

MARAFIQ

**Code of Ethics and
Conduct Policy**

Table of Contents

Article (1): purpose	3
Article (2): Definitions	4
Article (3): Policy Interpretation	4
Article (4): Preservation of confidential information	5
Article (5): Conflict of Interests	6
Article (6): Codes of ethics (Honesty and Integrity)	7
Article (7): Acceptance of Gifts	9
Article (8): Bribes, kickbacks and fraud	10
Article (9): Work Dress Code	11
Article (10): Grievance Procedures	11
Article (11): Disciplinary Procedures	12
Article (12): Intellectual Property - Inventions / Patents	12
Article (13): Loyalty and Consideration Duty	13
Article (14): Revision and Amendment	13
Article (15): Policy Validity	13

Article (1): purpose

This policy is called "Code of Ethics and Conduct Policy ", which was prepared in accordance with the provisions of the Corporate Governance Regulations (CG Regulations) issued by the Capital Market Authority in the Kingdom of Saudi Arabia. As Marafiq and its subsidiaries continuously, strive to adhere to the application of ethical principles and values, and to abide by the acts and instructions of regulators such as the Capital Market Authority, in order to enhance its reputation and brand through the efforts of its management and employees of all positions and locations. Applying the best practical standards and the highest codes of professional conducts and ethics to serve the company's customers and dealers, and ensuring the provision of the best services to them. The principles of trust, responsibility, honesty and respect are essential elements in the formation of the reputation and trust that the company has built and seeks to enhance. As a basic source of the value, that the company provides to its customers and the commitments that it has placed on itself towards all stakeholders, to preserve the values and principles of the company. This is achieved only if all the Company's Employees, without exception, carry out their work and personal and professional conduct with all, in a manner that preserves the respect and dignity of others. To reflect the best image of the company and its employees, preserves its reputation, and avoids any harm as a result of any improper conduct inside or outside the company, inside and outside the Kingdom.

This policy aims to:

1.1 To determine the professional and ethical standards to be followed by all employees of the company and its subsidiaries.

1.2 To confirm the commitment of all employees of the company and its subsidiaries to the highest conduct, professional and ethical standards such as honesty, integrity and responsibility.

1.3 To help identify ethical and conduct problems and ways to address them.

1.4 To urge all employees of the company and its subsidiaries to take responsibility for their actions and act not only in accordance with the texts and letter of the legal regulations or rules. Rather they must ensure the application of the spirit of these regulations and rules, and they shall adhere to integrity, impartiality, clarity and transparency when making decisions or disposing of matters.

Pursuant to the foregoing, this policy applies to all employees of the company and its subsidiaries, starting from the chairmen and members of the boards of directors of the company and its subsidiaries to all employees of the company, whether full or part-time workers, including contractors from recruitment companies, security guards, hospitality workers, cleaners and other Third-Party workers.

Article (2): Definitions

The terms and expressions in this regulation shall have the meanings ascribed thereto hereunder, and the masculine shall include the feminine, and the singular shall include the plural and vice versa, unless the presumption or context indicates otherwise:

Term	Definition
Governance Department	: Corporate Governance Department in the Company.
Policy	: Code of Ethics and Conduct Policy
General Assembly	: Ordinary General Assembly of the Company.
Company (or) Marafiq Company	: Power and Water Utility Company for Jubail and Yanbu (a public joint-stock company).
Board (or) Board of Directors	: The Board of the Company.
Authority	: Capital Market Authority.

Article (3): Policy Interpretation

3.1 Interpretation Rules

3.1.1 This Policy and the addendums attached thereto (if any) are considered an integral part thereof, and complementary to its clauses and shall be read and interpreted therewith for this purpose.

3.1.2 This Policy is directed and addresses job positions and not the people in charge of them.

3.1.3 All headings in this Policy are for convenience of reference only and shall not affect the interpretation of the Policy provisions as a whole.

3.1.4 This policy includes general guidelines and directives that are added to the policies related to all issues related to professional conduct issued by the company and the human resources department in it. They are read and interpreted with them for this purpose. In case of conflict between them and those policies, the company's own policies issued through the human resources department are presented.

3.1.5 The Board is entitled to set rules and executive policies for this Policy.

3.1.6 This Policy is formulated in accordance with the jus cogens in the CG Regulations issued by the Authority. In the event that the Authority decides, at any time, to consider any provision in the corporate governance Policy as jus cogen rather than a complementary, then this Policy is read in light of that, and the complementary provision becomes as jus cogen by force of law and an integral part of this Policy. In the event that a complementary provision is included in this Policy in the form of a jus cogen, this shall not prejudice its remaining complementary and not binding until the Authority decides otherwise.

3.1.7 The Company's application of any of the guidelines, steadily or incidentally, does not prejudice the provision to remain guiding unless a special resolution is issued by the Board or the Authority otherwise. The Company is entitled to echange between applying and not applying the guiding provision in accordance with what it decides in this regard, and it is not allowed in any way to consider approval of this Policy/ regulation as an approval for the guiding provisions contained therein to be mandatory.

3.2 Sources of Judging the Incident

3.2.1 The provisions of this Policy apply to the issues dealt with in these provisions in their terms and meanings, and there is no justification for effort in the source of the provision.

3.2.2 The provisions of this Policy shall not conflict with the legislative laws in the Kingdom of Saudi Arabia (KSA), and in the event of a conflict, the provisions of the jus cogen legislative laws shall be applied.

3.2.3 In the absence of a provision in this Policy on the issue, the following legislative sequence shall be applied:

3.2.3.1 The jus cogens in the CG Regulations issued by the Authority are applied.

3.2.3.2 The provisions of the Companies Law and its executive regulations shall be applied.

3.2.3.3 The provisions of the Company's articles of association shall be applied.

3.2.3.4 The resolutions of the Company's General Assembly shall be applied.

3.2.3.5 The resolutions of the Board of Directors shall be applied.

3.2.3.6 Diligence of from the Governance Department according to the circumstances surrounding regarding each issue for which there is no provision.

Article (4): Preservation of confidential information

4.1 All entities to which this policy applies shall maintain the confidentiality of information. The concept of confidential information includes any documents, data or information that is not made public for the company, and their exchange or publication is associated with restrictions set by the company to regulate that, whether these information, data or documents are tangible. (Physical) such as paper documents and others, or intangible such as information received orally, or preserved in electronic media (electronic or digital documents).

4.2 The Company and its subsidiaries are committed to preserving the personal and confidential information of its business, employees and customers through the application of specific standards as defined by the Company's policy. For example, but not limited to, confidential information includes but is not limited to:

4.2.2 Employees' personal information, such as salary, benefits, job grades, etc.

4.2.2 Trade secrets.

4.2.3 Programs, business expectations and operating strategies.

4.2.4 Financial information that is not publicly disclosed to customers, partners or suppliers.

4.2.5 Studies of new projects.

4.2.6 Customers' financial and personal information.

4.2.7 Information on contracts and agreements with suppliers.

4.2.8 Data and information of employees and their families.

4.2.9 Lists of employees, customers, partners and suppliers with or without contact information.

4.2.10 Software and computer programs.

4.2.11 Information related to information technology systems and the basic structure of the company.

4.2.12 Plans to merge, sell or buy assets.

4.2.13 Important management plans or changes in the company.

4.2.14 Internal communications such as television recordings, telephone recordings, and transcripts of Meeting Minutes.

4.3 Whoever works for the company when dealing with confidential information shall adhere to high professional standards that include at least the following:

4.3.1 To not receive or provide confidential information of a party/ person, before negotiating and signing a confidentiality non-disclosure agreement.

4.3.2 To act with confidential information with in accordance with the terms and conditions of the confidentiality agreement that was agreed upon.

4.3.3 An employee/official who receives or provides confidential information shall read and implement strictly the terms and conditions specified in the confidentiality agreement accurately.

4.3.4 To fully adhere with local and international rules, policies, Acts/regulations adopted locally and related to data privacy and information security. The company has adopted a number of internal procedures aimed at preventing the leakage of internal information and limiting it within the company, including information related to information security as well as any undisclosed information that may affect the company and its reputation.

Article (5): Conflict of Interests

5.1 Company employees are prohibited from having a direct or indirect personal interest in the Company's contracts or projects or in the suppliers or contractors who do or seek to do business with the company.

5.2 No employee shall have a controlling "personal interest" in a company or organization that perform business or intends to do business with the

company, including occupying a position, engaging in activities, or having a controlling financial interest or any form of ownership in such company or organization.

5.3 Employees are prohibited from occupying any position in a company or other organization that acts or intends to act with the company.

5.4 Company employees are prohibited from engaging in any transactions other than within the scope of their work in their capacity as Company employees.

5.5 The employee shall adhere to the policy of combating conflicts of interest adopted by the company from time to time.

Article (6): Codes of ethics (Honesty and Integrity)

Codes of ethics is related to the values of honesty, Secretariat and sincerity in work, and includes consistency in policies, procedures, principles, goals and results.

The values of honesty and integrity are among the most important basic values of the company, which requires the employees of the company to adhere to the following:

6.1 To follow the codes of professional and ethical conduct, acts, and instructions in force in the Kingdom of Saudi Arabia in general, and the company's values of initiative, innovation, interest, participation, trust, and responsibility (published on the company's website in particular). Accordingly, it is not permissible for everyone who is subject to this policy to help any other party to violate or circumvent the codes of professional and ethical conduct or acts.

6.2 To avoid actual or potential conflict of interest as described in the conflict of interest policy. In the event that the employee / official has any inquiries about a potential conflict of interest, he shall consult his line manager, the general manager of human resources, the legal affairs director or the governance department openly And transparency and clarity.

6.3 Colleagues, customers, suppliers or any third parties shall be treated with respect and dignity regardless of religion, sect, race, nationality and region.

6.4 Company employees and its subsidiaries shall adhere to the highest standards of professionalism at all times, and demonstrate this through conduct, actions and general appearance, including dress code consistent with public order and morals, and with the company's directions and policies. As well as the spirit of integrity, trust, credibility and mutual respect.

6.7 Embezzlement and misuse of the assets of the company and its subsidiaries, or unauthorized disclosure thereof, constitute a violation of honesty and integrity and constitute a fraudulent act. Therefore, the company's employees shall comply with the following:

6.7.1 Preserving the company's assets and properties, and not using those assets for personal use or for personal benefit, and they are not entitled to use the company's official stationery, the company's trademark, the company's documents or its name for unauthorized purposes, and these assets include For example also the following:

6.7.1.1 Physical and intellectual property.

6.7.1.2 Computer systems, equipment and technology.

6.7.1.3 Business plans and products.

6.7.1.4 Information about customers and employees.

6.7.1.5 Information about suppliers and distributors.

6.7.1.6 The Company Trademark.

6.7.1.7 The Company Communication Channels such as e-mail and telephones.

6.7.1.8 In addition to all other personal, private and confidential information of the company or its employees.

6.7.2 Not to perform any action that transfers ownership or benefit, such as selling, lending, mortgaging, or donating any assets or others belonging to the company, regardless of the status or value of these assets, unless they are authorized to do so in accordance with the Delegation of Authority Matrix.

6.7.3 To avoid negligence, waste or unauthorized use of the Company's assets.

6.7.4 Not to misuse any product, automated system, or intellectual property that he created or developed during his work with the company, as it is considered one of the company's property, and he is committed to that even after the termination of his relation with the company.

6.7.5 Work in the company and its subsidiaries shall remain the employee's only and basic work commitment, unless the employment contract with him stipulates otherwise. Therefore, he must absolutely refrain - without the company's prior written approval - from seeking or accepting external assignments or Participate in any external activities that provide a financial or reputational benefit, as these activities may increase the responsibility of the company, and often undermine the quality and commitment of the company employee to his job.

6.7.6 The codes of professional and ethical conduct are compatible and integrated with the principles of social responsibility. These rules confirm and implement the most important principles of social responsibility adopted by the company, such as:

6.7.6.1 Transparency: The company is committed to disclosing its policies, procedures, decisions, activities, and their known and potential impacts on the environment and society, and to make this information available to affected persons (stakeholders/relation), or likely to be substantially affected by the company.

6.7.6.2 Ethical Conduct: the company adopts conducts and actions based on the ethics of honesty, integrity, justice, integration towards all elements of society, and commitment to achieve the interests of the concerned parties, including its customers and employees.

6.7.6.3 Respect the interests of the concerned parties: The Company takes into consideration the relation between the interests of the concerned parties and the greater expectations of the community in addition to the nature of the relation of those parties with the company. As well as taking into consideration the visions of these parties, that may be affected by a particular decision.

6.7.6.4 Respect the acts and the rule of law: The Company and its employees shall abide, without exception, by all applicable local and international acts, regulations, controls and standards written, announced, enforceable and applicable in accordance with well-established, specific and documented policies and procedures.

6.7.6.5 Respect the international standards and norms of professional conduct: The Company respects international standards and norms recognized by the state.

6.7.7 Violation of the codes of professional and ethical conduct may lead to disciplinary procedure or other corrective procedures, according to the applicable laws in the Kingdom and approved company policies and regulations, and may reach dismissal from work and non-criminal and criminal prosecution if necessary. The application of disciplinary and/or judicial procedures depends on the nature and gravity of the violation and its impact, which are addressed in consultation with the Department of Governance, the Department of Legal Affairs and Human Resources Department. Whether the act is voluntary or accidental and is the result of good faith as considerations contributing to the reduction of the sentence.

Article (7): Acceptance of Gifts

Gifts are items in kind and include goods or services (full or reduced), gratuities, entertainment or other items of full or reduced value. Which are submitted as courtesies with the aim of building and/or strengthening partnerships, relations and goodwill between various businesses or to influence the manner in which the employee fulfills his job duties. Therefore the employee or any of his family members (parents, spouses and children) in any of the following cases may not accept gifts:

7.1 If the gift provider wants something in return, or attempts to obtain an unfair advantage, or influences the way in which the employee performs his job duties.

7.2 If receiving the gift would harm the employee's ability to make objective and fair work decisions.

7.3 If the purpose of presenting the gift is to motivate actions or take other decisions that would not have taken place without the gift being presented, or if accepting the gift leads to the occurrence of any of the aforementioned.

7.4 Estimating the value of gifts is subject to a maximum of SAR 300. Any gift, hospitality or service that exceeds the mentioned value of SAR 300, shall first be rejected and disclosed to the line manager. In addition, the line manager, shall be informed if the value of the gift / offer is less than SAR 300.

7.5 The offer or receipt of a gift in the form of a training, accommodation, holiday, sponsorship of a conference or seminar, or any other similar thing (“Sponsorship”). Regardless of whether the sponsorship is of a training nature or not, is an Excessive Gift would affect the actual or perceived objectivity of any natural person, so no member may accept or provide any sponsorship unilaterally in his personal capacity

Article (8): Bribes, kickbacks and fraud

8.1 Employees are prohibited from accepting bribes, promises, or preferential grants for financing. Offers, transactions, contracts, and commitments shall be based on objective work standards. Conspiracy or collusion with competitors in any way is strictly prohibited. Favouring or potential favouring constitutes a conflict of interest and a violation to the Code of Conduct, and subject to the foregoing, acceptance of the following is not considered a violation of this policy:

8.1.1 Advertising or promotional materials of limited commercial value.

8.1.2 Incidental commercial entertainment such as meeting invitations to attend lunch or dinner events with the rest of the team members and not individually.

8.2 Fraud is a practice that involves the use of deception to obtain, directly or indirectly, any form of financial benefit for the perpetrator of the fraudulent act or to facilitate that for others, leading to a form of loss for the party who has been defrauded. The actual loss resulting from the fraudulent act often relates to liquid assets such as cash, securities and other tangible and intangible assets and results in a loss for the company, shareholders or customers. Deliberate misrepresentation of the truth to entice someone to give up something of value or a legal right. The company has developed a comprehensive set of policies related to combating fraud and corruption with the aim of achieving and activating controls that will help in detecting and preventing fraud activities. The company aims to promote unified corporate conduct by setting strict rules for establishing and managing the company's internal controls, identifying potential fraud risks against the company, and conducting investigations related to fraudulent acts.

8.3 The company is committed to complying with applicable laws, regulations, accounting standards, internal accounting controls and

auditing practices. All employees are required to read, understand and adhere to the Company's anti-fraud policies and controls.

Article (9): Work Dress Code

9.1 In order to preserve and build the image of the company, employees who are required to wear formal clothes / uniforms during working hours are prohibited from wearing any other clothes.

9.2 The company provides specific work clothes if required for the job. Employees and their visitors are required to meet basic clothing standards, and Chairmen are responsible for monitoring the adherence of their employees to the clothing standards in the workplace.

9.3 The concerned manager of the department shall determine the time and place of wearing the work clothes and the concerned employees, taking into consideration the safety of the employee, the work environment and the needs of the company.

9.4 Work clothes that are worn frequently or regularly are issued to employees on a regular basis, and the amount of clothes that are worn depends on the policy for that.

9.5 The security and safety department official is authorized to dispense personal protective clothing.

Article (10): Grievance Procedures

The grievance procedure addresses employee complaints against operational conditions with the aim of enhancing the level of employee satisfaction. To enable them to perform their duties to the fullest. The grievance procedure consists of three (3) hearing.

10.1 The First-Level Hearing

10.1.1 The employee shall file his complaint in writing and submit it to the line manager.

10.1.2 The employee shall discuss his complaint with his line manager, and the line manager shall conduct an investigation and then respond to the employee regarding the complaint within two weeks (the response may be verbal or written, as appropriate).

10.2 The Second Level Hearing

10.2.1 In the event that the matter is not addressed satisfactorily by the line manager. The employee may resort to the next level of supervision (usually the department manager) who will attempt to resolve the complaint within two weeks.

10.2.2 In the event that the problem is not addressed by the Department Manager. The employee may raise the matter to the level of the Deputy President / General Manager who will attempt to resolve the complaint within two weeks.

10.2.3 If the problem is not resolved satisfactorily. The employee shall refer the matter to the Human Resources Department.

10.3 Third Level Hearing

10.3.1 The Human Resources Department shall notify the concerned department manager with the existing complaint, when an employee submits a written complaint.

10.3.2 The Employee Relations and Benefits Department will schedule another meeting for all parties to resolve the complaint. In that meeting, the HR representative acts as a neutral mediator seeking a solution acceptable to all parties.

10.3.3 The complainant(s) and the line manager may bring other employees of the company as witnesses at this stage of the procedures.

10.3.4 The department manager or the department representative shall have two weeks after the meeting of the parties to respond in writing to the complaint.

10.3.5 If the complaint is not resolved or if the nature of the grievance would have implications for other employees as well. The complaint may be escalated to the higher level (General Manager of Employee Relations and Benefits Department).

10.3.6 If the complaint is not settled by the General Manager of the Employee Relations and Benefits Department. The employee may raise the complaint to the Company's Grievance Committee.

10.3.7 The Company's Grievance Committee shall investigate the complaint and recommend a possible solution to the CEO of the company.

10.4 In the event that the grievance or complaint is not finally settled within the company, or the employee is not satisfied with the final decision, the employee may submit his complaint to the competent authority in accordance with the work law. In that case, it is the responsibility of the Employee Relations and Benefits Department Manager in coordination with the legal representative the responsibility to follow up and resolve this grievance or complaint with the competent judicial authority.

10.5 Any employee shall not subjected to any unfair treatment due to submitting a grievance or complaint under the provisions of this policy.

10.6 The employee shall be granted exemption from his regular duties to the extent necessary to attend grievance hearings without making any deduction from his salary.

Article (11): Disciplinary Procedures

The company imposes disciplinary procedures for violations in accordance with the schedule of violations and penalties approved by the company attached to the work rules.

Article (12): Intellectual Property - Inventions / Patents

The inventions that are made in the scope of work are considered the property of the company, and the employee is rewarded for it according to the approved company policy, but the use and Intellectual of the patent remain the property of the company.

Special awards may be awarded for any extraordinary achievements of employees as per approved company policy.

Article (13): Loyalty and Consideration Duty

13.1 Each member of the Board Members, Executive Management and the Company employees, shall adhere to the loyalty and consideration duty towards the Company. To take procedures that will preserve the interests of the Company and contribute to its development and maximization of its value, and put its interests ahead of their personal interest in all cases.

13.2 The Board Member shall represent all shareholders in the company; take all procedures that achieve the best interests of the company and its shareholders, and take into consideration the rights of other stakeholders, and not only the interests of the group that elected him.

13.3 Any employee / Board member shall be prohibited from exploiting his position with the aim of achieving benefits for himself or others.

Article (14): Revision and Amendment

14.1 The Company's management shall revise this Policy in cooperation with the Company's appropriate departments, when needed, and recommend any amendments thereto to the Board for approval before obtaining the approval of the General Assembly.

14.2 The Corporate Governance of the Company shall maintain the original duly signed copy of this Policy.

Article (15): Policy Validity

This Policy shall be in effect and implemented as of date of Policy approval by the General Assembly.

Policy Title	Code of Ethics and Conduct Policy			
Revised and Amended by: Governance Department	Name: Dr. Akram Ibrahim Faisal Khalaf Al-Anzy	Signature:	Date:	2-8-2023
Board Secretary:	Name: Muhammad Abdulhamid Al-Mulhim	Signature:	Date:	2-8-2023
Date of Policy Approval by General Assembly:	2-8-2023- Meeting No. (4/2023)			
Approved Language of Policy:	The Arabic language, and the English, if any, is only considered as a guiding language.			