

Osool People's Division INTERNAL WORK REGULATION POLICY

Based on the Saudi Labor Law and its Executive
Regulations

Issued by: People Division
Version 1.0

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SECTION 1: INTRODUCTION & PURPOSE

This Internal Work Regulation Policy is issued by the People Division of Osool Integrated Real Estate Co. (hereinafter referred to as "the Company") to establish a clear, fair, and organized framework governing the employment relationship between the Company and all its employees.

This document is derived from the Saudi Labor Law (Royal Decree No. M/51) and its Executive Regulations issued by the Ministry of Human Resources and Social Development. It constitutes the official internal reference for all employment-related matters and is binding on all employees of the Company.

Scope of Application:

These regulations apply to all employees of Osool Integrated Real Estate Co., regardless of their position, nationality, or contract type.

All employees are required to read, understand, and comply with the provisions of this regulation. Managers and supervisors are responsible for ensuring fair and consistent application of these policies within their teams.

For any questions or clarifications, employees should contact the People Division.

SECTION 2: EMPLOYMENT CONTRACTS

The employment relationship between the Company and each employee is governed by a formal, written employment contract. The following provisions apply:

2.1 Contract Requirements

All employment relationships must be documented in a written contract, signed by both parties. Two original copies of the contract will be issued — one for the employee and one retained by the Company.

The contract must specify: employee name, nationality, ID/Iqama number, job title, duties, work location, agreed wage, start date, and contract duration (if fixed-term).

2.2 Probationary Period

New employees may be subject to a probationary period not exceeding one hundred eighty (180) days.

Either party may terminate the contract during the probationary period without notice or compensation, unless the contract specifies otherwise.

2.3 Contract Types

Fixed-term contracts: Automatically expire at the end of the specified term. If both parties continue working after the expiry date, the contract is considered renewed for an indefinite term.

Indefinite-term contracts: Continue until terminated by either party in accordance with the provisions of the Labor Law.

Temporary/Casual/Seasonal contracts: Subject to the provisions of Article Six of the Labor Law. If work continues beyond ninety (90) days, the contract is automatically converted to a standard employment contract.

SECTION 3: WORK ORGANIZATION & EMPLOYEE RECORDS

3.1 Work Regulation Announcement

This regulation will be posted to all Company employees through official channels.

Any amendments to this regulation will be communicated to employees at least two weeks before taking effect.

3.2 Employee Records

The Company maintains the following records in accordance with Article 17 of the Labor Law:

Employee Name Register: Names, job titles, ages, nationalities, ID numbers, and work permit details for non-Saudi employees.

Wage Register: Wages paid, payment dates, deductions, and reasons for deductions.

Fines Register: Employee name, wage amount, fine amount, reason, and date.

Attendance & Departure Record: Daily attendance and departure times.

Saudi Training Record: Training programs, types, durations, years, and names of trained employees.

Medical Examination Record: For employees in roles exposed to occupational health risks.

Individual Work File: Personal data, address, employment contract copy, and submitted certificates or documents.

3.3 Employee Data Confidentiality

The Company will not retain an employee's passport, residence permit (Iqama), or medical insurance card.

All employee records are treated as confidential and are accessible only to authorized personnel.

Employees must notify the People Division of any changes to their personal data within ten (10) days of the change.

SECTION 4: WORKING HOURS, OVERTIME & REST

4.1 Standard Working Hours

The standard working hours are eight (8) hours per day, or forty (40) hours per week.

During the holy month of Ramadan, working hours for Muslim employees are reduced to six (6) hours per day or thirty (30) hours per week.

A schedule of working hours, rest periods, and shift times will be communicated with all employees.

4.2 Rest & Prayer Breaks

Employees are entitled to a rest, prayer, and meal break of no less than thirty (30) minutes after five (5) consecutive hours of work.

Break times are not counted as part of the working hours.

4.3 Weekly Rest

Thursday and Friday shall be the Company's official weekly rest days. Employees are entitled to a weekly rest period of no less than forty-eight (48) consecutive hours per week, in accordance with applicable laws and regulations.

This arrangement shall not apply to shift-based employees, whose work schedules and weekly rest days will be determined in accordance with operational requirements and approved shift rosters.

4.4 Overtime

Work performed beyond the standard daily or weekly hours is considered overtime and requires prior authorization from the employee's direct manager.

Overtime is compensated at the employee's regular hourly wage plus a fifty percent (50%) premium. Employees may not be required to work more than the maximum overtime hours permitted by law.

SECTION 5: LEAVE & HOLIDAYS

5.1 Annual Leave

All employees are entitled to an annual paid leave of twenty-five (25) working days per calendar year.

Employees are expected to utilize their annual leave within the year in which it is accrued. Unused annual leave may be carried forward to the following year, up to a maximum of ten (10) working days, subject to business requirements and the approval of the employee's direct manager.

Any exceptions exceeding the maximum carry-forward limit shall be subject to the approval of the Chief Executive Officer (CEO) or their delegate.

Annual leave dates are agreed upon between the employee and their manager, subject to operational requirements.

5.2 Official Public Holidays

All employees are entitled to fully paid leave on official public holidays declared by the Kingdom of Saudi Arabia.

Official holidays include, but are not limited to: Eid Al-Fitr (4 days), Eid Al-Adha (4 days), Saudi National Day (1 day), and Founding Day (1 day).

5.3 Sick Leave

Employees are entitled to sick leave of up to one hundred twenty (120) days per year, subject to a valid medical report.

First 30 days: Full pay.

Next 60 days: Three-quarters (75%) of the regular wage.

Final 30 days: Unpaid leave.

Employees must notify their direct manager and the People Division as soon as possible when taking sick leave.

5.4 Other Leave Entitlements

Leave Type	Duration	Conditions
Marriage Leave	5 days	Paid; applicable once per employment period
Paternity Leave	3 days	Paid; upon birth of child
Bereavement Leave	5 days	Paid; death of immediate family member
Hajj Leave	10-15 days	Paid; once during employment; for Muslim employees
Maternity Leave	10 weeks	Paid; 4 weeks before and 6 weeks after delivery
Study/Exam Leave	As required	Subject to People Division approval

SECTION 6: WAGES & FINANCIAL POLICIES

6.1 Wage Payment

Wages are paid in Saudi Riyals (SAR) on the dates specified in the employment contract, and in all cases no later than 25th day of the month.

6.2 Deductions

No deductions may be made from an employee's wage except in cases permitted by law.

Permissible deductions include: social insurance contributions, repayment of advances, fines for violations, and court-ordered deductions.

Total deductions in any single month may not exceed fifty percent (50%) of the employee's wage, except in cases of debt repayment ordered by a court.

SECTION 7: EMPLOYEE DUTIES & CODE OF CONDUCT

All employees of Osool Integrated Real Estate Co. are expected to uphold the highest standards of professionalism and integrity. The following duties apply to all employees:

7.1 Professional Conduct

Perform assigned duties diligently, honestly, and to the best of their ability.

Comply with all instructions and directives issued by authorized supervisors, provided they do not violate the law.

Treat colleagues, clients, and business partners with respect and professionalism at all times.

Maintain the confidentiality of all Company information, client data, and business matters.

Protect and properly use Company assets, equipment, and resources.

7.2 Prohibited Actions

Engaging in any activity that constitutes a conflict of interest with the Company.

Misusing the provisions of the Saudi Labor Law or Company regulations.

Pressuring or coercing other employees or employers in a manner inconsistent with the freedom of work.

Disclosing confidential Company information to unauthorized parties.

Engaging in any form of harassment, discrimination, or intimidation in the workplace.

SECTION 8: DISCIPLINARY ACTIONS & VIOLATIONS

The Company has established a progressive disciplinary framework to address violations of work duties or Company policies. All disciplinary actions will be applied fairly, consistently, and in accordance with the Saudi Labor Law.

8.1 Disciplinary Measures (in order of severity)

Written Warning: Issued for minor violations. A copy is placed in the employee's file.

Fine: A monetary deduction from the employee's wage, not exceeding five (5) days' wage per violation.

Suspension Without Pay: Up to five (5) days per violation.

Deferral of Periodic Increment: For a period not exceeding one year.

Demotion: To a lower grade or position.

Termination with End-of-Service Award: Dismissal with full legal entitlements.

Termination without End-of-Service Award: Reserved for cases of gross misconduct as defined by Article 80 of the Labor Law.

8.2 Procedural Safeguards

No employee may be disciplined without being notified of the accusation and given an opportunity to respond in writing.

A disciplinary action may not be imposed more than thirty (30) days after the discovery of the violation.

An employee may not be disciplined twice for the same violation.
All fines collected will be deposited into a fund for the benefit of employees, as determined by the Company.
A detailed schedule of violations and their corresponding penalties is provided in Annex A of this document.

SECTION 9: OCCUPATIONAL SAFETY & HEALTH

9.1 Company Obligations

The Company is committed to providing a safe, healthy, and risk-free work environment for all employees.

The Company will conduct regular safety inspections and risk assessments of all work premises. Appropriate personal protective equipment (PPE) will be provided to employees in roles that require it, free of charge.

The Company will provide medical care for work-related injuries and occupational diseases in accordance with the law.

9.2 Employee Obligations

Comply with all safety regulations, instructions, and signage in the workplace.

Use all provided safety equipment and PPE correctly.

Report any work-related injury, illness, or hazardous condition to their direct supervisor immediately.

Refrain from any action that may endanger the safety of themselves or their colleagues.

9.3 Work Injuries

Any work-related injury must be reported immediately to the direct supervisor and the People Division.

The Company will cover all medical treatment costs for work-related injuries.

Employees who sustain a work-related injury are entitled to compensation in accordance with the Saudi Labor Law.

SECTION 10: TRAINING & DEVELOPMENT

Osool Integrated Real Estate Co. is committed to the continuous development of its employees' skills and competencies.

The Company will develop and implement annual training plans to enhance employee performance and professional growth.

Employees are encouraged to participate in all training programs offered by the Company.

The Company is committed to the Saudization (Nitaqat) program and will provide training and development opportunities to Saudi national employees to enhance their skills and career progression.

Training records will be maintained for all employees, documenting the programs attended, duration, and outcomes.

Employees who receive Company-sponsored external training may be required to sign a training bond as per the terms agreed upon.

SECTION 11: END OF SERVICE AWARD

Upon termination of the employment relationship, employees are entitled to an end-of-service award (gratuity), calculated as follows:

Years of Service	Entitlement Rate	Calculation Basis
First 5 years	½ month's wage per year	Last full monthly wage
Beyond 5 years	1 full month's wage per year	Last full monthly wage

If the employee resigns voluntarily before completing two (2) years of service, they are not entitled to an end-of-service award.

If the employee resigns after two (2) but before five (5) years of service, they are entitled to one-third (1/3) of the award.

If the employee resigns after five (5) but before ten (10) years of service, they are entitled to two-thirds (2/3) of the award.

If the employee resigns after ten (10) or more years of service, they are entitled to the full award.

Employees terminated for gross misconduct under Article 80 of the Labor Law forfeit their end-of-service award.

SECTION 12: GRIEVANCE & DISPUTE RESOLUTION

The Company is committed to resolving employee grievances fairly and promptly. The following procedure applies:

Step 1 — Direct Discussion: The employee discusses the issue directly with their direct supervisor.

Step 2 — People Division: If unresolved, the employee submits a written grievance to the People Division within fifteen (15) days of the incident.

Step 3 — Management Review: The People Division will investigate and provide a written response within ten (10) working days.

Step 4 — Ministry of Human Resources: If the matter remains unresolved, either party may refer the dispute to the Ministry of Human Resources and Social Development.

Step 5 — Labor Courts: Unresolved disputes may be referred to the Labor Courts for a final binding decision.

No employee will be subjected to any form of retaliation for filing a grievance in good faith.

ANNEX A: VIOLATIONS & PENALTIES SCHEDULE

The following schedule outlines common violations and the corresponding disciplinary actions. Actions are applied progressively based on the severity and frequency of the violation.

Violation	First Occurrence	Repeat Occurrence
Unauthorized absence (up to 3 days)	Written Warning	Fine up to 2 days' wage
Unauthorized absence (more than 3 days)	Fine up to 3 days' wage	Suspension / Termination
Repeated tardiness (3+ times/month)	Written Warning	Fine up to 1 day's wage
Failure to follow safety instructions	Written Warning + Fine	Suspension
Misuse of Company property	Fine + Written Warning	Termination
Disclosure of confidential information	Suspension	Termination
Harassment or misconduct toward colleagues	Suspension	Termination
Fraud or dishonesty	Termination without award	—
Physical assault in the workplace	Termination without award	—
Gross insubordination	Suspension / Termination	—