

Arabian Drilling Supplier Code of Conduct

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1.0 Introduction

This Supplier Code of Conduct (“**Supplier Code**” or “**the Code**”) sets forth the guidelines for all current and potential suppliers of Arabian Drilling and its subsidiaries.

Arabian Drilling (“**AD**”) is committed to maintaining the highest ethical standards in every transaction while conducting business. All Suppliers who work with AD are expected to conduct themselves with the highest standards of honesty, fairness and personal integrity. This Supplier Code defines the basic requirements for AD’s suppliers for goods and services concerning their responsibilities to maintain high ethical standards, adhere to all applicable laws, and avoid even perception of impropriety or conflict of interest. Suppliers shall therefore maintain and uphold AD’s principles of openness and transparency. AD will always look forward to work with Suppliers who share our values.

If necessary, AD will update the Supplier Code and upload the latest version on the company’s website (www.arabdrill.com). Suppliers are requested to refer AD website to ensure compliance with the code. AD expect its Suppliers to ensure that any of its personnel who work for AD are familiar and comply with the standards set out in this Code. Failure to follow our Supplier Code may result in non-consideration for (future) business or in termination of an existing relationship.

Vision

Leading sustainable drilling services.

Mission

Evolve our business to add value to our people, customers, and shareholders by following the highest safety, technological, and operational standards.

Values

S.T.R.I.V.E for Excellence

SAFETY	The safety of our people is our guiding compass and guides all our actions. We adhere to the highest safety standards as we act to create operational excellence
TEAMWORK	We collaborate and coordinate our actions to empower each other to achieve exceptional outcomes.
RELIABILITY	We are consistent in our performance and always deliver on our commitment. We inherently value reliability to build long term relationships based on trust.
INTEGRITY	We are open and transparent in our conduct. We act with honesty, integrity and in compliance with our code of ethics.
VALUE	We create value for those around us through responsible, cleaner and safer access to energy community. As we highly adhere to Environmental, Social and Governance (ESG) standards in everything we do.
ENVIRONMENT	Our planet is our responsibility and all our actions are driven by our concern for the environment and our commitment to protect and preserve it.

2.0 Scope

This Supplier Code of Conduct establishes mandatory guidelines for all current and potential AD Suppliers. AD Suppliers include vendors, agents, manufacturers, contractors and sub-contractors who are looking to register or are registered with AD and seeking to provide goods, services, or personnel (including consultants) to AD or which are currently parties to agreements for such purposes with AD or one of its contractors.

3.0 Purpose

AD is committed to conducting its business in an ethical, legal, safe, environmentally and socially responsible manner. AD requires each of its Suppliers to share and demonstrate this commitment and, therefore, has established this Supplier Code of Conduct. AD requires its Suppliers to consistently meet the following requirements in order to be considered for, to do, or continue to do business with AD.

4.0 Supplier Code of Conduct

4.1. Compliance with Laws, Codes & Regulations

AD Suppliers must comply with all applicable laws, codes, and regulations as set forth in applicable procurement documents and agreements (including but not limited to proposals, invitations to bid, solicitations, and resulting contractual and purchasing agreements).

4.2. Health, Safety & Environment Practices

It is the responsibility of the Supplier to assure that its facilities are designed and safely operated in compliance with the established government and industry environmental protection policies and that they do not present unnecessary risks to the environment or public. AD Suppliers shall maintain safe, sanitary, and healthy residential camp and living environments for all their employees.

Such compliance shall include, among other things;

- Obtaining and maintaining any necessary environmental permits.
- Proper handling and disposition of hazardous materials and refuse.
- Monitoring, controlling, and responsibly treating discharges generated from operations.
- Conducting appropriate employee safety training and providing adequate safety equipment.
- Maintaining records of safety training and monitoring safety performance.
- Ensuring Suppliers' employees comply with applicable health and safety rules and regulations and perform their duties and work in a manner which will not endanger themselves or others.
- Providing training required to promote sound public health and hygiene practices.

4.3. Ethical Business Practices

AD and its Suppliers shall conduct their businesses in accordance with the highest standards of ethical behavior. Suppliers are expected to conform to these requirements in each of the following areas:

4.3.1. Anti-Trust / Fair Trade Practices

AD upholds all applicable laws regarding Anti-Trust and believes that the highest standards of fair business and competition are to be upheld. Suppliers shall not engage in collusive bidding, price fixing, price discrimination, anti-competitive or other unfair trade practices in violation of antitrust laws and regulations.

4.3.2. Ethical Sourcing

Suppliers shall source goods or services from third parties that meet, as a minimum, country of origin standards for health and safety, working hours, pay, employment conditions and environmental protection.

4.3.3. Human Rights & Labor

AD Suppliers shall ensure the basic human rights of employees, treating them with appropriate dignity and respect. AD Suppliers shall, at all times, be in compliance with relevant labor law(s) of the Kingdom of Saudi Arabia, including but not limited to; forced labor, working hours, working conditions, living conditions (as may be applicable), minimum age, minimum wage, end of service benefits, and medical insurance.

4.4. Relationships & Communications

AD Business Ethics Policy requires that all transactions are to be conducted fairly, honestly, and with integrity, according to the highest ethical standards. Abuse or violation of this Business Ethics Policy is considered dishonesty.

Suppliers and their personnel shall avoid even the appearance of unethical or compromising practices in relationships, actions, or communications with regard to existing or proposed business relationships with AD. AD views it as a conflict of interest and improper business practice for current or former AD employees to utilize any confidential or proprietary business, technical, or other information obtained while in the service of AD.

To influence AD's existing or proposed commercial transactions for the purpose of gaining a personal commercial advantage, or benefitting any third party, or to otherwise damage AD, whether during or after leaving employment by AD.

Suppliers shall not encourage or utilize current or former AD employees in any manner which would cause them to disclose or provide any confidential, proprietary, or other restricted information obtained while employed by AD to influence AD's existing or proposed commercial transactions for the purpose of gaining a commercial advantage.

Suppliers shall not hire, employ, engage as a consultant, procure the services of, or allow acquisition of any ownership interest of the Supplier, except through a permitted passive investment, by any current AD employee.

4.5. Bribery, Kickbacks & Fraud

No funds, assets, services, privileges, or benefits shall be paid, rendered, loaned, or promised for payment or otherwise dispersed by Suppliers or their representatives as bribes, “kickbacks”, or other payments or inducements designed to influence or compromise the judgment or conduct of AD or its representatives.

4.6. Gifts, Gratuities & Hospitality

Suppliers and their personnel shall not offer or provide AD or its personnel with gifts, gratuities, or hospitality unless it involves nominal value and is in line with customary business practices. Nominal gifts are described as gifts of a general nature having a low value, including such items as logo inscribed pens, caps, shirts, and coffee mugs. Customary business practice in terms of hospitality would include the acceptance of reasonable business entertainment and business meals. Gifts, gratuities, and hospitality offered or extended by Suppliers to AD personnel which exceed nominal value or reasonable hospitality are reportable under internal AD policies and regulations. Items which are made available to the general public do not fall under this Policy.

For the avoidance of any doubt, AD pays for its employees’ business expenses, Suppliers are not required or requested to incur or reimburse business expenses for AD employees.

4.7. Data Privacy

We expect our suppliers to process personal data in accordance with prevailing data privacy laws, rules and regulations.

- Take appropriate technical and organizational security measures to protect personal data against loss, unauthorized access or unlawful processing.

4.8. Intellectual Property

Suppliers shall respect and protect the intellectual property rights of AD (including, but not limited to patents, trademarks, copyrights and trade secrets). The ownership of intellectual property includes plans, systems, procedures, methodologies, courses, reports, forecasts, drawings, logos or any other activity performed by AD. These shall not be used by the suppliers without AD’s prior written approval.

4.9. Business Integrity of Supply Chain

Suppliers must carefully select and monitor the third parties they use to perform work for AD or to supply materials. Suppliers should exercise appropriate due diligence and background checks to prevent non-compliance and introduction of counterfeit parts or forgeries into the supply chain. Third parties, contractors, agents, or subcontractors should be selected based on merit and competitiveness. Suppliers are responsible for ensuring their third party contractors comply with this Code when they are utilized in the service of AD business.

4.10. Technology, Assets, Facilities

As an AD Supplier, you may be trusted with a range of AD technology tools and other assets.

- Protect both AD’s property and our customers’ assets.
- Use all assets - including funds, data, systems, equipment, materials, premises, or vehicles - only for their authorized and intended purpose.

- Prevent falsification, distortion, misuse, improper access, destruction, or sabotage of assets, documents, or other property.
- Protect our computing facilities and/or data from theft, misuse, and abuse by preventing access to third parties (unless explicitly agreed by AD) and by maintaining adequate security measures at all times.

4.11. Accurate Accounting & Business Records

We rely on our books and records to report our financial results, make required legal filings, and make business decisions. As our Supplier, you must keep accurate records of all your business dealings with AD. Keep these records according to relevant accounting practices. You also must handle AD data in a safe, confidential and secure manner.

- Create, retain and upon request, provide accurate records of all matters related to your provision of goods and/or services to AD.
- Protect AD’s confidential information and prevent its misuse, theft, fraud, or improper disclosure with adequate security measures, preventing access to third parties.
- Do not ask current or former AD employees to improperly disclose any confidential, proprietary, or restricted business information obtained while at AD.
- Do not share third party confidential information with AD employees.

4.12. Insider Trading

As a listed company, all Arabian Drilling suppliers have to ensure that there is no trading of the company’s securities based on Insider Information. This is in compliance with the rules of the Capital Markets Authority. It is an act of violating the law if any individual trade stock on “inside information”.

Suppliers are not allowed to benefit from or to disclose to any third party any insider information. For the purposes of this Code, "Insider Trading" is defined as information obtained by the insider and which is not available to the general public, has not been disclosed, and such information is of the type that a person would realize, that in view of the nature and content of this information, its release and availability would have a material effect on the price or value of a security.

Suppliers from time to time, be aware to information that is not publicly available that may affect the price of AD publicly traded securities. Use of such information, including tipping others or unauthorized sharing of the information to buy or sell AD stock is illegal under KSA and international laws.

4.13. Monitoring & Compliance

Suppliers shall be responsible for complying with the standards and requirements of this Supplier Code of Conduct and to monitor their own business activities. Suppliers shall conduct periodic internal reviews, inspections, and audits to ensure their compliance with this Supplier Code of Conduct and its applicable requirements. Additionally, Suppliers are responsible for ensuring that the standards and requirements of this Code are communicated and understood by their personnel working on or in support of AD projects, jobs, contracts, agreements, and orders. Suppliers will be held responsible for the conduct and actions of their employees.

The implementation of this Policy is a shared responsibility between AD and its suppliers. Suppliers are to promptly disclose to AD, on a confidential basis, all current and potential incidents which give rise to the appearance of conflicts of interest and instances of unethical or fraudulent

behavior by any party, including Supplier employees or AD employees, related to any AD procurement and contracts business. Suppliers are to cooperate with AD in any inquiries or investigations pertaining to past, current, or potential instances of unethical or fraudulent behavior or conflicts of interest related to any AD business activity.

Suppliers are to promptly notify AD when they become aware of any actual, or potential violation of this Code of Conduct and to communicate plans to correct and remedy such violation. Additionally, Supplier employees that become aware of violations of this Code of Conduct are to notify AD.

Potential or actual violations of this Code of Conduct and other ethical irregularities are to be reported directly to the Internal Audit Department (IAD) by email or telephone as follows:

Email: ✉	ethics@arabdrill.com
Phone: ☎	+966 50 953 7766

Suppliers shall maintain appropriate records to substantiate compliance with the terms and conditions of this Code of Conduct and provide such evidence to AD upon request. AD or its designated representatives may engage in periodic monitoring activities to confirm Suppliers' compliance with this Code of Conduct. These monitoring activities may include on-site inspections of facilities, use of questionnaires, review of publicly available information, or other measures necessary to assess Supplier compliance with this Code of Conduct. Such monitoring activities may be performed in addition to any audit rights which may be set forth in an agreement with AD. A Supplier performance assessment will be used by AD as a factor in the selection of bidders, the administration of contracts and procurements, or to possibly restrict Supplier access to new AD business opportunities.

Based on the assessment of information made available to AD, AD reserves the right (in addition to all other legal and contractual rights) to disqualify any potential Supplier or to terminate any relationship with a current Supplier which AD has found and proved to be in violation of this Supplier Code of Conduct, without liability.

4.14. Confidentiality

As part of the process of seeking to provide goods, services, or personnel (including consultants) to AD or in providing such goods, services, or personnel under the terms of an applicable Agreement, Suppliers may gain access to information or material which AD deems to be proprietary or confidential. Suppliers, in all instances, shall comply with the obligations of confidentiality which are set forth in the applicable request for proposal, invitation to bid, other solicitation document, or agreement by and between AD and the Supplier. AD views breaches of confidentiality and unauthorized disclosure or use of proprietary or confidential information very seriously and reserves the right (in addition to all other legal and contractual rights) to disqualify any potential Supplier or to terminate any relationship with a current Supplier AD has found to have violated its obligations of confidentiality.

All advertising, press releases, or printed matter that has any reference to AD or a Supplier's relationship with AD must be approved in writing by the AD's Corporate Communication prior to publication or other use.

4.15. Application

This Supplier Code of Conduct is a general statement of AD's expectations and requirements with respect to its Suppliers. This Code of Conduct should not be read in lieu of, but in addition to, any Supplier obligations set forth in;

- a) Requests for proposals, invitations to bid, or other solicitation documents, or
- b) Agreements by and between AD and the Supplier.

In the event of a conflict between this Code of Conduct and any AD solicitation documents or applicable agreements, the terms of AD's applicable solicitation documents or agreements shall prevail. The requirements of this Code of Conduct are not subject to waiver. Neither AD, its Suppliers, nor their personnel or representatives are authorized to propose or approve conduct inconsistent with this Code of Conduct.

5.0 Acknowledgment

AD Supplier Code of Conduct - Acknowledgement
(Applicable to Vendors, Manufactures, Contractors & Sub-Contractors)

Arabian Drilling (AD) is committed to the highest ethical and legal standards in the conduct of its business. AD requires all registered vendors, manufacturers, contractors and sub-contractors with which AD conducts business to acknowledge and agree to abide by the principles of the policies set forth in the attached AD Supplier Code of Conduct.

This AD Supplier Code of Conduct shall be acknowledged by all vendors, manufacturers, contractors, and sub-contractors at the time of registration or, if previously and currently registered, at the time of submitting a request for category enhancement, or submitting bids and proposals in response to AD’s invitations and solicitations to bid.

Acknowledgement must be signed either by owners, or individuals acting as an attorney on behalf of the owner via an appropriate power of attorney that is consistent with the legal requirements of Saudi Arabia.

Potential or actual violations of this Code of Conduct and other ethical irregularities should be reported directly to the Internal Audit Department by email, or telephone as detailed on [Section 4.13](#) of this code.

ACKNOWLEDGMENT

I, hereby acknowledge and agree to abide by the policies and the principles of the policies of the and shall ensure that the employees, officers, directors, agents, representatives are aware of and shall abide by the principles of such policies in the process of preparing and submitting bids, proposals or other business related communication to AD, for provision of goods and services to AD, and during the performance and administration of all agreements entered into with AD for such purposes.

Authorized Signatory Name: _____

Signature: _____

Job Title: _____

Date: _____

Commercial Registration / Incorporation Certificate: _____

SAP Vendor ID: _____

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