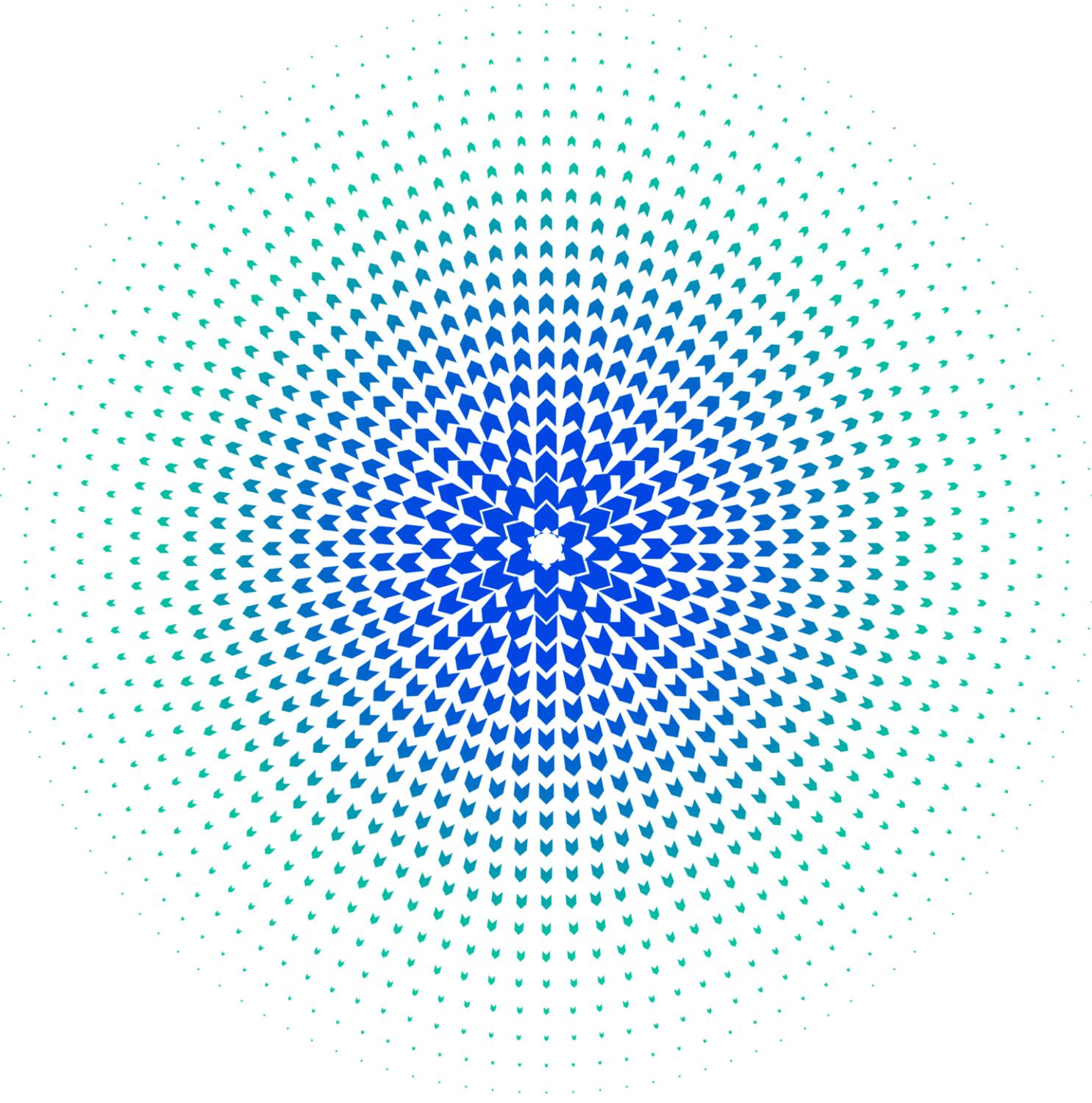


Saudi Exchange Indices Policy for Cessation or Material Change



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SUMMARY

To ensure that indices administered by the Saudi Exchange are constructed, maintained, and operated to the highest standards, the Saudi Exchange employs a robust governance framework. This framework is used to manage existing indices, approve new indices, and approve changes to the methodologies of existing indices.

The Saudi Exchange maintain this Change & Cessation Policy to provide procedures for the management of potential index cessations, or potential material changes to index methodologies as part of the required oversight function.

MATERIAL CHANGES TO INDEX METHODOLOGIES

Changes to the methodology of any index administered by the Saudi Exchange may be suggested or requested by:

- The Saudi Exchange itself.
- A member of the Saudi Exchange Index Operation & Management Committee or the Saudi Exchange Index Oversight Committee.
- A client.
- Index licensees (where applicable).
- Suggestions or input from the wider investment community are also considered.

The Saudi Exchange Index Oversight Committee will determine whether a proposed change is deemed to be material. However, materiality is in general considered to be a change that changes the governance of the index, will affect constituent eligibility, or change the weightings of constituents of the index.

Where a change is proposed to an index administered by the Saudi Exchange, it will endeavour to ensure the following procedures are followed:

- Requested changes will in most instances be considered at the next scheduled Saudi Exchange Index Operation & Management Committee or the Saudi Exchange Index Oversight Committee, but if a member of either committee considers the requested change to be urgent, a special meeting of the committee can be convened via teleconference.
- Consideration and analysis of the impact of index methodology changes, and the feasibility of implementing them, is the responsibility of the Saudi Exchange Index Operation & Management Committee or Saudi Exchange Index Oversight Committee, who may if appropriate work with the index calculation agent in doing so.
- Any change to an index methodology must be agreed by the Saudi Exchange Index Operation & Management Committee or the Saudi Exchange Index Oversight Committee.
- Where a proposed change is material, the Saudi Exchange will consult more broadly with index licensees and other users or advise its endorsement or legal

recognition clients to do so. Where an Index Advisory Group exists for an index series, they will be consulted. Such a consultation will be arranged so as to give sufficient time for considered responses to be given before the change is approved.

- Where possible, material methodology changes that impact existing indices will be announced at least one quarter ahead of their implementation.
- All changes are recorded in the minutes of the relevant Committee's meetings and are reflected within the relevant Index Methodology document.

BENCHMARK CESSATION

Users of indices administered by the Saudi Exchange should however be aware that it may at some point become impossible or undesirable to continue calculation of the indices, for reasons both within and external to its control. These might include, for example, a lack of required data or substantiated concerns regarding data quality, insufficient constituents to make a viable index, or a lack of index users.

Where the Saudi Exchange or its' Saudi Exchange Index Operation & Management Committee, Saudi Exchange Index Oversight Committee or a Client Oversight Group believes a cessation should be considered, those groups will all be consulted. The final decision regarding a cessation lies with the Saudi Exchange.

As a result, issuers of products based upon the indices should have procedures or processes to enable them to address this possibility.

Should circumstances arise that might lead to an index ceasing to be calculated, where possible, the Saudi Exchange will use their best endeavours to forewarn index users and vendors. If a cessation is confirmed, the Saudi Exchange will identify (to the best of its ability) index users and vendors and issue a notification of cessation and the expected cessation date.

APPROVAL

This Cessation or Material Change Policy was approved by the Saudi Exchange Board of Directors and the Saudi Exchange Index Supervisory Committee and is reviewed at least annually.

