries in any branch of the business they conduct, according to criteria issued by the General Assembly of the Company—based on a proposal from the Board—and published on the Company's website. This verification of such activities shall be conducted annually, unless the Board has a license from the General Assembly approving the competing activities, with the maximum license period being one calendar year from the date of the Ordinary General Assembly's approval or until the end of the Board's term, whichever comes first.
4. Obtaining a license from the company's ordinary general assembly or from the board of directors, pursuant to a mandate from the ordinary general assembly, allowing a board member to engage in competing businesses.
5. Disclosure of the members' competing businesses in the annual report.

#### **Eighth: Delegation of powers and refusal to grant a license:**

- 1- The Board may authorize a Board member to engage in competing activities with the Company or its subsidiaries if this authority has been delegated by the General Assembly. The General Assembly's decision must specify the competing activities and businesses for which the Board may grant authorization during the delegation period, in accordance with the provisions of the Companies Law and the regulations set by the competent authority.
- 2- If the General Assembly or the Board—when delegated—refuses to grant the authorization, the Board member must submit their resignation within a deadline set by the General Assembly or the Board, as applicable. Otherwise, their membership on the Board shall be considered terminated unless they decide to revoke the contract, t...

#### **Ninth: The company's right to compensation:**

If a member of the Board of Directors or a member of the committee violates these standards or the provisions of the regulations and instructions pertaining to competition activities, the company has the right to demand appropriate compensation before the competent judicial authority.



### **Tenth: Additional internal Regulations:**

The Company may apply some of the controls stipulated in this policy to senior executives or anyone whose association with the Company or activity it deems may affect the principle of competition, including related parties, for internal governance purposes and without prejudice to the powers of the General Assembly or relevant regulations.

### **Eleven: Enforcement**

1. The rules, regulations, and directives issued by the Capital Market Authority shall apply to all matters not specifically addressed in this policy.
2. The Board of Directors is responsible for taking the necessary measures to ensure the implementation of the requirements and provisions set forth in this policy and related regulations, and for taking all necessary actions to protect the Company's rights to compensate for any damage resulting from violations of this policy.
3. This policy shall be effective from the date of its approval by the Company's General Assembly of shareholders.
4. This policy shall be reviewed periodically—or as needed—by the Executive Committee. Any proposed amendments by the committee shall be presented to the Board of Directors, which will study and review the proposed changes and recommend them to the General Assembly of shareholders for approval.