



CONFLICT OF INTEREST

RIYADH CABLES GROUP

APPROVED BY THE BOARD OF DIRECTORS PURSUANT TO RESOLUTION BY CIRCULATION DATED
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Preamble:

Riyadh Cable Group Company sees the possibility of direct or indirect overlap between the personal interests of the members of the Board of Directors, members of the Board of Directors' committees, major shareholders, executive management or other employees of the company while practicing any social or financial activities and their integrity or loyalty to the company, which may create a conflict of interest that can affect the performance of their business, so the company aims to reach the confidence of its customers and reduce cases of conflict of interest. In business and contracts that are made for the benefit of the company by organizing the company's dealings with related parties, the company also works to organize the use of the company's resources and assets effectively to achieve its mission and objectives and to detect any conflicts between the personal interests of the related parties and the interests of the company. Accordingly, the Company's Board of Directors approved the policy of dealing with cases of conflict of interest and related party transactions, in accordance with the Companies Law, the regulations of the Capital Market Authority, the Company's Articles of Association and all relevant laws and instructions.

Article No. (1): Definitions

The words and expressions mentioned in these Regulations shall have the meanings assigned to them in the Corporate Governance Regulations of Riyadh Cable Group Company and the Corporate Governance Regulations issued by the Board of Directors of the Capital Market Authority.

Article No. (2): PURPOSE AND OBJECTIVE OF THE POLICY

This policy aims to:

1. Inform the members of the Board of Directors, members of the committees emanating from the Board, major shareholders, senior executives, employees of the Company, auditors, advisors and other stakeholders as necessary (each party referred to as the "Person of Interest") of the need to avoid situations that lead to a conflict of interest with the interests of the Company, and to deal with them in accordance with the provisions of governance and relevant regulatory requirements.
2. Statement of policies and procedures governing conflicts of interest for the Company's shareholders, Board of Directors, Company committees, senior executives, employees, auditors, advisors and other stakeholders.
3. Assisting the "Concerned Person" to deal with cases of conflict in accordance with the statutory requirements and in accordance with the objectives of transparency applied by the company in its operations.
4. Compliance with the laws and regulations in force in the Kingdom of Saudi Arabia.
5. Establish the required work behaviors and ethics.
6. Statement of clear procedures for disclosing conflicts of interest, and obtaining the necessary license and approval before commencing business that may result in conflicts of interest.
7. Providing illustrative examples of cases of conflict of interest commensurate with the nature of the company's activity.

Article No. (3): Illustrative examples of conflict of interest

The members of the Board of Directors of the company and its employees may have individual interests and may be associated with various activities, but those interests or

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associations may not lead in any way to cases that may conflict with the general interests of the company, as the conflict of interests occurs when the interests of the individual person (or the entity that represented by) in any way whatsoever with the interests of the company as a whole. The following are - without limitation - examples of conflicts of interest:

1. The person/individual's use of his/her position, information, or business opportunities that he/she accesses through his work in the company to obtain a direct or indirect benefit that is not due to him or to another party.
2. Performing any kind of work of the main contractors, subcontractors, main suppliers, subcontractors or competitors by the executive management, employees, members of the board or its subcommittees and/or their relatives.
3. The existence of interests that make it difficult for a person to perform his work for the company objectively and professionally.
4. The individual or a member of his family receives benefits in any form because of his position in the company.
5. The individual has concurrently worked with a competitor, contractor, customer or supplier, directly or indirectly (financial or other institutions).
6. Providing loans, loan guarantees and commitments to individuals and/or members of their families, companies, or institutions in which they have a direct or indirect interest from those dealing with the company is a case of conflict of interest.
7. Taking a fee for providing advice to another company competing with the company.
8. Creation or participation, directly or indirectly, in a company carrying out an activity like or competing with the company's activity.
9. The person concerned takes a decision or enters a transaction or purchase in favor of a company in which he has an interest.
10. Board members and senior executives accept gifts from any person who has commercial dealings with the company if such gifts would lead to a conflict of interest.
11. The resignation of a board member or any of the senior executives to exploit the investment opportunities - directly or indirectly - that the company wishes to benefit from and which he learned about during his membership in the board of directors or the executive management.

Article No. (4): Scope and Application

This policy complements - not replaces - the legislation and regulations in force in the Kingdom of Saudi Arabia that govern cases of conflict of interest, in addition to the company's bylaws and corporate governance regulations. The provisions of this policy will apply to all relevant parties, including members of the Board of Directors and its affiliated committees.

Article No. (5): Conflict of interest associated with major shareholders

1. All transactions and contracts that take place with major shareholders and their relatives who own 5% or more of the company's shares - directly or indirectly - are subject to the same conditions as transactions made with third parties.
2. All transactions that take place with major shareholders and their relatives who own 5% or more of the company's shares - directly or indirectly - are disclosed according to the provisions of this policy and the relevant rules and regulations.

Article No. (6): Conflict of interest associated with the board of directors

1. The interest in the business and contracts that are made for the account of the company:

- a) A Member of the Board of Directors of the company may not - without a license from the general assembly and in accordance with the controls set by the competent authority - have any interest (direct or indirect) in the business and contracts that are concluded for the company's account.
- b) A member of the Board of Directors must notify the Board of his personal interest in the business and contracts that are made for the account of the company, and this notification shall be recorded in the minutes of the meeting, and the interested member may not participate in voting on the decision issued in this regard.
- c) The Chairman of the Board of Directors shall notify the Ordinary General Assembly, when it convenes, of the business and contracts in which a member of the Board has a direct or indirect interest. The notification shall be accompanied by a special report from the company's auditor.
- d) A member of the Board of Directors is prohibited from voting on the decision of the Board of Directors or the General Assembly in business and contracts that are concluded for the account of the company if he has a direct or indirect interest in it.
- e) Responsibility for damages resulting from the above-mentioned business and contracts rests with the member with interest in the business or contract, as well as with the members of the Board of Directors, if those business or contracts were carried out in violation of the provisions of that paragraph or if they were proven to be unfair or involve a conflict of interest and cause harm by the shareholders.
- f) Business and contracts that are carried out to meet personal needs are not considered as a direct or indirect interest in which a license must be obtained from the Ordinary General Assembly if they are done in the same conditions and conditions that the company follows with all contractors and dealers and if these works and contracts are within the company's usual activity.

2. Licensing the company's Board of Directors based on the authorization of the general assembly:

In accordance with Article (56) of the Regulatory Rules and Procedures issued in implementation of the Companies Law for Listed Joint Stock Companies issued by the Board of the Capital Market Authority pursuant to Resolution No. (8-127-2016) dated 16/01/1438 AH (corresponding to 17/10/2016 A. D) amended by CMA Board Resolution No. (4-122-2020) dated 03/04/1442 AH (corresponding to 18/11/2020 A. D) ("Regulatory Rules and Procedures Issued in Implementation of the Companies Law for Listed Joint Stock Companies"), the following provisions shall apply to the license of the Board of Directors of the Company based on the authorization of the General Assembly:

- a) The Ordinary General Assembly has the right to delegate the licensing authority mentioned in the first paragraph of Article No. 71 of the Companies Law to the Board of Directors of the company, provided that the delegation is in accordance with the following conditions:
 - 1) The total amount of work, contract, or sum of business and contracts during the fiscal year is less than 1% of the company's revenues according to the latest audited financial statements, if it is less than ten million (10,000,000) Saudi riyals. The member of the Board of Directors shall be responsible for the account of the transactions in which he has a direct or indirect interest during one fiscal year.

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- 2) That the work or contract falls within the usual activity of the company.
 - 3) The work or the contract should not include preferential conditions for a member of the Board of Directors, and they should be in the same conditions and conditions that the company follows with all dealers and contractors.
 - 4) The work or the contract should not be among the advisory works and contracts carried out by the board member under a professional license for the benefit of the company.
- b) The period of authorization shall be a maximum of one year from the date of the approval of the Ordinary General Assembly to delegate its powers contained in paragraph 1 of Article 71 of the Companies Law to the company's board of directors or until the end of the session of the authorized company's board of directors, whichever is earlier.
 - c) It is prohibited for any of the members of the Board of Directors to vote on the items of authorization and revocation of the authorization in the Ordinary General Assembly.
 - d) The Ordinary General Assembly has the right to add any of the conditions mentioned in this policy to the conditions mentioned above, provided that these conditions are included in this policy.
 - e) In accordance with Article Fifty-Seven (57) of the Regulatory Rules and Procedures issued in implementation of the Companies Law for Listed Joint Stock Companies, in the event that the Ordinary General Assembly does not delegate the authority of the license or in the event that the conditions for granting the license mentioned in paragraph (3) of this Article do not apply, the license must be obtained from the Ordinary General Assembly in the works and contracts concluded for the account of the company and in which the member of the Board of Directors has a direct or indirect interest.

3. Indirect Interest:

According to Article No. (58) of the regulatory controls and procedures issued in implementation of the Companies Law for listed joint-stock companies, the interest is considered indirect if the business and contracts that are conducted for the company's account can achieve financial or non-financial benefits for the following categories, for example but not limited to:

- a) For relatives of a member of the Board of Directors.
- b) For a partnership, simple partnership or limited liability company in which any of the members of the Board of Directors or his relatives is a partner or one of its managers.
- c) A joint-stock company in which a board member or any of his relatives, separately or collectively, owns 5% or more of its total ordinary shares.
- d) For a non-corporate entity in which a Board Member or any of his relatives owns or manages it.
- e) For an establishment or company in which the member or any of his relatives is a member of its board of directors or a senior executive, with the exception of the company's affiliates.
- f) A legal person represented by a member of the Board of Directors.

4. Refusal to grant a license by the General Assembly or the Board of Directors (delegated):

- a) If the Board of Directors refuses (pursuant to the authorization granted to it by the General Assembly) pursuant to Article No. (56) of the regulatory controls and

procedures issued in implementation of the Companies Law for listed joint-stock companies to grant the license for the contract or business; A member of the Board of Directors must submit his resignation within a period specified by the Board of Directors, otherwise his membership in the Board shall be considered terminated, unless he decides to abandon the contract or deal or reconcile his status in accordance with the Companies Law and its implementing regulations before the expiry of the deadline set by the Board of Directors.

- b) If the General Assembly refuses to grant the license in accordance with Articles (71) and (72) of the Companies Law and Article (46) of the Governance Regulations issued by the Capital Market Authority, then the member of the Board of Directors must submit his resignation within a period specified by the General Assembly, otherwise his membership in the Board shall be considered terminated. This is unless he decides to abandon the contract, deal, competition, or reconcile his status in accordance with the Companies Law and its implementing regulations before the deadline set by the General Assembly expires.

5. Company Competition

Pursuant to the provisions of Article (72) of the Companies Law, a member of the Board may not participate in any business that would compete with the company, or compete with the company in one of the branches of the activity that it practices, otherwise the company may claim him before the competent judicial authorities for appropriate compensation, unless it is already He obtains a license from the Ordinary General Assembly that allows him to do so, and if a Board Member wishes to participate in a business that would compete with the company, or compete with it in one of the branches of the activity it is engaged in, the following must be taken into account:

- a) Inform the Board of the competing businesses it wishes to practice and record this notification in the minutes of the Board meeting.
- b) Non-participation of the interested member in voting on the decision issued in this regard by the Board and the shareholders' assemblies.
- c) The Chairman of the Board informs the Ordinary General Assembly, when it convenes, of the competing businesses that the Board member is engaged in, after the Board verifies that the Board member is competing with the company's business or competing with it in one of the branches of the activity it is engaged in in accordance with the controls it approves, provided that these businesses are verified on an annual basis.
- d) Obtaining a license from the Ordinary General Assembly of the company that allows the member to practice competing businesses. The following are included in the concept of participating in any business that would compete with the company or its competition in one of the branches of its activity:
 - 1) A member of the Board of Directors establishes a sole proprietorship or establishment or owns an effective percentage of shares or stakes in a company or other establishment, carrying out an activity like that of the company or its group.
 - 2) Acceptance of membership in the Board of Directors of a company or establishment competing with the company or its group or taking over the management of a competing sole proprietorship or a competing company in whatever form it may be, except for the affiliates of the company.

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- 3) The Member obtaining a commercial agency or the like, whether apparent or hidden, for a company or other establishment competing with the company or its group.

Article No. (7): Conflict of interest associated with the executive management and employees of the company

1. The company's employees must submit a report when they join the company showing a disclosure of the conflict of interest, a report in the event that an interest arises for him in the business and contracts conducted for the benefit of the company, and a report in which he reports his knowledge of an incident that includes an interest for those working for the company that was not disclosed, and a report when the employee learns that his relative Works under his supervision or is subject to his directions, or that any of his family members or relatives work for the company or have an interest in the business or contracts concluded for the company's account or that he is a customer or supplier of the company.
2. The Board of Directors must be informed about any external work activities carried out by any executive official in the Department, and approval must be obtained from the Board, and it must be disclosed according to the regulations in this regard.
3. In the event that the executive officer or employee wants to do this matter, he must present the matter to the CEO of the company to study, evaluate and recommend the matter to the company's board of directors in preparation for issuing the appropriate decision in this regard.
4. The employee of the company shall notify the line manager whenever the employee learns that a relative of his is working under his supervision or subject to his directives.
5. Senior executives and all employees of the company refrain from the following:
 - a) Participation in the business of competing companies directly or through any individual related to them.
 - b) Entering any transactions with the company without the approval of the board of directors or the general assembly of shareholders in the case of senior executives for whom a law requires them to obtain the approval of the general assembly.

Article No. (8): Conflicts of interest associated with external and internal auditors and consultants

1. The company's external auditors must be independent.
2. The independence of the internal auditor should be preserved, and adequate support should be provided to him to carry out the internal audit work.
3. The Board should consider the requirements of independence and cases of conflict of interest as stipulated in the rules, regulations and instructions issued by the regulatory authorities when appointing financial and legal advisors and auditors.

Article No. (9): Prohibiting the dealings of members of the Board, the Audit Committee, senior executives, and persons related to them

1. Board members, audit committee members, senior executives of the company and any person related to them may not deal in the company's securities during the following periods:
 - a) Within fifteen (15) calendar days preceding the end of the quarter of the fiscal year until the date of disclosure of the company's preliminary financial statements after

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examination that are required to be disclosed under Paragraph (1) of Article (68) of the Rules on the Offer of Securities and Continuing Obligations.

- b) Within the thirty (30) calendar days preceding the end of the fiscal year until the date of disclosure of the audited annual financial statements.
2. Exercising the right to subscribe to priority rights and selling them is excluded from the prohibition referred to in paragraph (1) above.
3. Upon the resignation of a Board member or any member of the Audit Committee or any of the senior executives from the company during any of the prohibition periods referred to in Paragraph (1) of this Article, this period shall apply (where applicable) to that member or the resigning senior executive and any person related to any of them.

Article No. (10): Disclosure of cases of conflict of interest

1. All cases of conflict of interest in the meetings of the Board or committees shall be disclosed and documented in the minutes of those meetings. They must also be disclosed and presented to the Board by filling out the "Conflict of Interest Undertaking" form.
2. Before the Council or the committee moves to dispose of a contract or process involving a conflict of interest, the member of the council or the committee member present at the meeting must disclose the conflict of interest related to it, by presenting all the essential facts related to this conflict, and what he disclosed is documented in the minutes meeting, and if other members of the Council have information that a Council member has a conflict of interest, it must be disclosed through the member who knows about it or the same person with conflicting interests if he was invited as a guest to the Council meeting for the purpose of disclosure.
3. A member of the board or committee who intends not to attend the meeting and is convinced that the board or committee will deal with a matter in which he has a conflict of interest must disclose the conflict of interests related to him to the chairman of the meeting, who in turn will disclose it in the meeting and this is documented in the minutes of the meeting.
4. A person who has a conflict of interest is not allowed to participate in the discussions nor to listen to them with the council or the committee, except for allowing him to be present to disclose the conflict of interest he has and to respond to the questions put to him, and this person may not try to exercise his personal influence with regard to the subject of discussion, whether inside the meeting or outside it.
5. A member of the Board is prohibited from exploiting or benefiting - directly or indirectly - from any of the company's assets, information, or investment opportunities offered to the company, including investment opportunities that fall within the company's activities, or that the company wishes to benefit from, and the prohibition applies to a Member of the Board who resigns in order to exploit the investment opportunities - directly or indirectly - that the company wants to benefit from and that he learned about during his membership in the board.
6. For the purpose of determining a voting quorum, a person who has a conflict of interest with respect to a contract or transaction to be voted upon at a particular meeting is not counted within the necessary number.
7. In the event of doubt about the existence of a conflict of interest, the person to whom the conflict of interest is related must disclose the circumstances that in turn will determine the need to fully discuss it at the board level or that there is actually a conflict of interest and is subject to the foregoing.

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8. The Authority and the public must be notified without any delay in the event that the company contracts or deals with a related party, if this dealing is equal to or more than (1%) of the company's total revenues according to the latest audited annual financial statements.

Article No. (11) Reporting Conflict of Interest:

Senior executives of the company must immediately inform the CEO (or the Chairman of the Board in the event of a conflict of interest on the part of the CEO) in writing if there is or is suspected of a conflict of interest. All members of the Council and members of its committees must immediately inform the Council or the relevant committee in writing if there is or is suspected of a conflict of interest, and the Secretary of the Council or the concerned committee must record all such cases in the minutes of the meeting.

Before the Board takes a decision or decides on a matter that may involve a conflict of interest; The member of the board or committee concerned with this conflict shall immediately, transparently and fully disclose all material facts related to that conflict, provided that all facts of such disclosure are recorded in the minutes of the relevant meeting.

Once a member notifies the Board of the possibility of a conflict of interest, the Board shall not involve this member in the deliberations, and his vote shall not be counted in voting on these issues in the meetings of the Board and shareholders' assemblies.

In order to ensure that conflicts of interest do not occur, the members of the Council, including the Chairman and Vice-Chairman, must do the following:

Notify the Board/Secretary of the Board immediately if he is offered a membership position in the Board of Directors of another company, whether it is competitive or non-competitive, or whether it is inside or outside the Kingdom, or if he is asked to provide advisory, technical or other services, and fill out the form prepared for that Presenting it to the Council for approval before accepting the position or providing the required service.

Notifying the Council / Secretary of the Council in the event that a Council member desires to carry out competition work and obtain the necessary approval.

Notify the Board / Board Secretary if the member wishes to enter into any business or contract related to the company or any of its subsidiaries and obtain the necessary approval.

Fill in the disclosure form prepared by the company on an annual basis and deliver it to the Secretary of the Board thirty (30) days before the end of the company's fiscal year.

Article No. (12) Lending and Providing Guarantees:

It is not permissible to grant cash loans to members of the Board and Committees, or for the company to guarantee any loan contracted by any of them with others.

Article No. (13) Honest Professional and Ethical Behavior:

Article No. (44/a) of the Governance Regulations stipulates that a board member must perform his duties "honestly and impartially", and they should not unfairly exploit any circumstance through manipulation, concealment or concealment, exploitation of information by virtue of access, or distortion or misrepresentation of facts tangible, or obtaining an unfair benefit. In addition to the above, the members of the Board must act in accordance with the interest of the company and at all times as stipulated in the Rules on

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the Offer of Securities and Continuing Obligations issued by the Authority (Article No. 65) which states that “members of The issuer’s board of directors and senior executives have the right to exercise their powers and carry out their duties in the interest of the issuer.” Board members must also maintain the confidentiality of information related to the company and its activities and not disclose it to anyone.

Article No. (14) Acceptance of gifts and the like:

To ensure that members of the Board, members of its committees or executives of the Company do not fall under the influence of any kind of pressure or authority while carrying out their duties and responsibilities for the benefit of the Company; It is not permissible for any of the members of the Board, members of committees or executives - in their capacity as members of the Board or its committees or the executive management - to request or accept any form of gifts or benefits from any of the stakeholders with the company, except in accordance with what is decided by the policy of professional conduct and policies approved by the company.

Article No. (15) Supervising the implementation of the policy:

The company's internal audit activity annually prepares a detailed report on the extent of implementation and compliance with this policy and presents a report in this regard - including a special item on cases of conflict of interest of senior executives that were presented to the CEO - to the Audit Committee before the end of the relevant fiscal year, and The Audit Committee shall at least annually review this policy and submit its observations and recommendations for changes (if any) to the Board for review and approval.

Article No. (16) Adoption and Amendment of the Policy:

This policy shall be effective from the date of its approval by the Board of Directors. With regard to the items related to disclosing conflicts of interest to the public, the Capital Market Authority, and prohibition periods, they shall be implemented as of the date of listing and the start of trading of the company's shares in the Saudi Stock Exchange "Tadawul".

The Board reviews this policy from time to time as part of reviewing the effectiveness of corporate governance or when new instructions or regulations related to the policy are issued, and the Board has the power to amend and approve it. This policy cancels and replaces all procedures, decisions or internal regulations of the company that conflict with it. This policy is complementary to all the instructions and regulations in force in the Kingdom of Saudi Arabia that govern cases of conflict of interest, in addition to the company's articles of association.

Article No. (17) Policy Publication:

This policy is published and circulated to members of the Board of Directors, committees, executive management, and major shareholders to ensure their knowledge and understanding of its provisions.