

Conflict of Interest Policy

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1. PURPOSE AND SCOPE

- 1.1. This Policy on **Conflict of Interest** ("Policy") establishes the rules that must be observed in all commercial transactions of Al Ghurair First LLC including its subsidiaries, and **Affiliates**, (hereinafter; the "**Company**") which may include possible conflicts of interest as defined below.
- 1.2. In the normal course of business, certain interests or activities of people related to the **Company** may be compromised with the interest of the **Company**, such situations may create a **Conflict of Interests**' event (**Conflict of Interests**). As part of our risk management practice, the **Company** needs to pay due regard to its interests and to prevent or manage any such **Conflicts of Interests** fairly.
- 1.3. Failure to identify and appropriately manage **Conflict of Interests** could result in inappropriate and/or a range of adverse consequences. It is therefore vital that The **Company** has procedures and controls in place to manage and mitigate risks that may arise from **Conflict of Interests**.
- 1.4. As a matter of principle all related parties' transactions may include **Conflict of Interests**, however since the **Company** has already a **Related Part Transactions Policy** in place, therefore such transactions will be subjected to such **Related Parties' Transactions Policy** and will not be subjected to this Policy. Accordingly the term **Conflict of Interests** wherever used herein will not include the cases that fall under the **Replated Parties' Transactions Policy**.

2. Objective

- 2.1. The **Company** is fully committed to professionalism and integrity in doing business and to always treating all its stakeholders fairly and in a consistent manner while maintaining and preserving the interests of the **Company**.
- 2.2. This Policy outlines the importance of understanding what **Conflict of Interests** could arise and how any current and/or potential **Conflict of Interests** should be managed.

3. This Policy covers and regulates:

- 3.1. The **Company** will take all appropriate steps to identify and prevent or manage **Conflict of Interests**, by:
 - 3.1.1. Identifying and preventing any potential circumstances which may give rise to **Conflict of Interests**, and which pose a risk of damage to the **Company's** interests.
 - 3.1.2. Establishing and maintaining appropriate mechanisms and systems to manage those conflicts.
 - 3.1.3. Maintaining systems at all times in an effort to prevent actual damage to the **Company's** interests through the identified conflicts.

4. DEFINITIONS

For purposes of this Policy, unless the text requires different meaning, the following terms shall have the meanings set next to each of them:

- 4.1. "**Affiliate**" shall mean:
an entity which the **Company** has an interest, control or ownership,
- 4.2. "**ARC**" shall mean:
the Audit & Risk Committee of the Board of Director of Al Ghurair First LLC.
- 4.3. "**Board of Directors**" shall mean:
the **Board of Directors** of Al Ghurair First LLC.
- 4.4. "**CEO**" shall mean:
the Chief Executive Officer.
- 4.5. "**Close Person/s**" shall mean and include:
the family members, agents, or friends who may be expected to influence or be influenced by the person who act for, represent or has a **Financial Interests** in the **Company** or may act for his/her interests, such persons include but not be limited to parents, spouse, children, siblings, uncles, cousins, and their predecessors, descendants, and in-laws and as well the close friends.
- 4.6. "**Company**" shall mean and include:
Al Ghurair First LLC, its subsidiaries, and Affiliates.
- 4.7. "**Conflict of Interests**" shall mean:
a situation where an individual's personal interests which include but without limitation **Financial Interests**, family, friendships, financial, or social factors, that could compromise his or her judgment, decisions, or actions in the workplace or while acting for the **Company** whether directly or through a **Close Person**.

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- 4.8. **“Conflicted Person/s” means** any individual/s or entity/s with **Conflict of Interest** that:
- (a) directly or indirectly has a Financial Interests,
 - (b) is a director, officer, employee or holds any position, statutory or otherwise, with authority or responsibility for the planning, direction and control of the **Company’s** activities, or for any reason has a material influence over the **Company**,
 - (c) is a **Close Person** of the individuals described in items (a) or (b) above,
 - (d) is an entity directly or indirectly controlled by the **Company** or any of the individuals described in items (a), (b) or (c) above, or
 - (e) is an Affiliate of the **Company** or any of the individuals described in items (a), (b) (c) or (d) above,
- 4.9. **“Conflicted Transactions” shall mean:**
 a transaction including a **Related Transaction** which includes a **Contract** or action between a **Conflicted Person** and the **Company** and/or any of its subsidiaries which includes the transfer of resources, services or obligations, whether or not a price is charged in return.” Examples of the most common transactions are:
- (a) Supply of products and services,
 - (b) Loan or advance Contracts,
 - (c) Agency or licensing Contracts,
 - (d) Guarantees, sureties and any other forms of guarantees,
 - (e) Transfers of intellectual property, research and technology,
 - (f) Infrastructure or structure sharing,
 - (g) Sponsorships and donations.
- 4.10. **“Contract/s” shall mean:**
 Transactions in which there is a transfer of resources, services or obligations between a person connected with the **Company** and/or any of its subsidiaries or a **Close Person**, whether or not the parties have assigned a value or price to the transaction or have entered into the transaction by any mean of agreements and in any format whether, in writing, orally, softcopy, or otherwise.
- 4.11. **“Financial Interest” shall mean:**
 A person has a “financial interest” if the person has, directly or indirectly, through business, investment any of the following (non-exhaustive) examples of the following circumstances:
- (a) An ownership or investment interest in any entity with which the **Company** has a transaction or arrangement,
 - (b) A employment, directorship, consulting, or agency arrangement with the **Company** or with any entity or individual with which the **Company** has a transaction or arrangement, or
 - (c) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the **Company** is negotiating a transaction or arrangement.
- 4.12. **“Group” shall mean:**
 Al Ghurair First LLC as a holding **Company** including its **Affiliates**.
- 4.13. **“Market Conditions” shall mean:**
 those conditions for which the principles of competitiveness (prices and conditions of services compatible with those practiced in the market) were observed during the negotiation.
- 4.14. **“Related Parties Transactions Policy” shall mean:**
 The Related Parties Transactions Policy adopted by the Company under reference 6987-2023-AGF-Policies-RPT-Corporate-20231228 and any updated or revised version thereof.
- 4.15. **“Related Transactions” shall mean:**
 the set of similar transactions that have a logical relationship between them due to their object and its parts, such as:
- (a) subsequent transactions resulting from the first transaction already made, provided that it has established its main conditions, including the amounts involved, or
 - (b) transactions of a continuing duration which include periodic instalments, provided that the amounts involved are already known.
- 4.16. **“Relevant Amount” shall mean:**
 a total transaction value or set of **Conflicted Transactions**, which exceeds, in the 12-month period, the amount of AED1,000,000.00.
- 4.17. **“Unit” shall mean:**
 A subsidiary of the Company or Affiliate

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5. ACTIONS PROHIBITED TO CONFLICTED PERSONS

- 5.1. The **Conflicted Persons** shall not use any **Company's** information or delegated authorities to achieve an interest either personally or for any **Close Person**,
- 5.2. The **Conflicted Person** shall not participate or get involved in any act related to the **Conflicted Transaction** including but not limited to the following acts:
 - 5.2.1. in the decision-making progress or the performance and implementation process
 - 5.2.2. in the termination or settlement process, and
 - 5.2.3. in payment processes.
- 5.3. Transactions or **Contracts** that are not executed in accordance with this Policy.
- 5.4. Transactions carried out in conditions other than **Market Conditions**.

6. PROCEDURES AND APPROVALS OF CONFLICTED TRANSACTIONS

- 6.1. **Conflicted Persons Identification and classification of transactions as a Conflicted Transactions**
 - 6.1.1. Before concluding a transaction with the **Company**, the Conflicted Person shall in accordance with the procedures prescribed hereunder, either refrain from getting involved in such a transaction and report such conflict to the Unit CEO, or disclose the nature of the transaction, its terms, the **Close Person** and all material information about its share or contribution in any of the parties of the transaction and the extent of its interest or benefit therein and as particularly prescribed below:
 - 6.1.2. Prior to the execution of any **Conflicted Transaction**, each **Conflicted Person** must report in writing to the **Unit CEO, Group CEO** and the **Group Chief Legal & Compliance Officer** of the following:
 - (a) any anticipated or pending transaction that may qualify them as a **Conflicted Persons**, and
 - (b) the details of the **Close Persons** involved if any.
 - 6.1.3. The **Company's** forms of know your customer/supplier (KYC/S) should be filled by the supplier/customer and details required thereunder should be provided before entering into any negotiations or contractual process. Such KYC/S should include specific field covering the **Conflict of Interests** and list of Conflicted Persons in case of any¹.
 - 6.1.4. A declaration by the **Conflicted Person** and **Close Person** should be provided in writing confirming that in case he/she/it enters into a **Contract** with the Company, notwithstanding the reasons of **Conflict of Interests**, while supplying/receiving the goods or services or performing the **Contract's** obligation, he/she/it shall;
 - (a) be dealing on arm's length basis in accordance with the **Market Conditions**
 - (b) acting to the best interest of the **Company**,
 - (c) assign non-**Conflicted Persons** to deal with the **Company**. and
 - (d) not deal or share any information with the **Conflicted Person** in the **Company**.
 - 6.1.5. In case the reporting person of the **Conflicted Transaction** is the **Group CEO**, the report shall be addressed to the Chairman of the **Board of Directors** and the **Group Chief Legal & Compliance Officer**. The Chairman in such a case shall replace the **Group CEO** while handling the reported conflict.
 - 6.1.6. In case the reporting person of the **Conflicted Transaction** is the **Group Chief Legal & Compliance Officer**, then the report shall be addressed to the Chairman and the **Group CEO**, and in such a case the **Group CEO** shall replace the **Group Chief Legal & Compliance Officer** while handling such report along with the Chairman.
 - 6.1.7. Each potential **Conflicted Transaction** reported shall contain all necessary information allowing it to perform the necessary analysis and evaluation provided hereinbelow.
 - 6.1.8. Each reported **Conflicted Transaction** shall be reviewed by the legal department of the **Company** to determine whether it is in fact a **Conflicted Transaction** subject to the procedures of this Policy and the following criteria:
 - (i) the **Relevant Amount**.
 - (ii) subject to **Market Conditions**
 - (iii) whether they relate to an operation in the normal course of business or not,
 - (iv) compliance with this Policy.

¹ Group Legal & Compliance Department to add such fields concerning the Conflict of Interests in the KYC/S forms

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6.1.9. If the analysis leads to the conclusion that the **Conflicted Transaction** exceeds the **Relevant Amount** and approved by the **Group CEO**, the **Group Chief Legal & Compliance Officer** shall report it to the **ARC** with all relevant information that would enable the **ARC** to review the **Conflicted Transaction** in accordance with guidelines set out hereinbelow.

6.1.10. All **Units** should report to the **Group Chief Legal and Compliance Officer** about all the **Conflicted Transactions**.

6.1.11. The Legal & Compliance Department of the **Company** shall report to the **ARC** periodically on the **Conflicted Transactions** whether are ongoing or still pending for approval.

6.2. Formalization

6.2.1. In case of approval by the relevant authority as set out below; The **Conflicted Transactions** must be completed in **writing**, specifying the purpose of approving it, its main terms and conditions, such as: parties' representation that it has been made on arm's length basis, by way of no favourable treatment, and with a competitive consideration, in addition to duration and conditions for termination, declarations and indemnities, guarantees, liability, among others.

6.3. Hierarchical Levels and approvals of Conflicted Transactions

6.3.1. Before entering into any **Conflicted Transactions**, the procedure described below shall be followed:-

(a) **Conflicted Transactions involving a member of the Group CEO, Company's Board of Directors or shareholder**, must be formally and previously reported to the **ARC** in accordance with the **Related Party Transactions Policy**.

(b) **Conflicted Transactions that do not involve Relevant Amounts**, shall be formally and previously approved by the **Group CEO** if it does not involve a member of the **Company's Board of Directors or shareholder**.

(c) **Conflicted Transactions involving Relevant Amounts but are less than 3% of the Company capital** and do not include a member of the **Board of Directors** or a **Shareholder**, should be approved in the following order: by the **Group CEO** and **ARC**. If rejected by the **Group CEO**, there will be no further rounds and they will be closed.

(d) **Conflicted Transaction/s involving Relevant Amounts but are more than 3%² of the Company capital** and do not include a member of the **Board of Directors** or a **Shareholder**, should first be approved in the following order: by the **Group CEO**, **ARC**, **Board of Directors**, and finally **Company** general meeting. If rejected by certain authority of the aforementioned, then there will be no further rounds and they will be closed.

(e) To review the **Conflicted Transaction** and prepare its report, **ARC**;

i. That there was a genuine request for at least three proposal process conducted in arm's length basis, the **Conflicted Transaction** was among of them, and with **Market Condition**.

ii. Justification why to proceed in the **Conflicted Transaction**,

iii. Should have access to all relevant and necessary documentation with respect to specific transactions or guidelines for contracting transactions:

iv. may request the **Group CEO** to analyse market alternatives to the **Conflicted Transaction**.

6.3.2. Such approvals under 6.3,1 above should be justified and includes a confirmation that:

(a) it is in **Market Conditions**,

(b) with adequate compensatory payment,

(c) in the interest of the **Company**, and

(d) that the **Conflicted Person** shall not compromise the interest of the **Company** and shall not be involved in the performance of the **Contract**, and

(e) that the proper actions have been taken to ensure the application of the aforementioned.

7. NON-COMPLIANCE WITH THE PROVISIONS OF THIS POLICY

(a) If any **Conflicted Transaction** has not been subjected to the approval procedures set forth in this Policy prior to its signature and/or implementation, such transaction shall be reported for approval as prescribed above and be assessed in accordance with the above process. All options shall be available to the **Company**, including ratification, amendment or termination of the **Conflicted Transaction**.

(b) All profits made out of the unapproved **Conflicted Transactions** shall be paid to the **Company**. The **Company** may in this regard deduct such profit from any amounts payable to the **Conflicted Person** or to recover all the payments made by the **Company** in this regard. A clause of such

² the Cabinet Regulations no 77 for 2022 requires the approval of the General Meeting of the shareholders for the transactions with Related Parties that exceed 3% of the Company Capital.

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meaning shall be added to all **Company's** contracts³.

8. POLICY UPDATES

This Policy will be reviewed at least once a year by the Legal & Compliance Officer to propose the necessary updates and revisions as necessary. The revised policy shall be approved by **Group CEO** and ARC.

9. VALIDITY

This Policy shall enter into force on the date of its approval and may only be modified by resolution of the **Company's Board of Directors**.

Drafted by Group Legal & Compliance Department on 10 January 2024

Approved by Group CEO on 6/6/2024

Approved by the **Board of Directors** on 10/6/2024

³ Group Legal & Compliance Department to add such clause in all contracts reviewed or drafted for the Company.