



Code of Conduct and Ethical Values

Savola Group “Listed Joint Stock Company”

This policy and procedures document are approved by Savola Group Board of Directors and applicable to the Group and its Subsidiaries

1 Code of Conduct and Ethical Values

Ethics and Values “Savola ... value built on values”:

Savola Group (“Savola” or “the Company”), an investment group focusing on food and retail created sustainable value is built on values offered to its stakeholders, partners, investors, employees, consumers and communities where it operates.

Individual Values:

The Savola three pillar values are: Personal Traits, Teamwork Dynamics, and Organizational Culture.

The pillars and values under them are strongly interlinked and interdependent.

Personal Traits:

The first Personal Traits is **Modesty**: “However knowledgeable we were, we can always learn more”, and while seeking more knowledge, we reach the second Personal Traits, which is **Following Example**: “Everyone around us has something we can learn”, whatever the challenges we face, following the example of those who succeeded develops our **Resolution** when facing challenges. While **Resolution** means having the confidence to continuously seek the best results, the mindset of aiming for perfection itself is the clear definition of **Mastery**, the last Personal Traits. Returning to Modesty after reaching Master is crucial for the effectiveness of these values. Individuals cannot perform their tasks without interacting with others.

Teamwork Dynamics:

This particular notion highlights the role of Savola’s Teamwork Dynamics. The first of these Teamwork Dynamics is **Trust**. Knowing our colleagues are committed to the same values as ours develops trust, so we become more lenient toward them. **Leniency** means that we listen to others and accept their opinions, which automatically leads to **Keeness**, meaning we work together on developing ourselves. Such collaboration crystallizes into **Solidarity**, where we show our unconditional care and support for each other while working together. It is also very important here to go back to Trust to overcome any obstacle as a team, in addition to accepting newcomers.

Organizational Culture:

Living by Savola’s Organizational Culture helps us reach the four integrated values of Organizational Culture that simultaneously takes place for the group to provide sustainable value to its stakeholders. These values are: **Righteousness, Fulfilment,**

Persistence and Integrity. Righteousness is taking the responsibility to maintain the trust of those who contributed to Savola's success from the stakeholder. **Fulfilment** stands for our responsible efforts towards those depending on us from our employees and leaders. **Persistence** is the full realization of our progress and constant self-development we conduct to serve our vision. **Integrity** means optimum employment and management of every asset and resource be it human or material in investments that benefit our shareholders and society.

Driven by Savola's belief in providing everyone with value built on values, we take into consideration the different forms such value takes depending on the different categories of stakeholders. As we provide our investors with fruitful investment, we commit to equally benefit ourselves and our partners and the necessity of delivering value to our employees through supporting their improvement and offering them a positive and caring work environment. Product, quality service, and a great customer experience are the values we provide our consumers with. Not forgetting of course, that the communities we operate within have their share of value offered through our Corporate Social Responsibility programs.

1.1 Purpose

This Code of Conduct and Ethical Values (the "Code") contains the policies that relate to the legal and ethical standards of conduct that Board members, committee members, the executive management/officers and employees (together, the "concerned persons") are expected to comply with while carrying out their fiduciary duties and responsibilities to Savola. Setting the tone at the top shall be a crucial role for the Board in shaping and monitoring the ethical culture in Savola. Board members shall achieve the best interests of Savola and its shareholders while equally protecting the rights of stakeholders.

Furthermore, this Code is intended to help concerned persons perform their duties of loyalty and care towards Savola, and undertake the measures that may protect the Company's interests and contribute to its development by increasing its value. Equally important is Savola's aim to help concerned persons focus on areas of ethical risk, provide guidance to help them recognize and deal with ethical issues, provide mechanisms to report unethical conduct, and to help foster a culture of honesty and accountability.

1.2 Compliance with the Code, Laws, Rules and Regulations

Savola expects concerned persons to exercise independent professional judgment and to deter wrongdoing in the conduct of all duties and responsibilities on behalf of Savola.

All concerned persons have a responsibility to understand and follow the Code. In addition, all concerned persons are expected to perform their work with honesty and integrity in any areas not specifically addressed by the Code. A violation of the Code may result in appropriate disciplinary action including the possible termination from employment with Savola, without additional warning. The Code sets out general principles to guide employees in making ethical decisions, and they cannot and are not intended to address every specific situation. As such, nothing in the Code prohibits or restricts Savola from taking any disciplinary action within the law on any matters pertaining to employee conduct, whether or not they are expressly discussed in this document.

All concerned persons shall comply with the laws, rules and regulations applicable to Savola.

1.3 Conflict of Interest

All concerned persons shall avoid conflicts of interest between themselves and Savola and shall fully comply with the conflict of interest policy.

1.4 Related Party Transactions and Interests in Other Businesses

When transacting with an external entity where a Savola concerned person may have an interest (such as a business owned by relatives, etc), the Concerned Person is expected not to take part in the decision making process and the selection process. In such cases, the nature of the relationship or interest must be disclosed to their line manager prior to the invitation/selection process. Board, committee members and executive management shall disclose this interest to the Chairman of the Board and shall fully comply with the conflict of interest policy.

It is a potential conflict of interest for all concerned persons or their spouses or any other immediate family members (jointly referred to as “family members”) to directly or indirectly have a financial interest (e.g., as an investor, lender or Board Member) in a competitor, or in a customer or supplier with whom that concerned person or his or her subordinates deal in the course of his or her job with Savola. Accordingly, employees must promptly disclose any such interests to their supervisor. In addition, an employee must disclose to his or her supervisor any employment or consulting relationship that a family member has with a competitor, or with a customer or supplier with whom the employee has dealings.

1.5 Gifts

All concerned persons shall not give, receive, or offer gifts of significance (financial or services) or personal benefits of any value from external parties doing business with Savola if it could be perceived that this could compromise or influence their decisions. No gift shall be given, received, or offered from a supplier, vendor, contractor or

customer unless the gift has unsubstantial value of not more than SAR 1,000 and a refusal to accept it would be discourteous or otherwise harmful to Savola.

1.6 Entertainment

Acceptance of normal business entertainment such as lunch, dinner, an event, and the like, generally is appropriate if it is of a reasonable nature and is in the course of a meeting or another occasion, the purpose of which is to hold bona fide business discussions or to foster better business relations.

1.7 Intellectual Property

Systems, software, manuals and any other intellectual property developed for Savola (both those developed by the employee himself while on the job, or by external third parties) are and remain the property of Savola. An employee is not to retain such material or transfer it outside Savola even after he/she has left the company.

Similarly, Savola shall not use proprietary material developed by other companies or individuals that is not in the public domain without prior permission from the rightful owner of those properties.

1.8 Outside Activities

All concerned persons are prohibited from engaging in any "freelance" or "moonlighting" activity or employment that adversely affects the quality or quantity of work performed; competes with Savola's activities; implies sponsorship or support by Savola of the outside employment or organization; or adversely affects Savola's reputation; or makes use of or interferes with Savola's time, facilities, resources or supplies.

1.9 Corporate Opportunities

Concerned persons have a duty to advance Savola's legitimate interests when the opportunity to do so arises. They are, therefore, prohibited from:

1. Taking for themselves personally opportunities that are discovered through the use of corporate property, information or position for personal gain.
2. Competing with Savola.

1.10 Harassment

All concerned persons are committed to a working environment which is free from harassment, including discrimination, victimization and bullying, and in which the dignity of the individual is paramount. As such, all concerned persons are responsible for helping to ensure that individuals do not suffer any form of harassment. Any

concerned person who suffers from harassment will have the total support of Savola's Board and executive officers in putting a stop to it.

1.11 Nepotism Disclosure

Savola does not prohibit the employment of relatives, and it does not wish to become involved in consensual relationships between co-workers. However, precautions must be taken to ensure that individuals are not and do not appear to be improperly influenced by the existence of close personal relationships. In particular, concerned persons may not directly supervise or otherwise participate in decisions regarding the hiring, retention, promotion or compensation of other concerned persons with whom they have a close personal relationship. Savola construes "close personal relationships" as relationships between immediate family members, spouses, fiancés, children, grandchildren, siblings, parents, grandparents, aunts, uncles, nieces, nephews, and their respective spouses and any other relationships that reasonably might be perceived as potentially compromising a concerned person's ability to make independent, unbiased decisions on behalf of Savola.

1.12 Employee Relations

It is Savola's policy that all concerned persons, regardless of level, shall strive to meet the following objectives:

1. Respect each employee, worker and representative of customers, suppliers and contractors as an individual, showing courtesy and consideration and fostering personal dignity.
2. Make a commitment to and demonstrate equal treatment of all employees, workers, customers, suppliers and contractors without regard to race, color, gender, religion, age, national origin, citizenship status or disability.
3. Provide a workplace free of harassment on the basis of race, color, gender, religion, age, national origin, citizenship status or disability.
4. Afford employees a reasonable opportunity, consistent with the needs of Savola, for training to become better skilled in their jobs.
5. Encourage promotion from within, consistent with the needs of Savola, whenever qualified employees are available.
6. Ensure that each manager knows personally every employee two levels directly below them to allow employees an avenue to voice opinions to management other than their direct management.
7. Treat any suggestions by external consultants brought in to enhance our processes as opportunities to improve skills and not as criticism.
8. Provide and maintain a safe, healthy and orderly workplace.
9. Assure uniformly fair compensation and benefit practices that will attract, reward and retain quality employees

1.13 Sales

It is Savola's policy that all concerned persons involved in the sales process, shall strive to meet the following guiding principles:

1. Offers shall be clear, so that consumers may know exactly what is being offered and the extent of the commitment they are considering.
2. A description of the goods and quality purchased, and the price in terms of payment shall be clearly stated on the order form together with any additional charges.
3. Contracts or receipts used shall conform to the applicable laws or regulations.
4. Any guarantee or warranty stated by the sales representative shall be consistent, with, and at least as protective as, that of the manufacturer or supplier of the product sold.
5. Any description of after-sale service shall be accurate and clear.
6. Any receipt or contract copy shall show the name of the sales representative and his representative and his or her address or the name, address and telephone number of the firm whose product is sold.
7. All salespersons shall immediately identify themselves to a prospective customer and shall truthfully indicate the purpose of their approach to the consumer, identifying the company or product brands represented.
8. Salespersons shall not create confusion in the mind of the consumer, abuse the trust of the consumer, nor exploit the lack of experience or knowledge of the consumer.
9. A salesperson shall not imply that a prospective customer has been "specially selected" to receive some reputed benefit or that any offer is special or limited as to time when such is not the case.
10. Salespersons shall respect the privacy of consumers by making every effort to make calls at a time that will suit their convenience and wishes. Selling contacts shall not be intrusive and the right of the consumer to terminate sales interview shall be scrupulously respected.
11. All references to testimonials and endorsements shall be truthful, currently applicable and authorized by the person or organization giving it.
12. If product comparisons are made, they shall be fair and based on facts that have been substantiated.
13. A salesperson shall refrain for disparagement of other products or firms.
14. A salesperson shall not attempt to induce the consumer to cancel a contract made with another salesperson.

1.14 Purchasing

It is Savola's policy that all concerned persons involved in the purchasing and procurement process, shall strive to meet the following guiding principles:

1. To purchase without prejudice, seeking to obtain the maximum value for each Saudi riyal spent; to conduct business in a highly ethical manner; to be honest, courteous, and professional in our business affairs.

2. To honor our obligations and require that obligations towards Savola be honored. Purchasing requirements shall routinely be subjected to competitive evaluation.
3. To accord vendor representatives with sufficient respect, remembering that these representatives are important sources of information and assistance in solving our purchasing needs.
4. To maintain confidentiality regarding quotations, price, or other confidential information involving Savola, suppliers, and competitor dealings.
5. To settle claims and disputes on the basis of facts and fairness.
6. To refuse to accept any form of commercial bribery, and prevent any appearance of so doing. No gifts of substantial value shall be offered to or accepted from suppliers or customers of Savola. In connection with a government contract or subcontract, no gifts of any value whatsoever shall be offered to or accepted from suppliers or customers. In the case of having to accept a token gift, it should be in accordance with the conditions set by Savola's regarding gift policy.
7. To avoid conflicts of interest with the business of Savola.
8. To strive for greater knowledge of purchasing methods and of the materials purchased.
9. To be receptive to counsel from our colleagues, and to cooperate with them to promote a spirit of teamwork and unity.
10. To conduct one selves with fairness and dignity, and to demand honesty and truth in the purchasing process.
11. To cooperate with all organizations and individuals involved in activities designed to enhance the development of the purchasing profession, remembering that one's actions reflect on the purchasing profession.

1.15 Safety

Savola is committed to providing a safe workplace for all concerned persons. In addition, there are laws and regulations that impose responsibility on Savola to safeguard against safety and health hazards. For those reasons, concerned persons who are present at Savola's facilities are required to follow all safety instructions and procedures that Savola adopts. If the concerned persons have any questions about possible health and safety hazards at any company facility, they shall bring those questions to the attention of their supervisor as soon as possible.

1.16 Confidential Information

Except when disclosure is authorized, legally mandated, or required by law, all concerned persons shall maintain and protect the confidentiality of information entrusted to them about customers, work colleagues, suppliers, stakeholders and Savola's business and financial affairs. "Confidential information" includes all non-public information that might be of use to competitors, or harmful to Savola or its customers, if disclosed.

All concerned persons are not allowed to disclose any sensitive company information that may undermine the company's position outside of what is required by the legal

authorities and, in such cases, only with prior approval of the Head of the Division and/or the CM/CEO.

Apart from the meetings of the ordinary general assembly, the members of the board of directors may not disclose the company's confidential information that may become known to them, nor may they use any information known to them by reason of their position as members with a view towards achieving any benefit for themselves or for their relatives or third parties. Failure to do so would cause dismissal and compensation must be claimed from them.

1.17 Protection of Confidential Personal Records

Whereby a concerned person who by the nature of their job, comes across or has access to personal records of other concerned persons (i.e. employees), he/she shall maintain the confidentiality of such records and use them only for company related purposes.

1.18 Fair Dealing/ Insider Trading

All concerned persons shall endeavor to deal fairly with Savola's customers, suppliers, competitors and employees. None shall use privileged information about Savola (such as current performance, impending decisions or future plans) for direct or indirect personal benefit. Additionally, none shall take advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice.

The directors and senior executives of the Savola and any person related to them may not deal in any securities of Savola during the restriction periods defined by the Capital Market Authority as follow:

- 1) During the 15 calendar days preceding the end of the financial quarter and until the date of the announcement of the reviewed interim financial statements of Savola; and
- 2) During the 30 calendar days preceding the end of the financial year and until the date of the announcement of the reviewed interim financial statements or the audited annual financial statements of Savola.

1.19 Corruption and Bribery

Bribery occurs when anyone offers, solicits, gives, receives or accepts anything of value in exchange for favorable treatment by a company, government authority or official. It also occurs when a company secures an unfair advantage over its competitors through secret and corrupt dealings with prospective customers. Bribery is illegal, and any of Savola's concerned persons who elicit, participate in or condone a bribe, kickback, or other unlawful payment or attempt to participate in any such activity, will be subject to strict disciplinary action, up to and including termination. Savola also reserves the right to refer such matters to public authorities for possible criminal prosecution.

1.20 Protection and Proper Use of Company Assets

All concerned persons shall protect Savola's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on Savola's profitability. As such, Savola's assets and resources are to be used only for the legitimate business purposes and objectives of Savola and its OpCos and only by authorized employees or their designees. This includes both tangible and intangible assets. Some examples of tangible assets include company vehicles and office equipment such as phones, copiers, computers, furniture, and supplies.

Savola's email system shall be restricted primarily to company business. Highly confidential information shall be handled appropriately. Files containing sensitive business data shall be appropriately password protected. Savola reserves the right at any time to monitor and inspect, without notice, all electronic communications data and information transmitted on the network and electronic files located on personal computers owned by Savola or computers on the premises used in company business.

Third party software is provided as a productivity tool for employees to perform their job functions. concerned persons may be liable as individuals for illegal software use. To the extent permitted under applicable laws, employees, contractors and temporary employees shall assign to Savola any invention, work of authorship, composition or other form of intellectual property created during the period of employment.

1.21 Advertising and Promotional Activities

False, misleading or deceptive advertising and related activities in the promotion and sale of products sold or offered by Savola is prohibited. In addition, fair and accurate advertising and sales practices are critically important in preserving Savola's goodwill and reputation with its customers and the general public. Therefore, all advertising claims and other representations to customers and potential customers must be truthful and have a reasonable basis. In addition, all advertising claims, whether made in catalogues, brochures, leaflets, posters, newspapers, magazines or other print as well as non-print media, must be substantiated before publication or dissemination.

It is Savola's policy that all concerned persons involved in the advertising and marketing process, shall strive to meet the following guiding principles:

1. Truth: Advertising shall tell the truth, and shall reveal significant facts, the omission, of which would mislead the public.
2. Substantiation: Advertising claims shall be substantiated by evidence in possession of the advertiser and advertising agency, prior to making such claims.
3. Comparisons: Advertising shall refrain from making false, misleading, or unsubstantiated statements or claims about a competitor or their products or services.

4. Bait Advertising: Advertising shall not offer products or services for sale unless such offer constitutes a bona fide effort to sell the advertised products or services and is not a device to switch consumers to other goods or services, usually higher priced.
5. Guarantees and Warranties: Advertising of guarantees and warranties shall be explicit, with sufficient information to appraise consumers of their principle terms and limitations or, when space or time restrictions preclude such disclosures, the advertisement shall clearly reveal where the full text of the guarantee or warranty can be examined before purchase.
6. Price Claims: Advertising shall avoid price claims that are false or misleading, or savings claims which do not offer provable savings.
7. Testimonials: Advertising containing testimonials shall be limited to those of competent witnesses who are reflecting a real and honest opinion or experience.
8. Taste and Decency: Advertising shall be free of statements, illustrations, or implications that are offensive to good taste or public decency. In particular it shall be compatible with prevailing Islamic values of the society.

1.22 Accurate Record Keeping and Reporting

All concerned persons shall accurately reflect the transactions of Savola in its books, records, accounts and reports and shall maintain an adequate system of internal controls and disclosure controls to promote compliance with the laws, rules and regulations applicable to Savola. All concerned persons will, to the best of their ability, use reasonable endeavors to ensure that Savola's records and documents, including financial reports, are true and correct. Falsification of any company record is prohibited. All reports, documents or communications authorized or legally mandated for disclosure to the public shall be full, fair, accurate, timely and understandable.

1.23 Influences on the Conduct of Internal or External Audit

Concerned persons must not take any action to fraudulently influence, coerce, manipulate or mislead any Internal or External auditor performing an audit or review of Savola's financial statements. The types of conduct that may constitute improper influence include:

1. Offering or paying bribes or other financial incentives, including offering future employment or contracts for non-audit services.
2. Providing an auditor with inaccurate or misleading information or advice, including legal analysis.
3. Threatening to cancel or cancelling existing non-audit or audit engagements if an auditor objects to Savola's accounting.
4. Seeking to have a partner removed from an audit engagement because he objects to Savola's accounting.
5. Blackmailing and making physical threats.

1.24 The Environment

Savola recognizes that its businesses have an impact on the environment. Savola is committed to ensuring that this impact is reduced where practicable. To satisfy this commitment, Savola seeks to ensure that the resources and materials used by our businesses are sustainable, are capable of being recycled and are used effectively with the minimum of waste; that where practicable, we utilize technologies, materials and processes which do not have an adverse impact on the environment and, where such impact is unavoidable, it is minimized; and that our suppliers and contractors have the same objectives.

1.25 Government Contracting

The laws, rules and regulations applicable to contracting with government entities are complex and may impose different and special requirements on Savola. Failure to comply with these requirements may be a criminal offence. All concerned persons shall comply with these requirements and questions regarding compliance shall be referred to appropriate personnel or outside counsel as necessary.

1.26 Reporting of Illegal or Unethical Behavior

All concerned persons shall promote ethical behavior and shall encourage employees to talk to supervisors, managers or other appropriate personnel when in doubt about the best course of action in a particular situation. The concerned persons shall report illegal or unethical behavior, of which they become aware of. As such, all executive management, managers and employees shall report illegal or unethical behavior to their direct line supervisor (manager) or to the Integrity Hotline (hotline.savola.com). Similarly, any Board and Committee member shall report any illegal or unethical behavior to the Board Chairman and the Board Secretary. Violations will be investigated and action will be taken by the appropriate personnel or the Board as necessary. Savola will not allow retaliation for reports made in good faith and for more details, in this regard reference can be made to the whistleblowing policy.

1.27 Corporate Governance and Accountability

Savola is committed to high standards of Corporate Governance. The Board is accountable to shareholders and others for Savola's activities and is responsible for the effectiveness of Corporate Governance practices within Savola. The Board Members believe Savola complies with all of the recommendations contained in all applicable regulations.

1.28 Review, Amendments and Waiver of this Code

This Code shall be periodically reviewed and assessed for effectiveness and adequacy. Any amendments to or waiver of this Code shall be made only by the Board. If an amendment to or waiver of this Code is made or granted, appropriate disclosure will be made as required.

2 Code of Conduct Enforcement Mechanisms

The following are enforcement mechanisms that can be used to help emphasize the awareness of the code. These are not limited to:

1. New and existing employees shall be fully aware of this code.
2. Introduce the Code into online training course with required assessment tests. This can be an interactive way for new and existing employees to train and/ or re-train themselves on Savola's Code.
3. Include a preface at the beginning of the Code from the Chairman emphasizing the importance for following it by all Board members, executive officers and employees of Savola and its OpCos.
4. Periodical messages from the Chairman or the CEO to Savola and OpCos employees reminding them of the Code's existence, implications and any updated sections put forth. This can be in the form of newsletters, emails, bulletins in common areas and if applicable in web-link.
5. An electronic copy of the Code shall be present on Savola's website accessible to all employees and the public.
6. Periodic update of the Code is necessary to keep up-to-date with the specific industry's regulations, governing laws of the country and/or change of Board's directions.
7. The Code must be clear, concise and the language used shall be widely disseminated and understood by all employees on all levels. It shall be in both Arabic and English.
8. Consequences of breaching the Code must be clear and concise, avoiding misconceptions and erroneous beliefs.
9. Take full measures when there is a breach of the Code. Consequences taken shall be as defined by HR policies, and there shall be no exceptions. Employees shall be aware of this to understand the seriousness.
10. Create Code of Conduct "Champions or Advocates" within the Holding and OpCos. These are employees who have been trained and have extensive knowledge on the matter. Furthermore, these "Champions" can give workshops and seminars to all employees in Savola.
11. Periodic workshops of the Code, where employees join in group discussion and are presented with case studies.
12. A copy of the Code shall be placed in common areas in the office for easy access and viewing.
13. Provide translated versions of the Code in all the languages spoken at the office and country the firm is located in. It could be presented in a small yet attractive booklet, which can be easily carried around and viewed.
14. Enforce the Code with all Business Associates/Partners, both domestically and internationally.
15. The code is referred to the INTEGRITY HOTLINE portal reporting page (hotline.savola.com)

Savola may use further mechanisms to ensure compliance with code as it deems appropriate.