



Social Responsibility Policy

Leejam Sports Company

Public Joint-Stock Company

Caution:

- This document is electronically monitored, and only matching hard copies in version number are authoritative compared to what is published in the Policies and Procedures E-library.
- This document shall be updated within a timeframe not exceeding thirty-six (36) months from the effective date.

Approvals

Prepared By			
Name	BU	Date	Signature
Saud Alraggas	Board Secretary	February 1 st 2024	
Reviewed By			
Name	BU	Date	Signature
The policy has been reviewed by the Nomination & Remuneration Committee pursuant to the Minutes of the Committee Meeting held on 18 February 2024.			
Authentication			
Name	BU	Date:	Signature
Pursuant to the Minutes of the Board Meeting held on 13 March 2024.			
Approval			
Name	BU	Date:	Signature
Pursuant to the Minutes of the General Assembly Meeting held on 06 June 2024.			

Versions

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Article (1): Purpose of the Policy:

This Policy aims to set out the rules governing corporate social responsibility within the Company and developing programs with direct or indirect social impact commensurate with its capabilities without conflicting with the interests of its shareholders, pursuant to the rules stipulated in the Company's Articles of Association and the Corporate Governance Regulations issued by the Capital Market Authority, and best practices of similar companies.

Article (2): Goals

The Company's social objective is to contribute to the development of the community in which it operates and meet some of its needs through its various activities, commensurate with its capabilities without conflicting with the interests of its shareholders. The Company's social objectives are focused on several areas, most notably:

- 2.1 Achieving a balance between Leejam Company objectives and the objectives that society aspires to achieve.
- 2.2 Achieving sustainable development for the community in general and company employees in particular.
- 2.3 Instilling noble values to contribute to building and developing society and future generations.
- 2.4 Adopting local and international standards and best practices in applying corporate social responsibility.
- 2.5 Disclosing the objectives, plans, programs and initiatives of corporate social responsibility adopted by the Company through periodic and annual reports.
- 2.6 Undertaking responsibility for the Company's actions and encouraging a positive impact through its activities on the environment, consumers, employees, communities and stakeholders.
- 2.7 Providing the Company and its employees with effective participation opportunities in the community where the Company operates, as well as the people it serves, through volunteering aligned with local cultural and social traditions to gain more economic opportunities.
- 2.8 Creating business opportunities for local companies and employment opportunities for Saudi citizens.
- 2.9 Enabling Saudi citizens, especially Saudi youth, to achieve their ambitions and ensure a better future for them, their community and the Kingdom as a whole in line with the objectives of Vision 2030.

- 2.10 Raising safety awareness to continue promoting safety values and practices in the workplace, employees' homes and their families.
- 2.11 Supporting the education sector through initiatives commensurate with its capabilities and improving the health and well-being of the Company's employees and their families.

Article (3): Corporate Social Responsibility Activities

The Company has always been committed to supporting corporate social responsibility activities, including adopting and supporting programs and projects ("CSR Projects") implemented by the Executive Management after approval by the Board of Directors, which are in line with the Company's objectives and interests and are always fully compliant with applicable regulations in the Kingdom of Saudi Arabia. The guiding principles embodied by the Company in launching corporate social responsibility campaigns focus on awareness, accountability and transparency, while corporate social responsibility projects focus on the following areas:

3.1 Local Communities

- 3.1.1 Building relationships with subscribers, users of the Company's products and services, as well as local communities.
- 3.1.2 Supporting local companies and service providers who share the Company's social objectives and values.
- 3.1.3 Encouraging the Company's employees and those working on its behalf to be mindful of others' needs in their daily work.
- 3.1.4 Encouraging the local community to provide feedback on corporate social responsibility projects and programs.
- 3.1.5 Seeking to support charitable and communal political causes by encouraging and supporting volunteer work.

3.2 Relationships

- 3.2.1 Establishing strong relationships with stakeholders and fulfilling the Company's commitments to them.
- 3.2.2 Working with the Company's contractors and suppliers to implement socially and environmentally responsible procurement laws.
- 3.2.3 Adopting a partnership approach with the government and/or civil society organizations on a regular basis to implement the Company's strategies and provide its services.

3.3 Environment

- 3.3.1 Recognizing the need to develop the Company's and Saudi society's operations in an environmentally sustainable manner and incorporating environmental considerations into all of the Company's activities.
- 3.3.2 Addressing the impacts of energy, water and resource use in the Company, transportation and waste requirements of the Company's services and activities through awareness campaigns involving citizens and the community.

Article (4) Controls for Implementing CSR Projects

The Company is committed to carrying out community service activities for the community in which it operates, and also works to protect the rights of all stakeholders by ensuring:

- 4.1 CSR projects are implemented in an ethical manner with great attention to the local community, taking into account social, economic and environmental aspects.
- 4.2 CSR projects are implemented in full compliance with all applicable regulations relating to such projects.
- 4.3 CSR projects are implemented within the framework of achieving sustainable development.
- 4.4 Ensuring no conflict of interest exists with any related party, including major shareholders, the Board of Directors and senior executives.
- 4.5 Ensuring transparency regarding CSR projects by disclosing information about these projects in the Company's annual Board report.
- 4.6 The Company's Board of Directors evaluates and approves the annual corporate social responsibility programs.

Article (5): Organization

The Company's Executive Management, or a non-profit organization established by a Board resolution, shall be responsible for implementing CSR projects and programs provided the following controls are observed:

- 5.1 Ensuring each assigned CSR project is implemented and overseeing progress.

- 5.2 Ensuring CSR projects comply with instructions issued by the Board of Directors.
- 5.3 Preparing reports on the progress of each CSR project for submission to the Board of Directors.

Article (6) Funding

- 6.1 The Board of Directors shall approve the annual CSR plan and implementation methods provided they are within the areas mentioned in this Policy, and shall also approve the proposed total annual budget for CSR projects and specific appropriations from this budget for each project.
- 6.2 The proposed total annual budget for CSR projects must not exceed 1% of previous year's net profit.
- 6.3 The Board of Directors shall include in its annual report submitted to the General Assembly details of the Company's social contributions, including descriptions of CSR projects along with expenditures approved by the Board of Directors for each proposed CSR project.

Article (7) Final Provisions

7.1 Implementation

CSR projects may be implemented as follows:

- 7.1.1 Internally by the Company and its employees.
- 7.1.2 Through a non-profit organization established by a Board resolution.
- 7.1.3 Through institutions, organizations, groups and/or funds registered with the competent authorities in Saudi Arabia for the purpose of implementing CSR activities.
- 7.1.4 Through governmental and quasi-governmental organizations.
- 7.1.5 By the Company from time to time in cooperation with other companies duly registered in Saudi Arabia.

7.2 Awareness of CSR Initiatives Organized by the Company

The Executive Management shall develop internal development programs aimed at increasing employee awareness and knowledge of the Company's CSR initiatives.

7.3 Disclosure and Engagement with Shareholders

- 7.3.1 Disclosure requirements arising under the Disclosure Policy, as well as applicable regulations, shall be complied with in relation to this Policy. The contents of this Policy and the annual report on CSR activities shall be included in the Board report, among other matters, and published on the Company's website.
- 7.3.2 The Company engages with its shareholders on CSR activities to achieve alignment with the interests of those shareholders, taking their views into account. If any regulation or policy requires shareholder approval in relation to any aspect of corporate social responsibility, the Company shall comply with that in view of the Company's Bylaws.

Article (8) Effectiveness and Review

This Policy and any amendments thereto shall be adopted by a resolution of the General Assembly based on a recommendation from the Board of Directors, and shall be effective from the date of its approval by the General Assembly.