



The National Agricultural Development Company

Whistleblowing Policy

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Table of Contents

1. Introduction 2

2. Responsibilities 3

3. Policy Statement 3

4. Mechanisms for reporting 4

.5 Reporting Unit Obligations 4

.6 Whistleblower Protection 5

7. Malicious Complaints/Reports..... 6

8. Document Retention..... 6

9. Confidentiality 6

10. Reporting Communication Channels 6

1. Introduction

1.1 Purpose of the Policy

1.1.1 The whistleblowing policy (the “Policy”) aims to establish formal and written guidelines, consisting of responsible and effective procedures for disclosing any misconducts or whistleblowing in order to take appropriate corrective action if such reports are deemed reasonable/legitimate after validation. It encourages employees and other relevant stakeholders to report the unethical behavior or illegal activity of employees, executive management, department managers and other stakeholders to the competent authorities in a confidential manner without any fears of retaliation. The objectives of the policy are to:

1.1.1.1 Encourage timely reporting of inappropriate behavior/misconduct.

1.1.1.2 Provide a confidential way to escalate intimidation without fear of retaliation.

1.1.1.3 Ensure a consistent and timely response to reported violations and update whistleblowers.

1.1.1.4 Ensure proper oversight by the audit committee, the Board and regulatory agencies.

1.1.1.5 Act as a means of preventing and deterring misconduct that may be contemplated but not yet occurred.

1.1.1.6 Protect the rights of the Company and the rights of its shareholders.

1.1.1.7 Promote and develop a culture of transparency, accountability and integrity.

1.1.2 In accordance with the established values of the Company, from which it proceeds when carrying out its business and activities, whether as individuals, a working group, or as a Company, the Company seeks through this policy to promote its moral values, principles, team spirit, teamwork, and organizational culture at all times, which enhances its operations and activities. The values and distinctive features of the Company are evident through being a group of highly skilled individuals who make well-informed decisions and characterized by determination and constantly search for knowledge through good example, and support the dynamic of teamwork, team spirit, mutual trust, tolerance, solidarity and diligence. In addition to that the organizational culture in the Company promotes a culture of integrity, commitment, determination and struggle.

1.1.2.1 This policy is an important part of detecting corruption and illegal or unwanted conduct. The Company strongly encourages you to get in touch if you have any doubts or become aware of any suspicious matters. The Company will take seriously all reports submitted according to this policy.

1.1.2.2 All the Company employees shall observe standards of business ethics and personal ethics in the performance of their duties and responsibilities.

1.1.2.3 The Company specifically prohibits any behavior that is discriminatory, harassing, or threatening to any employee or any other person in the course of their work.

1.1.2.4 Such policy applies to any violation or suspected statutory violation of “fraud or corruption” that is committed by the Company's employees, and everyone who has an interest with the Company, such as creditors, clients, suppliers and society (as defined by the Authority).

1.1.2.5 The Internal Audit Department will perform its duties and functions with respect to the monitoring of the whistleblowing function and its related cases in accordance with the internal audit charter.

1.1.2.6 When non-whistleblower related issues are noticed during the initial assessment, the Internal Audit Department will raise them to the audit committee or the executive management to seek their guidance on the issue.

1.2 Scope of Implementation

This policy has been prepared to enable whistleblowers (internal and external) to report inappropriate behavior to Company departments and also the report should not be based on mere speculation or wrong intentions, but on personal knowledge of verifiable facts or circumstances to indicate that the reported misconduct has occurred or is likely to occur.

2. Responsibilities

All heads of departments in the Company are required to notify and inform their department staff of the existence and contents of this policy. Each head of department in the Company shall submit an acknowledgment to the Human Resources Department notifying every employee in his department of this policy. The Human Resources Department at the Company shall inform new employees of the policy. The Company's department is also obliged to publish this policy on the Company's official website to inform internal and external stakeholders of the mechanisms for reporting any violations on their part.

- 2.1 Executive Management.
- 2.2 All heads of departments.
- 2.3 Human Resources Department.
- 2.4 Internal Audit Department
- 2.5 Audit Committee.

3. Policy Statement

All information of employees making a report will be protected to the greatest extent possible from harm, harassment or disciplinary action, as long as the report is made in good faith and not with the intent to harm another person or for personal gain. Employees must report on a variety of forms, including but not limited to:

- 3.1 All forms of improper financial conduct or violations such as fraud, corruption, bribery, theft, fraud in financial statements, money laundering or terrorist financing.
- 3.2 Actions that harm health, safety or the environment in the workspace, including any negative behavior that might harm the environment or workplace or that may threaten the safety of any individual or group of individuals.
- 3.3 Any form of criminal activity or behavior.
- 3.4 Improper behavior or unethical behavior.
- 3.5 Non-compliance with Company policies and procedures.
- 3.6 Violation of applicable laws and regulations, including any illegal activities.
- 3.7 Transactions with related parties for personal benefit.
- 3.8 Insider Trading.
- 3.9 Non-disclosure of conflicts of interest cases as per the Company's policy in that regard.

- 3.10 Sexual or physical harassment or assault.
- 3.11 Misuse of powers or authorities and misuse of company's property or assets.
- 3.12 Misuse of Company's resources.
- 3.13 Gross negligence which may result in damage to the company in any form.
- 3.14 Any attempt to hide any of the above-mentioned acts.

4. Mechanisms for reporting

- 4.1 Based on what is stipulated in the rules and regulations issued by the relevant authorities, the Audit Committee shall put a mechanism that allows the employees of the Company to submit their observations regarding any breach in the financial or other reports confidentially. The Audit Committee shall verify the application of this mechanism by conducting an independent investigation commensurate with the size of the error or breach, and approving appropriate follow-up procedures.
- 4.2 In addition to the article (Reporting Non-Compliant Practices) in the Corporate Governance Policy, which stipulates: "The Board based on the proposal of the Audit Committee shall set the necessary policies or procedures to be followed by stakeholders in filing their complaints or reporting the violating practices, taking into account the following:
 - 4.2.1 Facilitating the process of informing the stakeholders (including the Company's employees, suppliers, clients and contractors) to the Board of any actions or practices that may be issued by the executive management that violate the applicable laws, regulations and rules or raise suspicion in the financial statements, internal control systems or others, whether or not such actions or practices were against them and conducting the necessary investigation in this regard.
 - 4.2.2 Maintain the confidentiality of the reporting process by facilitating direct contact with an independent member of the audit committee or specialized committees.
 - 4.2.3 Assigning a competent person to receive and deal with stakeholder complaints or communications.
 - 4.2.4 Dedicate a phone or e-mail to receive complaints.
 - 4.2.5 Provide the necessary protection for stakeholders."
- 4.3 The necessary investigations will be carried out in accordance with the approved Investigation Policy to verify the correctness of the reports regardless of the service of the whistleblower, his job position, his professional or functional importance or his relationship with the Company.

5. Reporting Unit Obligations

- 5.1 Dealing with all reports and information that you receive through the (whistleblowing) channels with complete confidentiality, to protect the Company and all relevant parties/stakeholders.
- 5.2 The information received through the (Whistleblowing) channels will not be shared with any of the employees outside the Reports and Investigations Department, and it will not be shared with any third parties unless there is a legal obligation to do so or if this is needed to complete the investigations.
- 5.3 Dealing with any report with the necessary seriousness, regardless of the nature or language of the report, the adequacy of its information, the size of its impact and its importance, as

well as taking all measures that would protect the whistleblower and not harm him in the Company or after his resignation.

- 5.4 A statement of the whistleblower indicating receipt of the report and the decision reached, if possible.
- 5.5 Taking into account the interest of the Company's employees and stakeholders.
- 5.6 When a report is received, the Whistleblowing Team conducts an initial evaluation of the report, and the Internal Audit Department will keep this evaluation, in addition to the investigations that are conducted on the subject of the communication, as well as any document related to the communication and any possible evidence, in one file that is kept in the Department.
- 5.7 Referring reports to the competent authority in control and investigation work, whether inside or outside the Company, in consultation with the legal department.
- 5.8 Preparing reports on communications, proposing ways to address them, and sharing final reports with the Governance, Risk, and Compliance Department for reviewing.
- 5.9 Taking into account the period of keeping communications and related documents from recordings for a period of ten (10) years, and it is possible to extend the period of keeping files for some communications if necessary.

6. Whistleblower Protection

- 6.1 If a whistleblowing is made pursuant to this policy, company will be responsible to the fullest extent possible for not disclosing your identity (unless required or permitted by law) and for ensuring that you are not subject to retaliation. Whistleblowers may prefer to report something without revealing their identity, so the Company may not be able to guarantee that all anonymous allegations will be investigated. Where it is difficult to investigate in a proper manner, if the investigator cannot obtain more information, express an opinion, or ascertain whether the communication was made in good faith, and it is better for the whistleblowers to reveal their identity, measures can be taken to maintain the confidentiality of whistleblowers and to protect them from anonymity if appropriate.
- 6.2 It is prohibited to mistreat any employee for reporting violations, which including:
 - 6.2.1 Threatening him or mishandling him.
 - 6.2.2 Take disciplinary action against him.
 - 6.2.3 Dismissal from work.
- 6.3 The Company will strictly deal with any mishandling of any employee due to reporting a violation.
- 6.4 The employee who knows or suspect that a whistleblower has been treated unfairly because of his reporting must contact the Internal Audit Department immediately.
- 6.5 Any mistreatment or prejudice against the whistleblower shall be subject to disciplinary action.
- 6.6 Retaliation shall not be permitted against any employee who discloses a concern about unlawful or unethical activity in good faith.
- 6.7 The Company is also fully committed to maintaining confidentiality as far as possible and provides assurance that all reports will be subject to evaluation and/or investigation (if required) and conclusion through an efficient process.

- 6.8 The whistleblower whose name and identity were not given and which the Company has not been able to identify is not entitled to claim the protections covered by this policy.
- 6.9 Whistleblowers are encouraged to disclose their names when submitting reports to enhance credibility. However, anonymous disclosures may be considered on the following discretion:
 - 6.9.1 Seriousness of the issues.
 - 6.9.2 The significance and credibility of the concerns.
 - 6.9.3 The possibility of confirming the allegation.

7. Malicious Complaints/Reports

- 7.1 While this policy is aimed to protect true whistleblowers from unfair treatment due to their disclosure, as abuse of these protections by filing false complaints with bad intentions is strictly prohibited.
- 7.2 The whistleblower must investigate the credibility and good faith in the reporting as well as exercise the necessary care in investigating the accuracy while clarifying all the details and submitting the evidence of the report and the participation of the Company with the real and reasonable suspicion data available to him and avoiding the false reports. The member shall also promptly report the violation as soon as possible with the strict confidentiality of the report to achieve the public interest of the Company, and if the investigation concluded under these procedures that the whistleblowing was made with the aim of maliciousness or damage or in bad faith or with the aim of achieving personal gain, the whistleblower will be subject to disciplinary measures.
- 7.3 Employees who file complaints in bad faith that are later found to be false will be subject to severe disciplinary action. The employee who knowingly makes false claims of unethical and inappropriate practices or alleged wrongful conduct shall be subject to disciplinary action, up to and including dismissal of the employee in accordance with Company rules, policies and procedures.

8. Document Retention

- 8.1 All such documents relating to the allegations shall be kept by the Company for a period of not less than ten (10) years from the date of receipt of the whistleblowing, without prejudice to this period, in the event of any case (filed) or ongoing investigation, all minutes, documents, reports and other papers related thereto shall be kept until the conclusion of the ongoing lawsuit (claim or investigation).
- 8.2 Confidentiality shall be maintained to the extent reasonably practicable depending on the requirements and nature of the investigation, as described above.

9. Confidentiality

The Company will use its best endeavors to maintain the confidentiality of the identity of the individual making a report according to this policy, as well as managers who deal with reports of whistleblowing must be briefed to ensure that they understand how to deal with the protection and disclosure of personal information.

10. Reporting Communication Channels

Internal and external whistleblowers may report their concerns either by disclosing their identity or anonymously through any of the following channels:

- 10.1 Direct E-mail: (Whistleblowing@nadec.com.sa)



- 10.2 **Direct phone No.:** To be determine
- 10.3 Whistleblowing System: "Report Violation" on NADEC's home page.
- 10.4 Attend in person to submit the report to the Internal Audit Department.