



نابكو الوطنية  
napco national

# Labor Regulation For Napco National Company CJSC and its Subsidiaries





## شهادة اعتماد لائحة تنظيم العمل

تشهد وزارة الموارد البشرية والتنمية الاجتماعية بأن :

مؤسسة / شركة شركة نابكو الوطنية مساهمة مقفلة برقم:

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قد اعتمدت لائحة تنظيم العمل بتاريخ 1 / 5 / 1442 هـ

وتحمل رقم: ٥٨٥٦٣٦

وعلي المنشأة مراعاة الآتي:

على المنشأة رفع حصيلة الغرامات الموقعة على العمال في حالة عدم وجود لجنة عمالية بالمنشأة إلى إدارة تدقيق الانظمة للقطاع الخاص لتقرير كيفية التصرف فيها. لا تمس هذه اللائحة بما قد يكون للعاملين من حقوق مكتسبة بموجب نظام العمل أو لوائحه.

وزارة الموارد البشرية و التنمية الإجتماعية

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## The Company's Profile

<b>Company name:</b>	Napco National Company - Closed Joint Stock Company
<b>Commercial Register No.:</b>	2050000435
<b>Date:</b>	10/01/1377 H
<b>Responsible Director:</b>	Yousef bin Saleh Al-Moaibed
<b>Headquarter:</b>	Dammam City - First Industrial City
<b>Branches:</b>	Dammam, Riyadh, Jeddah
<b>Total number of employees:</b>	4406, the number of Saudis: 1074
<b>Address:</b>	Eastern Province - Dammam - First Industrial City
<b>Zip Code:</b>	31421
<b>P.O. Box:</b>	538
<b>Email:</b>	<a href="mailto:Info@napconational.com">Info@napconational.com</a>

\* The approved name shall be written in the Commercial Register. In the rest of the provisions of these Regulations, the first word of the name is sufficient, such as the institution, dispensary, hospital, or center, for example, if the word "establishment" is not retained in the entire regulation as long as the intended meaning is clarified within Article (2) in these Regulations.

## Introduction

These Regulations was issued in implementation of the provisions of Articles (12 and 13) of the Labor Law:

Issued by Royal Decree No. (M / 51), dated: 23/08/1426 H.

Amended by Royal Decree No. (M / 24) and dated: 12/05/1434 H.

Amended by Royal Decree No. (M/1) and dated: 22/01/1435 H.

Amended by Royal Decree No. (M / 46), dated: 05/06/1436 H.

Amended by Royal Decree No. (M / 14) dated 22/02/1440 H.

Amended by Royal Decree No. (M / 134), dated 27/11/1440 H.

Amended by Royal Decree No. (M / 5) dated 07/01/1442 H.

These regulations aim to regulate the relationship between the company and its employees in a way that achieves the public interest and the interests of both parties, and for each of them to be fully aware of his rights and duties.

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# Chapter One

## General Provisions



# Chapter 1: General Provisions

## Article 1:

The provisions of these Regulations apply to all employees of the company in its head office, branches and offices inside or outside Kingdom of Saudi Arabia.

## Article 2:

Unless the context requires another meaning, the following terms and expressions, wherever mentioned in these Regulations, shall have the meanings indicated next to each of them as follows:

**The Company:** Napco National Company and all its subsidiaries.

**Labor Law:** means the Labor Law issued by Royal Decree No. M/51 dated 23/08/1426 H or any of its subsequent amendments.

**Implementing Regulations:** The Implementing Regulations for the Labor Law.

**The Regulations:** Labor regulations of the company.

**The Management:** means the employer, the responsible manager on his behalf, or the company's administrative body.

**The Chairman:** means the CEO of the company.

**The Authorized Person:** the Director General or whomever he delegates.

**The Worker:** Every natural person who works for the benefit of an employer and under his management or supervision in return for a wage, even if he is far from his supervisor.

**The basic wage:** is everything that is given to the worker in return for his work under a written contract, regardless of the type of wage or method of payment, in addition to periodic bonuses.

**The actual wage:** It includes the basic wage in addition to all other due increases, annual bonuses, and fixed benefits that are decided for the worker in return for the effort he exerts at work, the risks that he is exposed to in the performance of his work, or that are decided for the worker in exchange for work under the employment contract, which are fixed and unchanging allowances or the Labor Regulations in accordance with the provisions of Article (2) of the Labor Law.

**The Wage:** It means the actual wage.

**Fixed benefits:** The allowances paid to the worker in return for the effort he exerts at work and decided for the worker in exchange for work according to the employment contract (Housing allowance, housing maintenance allowance, and transportation allowance). They are not affected by the nature of work, work area or economic conditions and shall be paid to the worker based on the classification of his job grade according to the company's internal policies and the company's benefits regulations.

**Variable benefits:** The allowances and rewards that are related to the nature of the work or a specific job or job tasks assigned to the worker or related to the work area, general economic situation or the financial position of the company, which, nature, change according to the change of work nature, the general economic situation or the financial position of the company, including but not limited to: (Nature of work allowance, mobile allowance, cost of living allowance, social assistance allowance, annual bonus, production bonus, sales bonus and incentives).

**Trainee Worker:** Every natural person subject to the provisions of Part Two of Chapter Four of the Labor Law.

**Electronic Network:** It is one of the company's internal means of communication that is linked to a group of computers.

**The company's internal policies:** The directives issued by the company and circulated via the electronic network, e-mail, text messages, or announced in any form. They include instructions from the supervisor, Line Manager, authorized person, or internal benefits regulations.

### Article 3:

A month is considered to be 30 days. In all cases, all periods and dates stipulated in these regulations are calculated in the Gregorian calendar unless otherwise stated.

### Article 4:

The provisions of these regulations and all the amendments entered into it are an integral part of the employment contract that the company draws with its employees, without conflicting with the terms and conditions most appropriate for the worker.



#### Article 5:

The provisions of the Labor Law issued by Royal Decree No. M/51 dated 23/08/1426 H, and any of its subsequent amendments, its Implementing Regulations and ministerial decisions issued for its implementation shall apply to matters not provided for in these Regulations.

#### Article 6:

The company has the right to introduce amendments to the provisions of this regulation whenever necessary. These amendments shall not be effective until they are approved by the Ministry of Labor and Social Development.

#### Article 7:

When contracting, the company informs the worker of the provisions of these Regulations, and this is stipulated in the employment contract, and the worker is subject to it, with his approval, simply by joining the work.

#### Article 8:

The company shall set the rules, policies and instructions necessary to implement the provisions of these Regulations.

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# Chapter Two

## Employment and Employment Contract



## Chapter Two: Employment

### Article 9:

The following are the employment requirements in the company:

- 1) The applicant must be a Saudi national.
- 2) That the applicant for work possesses the educational qualifications and experience required for the work under the employment.
- 3) The applicant must be medically fit for the job for which he applies, according to a medical certificate from the entity specified by the company in the Kingdom, or from a doctor to whom the company assigns this task, in the country from which the worker was employed, in addition to any other medical criteria that may be decided to submit.
- 4) He must successfully pass the tests or personal interviews that the company may decide on the job.
- 5) As an exception, a non-Saudi national may be employed pursuant to the terms and conditions set forth in Articles (26), (32), and (33) of the Labor Law, and that he is authorized to work for a non-Saudi worker, and he has a valid residency.

In cases subject to its discretion, the company may exempt Saudi workers from the above conditions if the work interest so requires.

### Article 10:

The applicant to work for the company must submit the following documents:

- 1) A copy of the national ID card if he is a Saudi national.
- 2) A copy of the residence permit, work permit and passport if he is not Saudi.
- 3) A certified copy of his academic qualifications and practical experience.

- 4) A medical certificate proving his medical fitness from a body specified by the company.
- 5) Three (3) recent personal photos measuring 4/6 cm.
- 6) A certificate that there are no precedents of crimes that violate honor and honesty, "when needed."
- 7) A service certificate from the worker from his last employer (if any).

All these documents are kept in the worker's service file.

#### Article 11:

The worker shall, upon starting work, sign the following declarations:

- 1) A declaration that he/she was informed of the company's work organization and penalties and remuneration regulations, and that he/she was aware of their provisions in due diligence.
- 2) A declaration and pledge not to compete, disclose or use the company's information or secrets.
- 3) A declaration of the application of public safety conditions.
- 4) A declaration showing the place of residence, his/her marital status, and his/her fixed address, which is being contacted in all cases. He/she also undertakes to inform the company in case of a change of residence, address and means of communication.
- 5) A declaration of adhering to the company's code of conduct.

#### Article 12:

The concerned department of the company must open a special file for each worker that includes all the necessary personal documents related to him and his legal dependents, as well as those related to his appointment, including copies, employment contract, scientific certificates, and any new reports and minutes during his service, related to his activity, bonuses, promotions, salaries, privileges, bonuses, leaves, and the violations committed by him with the corresponding penalties. This is in

addition to any other data or documents that the Department deems to be added, provided that they are only viewed by specialists. This file is either a paper file or an electronic file on the company's electronic system.

## Chapter Two: Employment Contract

### Article 13:

The worker is employed according to an employment contract issued in two copies in Arabic, one of which is handed over to the worker and the other is deposited in his service file with the company. The contract includes a statement of the nature of the work, the agreed wage, whether the contract is for a fixed-term or indefinite period, or to perform a specific work or work remotely, and any necessary data. The contract may be issued in another language besides the Arabic language, provided that the Arabic text is always the approved one.

### Article 14:

The company has the right to cancel the employment contract or offer of a worker who does not perform his work tasks without a legitimate excuse within (15) days from the date of the contract between the two parties if he is contracting with him from inside the Kingdom if he does not put himself at the disposal of the company upon his arrival in the Kingdom and if he was contracting with him from abroad.

### Article 15:

An employment contract is considered valid and productive for all its effects from the date of the worker's actual commencement of work.

### Article 16:

The worker who works for the company is considered appointed under probation for a period of ninety days only unless it is stated in the employment contract explicitly and in writing that he is confirmed in the job immediately upon joining the work. The probationary period is clearly defined in his employment contract, and sickness leaves, feasts and other official holidays are not included in the calculation of the probationary period. The probationary period may be extended for another similar period, provided that it is in another profession or a different job in accordance with the provisions of Articles (53) and (54) of the Labor Law.

#### Article 17:

If the worker is not proven fit during the probationary period to perform the agreed upon work duties, the company may terminate the employment contract without reward, warning or compensation in accordance with Article (80) Paragraph (6) of the Labor Law, provided that he is given the opportunity to express reasons for his opposition to the termination.

#### Article 18:

The company has the right to transfer the worker whenever there is a need for that, and the employee's signature on it in the contract is a prior approval. Without prejudice to what is included in Article (44) of these Regulations, it is not permissible to assign a worker a work that is fundamentally different from the work agreed upon without his written consent, except in cases of necessity that may be required by accidental circumstances and for a period not exceeding thirty days per year (provided that the employer bears the costs of the worker's transportation and residence during that period).

#### Article 19:

The worker may be transferred, after his written consent, from his original workplace to any branch of the company with the same work conditions that were agreed upon, unless the transfer results in serious harm to the worker and does not have a legitimate cause.

#### Article 20:

The transferred worker is entitled to the expenses of transporting him and his legal dependents who reside with him on the date of the transfer along with the expenses of transporting their luggage, unless the transfer is based on the worker's desire.

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# Chapter Three

## Training and Qualification



## Chapter Three: Training and Qualification

### Article 21:

The company trains and qualifies its Saudi workers and prepares them professionally to replace non-Saudis, and those who have replaced other non-Saudis are recorded in the register prepared for this purpose.

### Article 22:

Saudi workers are periodically and technically trained and qualified at home and abroad according to the programs prepared in this regard with the aim of renewing and developing their skills and developing their knowledge at a rate of (12%) of the total number of workers when their number reached fifty workers or more. This percentage includes Saudi workers who complete their studies if the employer bears the costs of the study.

### Article 23:

The worker's wages shall continue to be paid throughout the training or qualification period according to the company's internal policies.

### Article 24:

The company bears the costs of training and rehabilitation and secures travel tickets for the return and return. It also secures the means of living such as food, housing and internal transportation in accordance with the company's internal policies.

### Article 25:

The company may terminate the training or rehabilitation of the worker and bear all expenses incurred by it for this purpose in the following cases:

- 1) If it is proven from the reports issued by the party that undertakes his training or rehabilitation that he is not serious about that.



- 2) If the worker decides to finish the training or qualification before the specified date without an acceptable excuse.

Article 26:

After the end of the training or study period, the worker must work for the company for a period similar to the training or qualification period. If the trainee or subject to rehabilitation refuses or refuses to work for the aforementioned period or some of it, he must pay the employer the costs of training or rehabilitation incurred by the company or in proportion to the remaining period thereof.

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# Chapter Four

## Wages



## Chapter Four: Wages

### Article 27:

The workers are employed on jobs with specific titles and specifications, and the worker receives the wage agreed upon in the employment contract in return for his work.

### Article 28:

The workers' wages shall be paid in the official currency of the country and on the due date, and shall be deposited in the workers' bank accounts in accordance with the following provisions:

- 1) The worker with a monthly wage shall be paid his wages at the end of each Gregorian month.
- 2) The daily or part-time worker shall receive his wages at the end of the week.
- 3) The worker whose service is terminated by the company, shall pay his wages and all his dues within a week at most from the date of termination of his service.
- 4) The worker who quits work on his own will pay his wages and all his entitlements within a period not exceeding two weeks from the date of leaving work.
- 5) Overtime wages, if any, to be paid with the monthly wage.

### Article 29:

If the day of payment falls on a weekly rest day or an official holiday, the payment shall be made on the previous working day.

### Article 30:

Upon receiving his wages or any amount due to him, the worker shall sign the receipt or register prepared for this purpose, with the exception of the case when his due wage is transferred to his bank account.

### Article 31:

The worker may delegate whomever he deems fit to collect his wages or dues under a legal power of attorney or a written authorization signed by him and certified by the company manager.

### Article 32:

- 1) When the worker is detained or arrested by the competent authorities in cases related to work or because of it, the company continues to pay 50% of the worker's wage until his case is decided, provided that the period of suspension or detention does not exceed one hundred and eighty days. If the period exceeds that, the company is not obligated to pay any part of the wage for the additional period. If the worker is acquitted or the investigation is closed, the company must return to the worker what has been deducted from his wages. But if he is convicted, then what was spent on him shall not be refunded unless the judgment stipulates otherwise.
- 2) If the worker is detained for reasons unrelated to the work, the company shall consider each case according to its sole discretion. If it turns out that there are circumstances that justify the absence, the company may, at its own will, pay the wage during the period of detention or part of it in accordance with the internal policies and rules it decides in this regard.

### Article 33:

Subject to the provisions of Articles No. (91), (92), (93) of the Labor Law, the following amounts shall be deducted from the worker's wage:

- 1) The equivalent of the wage for the period of authorized absence without pay or the wage for unauthorized absence.

- 2) The deductions required by the company's savings system, "if any".
- 3) The fines incurred due to the violations committed by the worker, as well as the sums deducted for what he destroyed.
- 4) Redeeming the advances and loans that the company lends to the worker.
- 5) Collect the price of the materials purchased by the worker or the services provided to him from the company's private facilities, if any.
- 6) Taxes and fees that the government may impose on wages.
- 7) Set-off in case of termination of service.
- 8) Social insurance contributions due from the worker.
- 9) Entitlements incurred by the worker as a result of breach of trust, without prejudice to other disciplinary penalties incurred as a result of that.
- 10) The rent of housing in the company's facilities, "if any".
- 11) Other discounts agreed upon by both parties within the scope of the provisions of the Labor Law.

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# Chapter Five

## Performance, Bonuses and Promotions Reports



## Chapter Five: Performance Reports, Bonuses and Promotions Reports

### Reports:

#### Article 34:

The company prepares performance reports periodically for all employees, including, but not limited to, the following elements:

- 1) The ability to work and the degree of mastery (competence).
- 2) Productivity.
- 3) The worker's behavior and the extent of his cooperation with his superiors, co-workers and clients of the company.
- 4) Perseverance and commitment. Annulment
- 5) The extent of the worker's compliance with the company's instructions and respect for the company's internal regulations and policies.
- 6) Dedication to work, creativity and innovation.
- 7) Initiative in the service of work.

#### Article 35:

The Line Manager shall prepare the reports and then present them to the authorized person to take the appropriate decision.

#### Article 36:

The worker's performance is evaluated in the report by one of the following grades:

1	Performance does not fully meet established objectives/standards
2	Performance does not meet established objectives/standards
3	Performance conforms with established goals/standards
4	Performance meets and successfully exceeds set goals/standards
5	Performance meets and significantly exceeds set goals/standards

#### Article 37:

The worker is informed of the report as soon as it is approved and given an opportunity to discuss it, and he has the right to file a grievance against this report in accordance with the grievance rules stipulated in these Regulations.

#### Bonuses:

#### Article 38:

Allowances, bonuses, gratuities, or monthly, quarterly or annual grants are granted or not in light of the company's financial position according to its changing criteria and its unilateral will. If approved, it is distributed to workers who meet the conditions of their entitlement in varying proportions in the light of periodic evaluation reports prepared in accordance with internal policies.

#### Article 39:

- 1) The worker is eligible to be entitled to the periodic increment when he obtains in his periodic report an estimate of "performance complies with and successfully exceeds the specified goals/standards" at least after one full year has passed from the date of joining the service or from the date of receiving the previous increment.
- 2) The company's management may grant the worker an exceptional allowance in accordance with the controls it sets in this regard.



## Promotions:

### Article 40:

The worker is eligible for promotion to a higher job when he meets the following conditions:

- 1) The presence of a vacancy in a higher position.
- 2) Availability of the qualifications to occupy the position to which he is being promoted.
- 3) Obtaining a rating of "Performance meets and significantly exceeds the set goals/standards" in the last periodic report.
- 4) The company's management may grant the worker an exceptional promotion in accordance with the controls it sets in this regard.

### Article 41:

If the conditions for promotion to a higher job are met in more than one worker, the trade-off for promotion is as follows:

- 1) The one with the highest rating.
- 2) Holder of training courses or scientific certificates.
- 3) Seniority.
- 4) The older one.

### Article 42:

For each worker, an annual report shall be issued stating the extent of his productive efficiency, his cooperation with his co-workers, his activity, his biography, his behavior, and everything related to his work relationship on the basis of the periodic reports submitted about the worker by his superiors.

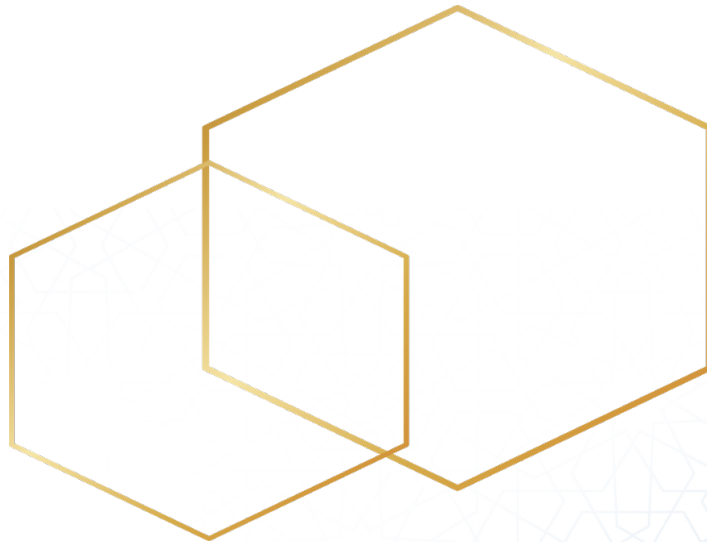
#### Article 43:

The promotion shall be by a decision of the company's management in accordance with the working conditions, the available competencies in the company, and the rules that are determined regarding the worker's nomination and its justifications. Promotions are not a right acquired periodically. The Director General of the company may conduct it in accordance with the working conditions and the general budget approved by the company's managers based on a proposal from the Line Manager.

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# Chapter Six

## Boarding - Mandate - Benefits and Allowances



## Chapter six: Boarding - Mandate - Benefits and Allowances

### Article 44:

Commitment to the expenses of carrying the worker or his family members is determined according to the following controls:

- 1) At the beginning of the contract from the country in which the contract was made or from which the worker was brought to the workplace, whether the contract was made inside or outside the Kingdom, according to what is agreed upon in the employment contract.
- 2) When the worker's service is terminated due to a legitimate reason and his request to return to the place where the contract was made or from which he was brought, within the scope of the provisions of Article (40) paragraph (1) of the Labor Law.
- 3) When the worker enjoys his annual leave, his boarding shall be in accordance with what is agreed upon in the employment contract.
- 4) The employer shall not bear the costs of returning the worker to his country in case that he is not fit to work, or if he wishes to return without a legitimate reason or in case of a violation that led to his deportation pursuant to an administrative decision issued by the Saudi authorities or a court judgment.

### Article 45:

A worker delegated to perform work outside his workplace, according to a written assignment decision from the authorized person, has the right to:

- 1) The necessary means of transportation shall be secured for him from his workplace to his place of assignment and vice versa, or a cash consideration shall be paid.
- 2) He shall be paid an assignment allowance in return for the actual costs incurred by him for housing, food, internal transportation, etc., unless the company secures them.

The company may set a lump sum as an allowance for assignment according to the degree of the worker in accordance with the categories and controls set by the company in this regard in accordance with the company's internal policies.

#### Article 43:

The expenses referred to in the previous article are calculated from the time the worker leaves his/her workplace until the time he/she returns according to the period specified for him/her by the company.

#### Article 46:

The expenses referred to in the previous article are calculated from the time the worker leaves his workplace until the time he returns according to the period specified for him by the company.

#### Article 47:

The company shall pay fixed allowances and benefits according to what was agreed upon in the employment contract, which are as follows:

- 1) The company shall provide the worker with a cash housing allowance of the amount equivalent to two months' salary from the basic wage, unless it provides in-kind housing, provided that this is expressly stipulated in the employment contract, and the company has the unilateral authority to determine the mechanism and time for its fulfillment.
- 2) The company shall pay the worker a cash maintenance allowance of the amount equivalent to half a salary from the basic wage according to the worker's grade in accordance with the company's internal policies, specifically the list of benefits, unless it secures an in-kind accommodation, provided that it is expressly stipulated in the employment contract, and the company has, at its unilateral will, the power to determine the mechanism for fulfilling it and when.
- 3) The company shall provide the worker with a transportation allowance in accordance with the company's internal policies unless an appropriate means of transportation is provided,

provided that this is expressly stipulated in the employment contract, and the company has the unilateral authority to determine the mechanism and time for its fulfillment.

#### Article 48:

The company pays allowances, benefits, rewards and incentives that are directly or indirectly related to the nature of the work, the work area, the company's financial position, or the economic situation, which by its nature changes depending on the change in the nature of the work, the general economic situation or the financial position of the company, which is, for example, but not limited to (work nature allowance, mobile allowance, cost of living allowance, social assistance allowance, annual bonus, production bonus, sales bonus). It is not considered permanent, the worker is not entitled to consider it an acquired right and is not counted in the actual wage on the basis of which the end-of-service indemnity is settled, as these benefits are variable in nature according to the company's internal policies.

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# Chapter Seven

## Work Hours & Rest Days



## Chapter Seven: Work Hours and Rest Days

### Article 49:

The working days shall be six or five days a week according to the working conditions determined by the company. In all cases, Friday shall be the weekly rest day with full pay for all workers. After informing the competent labor office, the company may replace this day for some or all of its employees with any day of the week. In all cases, it should enable its Muslim workers to carry out their religious duties.

### Article 50:

The working hours shall be eight working hours per day or forty-eight hours according to the weekly criterion and according to the will of the company and in line with the provisions of Article (98) of the Labor Law. The company may increase working hours to nine hours per day in accordance with the provisions of Article (99) of the Labor Law.

### Article 51:

The workers' attendance and departure from the workplaces shall be at the specified times according to the schedules that must be announced by placing them in prominent places of the work sites or the electronic network. These schedules must include the start and end dates of the working hours, and if the work is done by shifts, the start and end dates of the working hours of each shift must be indicated.

### Article 52:

In the schedules referred to in Article (51) above, the worker shall not work for more than five consecutive hours without a period of rest, prayer and food not less than half an hour at a time during the total working hours, so that the worker does not stay in the workplace for more than twelve hours per day.

### Article 53:

The worker may be employed in shifts in accordance with the internal policies and in accordance with the provisions of Article (100) of the Labor Law.



#### Article 54:

The entry and departure of workers from their work sites must be from the designated places.

#### Article 55:

The worker must prove his attendance and departure at the time clock “fingerprint devices” or the register prepared for this purpose or any other means determined by the company in accordance with the internal policies.

#### Article 56:

The worker shall comply with the inspection of him, his vehicle and his equipment whenever requested to do so.

#### Article 57:

Every work assigned to the worker after normal working hours or on holidays and holidays stipulated in these Regulations shall be considered overtime, provided that the assignment to overtime work is based on a written order issued by the responsible authority in the company stating the number of additional hours worked by the assigned worker and the number of days required for this as stipulated in Article (106) of the Labor Law. The worker has no right to refuse overtime work without a legitimate and acceptable excuse, and the refusal without justification is considered an explicit violation of the work regulations.

#### Article 58:

The company shall pay the worker for the extra working hours an overtime wage as stipulated in Article (107) of the Labor Law.

#### Article 59:

The provisions of Articles (57) and (58) of these Regulations do not apply to the following cases:

- 1) Persons occupying high positions of responsibility in management and direction, if such positions would enable their occupants to enjoy the powers of the employer over the workers.
- 2) Preparatory or complementary works that must be completed before or after the commencement of work.
- 3) Work that is necessarily intermittent.
- 4) Workers designated for guarding and cleaning, with the exception of civil security guards.
- 5) Workers under a telecommuting contract.

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# Chapter Eight

## Leaves & Absence from Work



## Chapter Eight: Leaves and Absence from Work

### Annual Leave:

#### Article 60:

For each year of service, the worker is entitled to an annual leave with full pay for a period of no less than (21) calendar days, and to be increased to a period of no less than thirty calendar days. If his service reaches five consecutive years, the company may grant the worker a part of his annual leave in proportion to the period he spent of the year at work.

#### Article 61:

It is permissible to agree in the employment contract for an annual leave in excess of what was mentioned in the previous article.

#### Article 62:

The company determines the dates for workers to enjoy their annual leave in accordance with work requirements, taking into consideration the worker's desire to specify the date of his leave whenever possible, and the company's decision in this regard shall be final.

#### Article 63:

The worker may not give up his annual leave with or without consideration, and he must enjoy it in the year of its entitlement. He may, with the company's approval, postpone his annual leave or days thereof for the following year only based on the company's internal policies.

#### Article 64:

Upon taking his leave, the worker shall sign a declaration stating the start date of the leave and the address of the place where he spends his leave.

#### Article 65:

The company pays the worker the wages of the annual leave days in advance upon his request, and the leave wages are calculated according to the last wages he receives.

#### Article 66:

The worker shall be entitled to his wages for the days of the accrued leave if he leaves the work before he enjoys it, for the period for which he did not obtain his leave. He is also entitled to the leave wage for the fractions of the year in proportion to the amount he spent at work, and the last wage received by the worker shall be taken as a basis for calculating the compensation for these leaves.

#### Article 67:

The company may ask the worker to interrupt his annual leave and start work if the utmost necessity of work so requires, provided that the company, in this case, bears his return ticket allowance when he is outside the city of the place of work. The worker has the right to enjoy the rest of his leave in the same year or to postpone it for the following year.

#### Article 68:

The company provides the non-Saudi worker and his family members with a travel ticket from his place of work to the country of origin and vice versa according to the provisions of the employment contract and the company's internal policies. In all cases, it is required that the company approves in advance of the family members who are covered by the provisions of this article and on the condition that they reside with him.

#### Article 69:

The worker shall return to his workplace on the working day following the last days of his annual leave. If he fails to return, the days of his absence shall be considered unpaid leave. This does not prejudice the company's right to terminate the contract without remuneration and without prior notification when the provisions of Paragraph (7) of Article (80) of the Labor Law are met.

### Holidays and Occasions:

#### Article 70:

The worker is entitled to leave with full pay on the following holidays and occasions:

- 1) Four working days on the occasion of Eid Al-Fitr, provided that it starts from the day following the day (29) of Ramadan, according to Umm Al-Qura calendar.
- 2) Four working days on the occasion of Eid al-Adha, starting from the day of standing on Arafah.
- 3) One day on the occasion of the Kingdom's National Day.
- 4) If the beginning of these holidays coincides with the weekly rest days or an official holiday, the leave is automatically extended by the number of these days.

### Special Leaves:

#### Article 71:

The worker has the right to leave with full pay in the following cases:

- 1) Five working days: upon his marriage.
- 2) Three working days: in case of the birth of a newborn.
- 3) Five calendar days: in case of the death of the worker's wife, one of his ascendants or descendants (father, mother, grandfather, grandmother, children and children's children) starting from the day of death.
- 4) Three calendar days: In case of the death of a brother or sister, it starts from the day of death.
- 5) One calendar day: In case of the death of an uncle, aunt, nephew, nephew, mother-in-law, wife, daughter-in-law or step-daughter, it starts from the day of death.

If the worker does not use these leaves when they are due, he is not entitled to claim the addition of this leave to his annual leave days. He is also not entitled to claim the cash equivalent or to demand a postponement of benefiting from it. The company has the right to request documents that support these cases.

## Emergency Leave:

### Article 72:

The worker may, with the company's approval, take an unpaid leave that they both agree to specify. The employment contract is considered suspended during the leave period for more than twenty days, unless the two parties agree otherwise.

### Article 73:

- 1) A working woman has the right to maternity leave with full pay for a period of ten weeks, which it distributes at her own will, provided that it begins a maximum of four weeks before the likely date of delivery. The likely date of delivery is determined by a medical certificate certified by a health authority approved by the company.
- 2) A working Muslim woman whose husband dies according to a death certificate issued by a Saudi official body has the right to a leave with full pay for a period of no less than four months and ten days from the actual date of death.
- 3) A non-Muslim working woman whose husband dies is entitled to a leave with full pay for a period of fifteen days.

## Sickness Leave:

### Article 74:

A worker whose illness is proven by a medical certificate issued by the company's doctor or an approved medical reference shall be entitled to a sickness leave within one year in accordance with Article (117) of the Labor Law. The management has the right to assign a physician of its choice to check the validity of the report submitted by the worker as follows:

- 1) The first thirty days with full pay.
- 2) The next sixty days with three quarters of the wage.
- 3) The thirty days that follow will be unpaid.

The leaves shall be given within one year, whether these leaves are continuous or intermittent, and one year means the year starting from the date of the first sickness leave.

**The sickness leaves granted for the purpose of performing cosmetic operations are excluded from the provisions of this article.**

The period of absence mentioned in the medical report is considered continuous even if a paid holiday or a weekly holiday occurred during it.

#### Article 75:

The sick worker must abide by medical care and must submit medical reports on his condition issued by the company's doctor or the health reference approved by the company. A sick worker is not allowed to start his work unless the company doctor or the approved health authority decides that he has recovered from his illness and is able to start his work, there is no risk to him from performing the work and there is no harm from him to mix with his co-workers at work.

#### Haj Leave:

#### Article 76:

A Muslim worker has the right to take a paid leave of no less than ten days and not more than fifteen days, including the Eid al-Adha leave to perform Hajj once throughout the period of his service if he has not performed it before. To be eligible for this leave, the worker must have worked for the employer for at least two consecutive years. The company may determine the number of workers who are granted this leave annually in accordance with the requirements of the work to ensure the proper functioning of the company's work. In all cases, the worker shall submit a Hajj permit issued by the competent authorities.



## Exam Leave:

### Article 77:

The company grants the Saudi worker who pursues his training or educational attainment a leave with full pay for the duration of the examination for a non-recurring year, the duration of which is determined by the number of actual examination days, provided that he obtains the prior approval of the employer. If the worker did not obtain the employer's approval for his affiliation with an educational institution, he may obtain a leave to sit the examination according to the number of actual examination days that is calculated from the balance of his annual leave. If the exam is for a repeat year, the worker shall have the right to unpaid leave to perform the examination. The company may, in all cases, require the worker to submit documents supporting the request for leave, as well as evidence of his performance of the examination. The worker must apply for leave at least fifteen days in advance. The worker shall be deprived of the wage for this leave if it is proven that he did not pass the examination, without prejudice to disciplinary accountability.

## General Provisions on Leaves:

### Article 78:

The worker may not work for any entity while enjoying any of the leaves stipulated in this chapter, whether with or without pay. If it is proven that the worker has violated this, the company shall have the right to deprive him of his wages for the period of the leave, or to recover from him what it paid him for that.

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## Chapter Nine

# Prevention, Safety, Medical Aid, Medical Care, Work Injuries & Occupational Diseases



## Chapter Nine: Prevention, Safety, Medical Aid, Medical Care, Work Injuries and Occupational Diseases

### Prevention and Safety:

#### Article 79:

In order to protect workers from dangers and diseases resulting from work and the company's belief in the importance of the human element, which is the mainstay in the production process, and the need to provide a healthy and safe work environment for workers. The company provides all means and tools for occupational safety and health, and the company takes the following measures:

- 1) Announcing in visible places the work hazards, the means of protection against them, and the instructions to be followed.
- 2) Prohibition of smoking in the declared workplaces.
- 3) Securing fire-extinguishing devices and keeping them always valid for use, and preparing escape hatches in case of emergency.
- 4) Keeping the workplace in a state of complete cleanliness, while providing disinfectants.
- 5) Providing safe water for drinking and washing.
- 6) Providing toilets with the required hygienic level.
- 7) Training employees on the use of safety and prevention tools provided by the company.
- 8) Providing the necessary protective equipment, including safety shoes, goggles, protective masks, headphones, and protective clothing, in compliance with health norms and to protect against dangerous conditions. If these safety methods are not used, the contract is subject to termination, pursuant to the provisions of Article (80) Paragraph (2) of the Labor Law.

#### Article 80:

The company appoints a security and safety officer at each work site, who is responsible for the following:

- 1) Developing preventive awareness among workers, supervising its implementation, and introducing the necessary modifications to the accident prevention program.
- 2) Periodic inspection for the purpose of ensuring the safety of devices and the proper use of protective and safety means.
- 3) Inspecting and recording accidents and preparing reports about them that include the means and precautions to avoid their recurrence, preparing statistics for accidents and injuries, and submitting the necessary report to the company's management.
- 4) Monitor the implementation of prevention and safety rules and provide advice in this regard.
- 5) Training all company employees on the use of safety and prevention tools provided by the company.

#### Medical Aid Levels:

#### Article 81:

In every place where less than fifty workers work, the company shall provide a medical aid cabinet that contains sufficient quantities of medicines, bandages, disinfectants and other things mentioned in Article (142) of the Labor Law. One or more trained workers are entrusted with providing the necessary first aid to the injured workers.

#### Article 82:

In every place where more than fifty workers work, the company shall prepare a medical aid room that meets the conditions stipulated in the Implementing Regulations of the Labor Law. A licensed nurse shall be entrusted with providing the necessary first aid to workers under the supervision of a physician. The company also conducts continuous training for the occupational safety and health team to ensure that they are up to date with all modern prevention methods.

## Medical Care:

### Article 83:

The company entrusts one or more doctors to a comprehensive examination of its workers who are exposed to the possibility of contracting one of the occupational diseases specified in the table of occupational diseases stipulated in the Social Insurance Law, once a year.

### Article 84:

The company provides its workers with preventive and curative health care according to the levels determined by the Minister, taking into account what is provided by the cooperative health system.

### Article 85:

The company's doctor may refer the patient to a specialist.

### Article 86:

All cosmetic operations and the like, installation, orthodontics, dental cleaning, eyeglasses, contact lenses and all kinds of prosthetic limbs are excluded from treatment, and any treatment is done outside the Kingdom of Saudi Arabia unless it is necessary.

## Work Injuries and Occupational Diseases:

### Article 87:

A worker who suffers a work injury or an occupational disease shall inform his immediate superior or management as soon as he is able, and he may consult a doctor directly whenever his condition so requires.

### Article 88:

The physician specialized in treating workers shall take the initiative to inform the Department of any phenomena that indicate the emergence of any occupational or epidemic disease among the workers.

**Article 89:**

A worker who suffers a work injury or an occupational or contagious disease must comply with the medical care required by the company. He must also submit periodic medical reports on his condition from the company's doctor or another doctor approved by the company, provided that the company's approval is obtained to bear the expenses.

**Article 90:**

The company participates on behalf of all workers in the occupational hazards branch of social insurance.

**Article 91:**

In the matter of work injuries and occupational diseases, the provisions of the Occupational Hazards Branch of the Social Insurance Law are applied

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# Chapter Ten

## Duties & Prohibitions



## Chapter Ten: Duties and Prohibitions

### The Company's Duties:

#### Article 92:

The company commits to the following:

1. Treating its workers in a decent manner that shows her concern for their conditions and interests, and refraining from every word or action that affects their dignity or religion.
2. Giving workers the time necessary to exercise their rights stipulated in these Regulations without prejudice to wages.
3. Facilitating the employees of the competent authorities every task related to inspection or monitoring and supervision of the proper implementation of the provisions of the Labor Law, the regulations and decisions issued pursuant thereto and to give the competent authorities all the necessary information requested from them to achieve this purpose.
4. Pay the worker's wages at the time and place specified in the contract or custom, taking into account the provisions of the relevant regulations.
5. If the worker attends to practice his work in the daily period required by the employment contract or declares that he is ready to carry out his work during this period and does not prevent him from working except for a reason attributed to the employer, he shall have the right to wages for the period during which he does not perform the work.
6. The company, its agent, or any person who has authority over the workers, must tighten control over the entry into the workplace of any substance prohibited by Sharia or regulation. Whoever is found to have them shall be subject to it, in addition to the legal penalties, the



deterrent administrative penalties stipulated in the Violations and Penalties Schedule shall be applied against him.

7. Giving the worker an electronic magnetic service card.

### Workers' Duties:

#### Article 93:

The worker commits to the following:

- 1) Compliance with the instructions and orders related to work, unless there is something in them that contradicts the provisions of the employment contract, public order or morals, or that exposes them to danger.
- 2) Maintaining working hours.
- 3) Refraining from accepting any rewards, gifts or commissions from persons with whom the company deals.
- 4) Completing his work in the required manner under the supervision of the Line Manager and according to his directives.
- 5) Taking care of the machines and tools at his disposal and maintain them and the company's property and carry out the maintenance operations required for them.
- 6) Workers who work on a machine must clean it on a daily basis and they must adhere to the regular maintenance instructions assigned to them by the management in accordance with the latter's instructions and at the specified time.

- 7) In case of a malfunction in the machines, equipment or machines, the workers may not tamper with them or attempt to repair them, but must immediately notify the head of the department or the competent engineer to take the necessary action.
- 8) Commitment to good conduct and behavior and to work on the sovereignty of the spirit of cooperation between him and his co-workers, obeying his superiors and keenness to satisfy the company's clients within the scope of his competence and within the limits of the law.
- 9) Providing all the aid or assistance in emergency cases or dangers threatening the safety of the workplace or its employees.
- 10) Preserving the technical, industrial, commercial and administrative secrets of the company or any secrets that come to his knowledge due to the work of his job, and not to preserve for himself the original of any of the papers related to the work, including the entry papers for tenders or auctions, as well as not to disclose any information regarding wages and rewards.
- 11) Refraining from exploiting his work in the company for the purpose of achieving profit or personal benefit for him or for others at the expense of the company's interest, or entering in any way whatsoever in competing business with the company's work individually or jointly with others.
- 12) Not to initiate a contractual relationship with the company, directly or indirectly, individually or jointly with others, without a written permission from the company's president.
- 13) Refraining from lending or borrowing from the company's clients or those who have a direct interest in its business, with the exception of licensed finance agencies.
- 14) Not to engage in any other work outside the scope of his work, whether paid or unpaid, with any other entity. In addition, the worker may not perform any activity contrary to the interest

of the company or perform a similar work in another company, under pain of legal penalties, which may amount to the termination of his services. Each worker must also preserve the company's financial, administrative, marketing, production and legal secrets and pledge not to disclose, sell, market or use them. If the worker leaves the company for any reason, he is prohibited from working within two years for his own account or with any competing company or dealing with the company within the same field of work that he did with the company as per Article (83) of the Labor Law.

- 15) All of the company's employees are obligated to follow the policy of using social media, electronic software and social networks, including but not limited to Facebook - YouTube - LinkedIn - Twitter - Whats App - Yahoo Mail. ..etc. They are prohibited from using these apps in searching or presenting any internal topics related to the system and workflow of the company or any of its branches, for example, wages, work organization, and all internal administrative matters in the company, whether positively or negatively.
- 16) It is prohibited to defame or defame the shareholders, the chairman and members of the board of directors, the CEO of the company, sister companies, the company, any of its branches, the management or any of the company's employees, consultants, customers, suppliers, or any person who has a business relationship with the company, whether by act, word, writing, or through social media.
- 17) Notifying the company of every change in his marital status or place of residence within a week at most from the date of the change.
- 18) Adherence to the instructions, regulations, customs and traditions observed in the country.
- 19) Not to receive visitors in the workplace who are not the company's workers and clients.

- 20) Not to receive visitors at the company's residence who are not the company's workers without permission from the management.
- 21) Not to use the company's tools and equipment for private purposes.
- 22) Workers are prohibited from sleeping, lounging or being distracted in the workplace, and they are also prohibited from eating and drinking refreshments while working, unless the management permits this.
- 23) The worker is prohibited from smoking all kinds, electronic cigarettes and the like inside the company and all its facilities and in the company's private housing. He is also prohibited from carrying matches and lighters inside factories and warehouses.
- 24) The workers should maintain the aspect of respect, honesty and loyalty towards their superiors.
- 25) Tee workers are prohibited from discussing with each other or with others, either directly, over the phone or the Internet, on any political, sectarian, sectarian, ethnic, tribal or sexual issues on the company's campus and within the scope of its work.
- 26) Workers are prohibited from bringing indecent images or drawings of any kind into the company premises. It is also prohibited to write on walls of any kind, utter profanity or sing in the workplace.
- 27) All factory workers or those whose work requires them to wear uniforms (UNIFORM) and abide by that.
- 28) No one is allowed to bring in or take out any parcel, package or anything else without the knowledge of the management or its written permission, and he must be subject to inspection upon entry and exit from it.

- 29) Workers shall abide by the management's written and verbal instructions issued by it directly through the electronic network or through their direct supervisor. They must comply with these instructions without rebellion, disobedience or reluctance as they are binding on all workers. The management may also issue verbal instructions that require their implementation and obedience, unless they are in violation of public order.
- 30) Workers are prohibited from collecting subsidies, money or donations without permission and for any reason, whether for associations, organizations, private projects, religious, social, or political goals...etc.
- 31) Workers are prohibited from distributing leaflets or organizing meetings inside the company's headquarters without the approval of the management.
- 32) Workers are prohibited from inciting to violate written and verbal orders and instructions related to work.
- 33) All workers must maintain general cleanliness in the company's facilities and all workplaces, food, bathrooms and housing for the company.
- 34) All property of the company's housing must be preserved, and all property is considered housing, including, but not limited to furniture, mattresses, appliances, washing machines, refrigerators...etc. It is in the custody of the workers who live in the housing unit and he is obligated to hand it over when vacating the housing as he received it in good condition.
- 35) All employees are obligated to follow the management's instructions regarding the procedures for storing information on the computer (Back Up), as the stored information is the property of the company and not personal property.

- 36) It is prohibited to quarrel between co-workers, or to cause disturbances in the workplace or because of it, intimidation or threaten.
- 37) It is strictly forbidden to contact customers or enter into conversations and discussions with them unless the employee is authorized to do so. It is also prohibited for any worker to request or accept in-kind or financial rewards or gifts from anyone in return for services provided by him, in addition to direct or indirect commissions through his family, relatives or friends. Commissions and discounts received are considered the property of the company only, and the worker bears all legal responsibility personally.
- 38) It is prohibited to trade operations between workers within the company's premises, for example, selling, buying, or loans (clothes - chains - watches... etc.).
- 39) Not to use the computer and the information stored on it, the Internet, e-mail, printing and sending files, and using the graphics printer (PLOTTER) and scanning machines (SCANNER), (PRINTER) or (USB) except within the scope of work.
- 40) Workers are prohibited from leaving work without a written permission from the responsible manager or his representative in sequence, except in emergency cases (ie sudden accidents, illnesses or death).
- 41) The workers must stay in the workplace and do the work assigned to them, and they are prohibited from moving to work on another machine or other work unless it is with the permission of the manager in charge.

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# Chapter Eleven

## Social and Cultural Services



## Chapter Eleven: Social and Cultural Services

### Article 94:

The company shall prepare a place for prayers in the workplace.

### Article 95:

The company prepares a place to eat at the times you specify.

### Article 96:

- 1) The company encourages its employees to engage in beneficial individual and group sporting activities. The company also allows its workers to participate in officially scheduled entertainment programs and sports matches conducted under the auspices of the company, provided that it does not conflict with the work requirements.
- 2) The company has the right, without any obligation on its part, to pay an exceptional bonus to its employees, which is variable in nature according to the emergency circumstances that are up to the company's assessment. These bonuses are not permanent, and employees are not entitled to consider them as an acquired right, and they are not counted as part of the end-of-service indemnity.

### Article 97:

The wages for the month in which the worker died is paid to his heirs in full.

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# Chapter Twelve

## Grievance



## Chapter Twelve: Grievance

### Article 98:

Without prejudice to the worker's right to resort to the competent administrative or judicial authorities, he has the right to file a grievance with the company's management about any action or action taken against him that affects his rights stipulated in these Regulations or the Labor Law. The grievance shall be submitted to the company's management within three days from the date of becoming aware of the disposition or procedure complained of, taking into account the administrative hierarchy of the work, and the worker shall not be harmed by submitting his grievance.

### Article 99:

In filing his grievance, the worker must adhere to the following:

- 1) He shall submit his grievance in writing and to be based on specific facts.
- 2) He shall submit his grievance to his direct superior.
- 3) He shall submit his grievance within three days from the date on which he was notified of the issuance of the decision or the procedure under grievance.

The worker shall be notified of the outcome of the decision on his grievance within a period not exceeding three days from the date of submitting the grievance, otherwise the worker shall have the right to refer his grievance to his superior.

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# Chapter Thirteen

## End of Service



## Chapter Thirteen: End of Service

### Article 100:

The worker's service ends in the following cases:

- 1) If the two parties agree to terminate it, provided that the consent of the worker is in writing.
- 2) If the period specified in the contract expires - unless the contract has been expressly renewed in accordance with the provisions of these Regulations - it will continue until its term.
- 3) Based on the will of one of the parties in the indefinite contracts.
- 4) The worker has reached the retirement age, which is sixty years for both sexes, unless the two parties agree to continue working after this age. The retirement age may be reduced, in cases of early retirement, as stipulated in the work organization regulation. If the employment contract is for a fixed term, and its term extends beyond reaching the retirement age, in this case the contract ends with the expiry of its term.
- 5) Force majeure.
- 6) Permanently close the facility.
- 7) Termination of the activity in which the worker works, unless agreed otherwise.
- 8) Any other case provided for by another law.

### Article 101:

In the cases where the provisions of the Labor Law require the termination or termination of the employment contract, a notification should be given to the other party, taking into account the following:

- 1) The notice must be in writing.

- 2) That the notification is delivered at the workplace and the party to whom the notification is sent signs with an explanation of the date of receipt. If the worker refuses to receive the notification, the notification is reinforced by the testimony of two witnesses and their signatures are taken on the notification.
- 3) If the worker is not present at the place of work or the party to whom the notice is addressed refuses to receive or refuses to sign, the notice shall be sent to him by a registered letter to his address recorded in his file, or sent to his e-mail or the last address known to the company.
- 4) If the worker fails to provide the company with a valid postal address or fails to receive any notice or warning. The notification shall be replaced by pasting the notice or warning on the company's bulletin board, circulating it through the electronic network, or sending it by e-mail.
- 5) In all cases, a copy of the notification or the worker's acknowledgment of receipt shall be kept in his file.

#### Article 102:

The company shall return to the worker upon the end of his service, upon his request, his private documents deposited in his service file. The company shall also give the worker the service certificate stipulated in Article (64) of the Labor Law, without any consideration.

#### Article 103:

In all cases in which the employee's service with the company ends for any reason, the company has the right to set-off between the employee's entitlement and its entitlements against him, regardless of the type of these entitlements. If the worker owes the company, he must pay the owed amount within a maximum period of one week.

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# Chapter Fourteen

## Rewards



## Chapter Fourteen: Rewards

### Article 104:

Rewards are given to employees who demonstrate activity, dedication and efficiency in a manner that increases productivity or who perform exceptional work, in addition to their regular work and within the limits of their competencies, or those who develop new methods and organizations at work that lead to raising efficiency and production capacity, reducing costs or workers who prevent risks or preventing imminent harm to the company or its workers, provided that this includes rewarding the worker morally or materially, or both.

### Article 105:

The performance reports stipulated in these Regulations shall be considered a basis upon which to award the remuneration stipulated in these Regulations.

### Article 106:

The rewards are categorized as follows:

#### First: Moral Rewards:

- A. A book of praise and appreciation.
- B. Granting an additional leave without pay, which is not considered interruption of service.

#### Second: Material rewards:

- A. Exceptional bonuses and promotions in accordance with the company's internal policies.
- B. Production bonuses in accordance with the company's internal policies.
- C. Additional gratuities.
- D. Invention rewards.
- E. Excellence rewards.

Article 107:

The bonuses are granted by a decision of the owner of the company or his representative in accordance with the company's internal policies.

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# Chapter Fifteen

## Violations and Penalties



## Chapter Fifteen: Violations and Penalties

### Article 108:

A violation that entails the penalty stipulated in these Regulations is the worker's perpetration of one of the acts listed in the Schedule of Violations and Penalties annexed to these Regulations, which is considered an integral part of it.

### Article 109:

The penalties that may be imposed on the worker are:

1) Notice:

It is a verbal or written reminder addressed to the worker by his direct supervisor, in which he refers to the violation he committed and asks him to observe the law and abide by the rules used to perform his job duties and not to repeat it in the future.

2) Warning:

It is a letter that the company sends to the worker, explaining the type of violation he committed, while drawing his attention to the possibility of him being subjected to a more severe penalty in case the violation continues or is repeated in the future.

3) Discount:

1. Deduction of a percentage of the wage within the limits of a part of the daily wage.
2. A deduction from the wage is between one and five days' wages per month as a maximum.

4) Suspension from work without payment:

It is to prevent the worker from practicing his work during a certain period while depriving him of his wages during this period, provided that the period of suspension does not exceed five days per month.

5) Denial of promotion or periodic increment:

Deprivation of promotion, periodic increment, or some grants and rewards, or postponement of that for a maximum period of one year from the date of its entitlement or obtaining.

6) Dismissal with Payment:

It is the dismissal of the worker for a legitimate reason for committing the violation, without prejudice to his right to the end of service gratuity.

7) Dismissal without Payment:

It is the termination of the worker's employment contract without reward or compensation for committing one or more of the acts stipulated in Article (80) of the Labor Law or stipulated for this penalty under the sanctions list.

**Article 110:**

Every worker who commits any of the violations mentioned in the Schedule of Violations and Penalties referred to in Article Chapter Eight of these regulations. He shall be punished with the penalty indicated next to the violation he committed, and the penalty imposed on the worker must be commensurate with the type and extent of the violation committed by him.

**Article 111:**

The authority to impose the penalties stipulated in these regulations shall be given to the Director General of the company or his authorized representative, and he may replace the penalty prescribed for any violation in case that it is committed for the first time with a lighter penalty.

**Article 112:**

If the worker commits the same violation after 180 days have passed since it was previously committed, he is not considered a repeat offender and the violation is considered as if it was committed for the first time.

**Article 113:**

In case of multiple violations resulting from one act, it is sufficient to impose the most severe penalty among the penalties prescribed in these Regulations.

**Article 114:**

No more than one penalty may be imposed on a single violation, and it is not permissible to combine deduction of part of the worker's wage with any other sanction by deduction from the wage.

#### Article 115:

The company shall not impose any of the penalties stipulated in these Regulations except after informing the worker in writing of the violations attributed to him and hearing his statements and investigating his defense according to minutes filed in his own file, the special notification provisions referred to in Article (101) of these Regulations shall be observed. The interrogation may take place orally in minor violations that do not exceed the penalty imposed on the perpetrator of the warning or a fine by deducting no more than one day's wages, provided that it is recorded in the minutes.

#### Article 116:

Without prejudice to the provision of Article (80) of the Labor Law, the company may not impose any penalty on the worker for something he committed outside the workplace unless it is directly related to the nature of his work, the company or its responsible manager.

#### Article 117:

Disciplinary accountability for the worker shall fall thirty days after the discovery of the violation without the company taking any investigation procedures regarding it.

#### Article 118:

The company may not impose the penalties mentioned in these regulations if more than thirty days have passed since the date of establishing the violation.

#### Article 119:

The company is obligated to inform the worker in writing of the penalties he has been subjected to, their type and amount, and the penalty he will be subjected to in case of a repeat violation. If the worker refuses to receive the notification or refuses to sign with knowledge, it shall be sent to him by registered mail at his fixed address in his service file, and the special notification provisions referred to in Article (101) of these regulations shall be observed.

#### Article 120:

Without prejudice to the worker's right to object before the competent authority in accordance with the text of Article (72) of the Labor Law, the worker may file a grievance before the company's

management against any penalty imposed on him in accordance with the grievance provisions stipulated in these regulations.

#### Article 121:

A penalty sheet shall be assigned to each worker in which he shall record the type of violation he committed, the date of its occurrence and the penalty imposed on it. This sheet shall be kept in the worker's service file.

#### Article 122:

The employer must write the fines that he imposes on the worker in a special register, indicating the name of the worker, the amount of his wages, the amount of the fine, the reason for signing it and its date. It is not permissible to dispose of the fines except for the benefit of the workers of the establishment, provided that this disposal of the fines is

done by the labor committee in the establishment. In the absence of a committee, the disposition of the fines shall be with the approval of the Ministry.

#### Article 123:

Personal disputes between employees are not the subject of an administrative investigation unless these disputes lead to confusion in the work movement and an impact on the company's productivity, or if the subject of the dispute itself constitutes a violation of the company's regulations.

#### Article 124:

The provisions of the previous articles do not prejudice the company's right to terminate the employment contract in accordance with the provisions of Articles (74), (75), (77) and (80) of the Labor Law.

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# Chapter Sixteen

## Special Provisions for the Employment of Women



## Chapter Sixteen: Special Provisions for the Employment of Women

### Maternity Leave:

#### Article 125:

The company bears the expenses of the medical examination, treatment and delivery expenses in accordance with the regulations of the Health System Council.

#### Article 126:

In the first months of pregnancy, THE female worker must notify the company to conduct a periodic medical examination on her, decide on the necessary treatment, and determine the likely date of delivery.

#### Article 127:

In determining the breastfeeding period, the company shall take into account the desire and circumstances of the worker as much as possible, and the worker shall abide by the schedule regulating this, provided that it does not exceed in total an hour per day, and this period or periods shall be calculated from the actual working hours.

#### Article 128:

The company prepares places for the workers to rest separately from the men, and the working women have to be modest in dress and appearance and to adhere to the customs and traditions observed in the country.

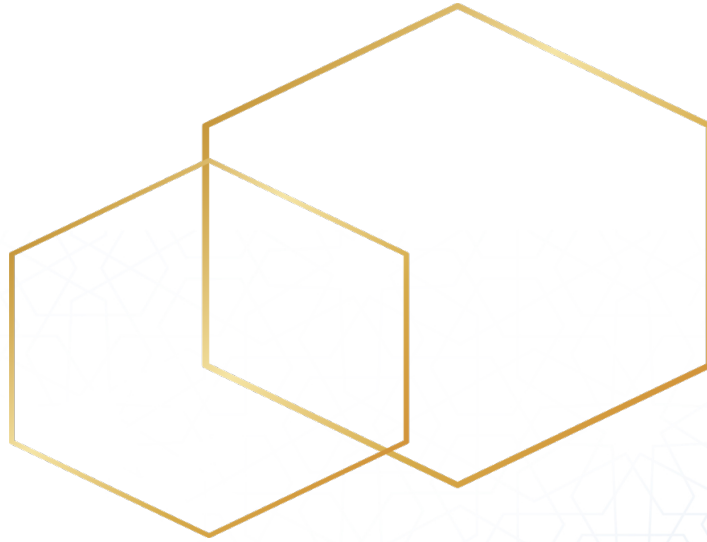
#### Article 129:

It is not permissible in any case for women to mix with men in the workplace and its accompanying facilities and others.

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# Chapter Seventeen

## Final Provisions





## Chapter Seventeen: Final Provisions

### Article 130:

The company classifies workers according to their occupational categories, guided by the Saudi Occupational Classification and Description Manual.

### Article 131:

The provisions of these Regulations shall be implemented in the right of the company as of the date of its notification of the ministerial decision issued for its approval, provided that it applies to the workers as of the day following its announcement.

### Article 132:

The regulations shall be announced by placing it in a conspicuous place in the workplace within a week at most from the date of notification of the ministerial decision referred to in the previous article

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# Chapter Eighteen

## Table of Violations & Penalties



## Chapter Eighteen: Table of Violations and Penalties

### First: Violations related to the working hours schedule :

SL.	Type of Violation	Penalty : Deducted percentage is a percentage of daily wage			
		1 <sup>st</sup> Time	2 <sup>nd</sup> Time	3 <sup>rd</sup> Time	4 <sup>th</sup> Time
1/1	Arriving up to 15 minutes late to work without permission or an acceptable excuse, without resulting in the disruption or delay of other employees	Written Warning	5%	10%	20%
1/2	Arriving up to 15 minutes late to work without permission or an acceptable excuse, and resulting in the disruption of other employees	Written Warning	15%	25%	50%
1/3	Arriving more than 15 minutes & up to 30 minutes (15-30 min) late to work without permission or an acceptable excuse, without resulting in the disruption of other employees	10%	15%	25%	50%
1/4	Arriving more than 15 minutes & up to 30 minutes (15-30 min) late to work without permission or an acceptable excuse, resulting in the disruption of other employees	25%	50%	75%	One Day
1/5	Arriving more than 30 minutes, and up to 60 minutes late to work without permission or an acceptable excuse, without resulting in the disruption of other employees	25%	50%	75%	One Day
1/6	Arriving more than 30 minutes, and up to 60 minutes late to work without permission or an acceptable excuse, & resulting in the disruption of other employees	30%	50%	One Day	Two Days
1/7	Arriving more than one (1) hour late to work without permission or an acceptable excuse, whether or not this resulted in the disruption of other employees	Written Warning	One Day	Two Days	Three Days
		In addition to a deduction of the late hours wages			
1/8	Leaving work up to 15 minutes before end of working hours without permission or an acceptable excuse	Written Warning	10%	25%	One Day
		In addition to a deduction of wage based on the duration of leaving work before end of working hours			

1/9	Leaving work more than 15 minutes before end of working hours without permission or an acceptable excuse	10%	25%	50%	One Day
<b>In addition to deduction for the period of work leave</b>					
1/10	Staying at work or returning to work after end of working hours without justification	Written Warning	10%	25%	One Day
1/11	Absence without written permission or an acceptable excuse for one day during a one year	One Day	Two Days	Three Days	Four Days
1/12	Continuous absence without written permission or an acceptable excuse for two (2) to six (6) days during one year	One Day	Two Days	Three Days	Four Days
<b>In addition to a deduction of wage relative to the period of absence</b>					
1/13	Continuous absence without written permission or acceptable excuse for seven (7) to nine (10) days	Four Days	Five Days	Denial of bonus and promotion for one time	Termination with end of service settlement
<b>In addition to deducting of wage based on the absence period</b>					
1/14	Absence from work without a legitimate reason for more than fifteen consecutive days during one contractual year	Termination without end of service settlement or compensation but shall be preceded by a written warning after absence of <u>ten days</u> , in accordance to the provision of Article (80) of Labor Law			
1/15	Intermittent absence without legitimate reason for more than thirty (30) days during one contractual year	Termination without end of service settlement or compensation but shall be preceded by a written warning after absence of <u>twenty days</u> , in accordance with the provision of Article (80) of Labor Law			

## Second: Violations relating to organization of the work :

SL.	Type of Violation	Punishment : Deducted percentage is a percentage of daily wage				
		1 <sup>st</sup> Time	2 <sup>nd</sup> Time	3 <sup>rd</sup> Time	4 <sup>th</sup> Time	5 <sup>th</sup> Time
2/1	Unjustified presence outside the workplace during working hours	10%	25%	50%	One Day	
2/2	Receiving visitors who are not company employees at workplace without permission from the Management	Written Warning	10%	15%	25%	
2/3	Eating at the workplace or in a place not designated for this purpose, or outside the break hours	Written Warning	10%	15%	25%	
2/4	Sleeping during worktime	Written Warning	10%	25%	50%	

2/5	Sleeping in cases/situations that require constant vigilance	50%	One Day	Two Days	Three Days	
2/6	Hanging around or the presence of employees outside their stations during working hours	10%	25%	50%	One Day	
2/7	Manipulating the attendance sheet	25%	50%	One Day	Two Days	
2/8	Failure to comply with ordinary work tasks or non-implementation of work instructions openly	25%	50%	One Day	Two Days	
2/9	Incitement to violate written orders and instructions related to work	Two Days	Three Days	Five Days	Termination with end of service settlement	
2/10	Defamation of the reputation of the partners, or the company or one of its branches, management, consultants, clients or suppliers, whether verbally, or in writing, or in actions	Two Days	Three Days	Five Days	Termination with end of service settlement	
2/11	Failure to sign pledges and declarations of all kinds (pledge not to receive parcels – an acknowledgment of receipt of a computer – provide the head of department with the password)	Written Warning	15%	20%	25%	One Day
2/12	Contacting and dealing with customers without authorization or a request from the company and engaging in unauthorized discussions and dealings and accepting gifts and rewards	50%	One Day	Two Days	Three Days	Termination with end of service settlement
2/13	Engaging in commercial businesses, or the employee having any interest in businesses or contracting related to the duties of his/her job without knowledge or permission from the Management	Two Days	Three Days	Four Days	Termination with end of service settlement	
2/14	Using the company's tools, equipment, and machinery for private purposes without permission	Written Warning	10%	25%	50%	
2/15	Unlawful interference of the employee in any work that is not within his/her scope of work nor assigned to him/her	50%	One Day	Two Days	Three Days	
2/16	Exiting or entering from a place other than the designated one	Written Warning	10%	15%	25%	

2/17	Extensive use of the company's telephone, Internet and Email for private matters, as well as printing files and using the scanner for private purposes without permission from the Management	15%	20%	25%	30%	One Day
2/18	Using machines or raw materials for private or personal purposes	Two Days	Three Days	Five Days	Termination with end of service settlement	
2/19	Deliberate reduction in production or negligence that leads to lack of quality	Two Days	Three Days	Five Days	Termination with end of service settlement	
2/20	Negligence or gross negligence in work that may result in severe damage to lives or property	Two Days	Three Days	Five Days	Termination with end of service settlement	
2/21	Reading the newspapers and magazines and other printed materials at work during the official working hours without being required to do so as part of the job duties	20%	50%	One Day	Two Days	Four Days
2/22	Shredding or destroying the announcements or notifications of the company's management	Two Days	Three Days	Five Days	Termination with end of service settlement	
2/23	Using headphones to listen to music during work or listening to the radio and cassette during the working time	50%	One Day	Two Days	Three Days	Five Days
2/24	Playing and being distracted while working	10%	15%	20%	25%	One Day
2/25	Negligence in cleaning and maintaining the machines or not taking care of them, or failure to report any defects in them	50%	One Day	Two Days	Three Days	
2/26	Failure to place the repair and maintenance tools and other accessories in their designated places after finishing the work	Written Warning	25%	50%	One Day	
2/27	Tampering or damaging the plant's machinery and equipment	Written Warning	Termination with end of service settlement			

### Third : Violations related to work conduct :

SL.	Type of Violation	Penalty: Deducted percentage is a percentage of daily wage			
		1 <sup>st</sup> Time	2 <sup>nd</sup> Time	3 <sup>rd</sup> Time	4 <sup>th</sup> Time
3/1	Assault/Abuse by words or referencing to colleagues or subordinates or causing a riot at work	One Day	Two Days	Three Days	Four days or Written Warning
3/2	Falsehood or fabricating an injury or illness, or an employee wrongfully claiming that he/she was injured during or because of work with the intention of obtaining a sick leave	One Day	Two Days	Three Days	Five Days
3/3	Refraining from performing a medical test when requested by the company's doctor or refusing to follow medical instructions during treatment	One Day	Two Days	Three Days	Five Days
3/4	Writing of expressions on walls or attaching advertisements	Written Warning	10%	25%	50%
3/5	Refusing inspection upon leaving	25%	50%	One Day	Two Days
3/6	Collecting charity or money without permission	Written Warning	10%	25%	50%
3/7	Failure to deliver the money collected in favor of the company at the specified dates without an acceptable justification	Two Days	Three Days	Five Days	Termination with end of service settlement
3/8	Quarrels with colleagues, or causing riots at work, or making threats or intimidation	One Day	Two Days	Three Days	Five Days
3/9	Incitement to an unlawful strike or sit-in inside the workplace	Termination with end of service settlement			
3/10	Simple assault on superiors	One Day	Two Days	Three Days	Four Days
3/11	Violating the minimum standards of decency and work ethics at the workplace	Two Days	Three Days	Four Days	Five Days
3/12	Uttering shameful words or engaging in inappropriate behavior	Two Days	Three Days	Four Days	Five Days
3/13	Being under the influence of alcohol or drugs at work, or committing immoral acts	Termination with end of service settlement			
3/14	Violation of policy or minimum standards of morals while being at the clinic or a hospital treating company workers	One Day	Two Days	Three Days	Five Days
3/15	Employees verbally insulting and disrespecting other religions and the belief of others at work	One Day	Two Days	Three Days	Five Days

3/16	Accepting money or gifts from a person who has an intent of influencing the bribe-taker to carry out any act related to the company's business	Termination with end of service settlement
3/17	Giving money or gifts to one of his/her colleagues with the intention of influencing his/her work to enable the briber to benefit from this behavior with regards to the company's business	Termination with end of service settlement

#### Fourth : Violations related to occupational safety and health :

SL.	Type of Violation	Punishment : Deducted percentage is a percentage of daily wage			
		1 <sup>st</sup> Time	2 <sup>nd</sup> Time	3 <sup>rd</sup> Time	4 <sup>th</sup> Time
4/1	Driving the forklift before making the necessary checks ( coolant level – oil level – forklift operation meters and switches – alarm machines – lighting – tires – brakes – battery and its electrodes and electrical connections )	One Day	Two Days	Three Days	Five Days
4/2	Using the forklift to lift people	One Day	Two Days	Three Days	Five Days
4/3	Allowing individuals to ride on the forklift next to the driver	One Day	Two Days	Three Days	Five Days
4/4	Failure to report malfunctions in the forklift and continuing to use it	One Day	Two Days	Three Days	Five Days
4/5	Leaving the forklift in running mode and going somewhere else	One Day	Two Days	Three Days	Four Days
4/6	Leaving the forklift in a place not designated for it	One Day	Two Days	Three Days	Four Days
4/7	Failure to use the sound or light alarms at intersections or viewing corners	One Day	Two Days	Three Days	Four Days
4/8	Failure to wear the seatbelt while driving forklifts or vehicles in the company	One Day	Two Days	Three Days	Four Days
4/9	Placing obstacles in front of fire extinguisher, electrical panels, exit doors, or safe passages near the walls	One Day	Two Days	Three Days	Four Days



4/10	Exceeding the speed limit, which is 5 kilometers per hour inside the factory or plant	Two Days	Three Days	Four Days	Five Days	
4/11	Lifting a load more than 1.5 meters and moving forward	One Day	Two Days	Three Days	Four Days	
4/12	Failure to organize and arrange the gas cylinders, and leaving them in the sun	One Day	Two Days	Three Days	Four Days	
4/13	Refraining from wearing protective clothing and equipment designated for safety	Two Days	Three Days	Four Days	Five Days	
4/14	Tampering with firefighting equipment and tools or unnecessarily using them ( other than in cases of emergency )	One Day	Two Days	Three Days	Four Days	
4/15	Washing of the hands or face on machines	10%	15%	20%	25%	50%
4/16	Failure to maintain cleanliness in workplaces and corridors The use of water hoses in the factory or plants for personal hygiene purposes ( washing hands, face or clothes )	One Day	Two Days	Three Days	Four Days	
4/17	Violating the health instructions placed at the workplace Failure to ensure the safety of the stop switches (stops), sirenes, locks, and safety doors of the machines or disabling them during operation	One Day	Two Days	Three Days	Four Days	
4/18	Bypassing or approaching barriers and preventive doors on moving parts	One Day	Two Days	Three Days	Four Days	
4/19	Placing flammable materials on the machine	Two Days	Three Days	Four Days	Five Days	
4/20	Climbing on the machine during operation	Two Days	Three Days	Four Days	Five Days	
4/21	Cleaning knives while operating the production line	Two Days	Three Days	Four Days	Five Days	
4/22	Driving inside the production hall in the pedestrian areas	One Day	Two Days	Three Days	Four Days	
4/23	Negligence in reporting faults or exposed cables on the machine	Two Days	Three Days	Four Days	Five Days	
4/24	Climbing on the line knives to do the work during a hood malfunction	Two Days	Three Days	Four Days	Five Days	
4/25	The use of phone headsets in factories or plants	One Day	Two Days	Three Days	Four Days	

4/26	Entry to places that are not authorized to enter by non-specialists	One Day	Two Days	Three Days	Four Days	
4/27	Using a mobile phone inside the production hall or while driving a forklift	One Day	Two Days	Three Days	Four Days	
4/28	Failure to shut off the electricity, water and air supply from the machines after work is completed	One Day	Two Days	Three Days	Four Days	
4/29	Negligence in implementing evacuation instructions upon hearing the evacuation alarm sirene	One Day	Two Days	Three Days	Four Days	
4/30	Passage under machines or hanging loads while working	One Day	Two Days	Three Days	Four Days	
4/31	Violation of the health instructions posted in the workplace or the instructions of industrial safety	One Day	Two Days	Three Days	Five Days	
4/32	Removing or shredding the instructions of occupational safety and health	One Day	Two Days	Three Days	Four Days	
4/33	Smoking in prohibited & specified areas to preserve the safety of the employees and the company, in addition to carrying match boxes and lighters and using them in the company & in non-smoking areas	Two Days	Three Days	Five Days	Termination with end of service settlement	
4/34	Negligence or carelessness in work that may result in damage to the health or safety of employees or to the materials, tools, and devices	Two Days	Three Days	Five Days	Termination with end of service settlement	
4/35	Failure to maintain cleanliness in the workplace, corridors, and factory sides	Written Warning	10%	15%	20%	50%
4/36	Driving transport vehicles/machinery without a load, and with a blade raised more than 15 cm	Written Warning	10%	15%	20%	50%
4/37	Driving the company's vehicles and machinery quickly and recklessly within the facility's premises	15%	20%	25%	30%	50%
4/38	Walking in areas designated for cranes or forklifts	Written Warning	50%	One Day	Two Days	Three Days
4/39	Driving in the factory or plants in areas designated for pedestrians	Written Warning	50%	One Day	Two Days	Three Days
4/40	Standing and walking on machines during their operation	One Day	Two Days	Three Days	Four Days	Termination with end of service settlement

4/41	Keeping and heating food inside machines	One Day	Two Days	Three Days	Four Days	Termination with end of service settlement
4/42	Eating next to machines or on top of machines during their operation	One Day	Two Days	Three Days	Four Days	Termination with end of service settlement
4/43	Throwing dirt and garbage on the factory floor	One Day	Two Days	Three Days	Four Days	Termination with end of service settlement

### Terms and conditions related to all violations and penalties :

- 1) The penalty shall be more severe in every action that did not include the penalty of termination of the employee's service in the table of violations and penalties, and can reach the point of the termination of the employee's service with settlement in the event of repeated violations. The total of repeated violations in this case is seven violations within 180 days, starting from the date of the first violation.
- 2) While maintaining company documents as a means of proof, the testimonies of the company's workers shall be considered as one of the means of produced proof.
- 3) In all cases, asking a worker about violations attributed to him/her is not considered abuse, insult or defamation.
- 4) The company reserves the right to issue a warning to an employee/worker who commits a violation that is not mentioned in the table of violations or that does not have a penalty. The company is also entitled to grant a reward for any work or achievement not mentioned in or referred to in this regulation. Furthermore, a refund of the deduction could be made to the employee based on the recommendation of his/her direct superior in the event that the deduction was a penalty for the first time for a violation related to work attendance, and if the worker demonstrated commitment to the working hours for three (3) consecutive months, without any changes made to the fact that the violation occurred in terms of repetition and its penalties.

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