

Ayyan Investment Company

A Saudi Joint Stock Company

Competition Standards Policy

Purpose

The company's competition controls and standards have been prepared to clarify the company's competition, its mechanism, the concept of competition activities, and the mechanism by which the Board of Directors verifies that a Board Member is competing with the company's business or competing with it in one of the branches of activity he is engaged in. This is in compliance with the requirements of Article (27) of the Companies Law and Articles (44) and (45) of the Corporate Governance Regulations. This policy applies to members of the company's board of directors and members of its sub-committees. The general assembly of shareholders of Ayyan Company is responsible for approving this policy based on the proposal of the Board of Directors.

Definitions

The following words and phrases have the meanings indicated opposite each of them unless the context requires otherwise. The Corporate Governance Regulations shall be the primary reference for any words or phrases not defined in this policy:

The Board or Board of Directors : The company's Board of Directors is responsible for directing and supervising the company to achieve the interests of shareholders.

Company : Ayyan Investment Company (a listed, Saudi joint stock company).

Committees : Committees formed by the Board of Directors.

Companies Law: The Saudi Companies Law issued by Royal Decree No. M/132 dated 01/12/1443 H (corresponding to 30/06/2022 G), as amended and supplemented from time to time.

Corporate Governance Regulations: The Corporate Governance Regulations issued by the Board of the Capital Market Authority pursuant to Resolution No. 8-16-2017 dated 16/05/1438 H (corresponding to 13/02/2017 G), as amended from time to time.

General Assembly: The General Assembly is composed of all shareholders who own shares in the company, at whose meeting shareholders exercise their rights.

The Concept of Competitive Business

The concept of participating in any business that competes with the company or its competitors in any of the following areas of activity includes:

- A member of the board of directors establishing a company or sole proprietorship or owning a significant percentage of shares or stakes in another company or establishment that engages in an activity similar to that of the company or its group.
- Accepting membership in the board of directors of a company or establishment competing with the company or its group, or assuming the management of a competing sole proprietorship or a competing company of any form, with the exception of the company's affiliates.
- A member obtaining a commercial agency or similar position, whether overt or covert, for another company or establishment competing with the company or its group.

Competition with the Company

- Board members are obligated to fully and immediately notify the Board of Directors of their participation—directly or indirectly—in any business that may compete with the Company, or of their competition with the Company—directly or indirectly—in any of its activities, in accordance with the provisions of the Companies Law, the Capital Market Law, and their implementing regulations.
- A board member may not participate in any business that may compete with the Company or compete with the Company in any of its activities, except with the authorization of the Ordinary General Assembly or their authorized representative.
- If a board member violates the above, the company has the right to seek appropriate compensation before the competent judicial authority.
- Subject to the provisions of Article (27) of the Companies Law and Article (44) of the Corporate Governance Regulations, if a member of the Board of Directors or a member of one of its committees wishes to engage in a business that competes with the Company, or competes with it in one of its business branches, the following must be observed:
 1. Inform the Board of Directors of the competing business they wish to engage in and record this notification in the minutes of the Board of Directors meeting.
 2. The interested member shall not participate in voting on the resolution issued in this regard by the Board of Directors, its committees, or the shareholders' assemblies.
 3. The Board of Directors shall notify the Ordinary General Assembly, upon its convening, of the competing business that the member of the Board or a member of

one of its committees wishes to engage in. This shall be done after the Board of Directors has verified that the member of the Board or a member of one of its committees is in competition with the Company's business or competes with it in one of its business branches, in accordance with these controls and standards. Such business shall be verified annually.

4. Obtain a license from the Ordinary General Assembly of the Company or from the Board of Directors, pursuant to an authorization from the Ordinary General Assembly, authorizing the member to engage in competing business.
5. Anyone who wishes to nominate himself for membership in the Board of Directors must disclose to the Board of Directors and the General Assembly his participation in a business that may compete with the Company or compete with it in one of the branches of activity that it carries-out.

Refusal to Grant a License

If the General Assembly refuses to grant a license to a Board member to engage in a business that would compete with the Company, or to compete with the Company in any of its activities, pursuant to the relevant articles of the Law and the Corporate Governance Regulations, the Board member must submit their resignation within a period determined by the General Assembly. Otherwise, their membership on the Board shall be deemed terminated, unless they decide to abandon their business in competition with the Company or adjust their status in accordance with the Companies Law and its implementing regulations before the expiry of the period determined by the General Assembly.

Review of Competition Standards Policy

The Company's Nominations and Remuneration Committee reviews these controls and standards periodically or whenever necessary to ensure their compliance with relevant rules and regulations, as well as to assess their effectiveness in achieving their objectives.

<u>Nomination and Appointment Policies, Standards and Procedures for the Board of Directors</u>	
Nomination and Appointment Policies, Standards and Procedures for the Board of Directors (After Amendment)	Nomination and Appointment Policies, Standards and Procedures for the Board of Directors (Before Amendment)
<p>Introduction: The policies, standards and procedures for membership in the Company's Board of Directors were prepared with the aim of complying with Paragraph (3) of Article (21) of the Corporate Governance Regulations, which stipulated that the Board of Directors shall prepare clear and specific policies, standards and procedures for Membership in the Board – in a manner that does not conflict with the mandatory provisions of the Corporate Governance Regulations – and put them into effect after the General Assembly approves them.</p> <p>First: Board Membership Policies and Criteria</p> <ol style="list-style-type: none"> 1) Possess sufficient knowledge of administrative and financial matters and be familiar with the relevant rules, regulations, and legislation, particularly those issued by the Authority, and with the rights and duties of the Board of Directors. 2) A Board Member shall not hold membership in more than five joint-stock companies listed on the financial market at any one time. 3) The candidate shall not be a government employee. 4) The candidate must be professionally competent, possessing the necessary experience, knowledge, skills, and independence to enable them to perform their duties efficiently and competently. Specifically, the following must be met: <ul style="list-style-type: none"> - The candidate must possess leadership skills that qualify them to delegate authority, which will motivate performance, implement best practices in effective management, and adhere to professional values and ethics. - The candidate must be competent, possessing the appropriate academic qualifications, professional and personal skills, training level, and practical experience relevant to the company's current and future activities, or to management, economics, accounting, law, or governance, as well as a desire to learn and train. - The candidate must have the ability to provide guidance, demonstrating technical, leadership, and administrative capabilities, quick decision-making, and an understanding of the technical requirements related to 	<p>Introduction: The policies, standards and procedures for membership in the Board of Directors of Ayyan Investment Company were prepared with the aim of complying with Paragraph (3) of Article (22) of the Corporate Governance Regulations issued by the Board of the Capital Market Authority pursuant to Resolution No. (2017-16-8) dated 16/5/1438 H corresponding to 13/2/2017 G, which stipulated that the Board of Directors (the Board) shall (prepare clear and specific policies, standards and procedures for membership in the Board - in a manner that does not conflict with the mandatory provisions of the Corporate Governance Regulations - and put them into effect after the General Assembly approves them).</p> <p>First: Policies, Standards, and Procedures for Nomination and Appointment to the Board of Directors</p> <ol style="list-style-type: none"> 1. Possess sufficient knowledge of administrative and financial matters and be familiar with the relevant rules, regulations, and legislation, particularly those issued by the Authority, and with the rights and duties of the Board of Directors: 2. Sufficient time must be allowed for the submission of nomination applications for Board membership: 3. The Authority must be notified of the names of Board members and their membership descriptions within five business days from the start date of the Board of Directors' term or the date of their appointment—whichever is sooner—and of any changes to their membership within five business days from the date of the changes: 4. The applicant must not be a board member of five joint-stock companies listed on the market: 5. If the candidate has previously served as a member of the board of directors of a joint-stock company, he must provide the company with a statement of the number and dates of the boards of directors on which he served. If he has previously served as a member of the company's board

<p>the workflow. They must also be capable of providing strategic direction, planning, and a clear future vision.</p> <ul style="list-style-type: none"> - The candidate must have financial knowledge, demonstrating the ability to read and understand financial statements and reports. - The candidate must be physically fit, possessing no health conditions that would hinder them from performing their duties and responsibilities, and possessing the necessary personal and professional qualifications to perform their duties effectively. <p>5) The candidate must have sufficient and appropriate practical and academic experience that will contribute to supporting the company's journey towards optimal performance and achieving its strategy.</p> <p>6) The candidate must possess the ability to communicate effectively and think strategically.</p> <p>7) Preference will be given to candidates with previous experience as Board members of joint-stock companies that do not conflict with the company's activities and its subsidiaries, to avoid conflicts of interest.</p> <p>8) The candidate must not have been convicted by the Authority or any judicial or regulatory body of a serious violation of the Companies Law or the Capital Market Law and its implementing regulations, committing a punishable offense under the law that violates honesty or integrity, or involves fraud, deception, or misrepresentation.</p> <p>9) The candidate for Board membership must not have been previously convicted of a crime that violates honor or integrity, and must not be insolvent, bankrupt, or otherwise unfit for Board membership in accordance with any applicable law or directive in the Kingdom.</p> <p>10) The candidate for Membership in the Board shall adhere to the principles of honesty, integrity, loyalty, care and concern for the interests of the Company and shareholders and prioritize them over his personal interest. This shall be achieved by ensuring that the relationship of the Board member with the Company is a sincere professional relationship, disclosing to the Company any influential information before executing any deal or contract with the Company or one of its subsidiaries, avoiding dealings that involve a conflict of interest, ensuring fairness of dealing and observing the provisions relating to conflict of interest contained in the Governance Regulations, and performing the duties and responsibilities contained in the Companies Law, the Capital Market Law, the Articles of Association and other relevant regulations.</p>	<p>of directors, he must attach to the nomination notice a statement from the company's management regarding his last term as a member of the board, including the following information:</p> <ul style="list-style-type: none"> → The number of board meetings held during each year of the term, the number of meetings the member attended, and his percentage of attendance compared to the total number of meetings. → The committees in which the member participated, the number of meetings held by each of these committees during each year of the term, the number of meetings he attended, and his percentage of attendance compared to the total number of meetings. <p>6. The candidate must be fully qualified according to Sharia law:</p> <p>7. The candidate must have sufficient and appropriate practical and academic experience that will contribute to supporting the company's journey towards optimal performance and achieving its strategy:</p> <p>8. Preference will be given to candidates with previous experience as board members of joint-stock companies that do not conflict with the company's activities and its subsidiaries, to avoid conflicts of interest.</p> <p>9. The candidate must not have been convicted by the Authority or any judicial or regulatory body of a serious violation of the Companies Law or the Capital Market Law and its implementing regulations, committing a crime punishable by law that violates honesty or integrity, or involves fraud, deception, or misleading information:</p> <p>10. The company must advertise on the market's website a description of the board of directors' candidates, including their qualifications, skills, positions, and previous and current memberships. The company must make a copy available at its headquarters and on the company's website:</p> <p>11. The company must provide shareholders with sufficient information about the candidates, their qualifications, and their relationships with the company before voting on their selection. The principle of</p>
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- 11) Considering diversity in academic qualifications and practical experience, and giving priority in nominations to those with the appropriate skills required for Board membership.
- 12) The number of independent members shall not be less than two or one-third of the Board members, whichever is greater.
- 13) An independent member must enjoy complete independence in his or her position and decisions, and shall not be subject to any of the matters affecting independence stipulated in Article (19) of the Corporate Governance Regulations.
- 14) A Board member shall represent all shareholders and shall be committed to what serves the company's overall interest, not the interests of the group he or she represents or the group that voted for his or her appointment to the Board.
- 15) A Board member's membership shall terminate upon his or her resignation, death, removal by a decision of the general assembly, conviction of any crime involving moral turpitude or dishonesty, bankruptcy, insolvency, or if he or she becomes unfit for Board membership in accordance with any applicable laws, regulations, or instructions in the Kingdom.
- 16) A member of the Board must resign before the end of his term on the Board, in the event that he loses his eligibility to work as a member of the Council, or is unable to perform his duties, or is unable to devote the time or effort necessary to perform his responsibilities on the Board. However, in the event of a conflict of interest, the member has the option of obtaining an approval from the General Assembly, renewed every year, or submitting his resignation.

Second: Procedures for Electing Members of the Board of Directors:

- 1) The Nominations and Remuneration Committee shall coordinate with the company's executive management to announce the opening of nominations for membership in the company's Board, in accordance with the Companies Law, the Governance Regulations, and the instructions of the Capital Market Authority.
- 2) Each shareholder has the right to nominate themselves or one or more other persons for membership in the Board, within the limits of their shareholding in the capital.
- 3) Anyone wishing to nominate themselves for membership in the company's Board must notify the

~~cumulative voting is used when voting at the general assembly for board members. The company publishes all information about the candidates on the company's website and the Tadawul website.~~

~~12. The number of board candidates presented to the general assembly must exceed the number of available seats, so that the general assembly has the opportunity to choose from among the candidates.~~

~~13. The candidate must disclose any conflicts of interest if they engage in activities similar to those of the company:~~

~~14. Form 3 attached to the company's announcement of the opening of nominations must be completed.~~

~~The candidates' papers shall be presented to the company's Nominations and Remuneration Committee, which shall issue its recommendations to the Board of Directors for presentation to the General Assembly after obtaining the approvals of the relevant authorities. When electing members of the Board of Directors, the Assembly shall take into account the recommendations of the Nominations Committee and the availability of the personal and professional qualifications necessary to perform their duties effectively, in accordance with the provisions of this Article.~~

Second: Procedures for electing members of the Board of Directors:

~~1. The company shall announce information about the candidates for Board membership on the website of the Capital Market (Tadawul) and through any other means determined by the Authority when publishing or issuing the invitation to convene the General Assembly.~~

~~2. Voting for the election of members of the Board of Directors shall be conducted through cumulative voting.~~

~~3. Voting in the General Assembly shall be limited to those who nominated themselves in accordance with the approved policies, standards, and procedures.~~

Third: Formation of the Board of Directors

~~1. Article Sixteen of the Company's Articles of Association and its future amendments, if any, stipulates that the~~

<p>company's management of their intention by notifying them within the timeframes and deadlines stipulated in the applicable laws, regulations, circulars, and decisions. This notification must include a description of the nominee, including their CV, qualifications, and practical experience, and must complete any form issued by the Capital Market Authority.</p> <p>4) Anyone wishing to nominate themselves for membership on the Board must disclose to the Board and the General Assembly any conflicts of interest, including:</p> <ul style="list-style-type: none"> • Having a direct or indirect interest in the business and contracts concluded on behalf of the company for whose Board of Directors they wish to nominate themselves. • His participation in a business that would compete with the company, or compete with it in one of the branches of its activity. <p>5) A candidate who has previously served on the Board of a joint-stock company must provide the company with a statement of the number and date of the Boards of Directors of the companies on which he served.</p> <p>6) A candidate who has previously served on the Board of a company must attach to the nomination notice a statement from the company's management regarding his last term as a Board member, including the following information:</p> <p>7) The number of Board meetings held during each year of the term.</p> <p>8) The number of meetings the member attended, and his percentage of attendance compared to the total meetings.</p> <p>9) The standing committees in which the member participated, the number of meetings held by each of those committees during each year of the term, the number of meetings he attended, and his percentage of attendance compared to the total meetings.</p> <p>10) The membership status must be clearly stated, i.e., whether the member is an executive, non-executive, or independent member.</p> <p>11) The nature of the membership must be clearly stated, i.e., whether the member is a candidate in his personal capacity or a representative of a legal entity.</p> <p>12) The Nominations and Remuneration Committee, in coordination with the company's executive management, shall provide the Capital Market Authority with the CVs of candidates for membership in the company's Board of Directors, in accordance with</p>	<p>Company shall be managed by a Board of Directors composed of (7) seven members appointed by the Ordinary General Assembly for a term not exceeding three years:</p> <p>2- The Ordinary General Assembly shall elect the members of the Board of Directors in accordance with Article Sixteen of the Company's Articles of Association. Members of the Board of Directors may be re-elected, and cumulative voting shall be used to elect members of the Board.</p> <p>3- The Board of Directors shall appoint a Secretary to the Board. The Board may also appoint one or more advisors to serve on various company affairs, and the Board shall determine their remuneration.</p> <p>4- Each shareholder has the right to nominate himself or one or more other persons for membership in the Board of Directors, within the limits of his shareholding in the capital.</p> <p>5- A member of the Board of Directors must be professionally competent and possess the necessary experience, knowledge, skill, and independence to enable him or her to perform his or her duties competently and competently. In particular, the following must be met:</p> <ul style="list-style-type: none"> • Leadership ability. • Competence. • Guidance ability. • Financial knowledge. • Physical fitness. <p>6- A member of the Board of Directors must not simultaneously serve on the boards of more than five joint-stock companies listed on the market.</p> <p>7- A majority of the Board of Directors must be non-executive.</p> <p>8- It is prohibited to combine the position of Chairman of the Board of Directors with any executive position within the company, such as the position of Chief Executive Officer, Managing Director, or General Manager.</p> <p>9- Independent members of the Board of Directors must not be less than two (2) members or one-third of the Board, whichever is greater.</p> <p>10- The company must notify the Authority of the names of the board members and their membership descriptions within five business days from the start date of the board's term or the date of their appointment, whichever is earlier, and of any changes to their membership within five business days from the date of the changes.</p> <p>11- The company's board members and senior executives must exercise their powers and perform their duties in a manner that serves the company's best interests, in accordance with the powers list approved by the board of</p>
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<p>the CV template for a candidate for membership in the Board of Directors of a joint-stock company listed on the Saudi Stock Exchange (Tadawul), in addition to any copies of the nomination notice and its attachments.</p> <p>13) The Nominations and Remuneration Committee shall implement any comments received from the competent authorities regarding any candidate.</p> <p>14) Voting in the General Assembly shall be limited to those who nominated themselves in accordance with the aforementioned policies, standards, and procedures.</p> <p>Final Provisions</p> <p>This policy shall be effective and adhered to by the Company as of the date of its approval by the General Assembly of Shareholders. The content of this policy shall be reviewed as necessary based on the recommendation of the Board and the Nominations and Remuneration Committee, and such amendments shall be submitted to the General Assembly of Shareholders for approval at its next meeting.</p>	<p>directors in accordance with Article Twenty-Three of the Corporate Governance Regulations.</p> <p>Fourth: Termination of Board Membership and Removal from the Board</p> <p>1. Board membership shall terminate for one of the following reasons:</p> <ul style="list-style-type: none"> —Upon the expiration of the term. —Upon the resignation or death of the member. —If the member fails to attend three consecutive meetings without a valid excuse. —If a bankruptcy judgment is issued against him. —If he becomes unfit for membership in accordance with the provisions of any applicable law in the Kingdom of Saudi Arabia. <p>If the position of a member of the Board of Directors becomes vacant during the year, the Board may appoint another member to fill the vacant position, provided that this appointment is presented to the first meeting of the Ordinary General Assembly for approval. The appointed member shall complete the term of his predecessor.</p> <p>If the number of members of the Board of Directors falls below the quorum required for the validity of its meetings, the Ordinary General Assembly shall be convened as soon as possible to appoint the necessary number of members.</p>
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Board of Directors and Sub-Committee Remuneration Regulations	
Board of Directors and Sub-Committee Remuneration Regulations (After Amendment)	Board of Directors and Sub-Committee Remuneration Regulations (Before Amendment)
<p>Remuneration Policy:</p> <p>The Remuneration Policy must consider the following:</p> <ul style="list-style-type: none"> • Its alignment with the Company's strategy and objectives. • Remuneration should be provided to encourage Board members and Executive management to contribute to the Company's long-term success and development. Executive management remuneration may include a variable portion linked to long-term performance. • Executive management remuneration should be determined based on the position's level, duties and responsibilities, academic qualifications, skills, and performance level. <p>Remuneration should be consistent with the size, nature, and degree of risk within the company, considering the practices of similar companies in determining remuneration.</p> <p>Remuneration should be aimed at attracting, retaining, and motivating professional talent, while avoiding exaggeration to avoid unjustified increases in remuneration and compensation.</p> <ul style="list-style-type: none"> • Remuneration will be suspended or reclaimed if it is determined to be based on inaccurate information provided by a member of the Board of Directors or Executive Management, to prevent abuse of their position to obtain an undue bonus. • Regulating the granting of shares in the company to members of the Board of Directors and Executive Management, whether newly issued or shares purchased by the company, shall be regulated in accordance with the policy determined by the company and approved by the General Assembly. • Remuneration of members of the Board of Directors and committees may vary in amount, considering the member's experience, expertise, assigned duties, and the number of meetings attended. <p>The remuneration of independent members of the Board of Directors may not be a percentage of the company's profits or be based, directly or indirectly, on the company's profitability.</p>	<p>Remuneration Policy (paragraph rephrased)</p> <p>The following policies shall be observed when disbursing remuneration, and the reasons for any deviation from this policy shall be stated in the annual report.</p> <p>Board of Directors Remuneration:</p> <p>Article 19 of the Company's Articles of Association and the Ayyan Investment Company Governance Regulations, as well as any future amendments thereto, stipulate the remuneration of Board of Directors members as follows:</p> <p>Members of the Company's Board of Directors shall be paid a lump sum of one hundred and fifty thousand riyals per member for the fiscal year for their services. This remuneration shall be paid in accordance with the regulations and controls issued in this regard. This remuneration shall also include an attendance allowance of three thousand riyals per meeting for each member of the Board of Directors, including the attendance allowance for the Board Secretary.</p> <p>A lump sum of fifty thousand riyals is paid to each member participating in a committee, with a maximum of seventy thousand riyals if the member is a member of more than one committee. This remuneration is proportional to the number of meetings attended by the member. This remuneration is also paid in the amount of three thousand riyals per member for each meeting of each committee. The remuneration includes the attendance allowance for the committee secretary.</p>

<ul style="list-style-type: none"> • Remuneration shall be as follows: <ul style="list-style-type: none"> A. Fair and commensurate with the members' duties, the work and responsibilities undertaken and borne by the Board members, as well as the objectives set by the Board of Directors to be achieved during the fiscal year. B. Remuneration shall be based on the recommendation of the Nominations and Remuneration Committee. C. Remuneration should be commensurate with the company's activity and the skills required to manage it, considering the sector in which the company operates, its size, and the experience of the Board members. It should be reasonably sufficient to attract Board members with appropriate competence and experience. • Board members may not vote on the remuneration item at the General Assembly meeting. • If the General Assembly decides to terminate the membership of a Board member who has been absent for three consecutive or five separate Board meetings during their term of membership without a valid excuse acceptable to the Board, that member will not be entitled to any remuneration for the period following the last meeting they attended and must return all remuneration paid to them for that period. • If the Audit Committee or the Capital Market Authority finds that the remuneration paid to any Board member was based on incorrect or misleading information presented to the General Assembly or included in the Board of Directors' annual report, the remuneration must be returned to the company, and the company has the right to demand its refund. <p>1) Board and Committee Members' Remuneration:</p> <p>Board of Directors' Remuneration:</p> <ul style="list-style-type: none"> • The Member of the Board of Directors shall be paid an annual lump sum remuneration of Three hundred and fifty thousand (SR.350,000) Saudi Riyals for each member for the fiscal year. • The Chairman of the Board of Directors shall be paid an additional lump sum annual remuneration of One hundred thousand (SR.100,000) Saudi Riyals for chairing the Board for the fiscal year. • An attendance allowance of Five thousand (SR.5,000) Saudi Riyals shall be paid to each Member and the Secretary of the Board for each meeting. • The Company shall reimburse the Chairman, Members, and Secretary of the Board and Committees the actual expenses they incur in attending meetings, including travel 	<p>Members of the Board of Directors are paid a remuneration of 10% of net profits after deducting the reserves determined by the General Assembly and after distributing a profit to shareholders of no less than 5% of the company's paid-up capital. In all cases, the total amount of financial or in-kind rewards and benefits received by a member of the Board of Directors shall not exceed five hundred thousand riyals, within the limits stipulated in the Companies Law or any other complementary regulations, decisions or instructions. The Board of Directors' report to the Ordinary General Assembly shall include a comprehensive statement of everything received by the members of the Board of Directors during the fiscal year in terms of salaries, share of profits, attendance allowance, expenses and other benefits. The aforementioned report shall also include a statement of what was disbursed to the members of the Board of Directors in their capacity as employees or administrators, or what they spent in exchange for technical, management or consulting work previously approved by the company's General Assembly.</p> <p>Executive Management Remuneration:</p> <ul style="list-style-type: none"> • With regard to the executive remuneration policy, the Nominations Committee reviews the executive remuneration regulations and submits a recommendation at the end of each fiscal year regarding the disbursement and amounts of these remunerations. • The remuneration specified in the contracts of some senior executives, which stipulate that these remunerations are disbursed on their due dates, is considered. <p>Disclosure of Remuneration Policy:</p> <ul style="list-style-type: none"> • The company must disclose that the disbursement of bonuses was based on a decision by the Board of Directors, in accordance with the
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and accommodation expenses, or a lump sum of One thousand five hundred (SR.1,500) Saudi Riyals shall be paid to each Member attending the meeting as compensation for accommodation, meals, and transportation expenses.

Committee Remuneration:

- Committee Members shall be paid an annual remuneration of (SR.100,000) One hundred thousand Saudi riyals for each participating Member of the Committee for the fiscal year, with the entitlement to this bonus being proportional to the number of sessions attended by the member, in addition to an attendance allowance of (SR.3,000) Three thousand Saudi riyals for each member for each session for each committee, including the attendance allowance for the committee secretary.

Executive Management Remuneration:

The Nominations and Remuneration Committee reviews the Executive staff remuneration policy and regulations and submits recommendations at the end of each fiscal year regarding the remuneration and its amounts to the Board of Directors for approval.

The remuneration specified in the executive staff contracts and their due dates are considered.

Disclosure of Remuneration Policy:

- The company must disclose that the remuneration was paid based on a decision by the Board of Directors based on the recommendations of the Nominations and Remuneration Committee.
- The company must disclose its internal policy regarding the remuneration of Board members and executives in the Annual Board of Directors report.
- Any deviation between the internal remuneration policies and the remuneration paid must be disclosed, along with a statement of the reasons for such deviation.

All necessary details regarding the remuneration and compensation paid must be included in accordance with the requirements of the Capital Market Authority.

Final Provisions:

The provisions of these regulations shall be effective and binding upon the Company from the date of their approval by the General Assembly of Shareholders. The content of these regulations shall be reviewed as necessary based on the Board's recommendation, and such amendments are submitted to the General Assembly of Shareholders for approval at its next meeting.

recommendations of the Nominations and Remuneration Committee.

- The company must disclose its internal policy regarding the remuneration of board members and executives in the annual Board of Directors report. Disclosure must include all benefits, whether financial or in-kind. If the in-kind benefits are in the form of company stock grants, the market value on the vesting date shall be used as the disclosure value.
- Any deviation between the internal remuneration policies and the remuneration paid must be disclosed, along with the reasons for such deviation.
- All necessary details regarding the remuneration and compensation paid must be included in accordance with the tables approved by the Authority.

<u>Nominations and Remuneration Committee Policy</u>	
<u>Nominations and Remuneration Committee Policy</u> <u>(After Amendment)</u>	<u>Nomination and Remuneration Committee Policy</u> <u>(Before Amendment)</u>
<p>General Introduction</p> <ul style="list-style-type: none"> • The Company's Nominations and Remuneration Committee Charter has been prepared in accordance with the requirements of the Corporate Governance Regulations, the Companies Law, and the Company's Articles of Association. • This Charter specifies the duties and powers of the Nominations and Remuneration Committee (referred to as the "Committee"), the rights and obligations of its members, the method of their selection and remuneration, the rules governing the termination of its members' services, and the procedures related to its meetings. • The Nominations and Remuneration Committee is formed by the Board of Directors to ensure effective management of nominations to the Board of Directors and Board Committees as required, as well as to review the effectiveness of the Board of Directors on an annual basis. • This Charter is approved by the General Assembly and includes the operating procedures and duties of the Nominations and Remuneration Committee, the rules for selecting its members, their term of office, and their remuneration. • The Committee conducts its work and makes appropriate recommendations in accordance with its powers. It submits these recommendations to the Board of Directors for appropriate decision-making. • Committee members are fully committed to the confidentiality policy of information they become aware of in the course of their work on the committee and to the immediate disclosure of any conflict of interest that may arise during their work. • The committee is accountable to the Board of Directors for its work, without prejudice to the Board's responsibility for such work and for the powers and authorities it has delegated to the committee. • The committee Chairman or his representative must attend the General Assembly to answer shareholders' inquiries. • The company has merged the Nominations Committee and the Remuneration Committee into a single committee in accordance with paragraph seven of Article 47 of the Corporate Governance Regulations. The company considered all the 	<p>General Introduction</p> <ul style="list-style-type: none"> • The Nominations and Remuneration Committee Regulations for Ayyan Investment Company, a Saudi joint stock company, have been prepared in accordance with the requirements of the Saudi Corporate Governance Regulations issued by the Capital Market Authority, the Companies Law, and the Company's Articles of Association. • These Regulations define the duties and powers of the Nominations and Remuneration Committee (referred to as the "Committee"), the rights and obligations of its members, the method of their selection and remuneration, the rules governing the termination of its members' services, and the procedures related to its meetings. • The Nominations and Remuneration Committee is formed by the Board of Directors to ensure effective management of nominations to the Board of Directors and Board Committees as required, and to ensure an annual review of the effectiveness of the Board of Directors. • These Regulations are approved by the General Assembly and include the work of the Nominations and Remuneration Committee, the controls and procedures governing the Committee's work, its duties, the rules for selecting its members, their term of office, and their remuneration. • All proposals submitted by the Committee are recommendations that are presented to the Board of Directors for appropriate decision. • Committee members are fully committed to the confidentiality policy of information they become aware of in the course of their work on the committee and to the immediate disclosure of any conflict of interest that may arise during their work. • The committee is accountable to the Board of Directors for its actions, without prejudice to the Board's responsibility for such actions and for the powers and authorities delegated to them. • The committee chairman must attend the general assembly to respond to shareholders' inquiries. • The company has merged the Nominations Committee and the Remuneration Committee into a single committee. The company has considered all the responsibilities assigned to the two committees when preparing these bylaws. <p>Formation</p>

<p>powers assigned to the two committees when preparing these regulations.</p> <p>Formation</p> <ol style="list-style-type: none"> 1) The committee shall be formed by a decision of the Board of Directors, and shall include non-executive or independent members of the Board of Directors, provided that the number of members is not less than three (3) and not more than five (5). 2) At least one member of the committee must be independent. 3) The committee chairperson shall be appointed by a decision issued by the Board of Directors and documented in the minutes of the Board meeting at which the committee chairperson was nominated. The committee Chairperson must be an independent member. 4) The committee's term shall be three (3) years, not exceeding the term of the Board of Directors. 5) In the event of a vacancy in a committee position, the Board of Directors shall appoint a replacement member and notify the Authority of any changes within five business days of the change. 6) A committee member has the right to resign, and must submit the resignation request to the Board of Directors one month prior to the date of the resignation. 7) Only committee members may attend committee meetings. The committee may invite any of the company's executive officers or employees, and advisors or others may be invited to attend meetings in accordance with the regulations and as needed. <p>Conditions for Selecting Committee members:</p> <ol style="list-style-type: none"> 1) Possess sufficient knowledge and experience to perform the committee's duties. 2) Be fully legally competent. 3) The candidate must have the practical experience and academic qualifications appropriate to support the company's journey toward optimal performance and the achievement of its strategy. 4) Preference will be given to candidates who have previously served on the Nominations and Remuneration Committee of a joint-stock or listed company. 	<ol style="list-style-type: none"> 1. The committee shall be formed by a decision of the Board of Directors, provided that it consists of non-executive members of the company's Board of Directors for a period of three (3) years. The number of members shall not be less than three (3) and not more than five (5). 2. At least one member of the committee must be independent. 3. The committee chairperson shall be appointed by a decision issued by the Board of Directors and documented in the minutes of the Board meeting at which the committee chairperson was nominated. 4. The committee's term shall be three years, and the term of the board member participating in the committee's membership shall be linked to their term of membership on the board. 5. In the event that a vacancy occurs on the committee during the membership period, the Board of directors shall appoint another member to fill the vacancy, notifying the Authority of the change within five business days. 6. Committee members have the right to resign, and the resignation must be submitted to the Board of directors one month prior to the commencement of the resignation. 7. Only committee members may attend committee meetings. The Committee may invite any Director, other officers or executives of the Company, employees or other professional advisors to attend meetings as appropriate and as needed. <p>Selection of Committee Members:</p> <ol style="list-style-type: none"> 1. Possess sufficient knowledge and experience. 2. Be fully qualified according to Sharia law. 3. The candidate must have sufficient and appropriate practical and academic experience that will contribute to supporting the company's path to optimal performance and achieving its strategy. 4. Preference will be given to those who have previously served on the Nominations and Remuneration Committee of a joint-stock company listed on the market. <p>Termination of Membership</p> <ol style="list-style-type: none"> 1. Membership on the committee ends at the end of the appointment term. A committee member may resign, provided that the resignation request is submitted in writing
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Termination of Membership

- 1) Membership of the Committee shall terminate at the end of its term.
- 2) The Board may dismiss any member of the Committee by a resolution approved by a majority vote of the Board in the following cases:
 - If the member fails to perform his duties in a manner detrimental to the Company's interests.
 - If he fails to attend more than three or five separate meetings without an excuse acceptable to the Chairman of the Committee.
 - If his continued membership in the Committee conflicts with any applicable laws, decisions, or instructions in the Kingdom.
 - If the Board deems it appropriate to replace the member based on acceptable justifications.
- 3) The dismissal and termination of any member shall be immediate in the following cases:
 - Death
 - Bankruptcy or insolvency judgment
 - Mental illness
 - Commitment of any act deemed a breach of trust or morals
 - Conviction of forgery
- 4) Any change in the Committee's membership must be notified to the Authority within five business days.

Committee Duties and Responsibilities:

The following is a description of the committee's duties, based on its mandate:

First: Regarding Nominations, the committee shall:

- a. Propose clear policies and criteria for membership in the Board of Directors:
 - Recommend to the Board of Directors the opening of nominations for Board membership in accordance with regulatory procedures.
 - Publish the nomination announcement on the company's website, the Market's website, and any other means determined by the Authority, to invite persons wishing to run for Board membership. Nominations shall remain open for at least one month from the date of the announcement.
 - Review nomination applications for Board membership and document all relevant observations and recommendations, considering the provisions of these regulations and the

one month prior to the effective date of the resignation, to enable the Board to select a replacement member.

2. The Board may dismiss any committee member by a decision of the Board in the following cases, provided that the dismissal is approved by a majority vote of the Board members:
 - If the member fails to perform his duties in a manner detrimental to the company's interests.
 - If he fails to attend more than three consecutive meetings without an excuse acceptable to the committee chairman.
 - If his continued membership in the committee conflicts with any applicable laws, decisions, or instructions in the Kingdom.
 - In other cases, the Board deems it appropriate to replace the member for acceptable reasons.
3. Any member's membership shall be immediately dismissed and terminated in the following cases:
 - Death
 - Bankruptcy or insolvency
 - Mental illness
 - Committing any act deemed a breach of trust or morals
 - Conviction of forgery
4. Any change in committee membership must be reported to the Authority within five business days.

Committee Duties and Responsibilities (paragraph rephrased)

1. The Committee shall review the remuneration policy to assess its effectiveness in achieving the objectives for which it was established.
2. The Committee shall annually recommend remuneration for members of the Board of Directors and the Executive Management, considering the remuneration policy attached to these Bylaws and stating any reasons for deviation from this policy.
3. Subject to any instructions issued by the Board of Directors, the Remuneration and Nominations Committee shall exercise all powers delegated to it by the Board of Directors.
4. The Committee shall exercise all powers granted to it to fulfill its duties towards its shareholders.
5. The Committee is responsible for nominating members for the Board of Directors.

<p>governance regulations issued by the Capital Market Authority.</p> <ul style="list-style-type: none"> • Recommend to the Board the approval of the list of candidates for Board membership. • Provide shareholders with sufficient information about the candidates for Board membership, their qualifications, and their relationships with the Company before voting on their selection. • Establishing a succession policy and procedures for the CEO and senior management, monitoring the implementation of their succession plans and procedures, and establishing special procedures in the event of a vacancy in the membership of a Board member. <p>b. Annually verifying the independence of independent Board members and the absence of any conflict of interest if the member serves on the Board of another company.</p> <p>c. Annually reviewing the structure of the Board of directors and the necessary skills and experience for Board membership.</p> <p>d. Identifying the strengths and weaknesses of the Board of directors and proposing solutions to address them in line with the company's interests.</p> <p>e. Reviewing the structure of the Board of directors, the company's organizational structure, and the necessary expertise of the executive management, and making recommendations to the Board regarding possible changes.</p> <p>f. Reviewing and approving the job descriptions of the executive management.</p> <p>g. Developing job descriptions for the executive, non-executive, and independent Board members and senior executives of the company.</p> <p>h. Establishing special procedures in the event of a vacancy in the membership of a Board member or senior executive of the company.</p> <p>Second: Regarding Remuneration, the committee is responsible for the following:</p> <p>A. Preparing a clear policy for the remuneration of members of the Board of Directors and its committees and submitting it to the Board of Directors for approval by the General Assembly. This policy must adhere to performance-related criteria.</p>	<p>The Executive Directors shall:</p> <ul style="list-style-type: none"> • Review nomination applications for Board membership and document all relevant observations and recommendations, considering the provisions of these Bylaws when nominating a member and the provisions of the Governance Regulations issued by the Capital Market Authority. The Assembly shall consider the recommendations of the Nominations and Remuneration Committee. • Recommend to the Board of Directors the opening of nominations for Board membership, as well as recommendations regarding the candidates for membership. • Provide shareholders with sufficient information about the candidates, their qualifications, and their relationships with the company before voting on their selection. • The company shall publish the nomination announcement on the company's website, the market's website, and any other means determined by the Authority, to invite persons wishing to nominate themselves for Board membership. Nominations shall remain open for at least one month from the date of the announcement. • Each shareholder in the company has the right to nominate themselves or another person for Board membership in accordance with the provisions of the Companies Law and its Implementing Regulations. • Establish special procedures in the event that a Board member or senior executive becomes vacant. • Proposing clear policies and standards for membership on the Board of Directors, in accordance with the policy attached to these bylaws. • Recommending to the Board of Directors the nomination and re-nomination of members in accordance with the policies and standards, taking care not to nominate anyone previously convicted of a crime involving moral turpitude. • Determining the time a member must devote to Board work. <p>6. The Committee is responsible for the Board of Directors and the Executive Directors as follows:</p> <ul style="list-style-type: none"> • Reviewing the structure of the Board of Directors and making recommendations regarding possible changes. • Annually reviewing the skill requirements for Board and committee membership, preparing a description of the capabilities and qualifications required for membership of the Board and its committees, and determining the time each
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<p>B. Preparing criteria and recommending remuneration for the company's employees and executive management for approval by the Board.</p> <p>C. Disclosing this policy and verifying its implementation.</p> <p>D. Clarifying the relationship between the remuneration granted and the applicable remuneration policy, and identifying any material deviation from this policy.</p> <p>E. Periodically reviewing the remuneration policy and assessing its effectiveness in achieving its objectives.</p> <p>F. Recommending to the Board of Directors the remuneration of members of the Board of Directors, its committees, and the company's senior executives in accordance with the approved policy.</p> <p>G. Evaluating the performance of the CEO, proposing an annual increase or any adjustment to his salary, and recommending this to the Board of Directors.</p> <p>H. The Board of Directors' report submitted to the Ordinary General Assembly must include a detailed statement of all amounts received by Board members or entitled to receive during the fiscal year in the form of bonuses, allowances, expenses, or any other benefits. The report also includes a statement of the amounts received by Board members in their capacity as employees or executives, or in exchange for technical, administrative, or consulting services, as well as a statement of the number of Board meetings and the number of meetings attended by each member since the date of the last Ordinary General Assembly meeting.</p> <p>i. Recommending remuneration to the Executive management, including the CEO, for approval by the Board of Directors.</p> <p>Remuneration Policy:</p> <p>The Remuneration Policy must consider the following:</p> <ul style="list-style-type: none"> • Its alignment with the Company's strategy and objectives. • Remuneration should be provided to encourage Board members and Executive management to contribute to the Company's long-term success and development. Executive management remuneration may include a variable portion linked to long-term performance. 	<p>member should devote to the work of the Board and/or its committees.</p> <ul style="list-style-type: none"> • Annually assessing the structure and composition of the Board and its committees, identifying weaknesses in the Board, and proposing steps to address them. • Annually evaluating the Board as a whole and each member individually based on specific criteria. The Board may seek the assistance of a specialized entity to evaluate the Board's performance every three years. • Annually ensuring the independence of independent members and the absence of conflicts of interest if the member is a member of other companies. • Ensuring that Board members do not simultaneously serve on the boards of more than five listed joint-stock companies. • Recommending the appointment and dismissal of senior management members. • Developing a succession policy and procedures for the CEO and senior management, monitoring the implementation of their succession plans and procedures, and establishing special procedures in the event of a vacancy in a Board member's position. • Developing job descriptions for executive, non-executive, independent, and senior executive members. • Identifying the strengths and weaknesses of the Board of Directors and proposing solutions to address them in a manner consistent with the company's interests. <p>7. The Committee is responsible for the remuneration of members of the Board of Directors, its committees, and executive directors, as follows:</p> <ul style="list-style-type: none"> • Establishing a clear policy for compensation, rewards, and incentives for members of the Board of Directors, its committees, and the company's executive directors, submitting it to the Board of Directors for approval by the General Assembly. This policy ensures that the efforts of each member of the Board of Directors and the executive director are organized in implementing the company's strategic objectives, using performance-related criteria, and ensuring that the committee evaluates their professional performance against the objectives set by the Board of Directors and discloses them. • Establishing remuneration criteria for members and the Chairman of the Board of Directors that enable the company to achieve outstanding performance with the goal of long-
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<ul style="list-style-type: none"> Executive management remuneration should be determined based on the position's level, duties and responsibilities, academic qualifications, skills, and performance level. <p>Remuneration should be consistent with the size, nature, and degree of risk within the company, considering the practices of similar companies in determining remuneration.</p> <p>Remuneration should be aimed at attracting, retaining, and motivating professional talent, while avoiding exaggeration to avoid unjustified increases in remuneration and compensation.</p> <ul style="list-style-type: none"> Remuneration will be suspended or reclaimed if it is determined to be based on inaccurate information provided by a member of the Board of Directors or Executive Management, to prevent abuse of their position to obtain an undue bonus. Regulating the granting of shares in the company to members of the Board of Directors and Executive Management, whether newly issued or shares purchased by the company, shall be regulated in accordance with the policy determined by the company and approved by the General Assembly. Remuneration of members of the Board of Directors and committees may vary in amount, considering the member's experience, expertise, assigned duties, and the number of meetings attended. <p>The remuneration of independent members of the Board of Directors may not be a percentage of the company's profits or be based, directly or indirectly, on the company's profitability.</p> <ul style="list-style-type: none"> Remuneration shall be as follows: <ol style="list-style-type: none"> Fair and commensurate with the members' duties, the work and responsibilities undertaken and borne by the Board members, as well as the objectives set by the Board of Directors to be achieved during the fiscal year. Remuneration shall be based on the recommendation of the Nominations and Remuneration Committee. Remuneration should be commensurate with the company's activity and the skills required to manage it, considering the sector in which the company operates, its size, and the experience of the Board members. It should be reasonably sufficient to attract Board members with appropriate competence and experience. <ul style="list-style-type: none"> Board members may not vote on the remuneration item at the General Assembly meeting. 	<p>term growth without compromising the independence of the members.</p> <ul style="list-style-type: none"> Continuously reviewing the appropriateness of the company's remuneration criteria against the company's performance, financial position, and fundamental trends in the labor market. Ensuring that the company's remuneration policy does not lead to unjustified risk-taking. • Monitoring the implementation of decisions taken by the General Assembly of Shareholders regarding remuneration for Board members and senior executives, and the manner in which such remuneration is disclosed in the Board of Directors' annual report. The committee regulates the granting of free shares to Board members and executive management. Periodically reviewing the remuneration policy and assessing its effectiveness in achieving its desired objectives. <p>Remuneration Policy (paragraph rephrased)</p> <p>The following policies shall be observed when disbursing bonuses, and the reasons for any deviation from this policy shall be stated and disclosed in the annual report.</p> <p>Board of Directors' Remuneration:</p> <p>Article 19 of the Company's Articles of Association and the Governance Regulations of Ayan Investment Company, as well as any future amendments thereto, stipulate the following:</p>
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- If the General Assembly decides to terminate the membership of a Board member who has been absent for three consecutive or five separate Board meetings during their term of membership without a valid excuse acceptable to the Board, that member will not be entitled to any remuneration for the period following the last meeting they attended and must return all remuneration paid to them for that period.
- If the Audit Committee or the Capital Market Authority finds that the remuneration paid to any Board member was based on incorrect or misleading information presented to the General Assembly or included in the Board of Directors' annual report, the remuneration must be returned to the company, and the company has the right to demand its refund.

1) Board and Committee Members' Remuneration:

Board of Directors' Remuneration:

- The Member of the Board of Directors shall be paid an annual lump sum remuneration of Three hundred and fifty thousand (SR.350,000) Saudi Riyals for each member for the fiscal year.
- The Chairman of the Board of Directors shall be paid an additional lump sum annual remuneration of One hundred thousand (SR.100,000) Saudi Riyals for chairing the Board for the fiscal year.
- An attendance allowance of Five thousand (SR.5,000) Saudi Riyals shall be paid to each Member and the Secretary of the Board for each meeting.
- The Company shall reimburse the Chairman, Members, and Secretary of the Board and Committees the actual expenses they incur in attending meetings, including travel and accommodation expenses, or a lump sum of One thousand five hundred (SR.1,500) Saudi Riyals shall be paid to each Member attending the meeting as compensation for accommodation, meals, and transportation expenses.

Committee Remuneration:

- Committee Members shall be paid an annual remuneration of (SR.100,000) One hundred thousand Saudi riyals for each participating Member of the Committee for the fiscal year, with the entitlement to this bonus being proportional to the number of sessions attended by the member, in addition to an attendance allowance of (SR.3,000) Three thousand Saudi riyals for each member for

Members of the Company's Board of Directors shall be paid a lump sum of one hundred and fifty thousand riyals per member for the fiscal year for their services. This remuneration shall be payable in accordance with the relevant regulations and controls. This remuneration shall also be paid in the amount of three thousand riyals per meeting for each member of the Board of Directors, including the attendance allowance for the Board Secretary.

A lump sum of fifty thousand riyals shall be paid to each member participating in a committee, with a maximum of seventy thousand riyals if the member is a member of more than one committee. This remuneration shall be proportional to the number of meetings attended by the member. This remuneration shall also be paid in the amount of three thousand riyals per meeting for each committee, including the attendance allowance for the committee secretary. Members of the Board of Directors shall be paid a bonus of 10% of net profits after deducting the reserves determined by the General Assembly and after distributing a profit to shareholders of no less than 5% of the company's paid-up capital. In all cases, the total remuneration and financial or in-kind benefits received by a member of the Board of Directors shall not exceed five hundred thousand riyals, within the limits stipulated in the Companies Law or any other supplementary regulations, decisions, or instructions. The Board of Directors' report to the Ordinary General Assembly shall include a comprehensive statement of all salaries, profit shares, attendance allowances, expenses, and other benefits received by the members of the Board of Directors during the fiscal year. The aforementioned report shall also include a statement of what was disbursed to members of the Board of Directors as employees or administrators, or what they spent for technical, management, or consulting work previously approved by the company's General Assembly.

Executive Management Remuneration:

- Regarding the executive remuneration policy, the Nominations Committee reviews the executive remuneration regulations and submits a recommendation at the end of each fiscal year regarding the disbursement and amounts of these remunerations.
- The remuneration specified in the contracts of some senior executives, which stipulate that these remunerations are disbursed on their due dates, is considered.

Disclosure of Remuneration Policy:

- The company must disclose that the disbursement of bonuses was based on a decision by the Board of Directors, in accordance with the recommendations of the Nominations and Remuneration Committee.

<p>each session for each committee, including the attendance allowance for the committee secretary.</p> <p>Executive Management Remuneration:</p> <p>The Nominations and Remuneration Committee reviews the Executive staff remuneration policy and regulations and submits recommendations at the end of each fiscal year regarding the remuneration and its amounts to the Board of Directors for approval.</p> <p>The remuneration specified in the executive staff contracts and their due dates are considered.</p> <p>Disclosure of Remuneration Policy:</p> <ul style="list-style-type: none"> • The company must disclose that the remuneration was paid based on a decision by the Board of Directors based on the recommendations of the Nominations and Remuneration Committee. • The company must disclose its internal policy regarding the remuneration of Board members and executives in the Annual Board of Directors report. • Any deviation between the internal remuneration policies and the remuneration paid must be disclosed, along with a statement of the reasons for such deviation. <p>All necessary details regarding the remuneration and compensation paid must be included in accordance with the requirements of the Capital Market Authority.</p> <p>Committee Powers</p> <ol style="list-style-type: none"> 1) Request documents, reports, clarifications, and information from the company's executives and employees without any restrictions. 2) Invite Board members, committee members, executives, and employees of the company, when necessary, to attend its meetings to answer questions posed by the committee. 3) Seek the services of experts and consultants from outside the company to provide opinions and advice on topics under discussion. 4) Perform other tasks requested by the Board of directors that fall within the committee's authority. 5) The committee shall conduct an annual review and evaluation of its bylaws to ensure it is fulfilling its duties and submit recommendations to the Board of directors regarding amendments thereto. 	<ul style="list-style-type: none"> • The company must disclose its internal policy regarding the remuneration of Board members and executives in the annual Board of Directors report. Disclosure must include all benefits, whether financial or in-kind. If the in-kind benefits are in the form of company stock grants, the market value on the vesting date shall be used as the disclosure value. • Any deviation between the internal remuneration policies and the remuneration paid must be disclosed, along with the reasons for such deviation. • All necessary details regarding the remuneration and compensation paid must be included in accordance with the tables approved by the Authority. <p>Committee Powers</p> <ol style="list-style-type: none"> 1. Request documents, reports, clarifications, and other appropriate information from the company's officials, executives, and employees without any restrictions. 2. Invite Board members, committee members, and company officials, executives, and employees to attend its meetings to answer inquiries posed by the committee. 3. Seek the services of experts and consultants from outside the company to provide opinions and advice on matters presented to them. 4. Perform other services requested by the Board of directors that fall within the committee's authority. 5. The committee conducts an annual review and evaluation of its bylaws to ensure it is fulfilling its duties and submits recommendations to the Board of directors regarding amendments thereto. <p>Committee Meetings</p> <ol style="list-style-type: none"> 1. Committee meetings shall be held if half of the members are present. 2. The Committee shall hold at least two (2) meetings per year. 3. The Committee shall invite whomever it deems appropriate to attend its meetings, whether from within or outside the Company. 4. The Committee Chairman shall set the meeting date and determine the agenda items. The Committee Secretary shall send the meeting agenda and any other documents related to the agenda items five business days prior to the meeting to enable members to review and prepare for the meeting.
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<p>Committee Meetings</p> <ol style="list-style-type: none"> 1) A committee meeting shall be convened if at least half of the members are present. 2) The committee shall hold at least two (2) meetings per year. 3) The committee Chairman shall set the meeting date and agenda items, and the committee secretary shall send the meeting agenda and any other documents related to the agenda items five business days prior to the meeting to enable members to review and prepare for the meeting. 4) Committee meetings may be held by any technological means. 5) The committee Chairman shall call a meeting whenever any of the following occurs: <ul style="list-style-type: none"> • If requested by the Chairman of the Board of directors. • If requested by two committee members. 6) Committee recommendations shall be adopted by a majority vote of the members present at the meeting. If the votes are equal, the committee Chairman's vote shall be decisive, provided that the committee secretary records the opinion of the other party in the minutes of the meeting. 7) Voting on committee recommendations may not be done by proxy or on behalf of a member. 8) A member of the Committee who has a direct or indirect interest in any matter or proposal presented to the Committee must inform the Committee of the nature of his interest in the matter presented, and he must refrain from participating in the deliberations and voting in relation to the matter, and this shall be done without excluding him from the number required for the validity of the meeting. <p>Committee Secretary</p> <p>The committee appoints a Secretary to oversee administrative tasks, prepare the meeting agenda, and record minutes of its meetings.</p> <p>The committee Secretary documents committee meetings as follows:</p> <ol style="list-style-type: none"> 1. During the meeting, the committee secretary records the most important discussions and summarizes the decisions or recommendations agreed upon by the members. 	<ol style="list-style-type: none"> 5. Committee meetings may be held by any means of technology, allowing members to participate in discussions even if they are not all present at the same location. For the purpose of quorum, a member who is not physically present but participates via technology shall be deemed present. 6. The Committee Chairman shall call a meeting whenever any of the following occurs: <ul style="list-style-type: none"> • If requested by the Chairman of the Board of Directors. • If requested by two members of the Committee. 7. The committee's recommendations shall be adopted by a majority vote of the members present at the meeting. If the votes are equal, the committee chairperson's vote shall be decisive, provided that the committee secretary records the other party's opinion in the minutes of the meeting. 8. Voting on committee recommendations may not be done on behalf of, or by proxy for, a member. 9. Any committee member who has a direct or indirect interest in any matter or proposal presented to the committee must inform the committee of the nature of their interest in the matter under consideration. They must abstain from participating in the deliberations and voting on the matter, without being excluded from the number required for the validity of the meeting. <p>Committee Secretary</p> <p>The committee appoints a secretary to handle administrative tasks, prepare the meeting agenda, and record its meetings.</p> <p>The committee secretary documents committee meetings as follows:</p> <ol style="list-style-type: none"> 1. The committee secretary records the most important discussions during the meeting and, upon completion of the discussion, summarizes the recommendations reached. 2. The committee secretary prepares draft minutes for each committee meeting, including the date and place of the meeting, the names of those present, a summary of the discussions, and the text of the committee's recommendations. This minutes are then submitted to the committee chairman for approval. 3. The draft minutes are sent to all members, who are requested to provide the committee with any comments they have within one week of their submission. 4. The draft minutes are amended considering the comments received from members and are submitted to the chairman, along with the comments.
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<p>2. The committee secretary prepares the minutes of the meeting, including the date and place of the meeting, the names of those present, a summary of the discussions, and the text of the recommendations reached by the committee. The minutes are submitted to the committee Chairman for approval.</p> <p>3. The minutes are sent to all members, who are requested to provide the committee with any comments they have within one week of their submission.</p> <p>4. The minutes are amended based on comments received from members and submitted to the committee Chairman, along with the comments.</p> <p>5. The minutes are finalized and submitted to the members for signature.</p> <p>Final Provisions:</p> <p>The provisions of these regulations shall be effective and binding upon the Company from the date of their approval by the General Assembly of Shareholders. The content of these regulations shall be reviewed as necessary based on the Board's recommendation, and such amendments are submitted to the General Assembly of Shareholders for approval at its next meeting.</p>	<p>5. Based on the instructions of the committee chairman and members, the final minutes are prepared and sent to the members, signed by the committee chairman and secretary. Members are requested to provide the committee with any comments they have, if any. 6- If any substantive comments are received from members, they will be included in the agenda of the next meeting.</p> <p>7- The signed copy of the minutes shall be kept in a special file, along with all documents and correspondence related to the minutes.</p> <p>Committee Member Remuneration</p> <p>1. The Assembly shall approve a one-time policy for membership allowances and remuneration for committee members.</p> <p>2. A lump sum of fifty thousand riyals shall be paid to each member participating in a committee, with a maximum of seventy thousand riyals if the member is a member of more than one committee established by the Board of Directors.</p> <p>3. A meeting attendance allowance of three thousand (3,000) Saudi riyals shall be paid to each member and the committee secretary for each meeting.</p> <p>4. The company shall pay the Chairman, members and Secretary of the Committee the actual expenses they incur in order to attend meetings, including travel and accommodation expenses, or a lump sum of one thousand five hundred (1500) Saudi Riyals shall be paid to each member attending the meeting as compensation for housing, food, transportation and other expenses when the Committee meeting is held outside the company's headquarters.</p>
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Audit Committee Policy

<u>Audit Committee Policy (After amendment)</u>	<u>Audit Committee Policy (Before Amendment)</u>
<p>General Introduction</p> <p>The Company's Audit Committee Charter has been prepared in accordance with the requirements of the Corporate Governance Regulations, the Companies Law, and the Company's Articles of Association. This Charter specifies the duties and powers of the Audit Committee (referred to as the "Committee"), the rights and duties of its members, their selection procedures, their remuneration, the rules governing the termination of their service, and the procedures for its meetings.</p> <p>The Committee's primary function is to assist the Board of Directors in performing its oversighting duties efficiently and effectively. In particular, the Committee is responsible for ensuring the integrity of the Company's financial statements, monitoring the performance and implementation of the Company's internal control systems, ensuring the efficiency and effectiveness of these systems, verifying the implementation of internal control decisions, ensuring compliance with the laws, regulations, and instructions issued by relevant authorities, internal control, compliance, and compliance policies and procedures, and the relationship with the external auditor.</p> <p>All proposals submitted by the Committee are recommendations submitted to the Board of Directors for appropriate action.</p> <p>Committee members are fully committed to maintaining the confidentiality of information they become aware of in the course of their work and to promptly disclosing any conflicts of interest that may arise during their work. The General Assembly of the Company shall issue the Audit Committee's work regulations based on a recommendation from the Board of Directors, provided that these regulations include the controls and procedures for the Committee's work, its duties, the rules for selecting its members, the method of nominating them, the duration of their membership, their remuneration, and the mechanism for appointing its members temporarily in the event that one of the Committee's seats becomes vacant.</p> <p>Formation</p> <p>1. The committee shall be formed by a decision of the Board of Directors, whether from shareholders or others, provided that it does not include any of the executive members of the Board of Directors. The number of</p>	<p>General Introduction</p> <p>The Audit Committee Charter of Ayyan Investment Company, a Saudi joint stock company, has been prepared in accordance with the requirements of the Saudi Corporate Governance Regulations issued by the Capital Market Authority, the Companies Law, and the company's bylaws. This Charter specifies the duties and powers of the Audit Committee (referred to as the "Committee"), the rights and obligations of its members, their selection and remuneration, the rules governing the termination of their service, and the procedures for its meetings.</p> <p>The primary function of the Committee is to assist the Board of Directors in performing its oversight duties efficiently and effectively. In particular, the Committee is responsible for ensuring the integrity of the company's financial statements, monitoring the performance and implementation of the company's internal control systems, ensuring the efficiency and effectiveness of these systems, verifying the implementation of internal control decisions, ensuring compliance with the laws, regulations, and instructions issued by relevant authorities, internal control policies and procedures, compliance, and the relationship with the external auditor.</p> <p>All proposals submitted by the Committee are recommendations that are presented to the Board of Directors for appropriate decision-making. Committee members are fully committed to the confidentiality policy of information they access in the course of their work on the committee and to the prompt disclosure of any conflicts of interest that may arise during their work.</p> <p>The company's general assembly issues the audit committee's bylaws based on a recommendation from the board of directors.</p> <p>Formation</p> <p>1. The committee shall be formed by a resolution of the Ordinary General Assembly from among non-executive Board members, whether shareholders or otherwise, for a period of three (3) years. The number of members shall not be less than three (3) and not more than five (5).</p> <p>2. The committee Chairman must be an independent member.</p> <p>3. The Chairman of the board of directors may not be a member of the audit committee.</p> <p>4. Anyone who works or has worked within the past two years in the executive or financial management of the company, or any party dealing with the company and its subsidiaries,</p>

members shall not be less than three (3) and not more than five (5).

2. The committee Chairman must be an independent member.
3. The Chairman of the board of directors may not be a member of the audit committee.
4. Anyone who works, or has worked within the past two years, in the executive or financial management of the company, or with the company's auditors, or any party dealing with the company and its subsidiaries, such as auditors or major suppliers, may not be a member of the audit committee.
5. The committee members must include at least one member specialized in financial, accounting, and internal auditing matters.
6. The committee members shall be appointed in accordance with the provisions of the Corporate Governance Regulations issued by the Capital Market Authority, and the audit committee shall report to the board of directors.
7. At least one independent member must be among the committee members, **and half of the audit committee members must be independent members or members who do not meet the criteria for independence stipulated in the Corporate Governance Regulations.**

Rules for the Selection and Nomination of Committee members:

- 1) Possess sufficient knowledge and experience necessary to perform their duties related to finance, accounting, and internal auditing, and must be familiar with the relevant rules, regulations, and legislation, particularly those issued by the Authority, and with the rights and duties of the Board of Directors.
- 2) The chairpersons and members of this committee must adhere to the principles of honesty, integrity, loyalty, and care and concern for the interests of the company and shareholders, prioritizing these interests over their own personal interests.
- 3) They must be fully qualified according to Sharia law.
- 4) They must not be a Board member, manager, employee, consultant, affiliate, or representative of any of the company's related parties, including:
 - Major shareholders or founders
 - Suppliers
 - External auditors
 - The company's clients

such as auditors or major suppliers, may not be a member of the audit committee.

5. The committee members must include at least one member specialized in financial, accounting, and internal auditing matters.
6. Committee members shall be appointed in accordance with the provisions of the Governance Regulations issued by the Capital Market Authority, and the audit committee shall report to the Board of Directors.
- ~~7. Committee members may resign, and the resignation request must be submitted to the Board of Directors three months prior to the effective date of the resignation.~~
- ~~8. Only committee members and the committee secretary may attend committee meetings. The Committee may invite any director, other company officers, executives, employees, or other professional advisors to attend meetings as appropriate and necessary.~~
9. At least one independent member must be among them.

Rules for selecting committee members

1. Possess sufficient knowledge and experience to perform their duties related to finance, accounting, and internal auditing, and be familiar with the relevant rules, regulations, and legislation, particularly those issued by the Authority, and with the rights and duties of the Board of Directors.
2. The chairpersons and members of this committee must adhere to the principles of honesty, integrity, loyalty, and care and concern for the interests of the company and shareholders, prioritizing these interests over their own personal interests.
3. Have full legal capacity.
4. Must not be a board member, manager, employee, consultant, affiliate, or representative of any of the company's related parties, including:
 - Major shareholders or founders
 - Suppliers
 - External auditors
 - The company's clients
 - Legal persons with financial or commercial relationships or first-degree relatives with the company's board of directors or executive employees.
5. No member of the committee may serve concurrently for more than five listed companies.
6. The candidate must have sufficient and appropriate practical and academic experience that will contribute to supporting the company's path to optimal performance and achieving its strategy.

- Legal persons with financial or commercial relationships or first-degree relatives with the company's board of directors or executive employees.

- 5) No committee member may serve concurrently for more than five listed companies.
- 6) The candidate must have sufficient and appropriate practical and academic experience that will contribute to supporting the company's path to optimal performance and achieving its strategy.
- 7) Preference will be given to candidates who have previously served as members of the audit committee of a joint-stock company listed on the market, taking into account the absence of conflicts of interest.
- 8) The candidate must not have been convicted by the Authority or any judicial or regulatory body of a serious violation of the Companies Law or the Capital Market Law and its implementing regulations, or of a crime punishable by law involving breach of trust or integrity, or involving fraud, deception, or misrepresentation.

Nomination and Term of Audit Committee Members:

The term of the Audit Committee may not exceed the term of the Board of Directors. Membership in the Audit Committee ends upon the end of the Board's term or upon the member's resignation from the Committee. The Board of Directors may nominate Audit Committee members for additional terms.

Termination of Membership:

- 1) Membership on the Committee shall expire at the end of the term of appointment. A Committee member may resign by submitting a written resignation request to the **Board of Directors**.
- 2) The Company shall notify the Authority within five (5) days of a member's resignation, stating the reasons for the resignation and providing a copy thereof within the aforementioned period.
- 3) The Board may dismiss any Committee member by a decision of the Board in the following cases, provided that the dismissal is approved by a majority vote of the Board members:
 - If the member fails to perform his duties in a manner detrimental to the Company's interests.
 - If he fails to attend, without an excuse acceptable to the Chairman of the Committee, more than three consecutive **or five separate meetings**.
 - If a member loses any of the required conditions for membership in the committee

7. Preference will be given to candidates who have previously served as members of the audit committee of a joint-stock company listed on the market, considering the absence of conflicts of interest.

8. The candidate must not have been convicted by the Authority or any judicial or regulatory body of a serious violation of the Companies Law or the Capital Market Law and its implementing regulations, or of a crime punishable by law involving breach of trust or integrity, or involving fraud, deception, or misrepresentation.

Membership Expires

1. Membership of the committee ends upon the expiration of the appointment term. A committee member may resign, provided that the resignation request is submitted in writing one month prior to the effective date of the resignation, **to enable the board to select a replacement member**.
2. The company must notify the Authority within five days of a member's resignation, stating the reasons for the resignation and providing a copy of the resignation within the aforementioned period.
3. The Board may dismiss any member of the Committee by a decision of the Board in the following cases, provided that the dismissal is by a decision approved by a majority of the Board members:
 - If the member fails to perform his duties in a manner detrimental to the Company's interests
 - If he fails to attend more than three consecutive meetings without an excuse acceptable to the Chairman of the Committee
 - If the member loses any of the conditions required for a member of the Committee
 - If his continued membership in the Committee conflicts with any applicable laws, decisions, or instructions in the Kingdom
4. The membership of any member shall be immediately dismissed and terminated in the following cases:
 - Death
 - Bankruptcy or insolvency judgment
 - Mental illness
 - Committing any act deemed a breach of trust or morals
 - Conviction of forgery
5. If the position of a member of the Committee becomes vacant, the Board may temporarily appoint a member to fill the vacant position within a maximum period of one month from the date of the vacancy, provided that the member is experienced and competent. The Authority must also be notified within five (5) business days **from the date of the vacancy. The appointment shall be presented**

<ul style="list-style-type: none"> • If their continued membership in the committee conflicts with any applicable regulations, decisions, or instructions in the Kingdom <p>4) Any member's membership shall be immediately dismissed and terminated in the following cases:</p> <ul style="list-style-type: none"> • Death • Bankruptcy or insolvency judgment • Mental illness • Committing any act deemed a breach of trust or morals • Conviction of forgery <p>5) If a committee member's position becomes vacant, the Board may temporarily appoint a new member to fill the vacant position within a maximum period of one month from the date of the vacancy, provided that the member has the required experience and competence. The Authority must be notified within five (5) business days of the appointment, and the new member shall complete the term of their predecessor.</p> <p>6) Any change in committee membership must be notified to the Authority within five (5) business days.</p> <p>Committee Controls, Procedures, and Duties:</p> <p>The Audit Committee is responsible for monitoring the company's operations and verifying the integrity and accuracy of its financial reports, statements, and internal control systems. The committee's responsibilities include, in particular, the following:</p> <p>1. External Audit:</p> <ul style="list-style-type: none"> • Recommending to the Board of Directors the nomination and dismissal of chartered accountants (auditors), determining their fees, and evaluating their performance. This includes the committee's review of their professional competencies, confirmation of their independence, and the potential risks of conflicts of interest, as well as determining their fees and dismissing them. • Verifying the auditor's independence, objectivity, fairness, and effectiveness of the audit work, considering relevant rules and standards. Also, reviewing the scope of their work and the terms of their contracts. • Reviewing the company's auditor's plan and work, ensuring that they do not perform technical or administrative work that falls outside the scope of the audit, in accordance with the principle of independence, and providing its views on this matter. • Answering inquiries from the company's auditor. 	<p>to the Ordinary General Assembly at its first meeting, and the new member shall complete the term of his predecessor.</p> <p>6. In the event of any change in committee membership, the Authority must be notified within five business days.</p> <p>Committee's responsibilities</p> <p>The Audit Committee is responsible for monitoring the company's operations and verifying the integrity and accuracy of its financial reports, statements, and internal control systems. The committee's responsibilities include, in particular, the following:</p> <p>Regarding the role of the chartered accountant (auditor) and the preparation of financial statements and reports:</p> <ul style="list-style-type: none"> • Recommending to the Board of Directors the appointment of chartered accountants (auditors), which includes the committee's review of their professional competencies, confirmation of their independence, and the potential risks of conflicts of interest, as well as determining their fees and dismissal. • Verifying the independence, objectivity, fairness, and effectiveness of the auditor's work, considering relevant rules and standards. • Reviewing the company's auditor's plan and work, ensuring that they do not perform technical or administrative tasks that fall outside the scope of the audit, in accordance with the principle of independence, and providing its views thereon. • Answering inquiries from the company's auditor. • Studying the auditor's report and observations on the financial statements and following up on the actions taken thereon. • Regarding the compliance function, the committee performs the following: • Reviewing the results of regulatory reports and verifying that the company has taken the necessary action in this regard. • Verifying the company's compliance with relevant laws, regulations, policies, and instructions. • Reviewing contracts and transactions proposed for approval by the company with related parties and submitting its views thereon to the Board of Directors. • Submitting any matters it deems necessary to take action to the Board of Directors and issuing recommendations on the necessary actions. <p>Regarding the internal audit function, the committee performs the following:</p> <ul style="list-style-type: none"> • Studying and reviewing the company's internal and financial control systems and risk management, as well as any deficiencies in the overall structure and operation of the internal control systems. • Studying internal audit reports and following up on the implementation of corrective actions for the observations contained therein.
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- Studying the auditor's report and comments on the financial statements and following up on the actions taken thereon.

2. Guarantee of Commitment:

- Reviewing the results of regulatory reports and ensuring that the company has taken the necessary action in this regard.
- Verifying the company's compliance with relevant rules, regulations, policies, and instructions.
- Reviewing contracts and transactions proposed for approval by the company with related parties and submitting its views thereon to the Board of Directors.
- Submitting any matters it deems necessary to take action to the Board of Directors and issuing recommendations on the necessary actions.

3. Internal Audit

- Study and review the company's internal control, financial, and risk management systems, as well as any deficiencies in the overall structure and functioning of the internal control systems.
- Study internal audit reports and follow up on the implementation of corrective actions for the observations contained therein.
- General oversight and supervision of the performance and activities of the internal auditor and the internal audit department in the company, in order to verify their effectiveness in carrying out the tasks and duties assigned to them by the Board of Directors, and to verify the availability of the necessary resources and their effectiveness in performing the tasks and duties assigned to them.
- Prepare recommendations regarding the establishment of the company's internal audit department and its budget, select and appoint the director of the internal audit unit or department, and ensure the independence of the internal auditors.

4. Regarding financial reports:

- Reviewing the company's interim and annual financial statements before presenting them to the Board of Directors and making recommendations thereon to ensure their integrity, fairness, and transparency.
- Providing a technical opinion, upon the Board of Directors' request, on whether the Board of Directors' report and the company's financial statements are fair, balanced, and understandable, and include information that enables shareholders and investors to assess the

- Generally supervising the performance and activities of the internal auditor and the internal audit department in the company, to verify their effectiveness in conducting the work and tasks assigned to them by the Board of Directors.

- Preparing recommendations for establishing the company's internal audit department and its budget, selecting and appointing the director of the internal audit unit or department, and ensuring the independence of internal auditors.

Regarding Financial reports:

- Studying the draft interim quarterly financial statements before publication and presenting them to the Board of Directors, making recommendations, if necessary.

~~• Studying the draft annual financial statements before presenting them to the Board of Directors, and expressing an opinion and recommendation thereon.~~

- Expressing an opinion, upon the request of the Board of Directors, as to whether the Board of Directors' report and the company's financial statements are fair, balanced, and understandable, and include information that enables shareholders and investors to assess the company's financial position, performance, business model, and strategy.
- Studying any important or unusual issues contained in the financial reports.
- Thoroughly researching any issues raised by the company's CFO, his or her designee, the company's compliance officer, or the auditor.
- Verifying accounting estimates on material issues included in the financial reports.
- Studying the company's accounting policies and expressing an opinion and recommendation thereon to the Board of Directors.

company's financial position, performance, business model, and strategy.

- Reviewing any significant or unusual issues contained in the financial reports.
- Thoroughly investigating any issues raised by the company's CFO, his or her designee, the company's compliance officer, or the auditor.
- Verifying accounting estimates on material issues contained in the financial reports.
- Reviewing the company's accounting policies and providing an opinion and recommendation thereon to the Board of Directors.

5. Risk Management:

- Oversee and enhance the company's risk management framework.
- Identify and monitor the company's key risks, evaluate the management of those risks, and align risk management activities with the company's overall objectives and policies.
- Ensure that risks are taken within acceptable limits, considering the company's business objectives, size, workload, ratios, and short- and long-term perspectives.
- Ensure that written policies and procedures are in place and maintained to identify, measure, monitor, and control all key risks associated with the company's operations and objectives.
- Adopt risk management policies and procedures that specify appropriate decision-making stages, other controls, balances, and limits for risk management, and define risk reporting requirements from an administrative perspective.
- Receive the results of the annual review by the internal auditor regarding the implementation of the company's risk management policies and procedures, and make recommendations for changes if management deficiencies or problems with the methodologies used to measure risk arise.
- Perform administrative oversight functions in all prudential reviews and follow up on any required administrative actions taken by relevant departments. Ensure that space is included for a "big picture" analysis of future risks, considering trends.
- Critically evaluate the company's strategies and business plans from a risk management perspective.
- Examine policies related to risk assessment and management, including the major financial risks to which

the company is exposed and the steps taken by the company's management to monitor and control them.

- Periodically review key risk assessment activities.
- Consider legal claims filed against the company.
- Review the company's business continuity plan.

6. IT systems control:

- The committee must consider and review the following with management, the external auditors, and the internal auditor:
- The effectiveness or weaknesses of the company's information system controls and security.
- Any significant relevant findings and recommendations submitted by the external auditors and the internal audit unit and management's responses. This includes considering the timeline for implementing recommendations to address identified weaknesses in controls and security systems, including any significant risks related to key controls.
- The status and adequacy of management information systems and other information technologies.
- Consider coordinating audit efforts with the internal auditor and external auditors to ensure that the audit covers key system controls and risk areas related to information technology controls.

7. Regarding General matters:

- The committee must develop a mechanism that enables company employees to confidentially submit all observations contained in the financial reports regarding violations or transgressions. Committee members must conduct an independent investigation commensurate with the severity of the violation and adopt appropriate follow-up measures.
- The committee is accountable to the board of directors for its actions, without prejudice to the board's responsibility for those actions and for the powers and authorities delegated to it.
- The committee Chairman must attend the general assembly to answer shareholders' inquiries.

Committee Powers

The Committee has the following powers:

- The right to review documents, records, reports, and clarifications, and to request any clarification or

Regarding General matters:

- The committee must develop a mechanism that allows company employees to confidentially submit all observations contained in the financial reports regarding any violations or transgressions. Committee members must conduct an independent investigation commensurate with the severity of the violation.
- The committee is accountable to the board of directors for its actions, without prejudice to the board's responsibility for those actions and for the powers and authorities delegated to it.
- The committee Chairman must attend the general assembly to answer shareholders' inquiries.

Committee powers

The Committee has the following powers:

- Requesting documents, records, reports, clarifications, and other appropriate information from members of the Board of Directors, executive directors, and company officials.
- Inviting executive directors, officials, and employees of the Company to Committee meetings to answer any questions the Committee may raise.
- Requesting the Board of Directors to convene the Company's General Assembly if the Board of Directors obstructs its work or the Company suffers significant damages or losses.
- Seeking the assistance of experts, consultants, and specialists from outside the Company in the performance of its duties.

statement from the members of the Board of Directors, executive directors, and company officials.

- To invite the company's executive directors, officials, and employees to committee meetings to answer any questions the committee may raise.
- To request the Board of Directors to convene the company's general assembly if the Board of Directors obstructs its work or the company suffers significant damages or losses.
- To seek the assistance of experts, consultants, and specialists from outside the company in the performance of its duties.
- To perform any duties assigned to it by the Board of Directors within the limits of its authority.
- To review and evaluate the provisions of these bylaws and prepare recommendations to the Board of Directors regarding amendments thereto, if necessary.
- To review the quarterly reports of the Board of Directors on a regular basis, and the committee shall submit them to the Board of Directors immediately after the committee meeting.
- To propose monthly salaries, incentive bonuses, and other rewards for the internal audit manager or the internal auditor, in accordance with the company's internal regulations approved by the Board.
- The Committee shall conduct an annual review and evaluation of its bylaws and make recommendations, if necessary, to the Board of Directors regarding amendments thereto.
- They shall treat any information they may have acquired as a result of their work with strict confidentiality.
- They shall inform the Board of Directors of any developments that may affect their independence or conflicts of interest related to the decisions taken by the Committee.

Audit Committee Reports

- The Audit Committee's report must include details of its performance of its duties and responsibilities stipulated in the Corporate Governance Regulations, including its recommendations and opinion on the adequacy of the company's internal control, financial, and risk management systems.
- The Board of Directors must deposit sufficient copies of the Audit Committee's report at the company's headquarters and publish them on the company's website and the Exchange's website when the invitation to the

- Performing any duties assigned to it by the Board of Directors within the limits of its authority.
- Reviewing and evaluating the provisions of these Bylaws and preparing recommendations to the Board of Directors regarding amendments thereto, if necessary.
- Reviewing the Board of Directors' quarterly reports on a regular basis, which the Committee shall submit to the Board of Directors immediately after the Committee meeting.
- Determining the monthly salaries, incentive bonuses, and other rewards for the Director of Internal Audit, the Internal Auditor, or the Compliance and Compliance Department, in accordance with the Company's internal regulations approved by the Board.
- The committee conducts an annual review and evaluation of its bylaws and makes recommendations, if necessary, to the Board of Directors regarding amendments thereto.
- They treat information they obtain as a result of their work with strict confidentiality.
- They inform the Board of Directors of developments that affect their independence or conflicts of interest related to decisions taken by the committee.

General Assembly is issued, enabling shareholders who wish to obtain a copy. A summary of the report shall be read during the General Assembly.

C. The Audit Committee shall submit brief reports to the Board of Directors following each meeting.

D. The Internal Audit Unit or Department shall prepare a written report on its work and submit it to the Board of Directors and the Audit Committee at least quarterly. This report must include an assessment of the company's internal control system and the unit's or department's findings and recommendations, as well as a statement of the actions taken by each department to address the findings and recommendations of the previous audit, and any observations thereon, particularly in the event of non-timely action and the reasons for such action.

E. The Audit Committee shall study matters within its authority or referred to it by the Board of Directors, submit its recommendations to the Board for decision, or make decisions if authorized by the Board. However, the Board of Directors shall be responsible for these decisions.

F. The Audit Committee may seek the assistance of any experts and specialists it deems necessary from within or outside the company, within the limits of its powers, provided this is included in the minutes of the committee meeting, including the name of the expert and their relationship to the company or executive management.

G. The Chairman of the Audit Committee or his/her designated member must attend the company's general assemblies to answer shareholders' questions.

Committee Meetings

- 1) Committee meetings are held if at least half of the members are present.
- 2) For committee meetings to be valid, the presence of a majority of its members is required. Committee decisions are issued by a majority vote of those present. In the event of a tie, the side with which the meeting chairperson voted shall prevail.
- 3) The committee must hold at least four (4) meetings during the company's fiscal year.
- 4) The committee shall invite whomever it deems appropriate to attend its meetings, whether from within or outside the company.
- 5) The audit committee shall meet periodically with the company's auditor and, if applicable, with the company's internal auditor.

Committee Meetings

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2. Committee meetings shall be valid if attended by a majority of its members. Committee decisions shall be issued by a majority vote of those present. In the event of a tie, the side with which the meeting chairperson voted shall prevail.
3. The Committee shall hold at least four (4) meetings during the company's fiscal year.
4. The Committee shall invite whomever it deems appropriate to attend its meetings, whether from within or outside the company.
5. The Audit Committee shall meet periodically with the company's auditor and, if applicable, the internal auditor.
6. The Committee Chair shall set the meeting date and determine the agenda items. The Committee Secretary shall send the meeting agenda and any other documents related to the agenda items five business days prior to the meeting to enable members to review and prepare for the meeting.
7. Committee meetings may be held by any technological means, allowing members to participate in discussions even if they are not all present at the same location. For the purpose of quorum, a member who is not physically present but participates through technological means shall be deemed to be present.
8. The Committee Chairman must call a meeting whenever any of the following occurs:
 - If requested by the Chairman of the Board of Directors.
 - If requested by the Internal Audit Department.
 - If requested by the Compliance Department.
 - If requested by the External Auditor.
 - In other circumstances, to discuss, but not limited to, the following:
 - o Conflicts of Interest
 - o Codes of Professional and Ethical Conduct
 - o Financial and Accounting Matters

- 6) The committee chair shall set the meeting date and determine the agenda items. The committee secretary shall send the meeting agenda and any other documents related to the agenda items five business days prior to the meeting to enable members to review and prepare for the meeting.
- 7) Committee meetings may be held by any means of technology, by allowing its members to participate in the discussions even if they are not all present in the same place. For the purpose of quorum, a member who is not present in person but participates through technology is considered to be present.
- 8) The Committee Chairman must call for a meeting whenever any of the following occurs:
 - If requested by the Chairman of the Board of Directors.
 - If requested by the Internal Audit Department.
 - If requested by the Compliance Department.
 - If requested by the External Auditor.
 - In other cases, to discuss, but not limited to, the following:
 - A- Conflicts of Interest
 - B- Rules of Professional and Ethical Conduct
 - C- Financial and Accounting Matters
- 9) The committee's recommendations shall be issued by a majority of the votes of the members present at the meeting. If the number of votes is equal, the vote of the committee Chairman shall be decisive, provided that the committee secretary records the opinion of the other party in the minutes of the meeting. The committee may issue recommendations by voting on them by circulation.
- 10) Voting on committee recommendations may not be done on behalf of, or by proxy for, another member.
- 11) Any member of the committee who has a direct or indirect interest in any matter or proposal before the committee must inform the committee of the nature of his or her interest in the matter under consideration and must abstain from participating in the deliberations and voting on the matter, without being excluded from the number required for the validity of the meeting.

Secretary of the Committee

The committee appoints a secretary to manage administrative tasks, prepare the meeting agenda, and record its meetings. The committee secretary documents the committee meetings as follows:

9. The Committee's recommendations shall be issued by a majority vote of the members present at the meeting. If the votes are equal, the Committee Chairman's vote shall be decisive, provided that the Committee Secretary records the opinion of the other party in the minutes of the meeting. The Committee may issue recommendations by voting on them by circulation.
10. Voting on the Committee's recommendations may not be done on behalf of or by proxy for any member.
11. Every member of the Committee who has a direct or indirect interest in any matter or proposal before the Committee must inform the Committee of the nature of his interest in the matter before it, and he must abstain from participating in the deliberations and voting in relation to the matter, without being excluded from the number required for the validity of the meeting.

Secretary of the Committee

The Committee shall appoint a Secretary to manage administrative tasks, prepare the meeting agenda, and record its meetings. The Committee Secretary shall document the Committee meetings as follows:

1. The committee secretary shall record the most important discussions during the meeting and, upon completion of the discussion of any topic, shall summarize the recommendations or decisions reached.
2. The committee secretary shall prepare draft minutes for each committee meeting, including the date and place of the meeting, the names of those present, a summary of the discussions, and the texts of the recommendations and decisions reached by the committee. These minutes shall be submitted to the committee Chairman for approval.
3. The draft minutes shall be sent to all members, who shall be requested to provide the committee with any comments they may have within five days of the date of sending.
4. The draft minutes shall be amended considering the comments received from the members and submitted to the Chairman, along with the comments.
5. Based on the directions of the committee Chairman and members, the final minutes shall be prepared and sent to the members, signed by the committee Chairman and secretary.
6. Any substantive comments received from members shall be included in the agenda of the next meeting.
- 7- The signed copy of the minutes shall be kept in a special file, and all documents and correspondence related to the minutes shall be attached to it.

Meeting Minutes

1. The committee secretary shall record the minutes of the committee meetings and decisions, including the names of those present.

- 1) The committee secretary shall record the most important discussions during the meeting and, upon completion of the discussion of any topic, summarize the recommendations or decisions reached.
- 2) The committee secretary shall prepare draft minutes for each committee meeting, including the date and place of the meeting, the names of those present, a summary of the discussions, and the text of the recommendations and decisions reached by the committee. These minutes shall be submitted to the committee Chairman for approval.
- 3) The draft minutes shall be sent to all members, who shall be requested to provide the committee with any comments they may have within five days of the date of sending.
- 4) The draft minutes shall be amended considering the comments received from members and submitted to the Chairman, along with the comments.
- 5) Based on the directions of the committee Chairman and members, the final minutes shall be prepared and sent to members, signed by the committee Chairman and secretary.
- 6) Any substantive comments received from members should be included in the agenda of the next meeting.
- 7) The signed copy of the minutes shall be kept in a special file, and all documents and correspondence related to the minutes shall be attached to it.

Meeting Minutes:

- 1) The **Committee Secretary** shall record the minutes of the Committee's meetings and decisions, including the names of those present.
- 2) At the beginning of each meeting, Committee members must declare any conflict of interest, and the Secretary shall record the same.
- 3) Committee members attending the meeting shall sign the minutes of the meeting, which shall include the discussions, opinions expressed, and decisions taken by the Committee. These minutes shall be sent to the Chairman of the Board of Directors and the Board Secretary for approval and ratification by the Board of Directors.
- 4) Committee meetings shall be documented, and minutes shall be prepared, including the discussions and deliberations, committee recommendations, and voting results. These minutes shall be kept in a special, organized register, and shall include the names of the members present and their reservations, if any. These minutes shall be signed by all members present.

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Committee Members' remuneration

1. The General Assembly shall approve a one-time policy for membership allowances and remuneration for committee members.
- ~~2. A lump sum of fifty thousand Saudi riyals shall be paid to each member participating in a committee, with a maximum of seventy thousand riyals if the member is a member of more than one committee established by the Board of Directors.~~
3. A committee meeting attendance allowance of three thousand (3,000) Saudi riyals shall be paid to each member and the committee secretary for each meeting.
- ~~4. The company shall reimburse the committee Chairman, members, and secretary for the actual expenses they incur in attending meetings, including travel and accommodation expenses, or a lump sum of one thousand five hundred (1,500) Saudi riyals shall be paid to each member attending the meeting as compensation for housing, food, transportation, and other expenses when the committee meeting is held outside the company's headquarters.~~

Conflict between the Audit Committee's recommendations and the Board of Directors' decisions:

If there is a conflict between the Audit Committee's recommendations and the Board of Directors' decisions, the company must disclose the committee's recommendations and their justifications in the Board of Directors' report, as well as the reasons for not adopting them.

Committee Members' Remuneration

- 1) This paragraph has been deleted and added to a separate regulation
 (Remuneration Regulations for Board Members and Sub-Committees)

The Committee's recommendations conflict with the Board of Directors:

If there is a conflict between the Audit Committee's recommendations and the Board of Directors' decisions, or if the Board refuses to accept the Committee's recommendation regarding the appointment and dismissal of the company's auditor, determining his fees, evaluating his performance, or appointing the internal auditor, the company must disclose the Committee's recommendations and their justifications in the Board of Directors' report, as well as the reasons for not accepting them.

Final Provisions:

The provisions of these regulations shall be effective and binding upon the Company from the date of their approval by the General Assembly of Shareholders. The content of these regulations shall be reviewed as necessary based on the Board's recommendation, and such amendments are submitted to the General Assembly of Shareholders for approval at its next meeting.