

Issuer: Board of Directors
Subject: Regulating Stakeholder Relations Policy
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No. 2019-1

Regulating stakeholder relations policy

First: The Purpose

The purpose of this policy is to outline the guidelines that shall govern Alkathiri Holding Company for issues related to Stakeholder Relations within the Company and enable them to file complaints, grievances and report any violating practices.

Second: Overview

Alkathiri Holding Company Board of Directors is committed to the highest ethical standards as the company wish its stakeholders to have strong faith and commitment towards it. Stakeholders can be defined as individuals or groups of individuals that have a direct or indirect stake in an organization who can affect or be affected by the organization's actions, objectives, and policies. Key stakeholders in an organization include "shareholders, Executive Management, employees, customers, creditors, banks, suppliers, local community and government".

In addition, to develop successful stakeholder relations, Alkathiri Holding Company shall adhere to the following principles:

- 1. Those affected by Alkathiri Holding Company's business have the right to be informed about the Company's activities, participate in a transparent stakeholder engagement process, and be involved in issues and opportunities that affect them.**
- 2. Stakeholders shall be provided with timely and accurate information about the business.**
- 3. Alkathiri Holding Company shall strongly seek out feedback from its stakeholders on its business decisions.**
- 4. Alkathiri Holding Company shall encourage stakeholders to decide the way they wish to be consulted and shall strive to remain resilient and responsive to stakeholder preferences.**

5. Alkathiri Holding Company respects the values and culture of each stakeholder.

6. Alkathiri Holding Company shall ensure that the Company's transactions with Board members and related parties are compliant with the terms and conditions followed of transactions with stakeholders without any discrimination or bias.

Third: Main Stakeholders

Stakeholder	The Company responsibility towards stakeholders
A) Shareholders	Alkathiri Holding Company is committed to creating sustainable shareholder value, so as to maximize their investments, achieve reasonable financial returns and act in the Shareholders' best interest provided for in the Company's Bylaws in compliance with the relevant laws and regulations.
B) Banks and Other Lenders (i.e., Creditors, Institutional Investors)	Careful attention shall be paid to Alkathiri Holding Company obligations to its banks and financial institutions. Many lenders will have covenants in place that require Alkathiri Holding Company to adhere to predetermined ratios and other requirements to satisfy financing arrangements. Board members need to have a clear understanding of these requirements and ensure that management are appropriately monitoring Alkathiri Holding Company position to ensure these covenants are not breached and penalties or other consequences are not triggered. Furthermore, care should be taken to establish open communication with Alkathiri Holding Company financiers, engaging them in dialogue on a periodic basis and responding positively to their information needs and requests in a manner which does not contradict the system. Alkathiri Holding Company shall respect its creditors and it is important to understand and respond appropriately to the needs and expectations of the shareholders. Alkathiri Holding Company needs to ensure that it balances the expectations and demands of all investors to ensure that there is fair, equitable and consistent treatment of all shareholders.

<p>C) Board members, managers, and employees</p>	<p>Alkathiri Holding Company is committed to treating its people (Board members and employees) with dignity and providing equal employment opportunities for all employees in its employment practices, including recruiting, compensation, professional development, and promotion. The Board of Alkathiri Holding Company believe in providing safe and healthy working conditions, respecting human rights and respecting employees' rights. The Board of Alkathiri Holding Company expects its employees to speak out when they see ethical lapses considering the whistleblowing policy approved by the Board. Board members shall also be aware of the importance of employee support and commitment to enable Alkathiri Holding Company to achieve its objectives.</p>
<p>D) Customers and Suppliers</p>	<p>The Board shall take an active interest in how the company handles and resolves customer complaints and not depend solely on management. Pertinent statistics and key emerging issues outlined in customer complaints shall be reported to the Board periodically.</p> <p>Alkathiri Holding Company is committed to providing end products of superior quality, excellent services, and value-adding solutions. Alkathiri Holding Company seeks to deal with customers and suppliers in a straightforward and honest manner. The Company additionally seeks to build and maintain good relations with both its customers and suppliers and shall ensure the confidentiality of information related to them is protected.</p>
<p>E) Community</p>	<p>Public expectations require companies to be socially responsible in their operations and dealings with the community. This needs to be considered as part of the company's decision-making processes and in the conduct of its business activities. Failure to understand and respond appropriately to relevant issues may have adverse financial consequences or it may have a negative impact on the company's reputation, or it may lead to other negative results as well.</p> <p>As a result, the company's is committed to contributing to the overall quality of life of the society wherever it operates and to use resources responsibly to preserve the environment. The</p>

	<p>Board wants communities to count on the company's help in charitable and other community activities.</p>
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Fourth: The Mechanisms of Resolving Disputes and Complaints of Stakeholders

In the event where a complaint or dispute may arise between the stakeholder and Alkathiri Holding Company other than employees, the stakeholder should contact the company's Board Secretary, or any other person designated by the Company. Once the Board Secretary or the designated person is informed, the concern shall be forwarded to the Audit Committee for direction, and appropriate actions and decisions shall be made in this regard. The Audit Committee shall ensure that corrective action is taken or recommended to adequately resolve the issue in a manner that guarantees fair investigations and actions. The Company may also develop additional detailed policies and procedures, along with the established policy, to ensure the effective implementation.

Should a dispute arise between Alkathiri Holding Company and any of its employees, the Grievance Committee established by Alkathiri Holding Company for this purpose shall handle all cases in compliance with the Company's grievance policy, along with the established policy, to ensure the effective implementation. Where the resolution is not satisfactory to the respective parties, the case could be referred to the Remuneration and Nomination Committee. In conducting the necessary investigations, the Committee shall also take into consideration the conflict of interests and avoid them, bearing in mind the existing policy of grievances and escalation mechanisms within the Company.

Fifth: Reviewing and Amending The Policy.

The Board shall establish the necessary policies or procedures to be followed by stakeholders based on the proposal of the Audit Committee

In order to ensure that the company operates in a consistent manner with this policy, the Board of Directors shall conduct a periodic review and evaluation of the effectiveness and competency of this policy and act in compliance with it and amend it whenever needed.