

# Audit Committee

The Company's Ordinary General Assembly formed this Committee for a period of three years starting from 7 August 2016. As an amendment, regulation of the Audit Committee, including the remuneration of its members, was approved by the Company's General Assembly on 8 October 2017, in accordance with Article 101 of the Companies Law. The Audit Committee shall be competent in monitoring the Company's activities and ensuring the integrity and effectiveness of the reports, Financial Statements and internal control systems. The duties of the Audit Committee shall, in particular, include the following:

## Financial reports

- Analyzing the Company's Interim and Annual Financial Statements before presenting them to the Board and providing its opinion and recommendations thereon to ensure their integrity, fairness and transparency
- Providing its technical opinion, at the request of the Board, regarding whether the Board's report and the Company's Financial Statements are fair, balanced, understandable and contain information that allows shareholders and investors to assess the Company's financial position, performance, business model and strategy
- Analyzing any important or non-familiar issues contained in the financial reports
- Accurately investigating any issues raised by the Company's CFO or any person assuming his or her duties, or the Company's Compliance Officer or external Auditor
- Examining accounting estimates in respect of significant matters that are contained in the financial reports
- Examining the Company's accounting policies and providing the Board with its opinion and recommendations thereon

## Internal Audit

- Examining and reviewing the Company's internal and financial control systems
- Analyzing internal audit reports and following up on the implementation of corrective measures in respect of the remarks contained therein
- Monitoring and overseeing the performance and activities of the Company's internal Auditor and Internal Audit department to ensure the availability

of the necessary resources and their effectiveness in performing the assigned activities and duties

- Submitting a recommendation to the Board on appointing a Director for the Internal Audit department and suggesting the remuneration thereof
- Studying and reviewing the Company's internal control system and preparing a written report on its opinion regarding the adequacy thereof and other activities that it conducted within its competence
- The Board shall make available sufficient copies of said report at the Company's head office at least 10 days prior to the date set for the General Assembly Meeting, in order to provide each shareholder with a copy of said report, which shall be read during the Assembly

## The Auditor

- Providing recommendations to the Board to nominate Auditors, dismiss them, determine their remuneration and assess their performance after verifying their independence and reviewing the scope of their work and the terms of their contracts
- Verifying the independence of the Auditor, its objectivity, fairness and the effectiveness of audit activities, taking into account relevant rules and standards
- Reviewing the plan of the Company's Auditor and its activities and ensuring that it does not provide any technical or administrative work that is beyond its scope of work and provides its opinion thereon
- Responding to queries from the Company's Auditor
- Reviewing the Auditors' reports and its comments on the Financial Statements, as well as following up on the procedures taken in connection therewith

## Ensuring compliance

- Reviewing the findings of the reports of supervisory authorities and ensuring that the Company has taken the necessary actions in connection therewith
- Ensuring the Company's compliance with relevant laws, regulations, policies and instructions
- Reviewing the contracts and proposed related party transactions and providing its recommendations to the Board in connection therewith
- Reporting any issues to the Board in connection with what it deems necessary to take action on and providing recommendations as to the steps that should be taken

## The Committee is formed according to the following rules:

- An Audit Committee shall be formed by a resolution of the Ordinary General Assembly of the Company upon the recommendation of the Board of Directors
- Nomination of Audit Committee members shall be pursuant to the recommendation of the Remuneration and Nomination Committee
- Audit Committee members may be shareholders or others, provided that at least one of them is an independent member, and that one of its members is specialized in finance and accounting
- The Audit Committee shall not include any Executive Directors
- Any person who works or has worked in the Executive or Financial Management of the Company or with the Auditor of the Company during the last two years may not be a member of the Audit Committee
- The number of members of a committee shall not be less than three or more than five
- The Chairman of the Board of Directors may not be a member of the Audit Committee
- Members of the Audit Committee shall be selected in such a way as to ensure that they possess a variety of skills and expertise, taking into account their possession of appropriate expertise in the Company's business sector, including those who are competent in financial and accounting matters
- Members of the Audit Committee shall be appointed for a period not exceeding three years and may be reappointed as needed for the Committee's formation

- The Chairman of the Audit Committee shall be an independent member and shall be appointed by the members thereof at the first Committee meeting
- At its first meeting, the Audit Committee shall appoint a secretary from among its members or the Company's employees
- If an Audit Committee seat becomes vacant, the Company's Board of Directors may appoint a temporary member to the vacant position, provided that the latter has the required expertise and competence. The CMA shall be informed thereof within five business days from the date of appointment, which shall be submitted before the Ordinary General Assembly at its first subsequent meeting. The new Audit Committee member shall complete the term of his or her predecessor
- The Company undertakes to notify the CMA of the names of its Audit Committee members and the status of their memberships within five business days from the date of their appointment, as well as any changes that may affect their membership, within five business days from the occurrence of such changes

As per Article 103 of the Companies Law, the Audit Committee may ask the Board of Directors to call a General Assembly to convene if the Board of Directors hinders its work or when the Company suffers serious damages or losses. During 2024, the Audit Committee held five meetings. The following table illustrates the names, positions and attendance of the Committee members.

No.	Member Name	Position	Meetings					Attendance Rate
			First 18-Jan-24	Second 18-Apr-24	Third 04-Jul-24	Fourth 03-Oct-24	Fifth 05-Dec-24	
1	Mr. Raied Bin Ali Alseif	Chairman	Attended	Attended	Attended	Attended	Attended	100%
2	Mr. Abdulrahman Moulay Albizioui**	New Member	-	-	-	Attended	Attended	100%
3	Mr. Eid Bin Faleh Al Shamri	Member	Attended	Attended	Attended	Attended	Attended	100%
4	Dr. Salah Altaieb	Member	Attended	Attended	Attended	Attended	Attended	100%
5	Mr. Salman Bin Abdulmuhsin Alsudeary	Member	Attended	Attended	Attended	Attended	Attended	100%
6	Mr. Sulaiman Bin Naser Alhatlan*	Former Member	Attended	Attended	-	-	-	100%

\*Membership ended June 2024

\*\*Membership started September 2024