



Competing Business Standards

This Charter was approved based on the Gasco Extraordinary General Assembly's resolution in its meeting held on May 26th 2024

<u>DISCLAIMER</u>	<u>تنويه هام لأخذه في الاعتبار</u>
<p>This English version of this document is a translation of the original Arabic document and has been made for the purpose of informing non-Arabic speakers of the said document. In case of any discrepancy or misinterpretation of any clause or article, the original Arabic document shall prevail.</p>	<p>هذه النسخة الإنجليزية من هذه الوثيقة تمثل ترجمة للنسخة الأصلية الصادرة باللغة العربية، والغرض منها تعريف الناطقين بغير اللغة العربية بهذه الوثيقة، وفي حالة وجود اختلاف في الترجمة أو خطأ في تفسير النص لأي بند أو مادة من هذه الوثيقة يُعتبر النص الأصلي الصادر باللغة العربية هو الحاكم.</p>

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Information on the Standards, Documentation and Preservation

Amendments to these standards should be numbered and dated using the following record that should be signed at each update.

Summary of the amendments:

Version	Nature of the Amendment

Preparation, revision and approval of the amendments:

Version	Date	Prepared by	Reviewed by	Date and Decision of Approval

Record-preservation body:

Body	Notes

Approval:

Board Secretary	Board Chairman

Definitions and Terms

The following words and phrases have the indicated meanings, unless the context requires otherwise:

Word/Phrase	Definition
Standards	Competing Business Standards
Company	National Gas and Industrialization Company (GASCO)
Kingdom	Kingdom of Saudi Arabia
Ministry	Ministry of Commerce
Authority	Capital Market Authority
The Companies Law	The Companies Law, issued by Royal Decree No. (M/132) dated 01/12/1443 A.H.
The Capital Market Law	The Capital Market Law, issued by Royal Decree No. (M/30) dated 08/6/1424 A.H.
Articles of Association	Articles of Association of the Company
Corporate Governance Regulations	Governance Regulations for joint stock companies issued by the Board of the Capital Market Authority
Assembly	The assembly is formed from the company's shareholders in accordance with the provisions of the Companies Law and the Company's Articles of Association.
Board	The Board of Directors of the National Gas and Industrialization Company (GASCO).
Committee/s	Committees emanating from the board.
Executive Member	A member of the Board of Directors who is dedicated to the executive management of the company and participates in its daily work.
Non-Executive Member	A member of the Board of Directors who is not dedicated to the executive management of the company and does not participate in its daily work.

Independent Member	A non-executive board member who enjoys complete independence in his position and decisions, and none of the criteria of independence stipulated in the Corporate Governance Regulations apply to him.
Executive Management or Senior Executives	Persons entrusted with managing the company's daily operations and proposing and implementing strategic decisions, such as the CEO and his deputies and the financial director.
Stakeholders	Everyone who has an interest in the company, such as employees, creditors, customers, suppliers and the community.
Relatives or Kinship	<ul style="list-style-type: none"> • Parents, grandparents and great-grandparents. • Children and their descendants. • Full and half siblings, whether from both parents or from only the father or mother. • Spouses.
Related Parties	<ol style="list-style-type: none"> 1. Subsidiaries of the company, except for those fully owned by the company. 2. Major shareholders of the company. 3. Members of the Board of Directors and senior executives in the company. 4. Members of the Board of Directors of the company's subsidiaries. 5. Members of the Board of Directors and senior executives at the company's major shareholders. 6. Any relatives of the individuals referred to in paragraphs (1), (2), (3) or (5) above. 7. Any other company or entity controlled by any person referred to in paragraphs (1), (2), (3), (5) or (6) above. <p>For the purposes of paragraph (6) of this definition, relatives are defined as the father, mother, spouse and children.</p>
Group	In relation to persons, it means persons and all their affiliates.

Affiliate	A person who controls another person, is controlled by the other person, or is under common control with the other person by a third party. In any of the above, control may be direct or indirect.
Controlling Share	The ability to influence the actions or decisions of another person, directly or indirectly, individually or collectively, with a relative or an affiliate, by owning 50% or more of the voting rights in the company or the right to appoint 50% or more of the members of the Board of Directors or senior executives.
Day	A calendar day, whether or not it is a business day.

All terms that are not defined in this document shall have the same meaning as in the list of terms used in the Company's Governance Regulations and the Corporate Governance Regulations, unless the context requires otherwise.

Article One: Preamble

1. These policies and standards have been prepared in accordance with the Company's Governance Regulations and the provisions of the Corporate Governance Regulations [Paragraph (3) of Article (44)]: (The board shall inform the Ordinary General Assembly, once convened, of the competing businesses that members of the board, or members of one of its committees, are engaged in, after the board has assessed the board members' competition with the company's business or reviewed if they are in competition with one of the branch activities that the company conducts in accordance with the standards issued by the Ordinary General Assembly upon a proposal from the board and published on the company's website, provided that such businesses are assessed on an annual basis.
2. These policies and standards shall be subject to the provisions of the articles contained in the Companies Law and its executive regulations, the Company's Articles of Association, and the Capital Market Law and its executive regulations.
3. These policies and standards aim to establish the foundations and rules that regulate the competing businesses of the board and committee members in a way that does not conflict with the company's interests and objectives.

Article Two: Concept of Competing Business

The concept includes participation in any business that competes with the company or competes in one of the branches of activity it practices, as specified in Article (3) of the Company's Articles of Association, including the following:

1. Members establishing a company or a sole proprietorship, or owning a significant percentage of shares or stakes in another company or establishment that practices an activity similar to that of the company or its group.
2. Members accepting membership on the board of directors of a competing company or managing a competing sole proprietorship or a competing company of any form, except for subsidiaries of the company.
3. Members obtaining a commercial agency or its equivalent, whether apparent or concealed, for another company or establishment that competes with the company or its group.
4. Members providing advice or guidance to any company or person working for the benefit of a company or establishment that practices activities competing with the company or its group.
5. Members using their knowledge or influence on any of the company's or its group's clients, suppliers or consultants for the benefit of any company or person working for a competing company or establishment.

Article Three: Evaluation of Businesses That Compete with the Company

1. When evaluating any member's competition with the company's business, the board should consider the following:
 - a. The size of the competing business, its impact on the company's business, and the ability to manage the resulting conflicts of interest.
 - b. The geographical scope of the business competing with the company's business.
 - c. Evaluating whether the information obtained by members as a board or committee member could affect their decisions related to the company's competing business.
2. The board may establish additional standards and criteria to help evaluate any board or committee member's competition with the company's business, provided they do not conflict with the regulations and instructions issued by the regulatory authorities.

Article Four: Duties of the Board or Committee Member

1. Members should disclose any information requested by the board for the purpose of verifying and evaluating competing activities.
2. Members should perform their duties with honesty and integrity, prioritize the company's interests over personal interests, and not exploit their position for personal gain.
3. Members should maintain the confidentiality of the information they have access to as a board member and not disclose it to anyone.
4. Members should not exploit or benefit from, directly or indirectly, any of the company's assets, information or investment opportunities presented to them as a board or committee members or those presented to the company. This includes investment opportunities that fall within the company's activities or those from which the company wishes to benefit. This also applies to members who resign in order to directly or indirectly exploit investment opportunities that the company wishes to benefit from and which they became aware of during their board membership.

Article Five: Company's Competing Controls

1. Members may not engage in any activity that competes with the company, or in one of the branches of activity it practices, unless they obtain a license from the Ordinary General Assembly allowing them to do so and according to the following procedures:
 - a. Informing the board, fully and immediately, of their direct or indirect participation in any activity that competes with the company or their direct or indirect competition in one of the branches of activity practiced by the company, in accordance with the provisions of the company's regulations and the Capital

Market Law and its executive regulations, ensuring this notification is recorded in the minutes of the board meeting.

- b. Any involved member should not participate in voting on the decision issued in this regard in the Board of Directors and the Shareholders' Assembly.
 - c. The Chairman of the Board should inform the Ordinary General Assembly, upon its convening, of the competing activities practiced by any board member.
 - d. Obtaining a license from the company's general assembly that allows the involved member to engage in competing activities.
2. The board is responsible for annually verifying these activities and may request any detailed data or clarifications from the member to support the necessary verification procedures.
 3. The Ordinary General Assembly has the right to delegate the licensing authority mentioned in paragraph (1) of this article to the Board of Directors, provided that the General Assembly's decision specifies the competing businesses and activities that the board may license during the delegation period. The delegation period shall be a maximum of one year from the date the Ordinary General Assembly approves the delegation or until the end of the delegated board's term, whichever comes first. No board member is permitted to vote on the delegation and revocation items in the Ordinary General Assembly.

Article Six: Rejection of a License to Engage in Businesses Competing with the Company

If the Ordinary General Assembly refuses to grant a license to members to engage in activities that compete with the company or compete in one of the branches of activity it practices, such members should submit their resignation within a deadline set by the General Assembly or the authorized Board of Directors (where applicable). Otherwise, their membership will be considered terminated, they should cease competing with the company, or adjust their status according to the Companies Law and executive regulations before the expiration of the deadline set by the General Assembly.

Article Seven: Engaging in Competing Businesses without a License

If members engage in any business that competes with the company or competes in one of the branches of activity it practices without having a license from the Ordinary General Assembly or fail to disclose this according to the law, the company has the right to demand appropriate compensation from them before the competent judicial authority.

Article Eight: Final Provisions

1. These standards are subject to annual review as part of the company's corporate governance review or when new instructions or regulations are issued by the competent authorities; they are considered complementary to the Company's Articles of Association and Governance Rules.
2. The content of this document shall be implemented and complied with by the company as of the date of its adoption by the Ordinary General Assembly and shall be published on the company's website to enable shareholders, the public and stakeholders to review them. The standards mentioned in this document shall be amended, as needed, based on a proposal from the board, provided that the amendment shall be presented to the Ordinary General Assembly at its nearest meeting for approval.
3. These standards are owned by the company and shall not be reproduced or disclosed in whole or in part without the written permission of the company.