



**Astra Industrial Group
Saudi Joint-Stock Company**

Competing Businesses Standards Policy

These Regulations were approved by resolution of the
Extraordinary General Assembly of Astra Industrial Group (AIG)
held on
24/06/2024 AD

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Article (1): Preamble

The Competing Businesses Standards Policy of Astra Industrial Group (AIG) - a Saudi listed company - was approved in accordance with the laws and regulations of the Ministry of Commerce and the Capital Market Authority (CMA).

Article (2): The Concept of Competition

The following shall be deemed a participation in any business that may compete with AIG or any of its activities:

- 1) The Board or Committee members' establishing a company or a sole proprietorship, or the ownership of a controlling percentage of shares or stakes in a company or any other entity engages in business activities that are similar to the activities of the AIG or its group.
- 2) Accepting membership in the Board of a company, an entity that competing with AIG or its group, or managing the affairs of a competing sole proprietorship or any competing company of any form, except AIG affiliates.
- 3) The Board member's acting as an overt or covert commercial agent for another company or entity competing with AIG or its group.

Article (3): Rules of Competing with the Company

Without prejudice to Article (27) of the Companies Law and other relevant provisions in these regulations, if a member of the Board, or a member of one of its committees, desires to engage in a business that may compete with AIG or any of its activities, the following shall be taken into account:

- 1) Notifying the Board of the competing businesses he/she desires to engage in and recording such notification in the minutes of the Board meeting.
- 2) The conflicted member shall abstain from voting on the related decision in the Board meeting, the meeting of its committees, and General Assemblies.
- 3) The chairman of the Board informing the Ordinary General Assembly, once convened, of the competing businesses that the member of the Board, or a member of one of its committees, is engaged in, after the Board assesses the board member's competition with AIG business or if he/she is in competition with one of the branch activities that it conducts in accordance with the standards issued by the Ordinary General Assembly, upon a proposal from the Board, and published on AIG website, provided that such businesses are assessed on annual basis.

4) Obtaining an authorization of the Ordinary General Assembly of AIG or of the Board through a delegation of the Ordinary General Assembly, for the Board member to engage in the competing business.

5) 'The Board of Directors' report shall include information of any competing business with AIG or any of its business activities currently or previously engaged in by any Board member. This shall include the names of the individuals engaged in such competing activities, along with the nature and terms of such competing business. If no such business exists, AIG shall provide a declaration to that effect.

Article (4): Disclosure of Competing Businesses by the Nominee

Anyone seeking nomination for Board membership shall disclose to the Board and the General Assembly any engagement in any business that may competes with AIG or any of its business activities.

Article (5): Evaluation of Competing Businesses

The Board verifies whether a board or committee member is competing with the business of AIG or any of its subsidiaries by assessing the following:

1. Whether the business is located within or outside the geographical scope of AIG operations and/or those of its subsidiaries.
2. The total revenue of the competing business during the financial year compared to AIG revenue in the same business activity, so that an activity engaged in by a member is deemed competing if its total revenue accounts for a material percentage of not less than 20% of AIG revenue in that business activity, based on the latest audited financial statements.
3. Whether engaging in the competing business will prevent the member from serving the best interests of AIG.
4. Whether engaging in the competing business could materially impact the member's role on the Board of Directors or any of its committees.

Article (6): Rejection of Granting License

If the General Assembly refuses to grant authorization pursuant to Article (27) of the Companies Law and Article (65) of these Regulations, the Board member shall submit his resignation within a timeframe determined by the General Assembly; otherwise, his Board membership shall be deemed terminated, unless the member decides to abandon the contract, transaction, or competing business, or adjust his status in accordance with the Companies Law and its Implementing Regulations prior to the expiry of the timeframe specified by the General Assembly.

Article (7): Policy Approval and Implementation

The General Assembly shall approve this policy based on a recommendation from the Board, and shall be deemed effective as of its approval date. This policy shall be amended as necessary and published on AIG website.